

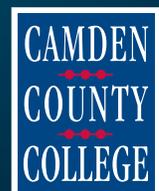
TRANSFORMATION

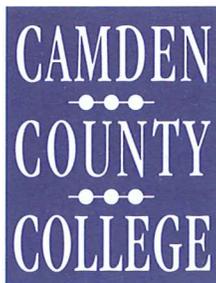


INITIATIVE

1st Quarter Report – Year 2
March 1, 2010 – May 31, 2010

Louis S. Bezich
Principal Investigator





June 16, 2010

Hon. Louis Cappelli, Jr.
Members, Camden County Board of Freeholders
520 Market Street, 15th Floor
Camden, NJ 08102-1375

**RE: Camden County Transformation Initiative
First Quarter Report – Year Two**

Dear Director Cappelli and Freeholders:

I am pleased to present Camden County Transformation Initiative's First Quarter Report for Year Two. This report reflects the period March 1, 2010 through May 31, 2010.

Actions during the quarter centered on five major areas: (1) reporting to the Freeholders and the public on first-year results, (2) highlighting the institutional strategies required to sustain structural reform, (3) implementing the follow-up actions necessary to achieve the \$12.7 million in potential savings in the six targeted areas identified in year one, (4) completing the research on the eleven remaining targeted service areas, and (5) extension of the consolidation philosophy to direct service areas.

Our efforts at public transparency continued. On March 24th we conducted a public forum where a summary of first-year results were presented. The forum produced an article published in the *Courier-Post* on March 25th. On May 2nd, the *Courier-Post* published an opinion essay I authored. And, in an editorial entitled "Local Governments Must Hold the Line," published in the *Courier-Post* on April 29th, the Camden County Transformation Initiative was cited as an example of local government reform.

Finally, consistent with our recommendation in the last quarter, the Board of Freeholders will hold its first Leadership Summit on June 24th at Camden County College. The meeting will include the Freeholders and members of the governing bodies of all of the County's affiliated organizations. The event represents the first in what is envisioned as a regular dialogue between the Freeholders and the governing body members in an effort to consolidate operations and work more cohesively. The event will include an address by the Freeholder Director, a presentation on the first-year results of the Transformation Initiative and a plan to advance the consolidation of two business services.



Blackwood
Campus
P.O. Box 200
College Drive
Blackwood, NJ 08012
(856) 227-7200

Camden City
Campus
200 North Broadway
Camden, NJ 08102
(856) 338-1817

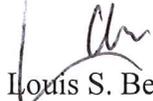
William G. Rohrer
Center
1889 Rt. 70 East
Cherry Hill, NJ 08003
(856) 874-6000

Hon. Louis Cappelli, Jr.
Members, Camden County Board of Freeholders
June 16, 2010
Page 2

As the Initiative moves into its second year the challenges will grow. Accordingly, our responses to these challenges must rise proportionately. The ongoing support of the Board of Freeholders is greatly appreciated. You are the key to sustainable reform.

Sincerely,

CAMDEN COUNTY COLLEGE



Louis S. Bezich
Vice President-Administrative Services

LSB/tp

Executive Summary

First Quarter: Year Two

The quarter ending May 31st centered on five major areas: (1) reporting to the Freeholders and the public on first-year results, (2) highlighting the principles required to sustain structural reform, (3) implementing the actions necessary to achieve the \$12.7 million in potential savings in the six targeted area identified in year one, (4) completing the research on the eleven remaining targeted service areas, and (5) extending the consolidation philosophy to direct service areas.

(1) Reporting: First Year Results

On March 16th Principal Investigator Louis Bezich presented a PowerPoint report to the Board of Freeholders on the Initiative's fourth quarter and year-end results consistent with the terms of the College/County shared services agreement. A full written report was also submitted and accepted by the Freeholders. Among the key points discussed was a proposed Leadership Summit on which the Freeholders expressed their support.

On March 24th a public forum was conducted at the Camden County Regional Emergency Training Center. Principal Investigator Louis Bezich presented year-end results and addressed questions from the public. The event was attended by the press and an article on the forum was published on March 25th in the *Courier-Post*. A copy of the article is included in the Appendix.

In lieu of a meeting with the Courier-Post Editorial Board, Mr. Bezich was invited by its editor to submit an opinion essay on the first-year results of the Transformation Initiative. On May 2nd, the paper published the essay which was entitled "Systemic Changes in County will Save Money." A copy of Mr. Bezich's essay is included in the Appendix.

On April 28th a meeting of the CEO Team and county administration was conducted. The session included: (1) a re-cap of the first-year results, (2) a detailed breakdown on the \$12.7 in potential savings and the strategies required to achieve the savings, (3) a presentation of the principles for sustained reform recommended to the Freeholders, (4) a discussion of the Leadership Summit, and (5) the extension of the consolidation concept to the direct service areas of education and health. In sum, the meeting produced a clear understanding of the actions and underlying commitments which are necessary to achieve the potential savings. Additionally, the group agreed to extend the consolidation philosophy to two direct service areas, education and health, because of the potential represented in these areas.

(2) Principles for Achieving the Potential Savings

A key element of the year-end report was the inclusion of a section entitled “10 Principles for Sustained Reform” and a recommendation to create the Camden County Leadership Summit. The purpose of the principles generally and summit specifically is to break down the longstanding barriers between the county-managed units and the affiliated agencies. Moreover, the goal is to create a new level of communication and cooperation that will facilitate a more consolidated approach to operating county government and, most importantly, the achievement of the savings opportunities identified in the Initiative’s first year.

Accordingly, during the first quarter, the first Leadership Summit was developed and scheduled for June 24th at Camden County College. The Freeholders have invited the members of the governing bodies of Camden County’s eight affiliated organizations, County College, Technical School, Library, Utilities Authority, Pollution Control Financing Authority, Improvement Authority, Health Services Center, and Board of Social Services. Also invited were the CEO team and key staff participating in the Transformation Initiative.

In sum, the summit will provide a forum where the Freeholders and the leadership of the affiliates can have a candid and open discussion about the challenges facing county government and the strategies for this new era of county governance.

(3) Year One: Implementation Actions

In year one, savings opportunities of \$12.7 million were identified through six of the eighteen areas examined. In year two, implementation actions were initiated in an effort to realize these savings. During the first quarter of year two, several actions were taken in this category:

- The County and the College initiated a pilot project to include a four-page pull-out in the College’s fall 2010 magazine. The pilot will test the practice of consolidating publications and provide a learning devise for eventual consolidation of several county-wide publications.
- Preparation began on a county-wide consolidated printing bid. Additionally, a consolidated bid for trash collection was received. The results represent an estimated savings of \$100,000 per year.
- An analysis of security operations produced a strategy to reorganize security deployment in the Courthouse/City Hall building and other county buildings. The proposed changes would save an estimated \$219,000.
- A county-wide supervisory training program was designed to support the reduction in absenteeism abuse.

(4) Complete Research on Twelve Service Areas

During the first quarter of year two several actions were taken in this category:

- Preliminary results of the unit cost analysis of janitorial services were presented to the CEO team. The results demonstrated the value of unit cost analysis and provided substantial insight into the costs of government-delivered services when compared to private delivery. The results generated several cost-saving ideas.
- Construction of the Virtual Law Firm sight was completed and presented to County Counsel's office on May 6th.
- A final report was completed on courier services and the reorganization of routes. A formal request was made to the Blackwood Post Office for direct mail delivery to several county offices at the Lakeland complex.
- Work was initiated on telecommunication strategies in three organizations that will permit ultimate use of VOIP technology.

(5) Extending Consolidation Philosophy to Direct Services

In year one, the business services provided a model for analysis and evaluation of the potential for consolidation. In year two, the Initiative will extend this model to at least two direct service areas, health and education. In the first quarter these areas emerged as the leading candidates for examination. Two committees were formed, preliminary discussions were conducted, and kick-off meetings were scheduled on June 9th for both committees. A criterion similar to that applied to the business services will be used to evaluate the potential for consolidation.