Memorandum

MIAMI-DADE COUNTY

Date: June 2, 2009

To: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners

Agenda Item No. 9(A)(2)

From: George M. Burgess
County Manager

Subject: Resolution Approving a New Corrections and Rehabilitation Department Food Services Bureau Memorandum of Understanding

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RECOMMENDATION

It is recommended that the Board of County Commissioners (BCC) approve a new Memorandum of Understanding (MOU) with the Corrections and Rehabilitation Department (C&R) Food Services Bureau (FSB) (attached). The MOU will be effective for a three-year period commencing October 1, 2008 and may be extended by mutual consent of the parties for up to two one-year periods. Under the new agreement, employees will receive gainsharing distributions if they achieve an average cost per meal that is lower than historical levels after adjusting for inflation, or lower than the unadjusted budgeted cost per meal, whichever is less. For FY 2008-09, employees will be challenged to achieve a cost per inmate meal of $1.316.

SCOPE

The scope of the Food Services Bureau MOU is countywide in nature.

FISCAL IMPACT / FUNDING SOURCE

The MOU will provide employees with financial incentives for decreasing the cost per inmate meal. Gainsharing bonuses, if any, will be funded by savings in meal costs. Should the cost per meal exceed the target, the additional cost will be offset by a deduction from the FSB Special Purpose Account, which was funded through prior year savings.

TRACK RECORD / MONITOR

The C&R management team will be responsible for monitoring the performance of the FSB throughout the year. Following the close of each fiscal year, the Office of Strategic Business Management (OSBM) will conduct an annual review in conjunction with C&R and FSB staff to determine the FSB's average cost per meal and the amount of any gainsharing distributions.

BACKGROUND

Employees of the FSB are responsible for preparing approximately 9 million inmate meals annually in accordance with State nutritional and safety requirements. The first C&R FSB MOU was approved by the BCC in July 1998, and a successor agreement was approved by the BCC in March 2003. The agreement established an Efficiency and Gainsharing Program, under which FSB employees were challenged to achieve a cost per inmate meal competitive with private industry. The March 2003 agreement expired on September 30, 2007 following a five-year term. A one-year extension to the MOU was approved by the BCC on September 2, 2008.

C&R, OSBM and the FSB employees have determined that a new approach to the Efficiency and Gainsharing Program is warranted. Under the new MOU, the FSB cost per meal target will no longer be reflective of a private industry benchmark, but will challenge the FSB to continually reduce its average cost per meal over time. This continuous improvement model is consistent with the other County MOUs with employees of the Parks and Recreation Department Marinas and the Finance Department Credit and Collections unit, as well as with the County's gainsharing policy.

The target will be equivalent to the average of the prior three years' average cost per meal, adjusted for inflation by the Consumer Price Index, or the unadjusted budgeted cost per meal, whichever is less. For FY 2008-09, this is equivalent to $1.316 per meal. Meal costs will continue to be adjusted for certain factors not under the direct control of the FSB (e.g. facility costs, utilities, etc.) and for extraordinary events, subject to OSBM review.

The MOU was approved by representatives from the Government Supervisors Association and AFSCME Local 199. This MOU is consistent with the provisions of the Countywide Gainsharing Guidelines and does not amend or abridge, in any way, existing collective bargaining agreements.

Alina T Hudak

Alina Hudak
Assistant County Manager

Attachments

cmo11809

MEMORANDUM

(Revised)

TO: Honorable Chairman Dennis C. Moss and Members, Board of County Commissioners

DATE: June 2, 2009

FROM: R. A. Cuevas, Jr. County Attorney

SUBJECT: Agenda Item No. 9(A)(2)

Please note any items checked.

_______ **"4-Day Rule" ("3-Day Rule" for committees) applicable if raised**

_______ **6 weeks required between first reading and public hearing**

_______ **4 weeks notification to municipal officials required prior to public hearing**

_______ **Decreases revenues or increases expenditures without balancing budget**

_______ **Budget required**

_______ **Statement of fiscal impact required**

_______ **Bid waiver requiring County Mayor's written recommendation**

_______ **Ordinance creating a new board requires detailed County Manager's report for public hearing**

_______ **Housekeeping item (no policy decision required)**

_______ **No committee review**

Approved ______________________ Mayor

Veto __________

Override __________

Agenda Item No. 9(A)(2)

6-2-09

RESOLUTION NO. ____________________

RESOLUTION APPROVING A MEMORANDUM OF UNDERSTANDING WITH THE CORRECTIONS AND REHABILITATION DEPARTMENT FOOD SERVICES BUREAU

WHEREAS, the Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board approves a new Efficiency and Gainsharing Program in the Corrections and Rehabilitation Departments Food Services Bureau as outlined in the accompanying Memorandum of Understanding, a copy of which is incorporated herein. The MOU shall be for the three-year period commencing October 1, 2008 and may be extended by mutual consent of the parties for up to two one-year periods.

The foregoing resolution was offered by Commissioner ,
who moved its adoption. The motion was seconded by Commissioner
and upon being put to a vote, the vote was as follows:

Dennis C. Moss, Chairman
Jose "Pepe" Diaz, Vice-Chairman

Bruno A. Barreiro
Carlos A. Gimenez
Barbara J. Jordan
Dorrin D. Rolle
Katy Sorenson
Sen. Javier D. Souto
Audrey M. Edmonson
Sally A. Heyman
Joe A. Martinez
Natacha Seijas
Rebeca Sosa

The Chairperson thereupon declared the resolution duly passed and adopted this 2nd day of June, 2009. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By:____________________
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Robert A. Duvall

MIAMI-DADE COUNTY
CORRECTIONS AND REHABILITATION
FOOD SERVICES BUREAU

MEMORANDUM OF UNDERSTANDING

I. PREAMBLE

This Memorandum of Understanding (MOU) memorializes an agreement between the County Manager, the Director of the Office of Strategic Business Management (OSBM), the Director of the Corrections & Rehabilitation Department (C&R), and the employees of the Corrections & Rehabilitation Department's Food Services Bureau (FSB) hereafter referred to collectively as "the parties", to establish an Efficiency and Gainsharing Program.

II. DEFINITIONS

The following words and expressions shall be construed as follows:

"Annual Review" shall mean the fiscal year-end review used to: establish compliance with the performance and financial standards contained in this MOU; determine the amount of Net Savings, if any, to be distributed through the Efficiency and Gainsharing Program; create a list of Eligible Employees; and review applicable performance standards.

"Board" shall mean Miami-Dade County's Board of County Commissioners.

"**Budgeted Cost Per Meal**" shall mean the Food Services adopted operating budget divided by the budgeted number of annual inmate meals, excluding any expenses categorized as "Food Services Support" and any further adjustments.

"Change(s)-in-law" means generally any of the following events which occur after the Agreement date:

- The promulgation, modification or written change in interpretation by a controlling authority of any applicable law unless the FSB had notice or should have had notice of such change as of the date of this Submission of the Efficiency and Gainsharing Proposal; or
- The order or judgment of any court or other controlling authority as long as it was not the result of a willful or negligent act or lack of reasonable diligence by a party to this Agreement.

A "Change-in-law" shall not include a change in any tax or similar law.

"Cost Per Meal" shall mean the FSB's average cost per inmate meal, inclusive of all meal types, and inclusive of costs associated with direct service provision that would be incurred by a private provider for comparable service delivery. These costs include, but are not limited to, personnel, food and beverage, supplies and fuel and fleet costs. The "Cost Per Meal" excludes costs for food services support that would normally be incurred by the County irrespective of service provider including, but not limited to, utilities, major facility maintenance, inmate labor wages, and pest control. The Cost Per Meal may be adjusted for certain factors as further detailed in Section VII B.

"Cost Per Meal Target" shall mean the average of the previous three years' actual Cost Per Meal, adjusted for inflation by the Consumer Price Index (U.S. urban average, all items)[1] or the current budgeted cost per meal, whichever is less.

"Department" or **"C&R"** shall mean Miami-Dade County Corrections and Rehabilitation Department.

"Eligible Employee(s)" shall mean full- and part-time FSB employees who have held Efficiency and Gainsharing eligible positions at the FSB during the fiscal year, as further detailed in Section VII D.

"Food Services Bureau (FSB)" shall mean the C&R work unit that provides food services to C&R inmates.

"Efficiency and Gainsharing Program" shall mean the program under which Eligible Employees at C&R endeavor to meet or exceed the performance and financial standards set forth in this MOU, and if successful, share a portion of Net Savings with the County, subject to the limitations contained herein.

"MOU" or **"Agreement"** shall mean this Memorandum of Understanding.

"Net Savings" shall mean the total number of meals served multiplied by any positive difference between the "Cost Per Meal Target" and the adjusted actual "Cost Per Meal".

"Net Shortfall" shall mean the total number of meals served multiplied by any negative difference between the "Cost Per Meal Target" and the adjusted actual "Cost Per Meal".

"Special Purpose Account" shall mean the FSB account used to collect and expend net savings associated with the Efficiency and Gainsharing program, in accordance with the guidelines established in this MOU.

III. TERM

This MOU supersedes the previous agreement effective as of October 1, 2002. This MOU is valid for a three year term, beginning October 1, 2008 and ending

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[1] Each year's actual cost per meal will be adjusted to reflect current year dollars prior to calculating the average.

September 30, 2011. It can be extended by mutual consent of the parties for up to two additional one-year periods.

IV. CANCELLATION OF AGREEMENT

The County Manager reserves the option to cancel this MOU with sixty days' notice.

V. SCOPE AND OBJECTIVES

This MOU establishes an Efficiency and Gainsharing Program for FSB employees in conformance with Countywide Gainsharing Guidelines. This program is designed to provide the FSB with incentives for continuous improvement.

The primary responsibility of the Food Service Bureau is to meet or exceed the standards contained within the Florida Model Jail Standards, as well as all other Federal, State, and local rules and regulations, while maintaining a cost effective operation. Food services will be provided to inmates at the following facilities:

- Pre-Trial Detention Center;
- Turner Guilford Knight Correctional Center;
- Training & Treatment Center;
- Metro West Detention Center;
- All Food Service activities associated with the Women's Detention Center, with the exception of meal presentation
- All Food Service activities associated with the Boot Camp program for youthful offenders.

The scope of this Efficiency and Gainsharing Program will also include budget efficiencies associated with providing meal services to Correctional Officers, catering, and meal services to other County agencies so long as none of these activities compromises the core mission of providing meal services to inmates at the above mentioned facilities.

Any new facilities or activities that have not been accounted for in the "Cost Per Meal" used for monitoring Bureau performance shall not be within the scope of the Efficiency & Gainsharing Program. Such new facilities or activities may be brought within the scope of the Efficiency & Gainsharing Program through re-opened negotiations of this agreement by the parties and any resulting amendments. Should catering operations be substantially expanded, the parties may develop an addendum to this agreement to address the expansion in catering revenue and treatment of expenses. Should any existing facilities, activities, operations or processes included within the scope of this agreement be altered by County or Department policies or decisions, the parties may re-open negotiations and amend this agreement.

VI. PERFORMANCE STANDARDS

A. Regulatory and Departmental Requirements

The FSB agrees to adhere to all regulatory and departmental requirements, to the extent that such adherence is within its reasonable control.

B. "Meals to Inmate" Ratio

Although the Department's "meals to inmate" ratio is not directly associated with the performance of the Food Services Bureau, the parties acknowledge its significant impact on the overall cost of providing food services to inmates, and agree to continue tracking and reporting this metric through the County's performance management system. Employees also agree to cooperate with any departmental efforts to minimize excess meal production.

C. Special Diet Meals

The parties acknowledge that the relative quantity of inmates on faith based or medical diets may significantly impact the overall cost of providing food services to inmates, and shall endeavor to minimize this number while continuing to meet all regulatory and departmental requirements.

VII. EFFICIENCY AND GAINSHARING PROGRAM

A. Cost Per Meal Targets

Employee Gainsharing will be contingent upon the achievement of a Cost Per Meal Target. The Cost Per Meal Target shall be equivalent to the average of the previous three years' actual Cost Per Meal, adjusted for inflation by the Consumer Price Index (U.S. urban average, all items)[2] or the current Budgeted Cost Per Meal, whichever is less. For Fiscal Year 2008-09, this is equivalent to a Cost Per Meal Target of $1.316.

B. Adjustments to FSB Cost Per Meal

1. Pre-Existing Adjustments:

   Under the previous agreement, several adjustments were applied to the FSB's Cost Per Meal in order to facilitate comparisons with private vendor costs. Although the Cost Per Meal target no longer corresponds to a private sector benchmark, the parties agree to continue this past practice in order to continually monitor the FSB's performance over time on an "apples to apples" basis. Adjustments may be added, modified or removed as part of the annual review process. A summary of adjustments currently applied to the Cost Per Meal is included in Attachment 1.

[2] Each year's actual cost per meal will be adjusted to reflect current year dollars prior to calculating the average.

2. Uncontrollable Events / Changes in Law

The Cost Per Meal Target has been based on reasonable assumptions of projected costs, savings, and economic conditions. However, the parties understand and acknowledge that extraordinary unforeseen events, beyond the reasonable control of FSB employees and management, may result in costs that could significantly affect the ability to meet the stated objectives. To protect and promote the objectives of the program, the parties agree that cost impacts associated with extraordinary and unforeseen events may lead to adjustments of the Cost Per Meal and/or the Cost Per Meal Target for purposes of assessing performance under this program. Such events may include, but are not limited to:

a) Changes in law
b) Mandates for changes in service levels
c) Catastrophic breakdowns of major equipment or capital outside the control of the FSB
d) Catastrophic acts of nature, acts of god or the public enemy, fire explosions, riots, strike or war; and
e) Contract delays or default outside the control of the Department.

The C&R Director or designee shall be responsible for investigating uncontrollable events/changes-in-law to determine materiality, as detailed above, and to provide adequate documentation of the fiscal impact. Upon such findings, C&R and the OSBM Director or designee shall determine and apply any appropriate adjustment to the Cost Per Meal or Cost Per Meal Target.

C. Gainsharing Distributions

Employees will be eligible for gainsharing distributions if the Cost Per Meal is below the Target, up to a maximum annual award of $5,000 per employee.

The Annual Review will determine the gainsharing distribution, if any.

D. Employee Eligibility

All civilian FSB employees below the level of Division Chief, and the Commander of the FSB, will be eligible for a gainsharing bonus. A partial list of eligible classifications is incorporated into this agreement for reference as Attachment 2.

Any awards will be made in accordance with the Countywide Gainsharing Guidelines, incorporated into this agreement as Attachment 3.

VIII. FLOW AND USE OF FUNDS

A. Net Savings

Any annual Net Savings shall be allocated in the following manner:

1. Fifty percent (50%) of any Net Savings will be credited to the FSB Special Purpose Account. Up to 25% of savings (or half of Special Purpose Account funds) may be available for gainsharing purposes, subject to the provisions of Section VII D and a $5,000 per employee cap. Net Savings in excess of the gainsharing cap will remain within the Special Purpose Account. Funds may be used to support otherwise unfunded new technology, equipment and/or facility improvements, and to promote the effectiveness and professionalism of FSB employees.
2. Fifty percent (50%) of any Net Savings shall be retained within the General Fund to support C&R operations.

Net Savings created from this agreement will be funded no later than 90 days following the conclusion of the Annual Closeout further detailed in Section IX A. Expenditure of any funds from the Food Services Special Purpose Account requires the authorization of the County Manager or designee based on recommendations of the parties to this MOU.

B. Net Shortfall

Any Net Shortfall will be deducted from the balance of the Special Purpose Account. Should the Net Shortfall result in a negative balance in the Special Purpose Account, this negative balance shall carry forward to subsequent years of this agreement and must be offset by additional Net Savings before gainsharing can occur.

C. Treatment of Special Purpose Account Balance From Prior MOU

The balance of the Special Purpose account following the FY2007-08 closeout will carry forward to the new agreement. Additional Savings remain available for Food Services uses as defined in Section VIII A.

IX. ADMINISTRATION OF AGREEMENT

A. Performance Monitoring

It will be the responsibility of C&R to gather and maintain accurate records under this MOU. Performance monitoring will take place on an annual basis, and may be supplemented by special audits.

1. Reporting Requirements During the Year

   The FSB employees and C&R management shall meet on a regular basis to review FSB performance and discuss all issues, recommendations and concerns relative to this MOU.

2. Annual Review

   At the close of each fiscal year, the FSB financial and operational performance will be reviewed for conformity with the standards contained within this MOU. OSBM staff will then conduct its Annual Review with C&R staff. This assessment should be completed within 90 days of fiscal year-end and pursued with the intent of providing any gainsharing distributions to employees in advance of the holiday season. In any event, gainsharing distributions will occur no later than 120 days after the close of the fiscal year.

   During the Annual Review the parties will determine whether adjustments to the Cost Per Meal, Cost Per Meal Target and/or performance standards are required. Targets will at all times be established so as to reward superior performance and encourage continual improvement on the part of employees. Details regarding adjustments that may be necessitated by uncontrollable events or other factors are provided in Section VII B.

3. Special Audits

   In addition to the Annual Reviews, the County Manager's Office reserves the right to have the Audit and Management Services Department (AMS) perform special audits of FSB operations. Special audits may occur at any time during the fiscal year for the purpose of determining performance relative to the financial and operational targets established herein.

B. Relationship with Labor Contracts

It is the intent of the parties that this Agreement be interpreted in harmony and compliance with the comprehensive labor contracts between Miami-Dade County and authorized employee organizations representing FSB employees. All rights and benefits of the parties under existing and future labor contracts are preserved. Any labor disputes related to collective bargaining Agreements shall be resolved through the applicable use of established processes within labor Agreements in effect at the time of the dispute.

The parties to this Agreement acknowledge that cooperative labor/management relations are critical to meeting the competitive challenge and objectives detailed in this document.

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C. Severability

In the event that any condition, covenant, or provision of this MOU is held to be invalid or void by any court of competent jurisdiction, or is deemed to be contrary to the law or any covenant or condition or provision of any contract to which the County is a party, the same shall be deemed severable from the remainder of this MOU and in no way shall affect any other covenant, condition, or provision. If any covenant, condition, or provision of this MOU is deemed to be invalid due to scope or breadth, such covenant, condition, or provision shall be deemed valid to the extent the scope or breadth is permitted by law.

D. Impacts on Staff

The parties understand that a top priority of County management is to optimize departmental operations and, in the process of doing so, to protect the employment rights of all affected employees. To that end, the parties agree that every reasonable effort will be made to effect staffing reductions, if necessary, through attrition.

X. Changes in Service Delivery Model

Should the County opt to pursue privatization of FSB functions, such process will be consistent with the requirements of County Resolution R-1302-96.

MEMORANDUM OF UNDERSTANDING

This Agreement shall be effective only after the ratification of all parties listed below as evidenced by their respective signatures and approval of the Board of County Commissioners.

IN WITNESS WHEREOF, the undersigned agree to the terms and conditions specified in this MOU.

DATE:

Miami-Dade County

George M. Burgess,
County Manager

Jennifer Glazer-Moon, Director
Office of Strategic Business Management

Greg Blackman, President
Government Supervisors Association of Florida /
OPEIU Local 100

Service Provider

Timothy Ryan, Director
Corrections and Rehabilitation Department

D Graham

Representative for
Food Services Bureau

C. Waldron

Witness for
Food Services Bureau Representative

Leon Fuller, Vice President
AFSCME Local 199

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MEMORANDUM OF UNDERSTANDING

ATTACHMENT 1: Adjustments Currently Applied to the Cost Per Meal

- Electrical Service
- Water & Sewer
- Waste Collection
- Exterminator
- Bottled Water
- Telephone
- Trustee Labor
- Credit for Officer Meals
- Credit for Additional Juvenile Food
- Credit for Catered Meals
- Inventory Adjustment
- Credit for Avoided Contract Monitoring
- Credit for Paper Product Expense
- Credit for User Access Program
- Credit for Inspector General surcharge

MEMORANDUM OF UNDERSTANDING

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MEMORANDUM OF UNDERSTANDING

ATTACHMENT 2: Partial List of Eligible Classifications

Employee classifications that may be eligible for gainsharing distributions include, but are not limited to:

- Account Clerk
- Administrative Officer
- Administrative Secretary
- Automobile Equipment Operator
- Buyer
- C & R Cook
- C & R Food Services Supervisor
- Commander, FSB
- Correctional Aide
- Custodial Worker Supervisor
- Data Entry Specialist
- Inventory Clerk
- Labor Supervisor
- Office Support Specialist

ATTACHMENT 3

MIAMI-DADE COUNTY

COUNTYWIDE GAINSHARING GUIDELINES

February 2002

TABLE OF CONTENTS

PREAMBLE

These Countywide Gainsharing Guidelines have been developed under the auspices of the Mayor's Efficiency and Competition Commission. It is their intent that the Guidelines serve to promote a uniform, cooperative, and mutually rewarding approach to improving government performance; that management and employees alike stand behind efficiency programs; that employees be rewarded for performing at best practices levels; that reinvestment in operations, including employee development, be provided; and that the program strives to be inclusive and equitable.

I. PURPOSE AND SCOPE

This document provides general guidelines to assist departments in establishing forward-looking gainsharing programs. These guidelines are intended to create a uniform and equitable application of gainsharing criteria and resultant monetary awards in the County.

Departments contemplating gainsharing should use these guidelines as a blueprint for developing programs, establishing operating standards, performance criteria, roles and responsibilities, and determining employee participation and payout criteria.

II. BACKGROUND AND PROGRAM SUMMARY

Gainsharing is an innovative management tool that gives employees direct financial incentives for achieving specific goals. The County has demonstrated that gainsharing is an effective method for encouraging and recognizing employee commitment to improving operations. Examples of successful gainsharing agreements include the Food Services Division in the Corrections and Rehabilitation Department and the Marinas Section of the Park and Recreation Department. Encouraged by these programs, the County has endorsed instituting gainsharing concepts countywide and the development of uniform guidelines to ensure consistency.

A key element of any gainsharing program is the development of a Memorandum of Understanding (MOU) that will contain specific performance targets and the terms and conditions for sharing in the resulting gains. Generally, gainsharing agreements will establish performance targets aimed at increasing County efficiency, reflect improved or best practices levels of performance, and produce verifiable savings for the County. Programs eligible for gainsharing should be operating at efficient levels using prudent business practices and be recognized as well managed. Goals should be focused on improving the department's core business and result in permanent and sustainable change.

Employees and their unions, working with management, should have equal involvement in achieving these goals. As a result, development of MOUs should proceed in a setting of cooperative labor-management relations with parties seeing each other as partners. MOUs will not supersede, alter or abridge any collective bargaining agreements.

Gainsharing agreements developed by departments may be department-wide or involve only a particular business unit and will vary with the operating environment. However, each agreement should be consistent with the broad guidelines presented in this document, and will include specific performance targets, a mechanism for monitoring and evaluating outcomes, criteria for sharing the savings, employee participation and eligibility for gainsharing. Financial targets should be prospective as well, and stem from savings generated during the term of the MOU.

To become effective, each MOU should be signed by the participating parties, including appropriate bargaining units and approved by the Board of County Commissioners. The County Manager will maintain the ultimate decision on implementing specific gainsharing programs, and on distributing gainsharing amounts. The County Manager retains authority to cancel or extend programs as he determines to be in the best interest of the County.

III. DEFINITIONS

Annual Closeout – Annual process (usually based on a fiscal year) in which the Closeout Committee calculates the extent to which the participants of the gainsharing program met its targets and determines the savings Award Pool and renewal criteria as appropriate.

Award Pool – Funds available for disbursement to employees participating in a gainsharing program as determined by the Closeout Committee.

Board – Miami-Dade County Board of County Commissioners

Closeout Committee – The Closeout Committee is comprised of the MOU's signatories, or their representatives. The Office of Performance Improvement, the Employee Relations Department and the Audit and Management Services Department may also participate on the Committee. The Closeout Committee is responsible for determining compliance with the terms and conditions of an MOU, for calculating any savings and Award Pool, and for validating payout allocations. Any disagreements between the parties will be forwarded to the County Manager for resolution. In addition, the Closeout Committee may also consider the findings of external or internal financial or operations audits where appropriate.

ECC – Efficiency and Competition Commission

Eligible Employee – An Eligible Employee is a County employee or retiree who worked during the agreement period and is authorized to receive a gainsharing distribution under the conditions laid out in this document and as specified in the MOU.

Employee Suggestion Program (ESP) – A program in which employees of Miami-Dade County submit ideas to improve County services, increase workplace efficiency, effectiveness, safety and employee morale. Administrative Order 7-8 details the methods of recognizing and rewarding employees for these notable ideas.

Gainsharing – An incentive program that includes financial rewards to employees for exceeding specific performance goals, which generate sustainable savings for the County through better use of labor, capital, materials and energy.

Memorandum of Understanding (MOU) – A written agreement signed by participating County parties and approved by the Board. An MOU will outline specific terms and conditions for providing service, include specific performance targets, make provisions for monitoring and evaluation, delineate employee eligibility for gainsharing, and determine how savings will be distributed. An MOU can apply to an entire department or specific work groups. Not all MOUs must include gainsharing provisions; however, MOUs that do include gainsharing provisions should be consistent with the guidelines set out in this document. Typical MOU signatories must include employees and/or their representatives, union officials, senior department management, the Director of the Office of Management and Budget, and the County Manager.

Monitoring Committee – A Monitoring Committee may be established and will typically consist of department managers, employees, union officials, and other departments if appropriate and shall be specified in the MOU. The Monitoring Committee is responsible for ensuring program integrity throughout its term. The Monitoring Committee may also issue reports (usually semi-annually) to the MOU signatories indicating the program's progress.

MOU Development Committee – The MOU Development Committee is responsible for developing an MOU, all of its terms and associated conditions, and for selecting performance and savings targets. In general, the MOU Development Committee should be comprised of department senior management, unions and employee representatives. Advisory assistance and final review will be provided by the Office of Performance Improvement, the Office of Management and Budget, the Employee Relations Department, and the Audit and Management Services Department as needed.

Performance and Savings Targets – Goals contained within an MOU that define the level of performance or outcomes expected. Performance targets are usually set at best practices levels or other levels normally accepted as efficient. Targets may be established to reflect unique circumstances. Performance goals are typically both financial and technical and are to be clearly listed in the MOU and communicated to participants before the MOU is executed.

Program Savings – Total amount of funds saved in the gainsharing program during a defined period, normally a fiscal year, distinct from the Award Pool, which is the portion eligible for distribution.

Targeted Savings Initiative (TSI) – A performance program that establishes a set of performance targets with generally recognized efficient or best practices performance standards or other standards as the County or department deems fit. TSIs may include private sector benchmarks or other performance goals depending on operating scope. TSI performance standards may be obtained through a competitive process or non-competitively through research of published data. Consultants may also be engaged to assist in developing performance targets. County employees are not required to submit formal bids or respond to formal requests for proposals under these programs. However, targets may reflect the institutional challenges faced by County employees that do not exist in the private sector or other public sector entities, such as procurement regulations and other internal costs.

IV. INITIATION OF GAINSHARING PROGRAMS

Gainsharing programs can be initiated from several sources including unions, employees, departments, and the County Manager's Office. Regardless of the initial source of a program the agreement should be developed using these guidelines and signed by the various parties. The Board should review and approve the MOU, after it has been signed. In addition, the ECC may review the proposed MOU and comment prior to the Board's consideration.

V. DEVELOPING MEMORANDUM OF UNDERSTANDING (MOU)

A. Establish Roles and Responsibilities

Although ideas for gainsharing programs may come from several places, they all will be developed through an MOU Development Committee. The Committee should be comprised of employees and/or their representatives, union officials, and senior department management. The Department management's role is to make certain that the gainsharing program will bolster the organization's core activities.

Other organizations that can be part of, or advisors to, the MOU Development Committee include the Office of Performance Improvement, the Office of Management and Budget, the Audit and Management Services Department and the Employee Relations Department.

While the MOU is in operation, other groups will be established to ensure that the program runs smoothly. A Monitoring Committee will monitor the program and issue regular progress reports to the MOU's signatories. A Closeout Committee will be responsible for assessing compliance with performance and savings targets, for calculating the Award Pool, and for reviewing allocations. These two groups may be comprised of members that make up the MOU Development Committee. However, the Monitoring and the Closeout Committees should also consist of parties independent of the gainsharing program to ensure an objective final review.

B. Gainsharing MOU Development

An MOU is a good faith agreement between signatory parties, and generally contains sections and language that can be found in Attachment I.

The MOU Development Committee should use these guidelines outlined below to develop the gainsharing MOU, set parameters and determine the savings distribution.

VI. GUIDELINES FOR TYPICAL MOU SECTIONS

A. Preamble

The Preamble acts as a brief introduction to the MOU. It lists the parties involved and states that they have reached agreement regarding the contents contained in the document.

B. Definitions

This section should be used to define terms used in the MOU. Typical terms contained in this section include gainsharing, technical/financial standards, performance and savings targets, employee award, and MOU. This section should also define department and program-specific terminology.

C. Background and Scope

The Background and Scope of the MOU should briefly describe the project's history and how it was initiated. It should also refer to any prior action by the Board or the ECC related to the initiative. The Background and Scope should describe the project's overall goals, briefly explain how the program will operate, and itemize the MOU's various attachments.

D. Terms and Conditions

The Terms and Conditions Section of an MOU should list the time period of the agreement. Although MOUs should generally apply to multi-year periods, they typically should not exceed five years. A multi-year period gives participating work groups time to generate savings or to meet other performance targets that may not be easily achievable during the earlier years. Additionally, a multi-year period provides employees with time to achieve their overall objectives and institute operational changes and work practices.

The MOU should emphasize cooperative labor-management relations in implementing the program, and state clearly that the agreement is in compliance and harmony, and does not supersede, alter or abridge comprehensive labor contracts between Miami-Dade County and authorized employee organizations. The MOU should stipulate any resultant actions, if any, of not meeting the performance targets. The MOU should also address unique costs or institutional barriers to County employees that are not faced by private sector entities or equivalent public sector entities.

At the conclusion of the stipulated MOU period, the parties may reinitiate discussions to determine if a subsequent follow-on MOU is warranted.

E. Exclusions and Uncontrollable Events

The Exclusions should explain how uncontrollable events that affect performance are to be treated under the agreement. As a general rule, the Closeout Committee should assess employees' performance based on factors directly within their control. Some types of expenses, savings and revenues should be considered in the closeout process and not normally be eligible for gainsharing. These include but are not limited to:

1. <u>Uncontrollable Events</u>
   a. Catastrophic acts of nature, acts of god or the public enemy, fire, explosions, riots, strike or war
   b. Catastrophic breakdowns of major equipment or capital
   c. Contract delays or default outside the control of the participating work group

2. <u>Market Forces</u>
   a. Unexpected changes in commodity prices

3. <u>Legislative and Regulatory Actions</u>
   a. Changes in rules having a material affect on standards or practices
   b. Mandates for changes in service levels
   c. Changes in fees
   d. Tax rate changes

4. Funding Restrictions
   a. Funds restricted from being used in a gainsharing program

5. Certain Operational Changes
   a. Savings generated by not filling vacancies

6. Miscellaneous
   a. Operational changes unrelated to the MOU activity that affect savings
   b. Unexpected Windfalls Unrelated to the Initiative

F. Eligibility

An MOU should list the work groups that will participate in the gainsharing program. In addition, a Table of Organization should be attached to the MOU that describes the work groups and positions that are participating in the MOU. This section of the MOU should also clarify if managers and/or executives will participate in the program and be eligible for an award. Identifying the positions and work groups before the project begins will help prevent any confusion during the closeout period and when awards are made.

Gainsharing programs do not have to be limited to specific department work groups, and can be extended to entire departments or even to work groups from various departments that work together on common or overlapping functions.

G. Goals

Two different types of targets should be used in gainsharing programs. Financial targets define the savings goal that employees should meet or exceed to be eligible for gainsharing. Non-financial (quality) targets, when applicable, (essentially service level goals, such as customer service ratings, turn-around times, quality measurements, etc.) are goals that employees should also be required to achieve to be eligible for gainsharing. These targets are established to ensure that service levels or quality remain high and are not degraded for purpose of creating additional savings. However, targets should also reflect the institutional challenges faced by County employees that do not exist in the private sector, such as procurement regulations and other internal costs.

Ideally, targets should be set at efficient or best practices performance levels. Where best practices data and industry standards are not available, rational targets may be established that represent improvements on current operations. Parties to the MOU should establish targets that provide savings for the County and gainsharing opportunities for employees.

Although targets should encourage employees to reach higher levels of performance, they should still be considered as achievable. Failure to set achievable targets may discourage participants before they begin. For this reason, employee input in selecting the targets is necessary to build consensus for the program. In addition the MOU should clarify if and how goals can be adjusted prior to the conclusion of a program year. To maintain program integrity, however, adjusting goals before the conclusion of a program year should take place in extreme cases.

An MOU may have few or multiple targets, depending on the best means of balancing quality service, efficiency, and employee incentives. While gainsharing programs are designed to improve employees' level of performance, they should also help a department achieve its overall mission to include improved customer service. Therefore, targets should be aligned with a department's strategic goals.

In particular, financial targets should not be met as a result of changes in accounting, cost transfers to other departments or business units, various cash windfalls or fee increases. MOUs should encourage the establishment of sustainable savings or performance improvement. In addition, financial targets should be forward-looking at the time of execution, and not stem from savings generated prior to the implementation of the gainsharing program.

MOU Development Committees are not prohibited from designing agreements without financial goals or savings targets. It is conceivable that an MOU will contain only quality or service level goals that employees are being encouraged to meet. However, the MOU Development Committee should identify income sources to reward the employees in such unique types of gainsharing agreements.

If targets are met with existing vacancies, the vacant positions should be eliminated from the department's Table of Organization, unless the department, with concurrence from the Office of Management and Budget, believe they are required to address other departmental service requirements.

H. Monitoring

Gainsharing programs should be monitored regularly to ensure that the participating work groups are making progress sufficient to achieve their goals. The parties involved in the gainsharing program should be responsible for providing information to the Monitoring Committee, if one is established under an MOU, when requested. This information should be easily verifiable and quantifiable to allow the Committee to evaluate performance. Employee feedback during the program year will help ensure a successful program. As a result, the Monitoring Committee should prepare periodic progress reports to help the participants plan their activities and adjust their strategies if necessary to achieve their goals. Such progress reports should be prepared at least every six months or as determined by the MOU Development Committee.

I. Program Closeout

At the conclusion of each MOU reporting period (normally a fiscal year), the Closeout Committee will convene to determine if the participants met the savings and performance targets established by the MOU. The Closeout Committee should be identified in the MOU and be comprised of the MOU's signatories, or their representatives. The Office of Performance Improvement, the Employee Relations Department and the Audit and Management Services Department and applicable external auditors may also participate if required.

Department management and participating employees are responsible for presenting documentation that provides concrete support for the achievement of savings and performance targets. The Closeout Committee will review the supporting documentation and request additional material, as necessary.

The Closeout Committee will prepare a report indicating the degree to which the MOU participants met the savings and performance targets, and include any special conditions or issues that affected the outcome. The report will include a performance analysis to include Program Savings, an Award Pool amount, and a recommendation to the County Manager for gainsharing distributions. The Closeout Committee may also issue a recommendation on approval of the program for another year.

The County Manager will also use information prepared during the closeout period to advise the Board of the appropriate gainsharing distribution.

This annual closeout process is advantageous because it permits the payment of yearly bonuses and provides work groups with information that can be used to improve their performance. It also offers the MOU's signatories and members of the ECC with an opportunity to evaluate the project's utility.

J. Savings Pool Allocation

Savings calculated during the Closeout Period should be separated into three categories as defined within the MOU. In general, up to 25% of validated savings may be shared with employees, and up to an additional up to 25% of savings may be placed in reserve accounts for special use within the operation or workgroup responsible for the savings. Departments will reserve a minimum of the remaining 50% of savings for their use, to defray general fund support, or to benefit their ratepayers.

K. Employee Gainsharing Distribution

The Closeout Committee's report will also include a listing of Eligible Employees (derived from the positions included under the MOU) and individual distribution amounts. Individual departments will be expected to take the lead in calculating individual award amounts under the direction of the Closeout Committee and coordinate with the Employee Relations Department and the Finance Department to facilitate timely gainsharing distributions. The Employee Relations Department and the Finance Department will calculate and facilitate timely gainsharing distributions under the direction of the Closeout Committee.

There are various ways that actual awards can be calculated. For instance, each department employee may be eligible for the same award or members of specific work groups may be the only ones eligible for awards. Another method is to calculate a base award for an entire department and an additional award for employees in work groups directly responsible for generating the Program Savings. Depending on the overall goals of the gainsharing program, other alternatives for calculating awards are permitted. However, it is important that they are explained clearly in the MOU.

MOUs may contain award caps, either for the amount of individual payouts or for the total payout, and in no case may exceed $5,000 per eligible employee per year. Award caps should be considered in order to safeguard the interest of the taxpayer, particularly when a small workgroup has the potential to exceed its savings targets by an extremely wide margin.

The MOU should explain how the awards themselves should be calculated. As a general rule, all similarly situated County employees under an MOU will be treated equally. However, gainsharing distributions will be prorated to reflect time variances in employment under the MOU.

In general, the Closeout Committee will make award decisions based on the following policies:

1. General Eligibility Rules

    a. Award recipients should be County employees regardless of employment status (i.e. full-time, part-time, temporary, substitute, probationary, exempt, etc.).

    b. Workgroup participants who separate from the County prior to the time of actual gainsharing distributions are not eligible for an award. However, workgroup employees who retire from County during the MOU period are eligible.

    c. Employees who are delinquent in court-ordered payments will have their awards garnished according to state law.

    d. Employees will have had to work at least six pay periods in the gainsharing program to be eligible for an award.

    e. Employees who transfer to another County department during the MOU period are eligible for the time spent in the program.

2. Prorating Bonuses

    a. A full-time County employee working the full length of a gainsharing period (normally a fiscal year) whose position was included under the MOU will receive a full share. Employees who spend only a portion of their time on the MOU will receive a prorated amount.

    b. Distributions to part-time County employees will be prorated to reflect the portion of a year worked in relation to a full-time employee.

    c. Employees who transfer into or out of an operation under an MOU, or who are out of pay status, on family leave, leave without pay, or extended sick or injury leave, will have their distributions prorated to reflect the portion of the gainsharing period worked under an MOU.

3. Impact of Employee Performance, Discipline and Other Actions

a. *Job Evaluations*

i. Employees must have an evaluation of satisfactory or better during the agreement period to be eligible for an award. (Departments should make additional efforts to bring evaluations up to date and evaluations should reflect performance under the MOU as closely as possible.)

ii. If an evaluation covers more than half of the time an employee works during an MOU program year, and that evaluation is below satisfactory, the employee will not be eligible for an award.

iii. If the employee's prior evaluation was below satisfactory, but it did not cover a majority of that employee's work during the program year, his distribution will be held until his succeeding evaluation. If that evaluation is satisfactory or above, the employee will receive a distribution.

iv. If an employee's evaluation was satisfactory or above, but covers less than half of the employee's work during the MOU program year, he will be paid the distribution. If the employee's next evaluation falls below satisfactory, and the MOU is still in operation, that employee's award for the succeeding year will be subtracted by the amount from the prior year. (Employees will not be expected to reimburse the County if the award from the succeeding year is larger than the award from the prior year.)

v. Any employee who has received a written reprimand during an MOU program period (usually a year) will remain eligible for gainsharing under the above rules. However, the distribution will be contingent upon the employee receiving a satisfactory or above evaluation for at least one-half (usually 6 months) of the program period. Consequently, gainsharing distributions for employees receiving written reprimands will be held until an evaluation covering the specified period is available.

vi. Employees appealing a job evaluation will have their award set aside until the appeal is resolved.

b. *Counseling*

i. Informal employee counseling should have no effect on an employee's eligibility for an award.

ii. Formal Records of Counseling should have no effect on an employee's eligibility for an award.

c. Disciplinary Actions

i. A written reprimand given during an MOU period will have no impact on an employee's eligibility for a gainsharing award.

ii. A suspension during an MOU period will have no impact on an employee's eligibility for a gainsharing award.

iii. Employees demoted for disciplinary reasons during an MOU program year will not be eligible for a gainsharing award.

iv. Employees dismissed for disciplinary reasons during an MOU program year will not be eligible for a gainsharing award, unless a hearing examiner or an arbitrator overturns the dismissal or reduces it to a suspension or other disciplinary action. However, the distribution will be contingent upon the employee receiving a satisfactory or above evaluation for at least one-half (usually 6 months) of the program period.

v. Employees appealing a DAR that contributed to an unsatisfactory evaluation will have their distribution held until the appeals process is concluded. If the employee wins on appeal, the award will be paid providing the employee receives a satisfactory or above evaluation for at least one-half (usually 6 months) of the program period.

d. Other Actions:

i. Employees with demotions that are voluntary or not due to disciplinary reasons are eligible for a full share of the award.

ii. Employees under criminal indictment or investigation for a work-related offense will be eligible for an award only if the matter is resolved in the employee's favor. Awards will be held until the outcome is determined.

iii. Employees suspended under Section 2-42 (22) of the Miami-Dade County Code - automatic suspensions as a result of grand jury indictment - will have their gainsharing award held until their case is settled. If the employee is ultimately suspended, demoted, or dismissed, his eligibility for a gainsharing award will be treated as discussed in the section (c) above. If the employee wins on appeal, the award will be paid be paid, providing the employee receives a satisfactory or above evaluation for at least one-half (usually 6 months) of the program period.

L. Approvals and Signatures

Once the Closeout Committee finalizes its work, it will present a report to the County Manager, who in turn will present it to the ECC. If OMB is not a member of the Closeout Committee, its review is advisable before the report is presented to the ECC. The County Manager will also prepare an informational report to the Board.

VII. RELATIONSHIP OF GAINSHARING TO OTHER COUNTY INITIATIVES

A. Employee Suggestion Program (ESP)

An employee may submit ideas through the Employee Suggestion Program (ESP) and through gainsharing. ESP includes both group and individual awards and ESP awards are paid to employees who submitted successfully implemented ESP ideas. The Employee Relations Departments and user departments are responsible for identifying employees who are the originators of an implemented ESP idea. Gainsharing awards are paid for reaching specific performance and savings targets under an MOU. The difference between ESP awards and gainsharing should be clearly defined and communicated. Distribution of monetary awards will occur as detailed in Administrative Order 7-8 – Employee Suggestion Program.

B. Employee Participation Program (EPP)

Ideas for an MOU may originate from many sources including EPPs. The source of the idea will have no impact on the terms of the MOU.

VIII. DEPARTMENTS WITH GAINSHARING RESTRICTIONS

In departments where funding or regulatory restrictions limit the County's ability to pay employee bonuses, alternate arrangements have to be considered and approved by the County Manager. Departments are encouraged to investigate alternatives outside the scope of this document to present to the County Manager.

MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR

Legislative Notes

Agenda Item: 9(A)2

File Number: 091345

Committee(s) of Reference: Board of County Commissioners

Date of Analysis: May 18, 2009

Type of Item: Memorandum of Understanding

Summary

This resolution approves a Memorandum of Understanding (MOU) with the Corrections and Rehabilitation Department's Food Services Bureau (FSB). The MOU is from October 1, 2008, until September 30, 2011, a three-year period, and can be extended by mutual consent of the parties for up to two one-year periods.

Background and Relevant Legislation

Gainsharing is defined as a system of rewarding groups of employees who work together to improve performance through use of labor, capital, materials and energy. In return for meeting established target performance levels, the employees receive shares of the resulting savings from performance gains, usually in the form of a cash bonus.

According to the County's June 14, 2004, Workshop Presentation on Employee Gainsharing, more than $26 million has been saved since 1998. Gainsharing is self-financing, and since its inception in 1998, $6.3 million in employee bonuses have been awarded.

Miami-Dade County Gainsharing Facts June 14, 2004 Workshop Presentation				
Gainsharing Summary	**Corrections & Rehabilitation - Food Services**	**Park & Recreation– Marinas**	**Water & Sewer – Departmentwide**	**Total**
Savings/Increased Revenue	$3,342,531	$2,107,013	$20,700,000	$26,149,544
Gainsharing Distribution	$874,011	$231,740	$5,205,000	$6,310,751

Department Special Use / General Fund	$2,468,520	$1,875,273	$15,495,000	$19,838,793

History of FSB

- July 21, 1998 – The Board of County Commissioners (BCC) approved the original FSB agreement under Resolution No. 942-98. The financial goal was to reduce cost per meal. The MOU required that FSB provide inmate meals at a price competitive with private industry bids. Under this agreement, the County experienced $3.5 million in savings, with 25% used for employee gainsharing and the remainder to support the General Fund.
- March 11, 2003 – The BCC retroactively approved (from October 1, 2002) the 2nd FSB agreement under Resolution No. 232-03. For FY 2002-03, the target cost per meal, per inmate was $1.07.
- September 2, 2008 – The BCC approved a one year extension to the MOU under Resolution No. 918-08. FSB employees were eligible to receive gainsharing bonuses up to $5,000 if they could decrease the cost per meal, per inmate to $1.24. This cost corresponded to the previous FY target of $1.24.

For FY 2007-08, the actual cost per meal, per inmate was $1.21, approximately 2% less than the MOU budget objective of $1.24 per meal. Total savings were $249,707. Of this amount, $62,487 was distributed to 53 eligible employees in the form of gainsharing bonuses, averaging $1,178 per employee. In addition, $64,487 was deposited in the MOU Special Purpose Account for otherwise unbudgeted equipment, facility improvements and/or employee development (*Office of the Strategic Business Management memo dated January 29, 2009*).

However, there were no gainsharing bonuses for FY 2005-06 and FY 2006-07.

Policy Change and Implication

This item presents a new model in calculating the target cost per meal that allows for the continued reduction in the average cost per meal over time. As an incentive for FSB employees to receive gainsharing distributions, the average cost per meal has to be lower than net historical levels. For FY 2008-09, the cost per meal, per inmate is $1.316.

Survey of Other Jurisdictions

Baltimore County, Maryland

In 1996, Baltimore County developed a pay for performance gainsharing program. Employees in the gainsharing program receive half of the cost savings for two years in the form of short-term bonuses. There is a cap of $5,000 per employee per Cost Savings Plan per year. As of 2001, there are five Baltimore County departments implementing gainsharing programs. What follow is the results of the Bureau of Corrections program. Dietary workers from the Bureau of Corrections developed a plan to trim $73,000 from their budget, saving $21,000 over a two-year period. Each of the 13 employees received checks for $5,000 during the program's first year and $2,500 the second year (*City of Cincinnati's Clerk of Council record dated August 27, 2001).*

Charlotte, North Carolina

In 1994, Charlotte's city council approved a gainsharing program. Each year, the city manager sets a citywide savings goal. If the goal is met, half of the savings are set-aside to create an employee incentive pool, and the balance is returned to the general fund. Half of the pool is paid in equal shares to all employees. Payouts from the other half depend on the achievement of department or business-unit goals. In Fiscal Years 2000 and 2001, Charlotte returned $9.6 million to the general fund, and employees received payouts totaling $2.6 million (*City of Cincinnati's Clerk of Council record dated August 27, 2001).*

Indianapolis, Indiana

Indianapolis created an incentive pay program to reward employees for achieving cost savings and for exceeding performance goals. Employees/employee groups set performance goals at the beginning of the year and then work towards achieving them throughout the course of the year. Employees are rewarded for meeting and exceeding performance goals through a merit pay system (*City of Cincinnati's Clerk of Council record dated August 27, 2001).*

Loveland, Colorado

Loveland's gainsharing program has been in effect since 1982. It sets three distinct criteria in defining gain: (1) city revenues had to exceed actual expenses; (2) actual expenses had to be less than or equal to the prior year's expenses on a per capita basis; and there had to be an acceptable level of satisfaction with city services as determined by a citizen satisfaction survey performed each year (*"Gainsharing (1995)", AFSCME Collective Bargaining Reporter, 1995).*

Portland, Oregon

Portland's Printing and Distribution Division Gainsharing program started in 1989. The surrounding Multnomah County, contracting out their printing, found the best bid came from the Portland's Printing and Distribution Division. The award of the Multnomah contract halted proposed layoffs. Printing services are available for a fee to anyone who has governmental ties. This has brought Portland's printing division additional work (*"Gainsharing, Not Pain Sharing", AFSCME Works Issues, July/August 1996).*

San Diego, California

San Diego Local 127 and the city's wastewater utility management used benchmarking techniques to keep work in-house. With the assistance of an outside engineering consultant, they compared the processes, procedures, budget and staffing of the utility's Operation and Management Division with those of other public and private operators. The analysis led to a revised six-year operational plan, including specific quantitative goals relating to budget and staff efficiencies. The "Bid-to-Goal" program is in the form of a memorandum of understanding between the union and the city. A portion of the savings resulting from this program will be distributed to employees through gainsharing. (*"Measuring Up: Benchmarking Public Services (1998)", AFSCME Collective Bargaining Reporter, 1998).*

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