



Office of Program Policy Analysis And Government Accountability



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Follow-Up Report on the Department of Military Affairs

Abstract

- The Department has improved some aspects of its planning and budgeting system. However, many of its planning and budgeting documents are not properly linked and its agency strategic plan does not contain quantifiable objectives. The Capital Improvements Program is not complete and lacks information necessary to help the Legislature make informed budget decisions.
- Although the Department has improved some of its facilities management practices, it has not adequately dealt with asbestos contamination at its facilities and it still is not consistently and completely reporting its buildings' energy consumption.
- While the Department has taken steps to improve its revenue producing activities, it has not developed an overall process for optimizing revenue.

Purpose

In accordance with s. 11.45(7)(f), F.S., this follow-up report informs the Legislature of actions taken by the Department of Military Affairs in response to our Report No. 94-46. This report presents our assessment of the extent to which the Department has addressed the findings and recommendations included in our report.

Background

The Department of Military Affairs is a state agency composed of the Florida National Guard, which represents the organized militia of the state and whose mission is shared with the federal government. The state mission is to provide units trained and equipped to protect life and property, preserve order, and provide for public safety as ordered by the Governor. The federal mission, as reserve components of the U.S. Army and Air Force, is to provide trained, equipped units and qualified personnel for federal service in times of war or national emergencies when ordered by the President. Approximately 13,000 citizens serve part-time in the Florida National Guard.

To support the Florida National Guard, the Department of Military Affairs performs numerous administrative functions. The Department maintains the administrative records of Guard personnel, administers the federal funds received to support the Guard (\$162 million in federal funds in 1996), and maintains custody of state and federal equipment and supplies for use by the Guard. The Department monitors and maintains the over 900 facilities used by the Guard throughout the state, including 56 armories. The Department manages several activities, such as armory rentals and timber sales, that generate revenue to help defray its facilities maintenance costs.

Prior Findings

Our original report addressed three problem areas within the Department of Military Affairs. First, we reported that the Department needed to improve its planning and budgeting activities to provide better

information to the Legislature for use in its budgeting allocation decisions. We recommended the following to the Department:

- Develop a method to better coordinate the development of its facilities funding documents,
- Develop performance measures that are more meaningful and comply with budgeting instructions,
- As required, link planning and budgeting documents provided to the Legislature,
- Include all required information in its facilities funding documents submitted to the Legislature, and
- Improve the content and quality of its Agency Strategic Plan.

Second, we reported the Department needed to improve its facility management activities. We recommended the following to the Department:

- Integrate more types of projects into its facilities repair priority system,
- Improve the completeness and timeliness of reporting of asbestos management activities,
- Obtain and distribute the Department of Management Services' generic Asbestos Management Guide to managers of buildings known to contain asbestos,
- Conduct and report all required asbestos inspections of its facilities, and
- Submit all required Energy Conservation Reports to the Department of Management Services timely and accurately.

Finally, we determined that the Department needed to routinely analyze all of its revenue-producing activities to ensure that the state received a fair royalty for resources. For example, if the Department had renegotiated its mining royalties in 1991 it could have earned an additional \$1.5 million over the next four years.

Current Status

Although the Department has implemented some of our recommendations, most of our recommendations await full implementation. The Department's planning, budgeting, and reporting systems do not provide the

Legislature with information necessary for making well informed decisions about the Department's resource requirements. The Department also has not fully dealt with asbestos contamination at numerous facilities and does not timely or accurately submit required energy consumption reports. Further, the Department is not routinely analyzing its sources of revenue to assure fair royalties for Department land and minerals.

Planning, Budgeting, and Reporting

The Department has improved some portions of its planning, budgeting, and reporting systems. The Department now has a better system for coordinating the preparation and review of future Capital Improvements Programs. It now includes more of its staff in the preparation of its Capital Improvements Program submission to the Legislature.

However, the Department's 1997-98 Capital Improvements Program budget submission still did not follow the state planning and budgeting instructions. The Capital Improvements Program has improved little since our original report. It was still missing information and did not comply with the state's planning and budgeting instructions. Without a comprehensive and complete Capital Improvements Program budget submission, the Legislature lacks the basis to make well informed budgeting decisions.

While the Department is involving more staff in the planning process, its current Agency Strategic Plan lacks quantifiable objectives required by state planning and budgeting instructions. Without quantifiable objectives, performance measures do not meaningfully report program progress. However, the Department has informed OPPAGA that its Agency Strategic Plan for 1998-2003 will improve as the Department develops targets and baseline data.

The Department still needs to develop narrative linkages between planning and budgeting documents. For example, the Department's Capital Improvement Program and Agency Strategic Plan are not properly linked in the plan narratives. The Capital Improvements Program also does not mention the Agency Strategic Plan or how requested projects support the goals and objectives of the Department's Agency Strategic Plan. Such linkages are necessary if the Legislature is to make informed decisions about the Department's facility requests.

Further, Department performance measures included in budget documents continue to be problematic. For example, many of the performance measures submitted as part of the Department's 1997-98 Legislative Budget Request are not valid output or outcome measures. For example, as a forestry management output measure, the LBR states that it will grade 150 miles of secondary roads. Then, as an outcome measure, the LBR uses the same 150 miles as an intended goal to have a 100% achievement rate. Therefore the Department will also achieve an outcome of 100%. However, the Department may be able to correct some of these problems as it begins its participation in Performance-Based Program Budgeting. OPPAGA staff have conducted preliminary meetings with Department staff and provided some assistance preparing for participation in Performance-Based Program Budgeting.

Facilities Management

The Department has improved some aspects of its facilities management activities. The Department is now prioritizing more types of projects within its maintenance management data system. Projects involving life and safety concerns and health deficiencies are now first priority for funding and completion. To deal with its asbestos management issues, the Department has hired an asbestos manager who is currently being trained. In the interim, the Department has used contractors to conduct some of its required asbestos inspections.

However, the Department is using some buildings that have not been inspected for asbestos and the Department has not fully implemented procedures in a Department of Labor and Employment Security's generic guide for facility managers in facilities known to contain asbestos. Although Department staff have been meeting with Department of Labor and Employment Security's Asbestos Management staff, the Department has not finalized a list of structures needing asbestos inspection.

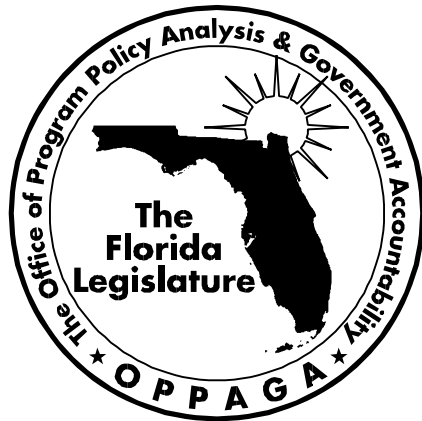
The Department also is consistently late and incomplete in reporting energy consumption. Department of Management Services staff told us that the Department of Military Affairs may be reporting some buildings it may not need to be reporting and at the same time not reporting others it should be. Coordination with the Department of Management Services could enable the Department of Military Affairs to better identify the facilities that need to be reported. Unless agencies

provide comprehensive and timely information the state's Energy Conservation Program cannot be effective.

Revenue-Producing Functions

The Department is doing a better job of reviewing its revenue-producing activities, but does not have a process to ensure optimization of its revenue-producing functions. We originally reported that the Department was not routinely analyzing all of its revenue-producing activities to optimize long-term revenue, such as its contract mining operations at Camp Blanding. We recommended that the Department develop procedures for conducting a periodic analysis of all its revenue-producing activities to determine if the optimal amount of revenue is being generated. The implementation of such procedures should enhance the Department's ability to generate revenues and reduce its future need for general revenue.

The Florida Legislature
Office of Program Policy Analysis
and Government Accountability



Mission Statement

This Office provides objective, independent, professional analyses of state policies and services to assist the Florida Legislature in decision-making, to ensure government accountability, and to recommend the best use of public resources.

This project was conducted in accordance with applicable evaluation standards. Copies of this report may be obtained by telephone (850/488-0021 or 800/531-2477), by FAX (850/487-3804), in person (Claude Pepper Building, Room 312, 111 W. Madison St.), or by mail (OPPAGA Report Production, P.O. Box 1735, Tallahassee, FL 32302). Web site: <http://www.state.fl.us/oppaga/>

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