



STATE OF WASHINGTON

**OFFICE OF FINANCIAL MANAGEMENT**

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October 23, 2015

**TO:** Selected Agency Directors

**FROM:** David Schumacher  
Director

**SUBJECT: AGENCY EFFICIENCY SAVINGS PLANS**

Section 715 of the 2015-17 operating budget (Chapter 4, Laws of 2015, 3rd Special Session) directs the Office of Financial Management (OFM) to develop a plan to achieve savings in state spending by at least \$12,500,000 from State General Fund appropriations for fiscal years 2016 and 2017. OFM is further directed to reduce agency allotments by these amounts to reflect savings resulting from agency efficiencies achieved through Lean management and other performance management strategies.

We recognize that agencies continue to improve services and reduce or avoid costs by engaging customers and staff to streamline operations, implement best practices, and reduce inefficient, redundant or high-cost activities.

To develop the plan required in Section 715, we need agencies to submit specific plans to achieve GF-S savings through reductions in their FY 2016 and FY 2017 allotments. The agency plans, together with reports on Lean management and other efficiency activities, will constitute our savings plan. Agency plans are due by November 23. I have attached agency targets for this planning exercise. A template and further instructions for creating your efficiency savings plan will be sent to agency budget officers.

The targets are based on enacted FY 2016 and FY 2017 GF-S appropriations. The legislative and judicial branches, statewide elected officials, basic education, levy equalization, student financial aid grants, and several small agencies and commissions are not included in this exercise. The 2015-17 budget also explicitly exempts higher education institutions from these reductions.

Please submit an allotment amendment utilizing packet purpose type "Operating Legislative Allotment Reductions" titled "Agency Efficiency Savings" placing your target amounts in "reserve" status. Detailed instructions may be found in the [2015-17 Allotment Instructions](#).

Thank you for your ongoing efforts to streamline government and improve services to Washingtonians.

Attachment

## 2015-17 LEAN/EFFICIENCY SAVINGS

	Totals	
	FY1	FY2
<b>State of Washington Totals</b>	<b>(12,500)</b>	<b>(12,500)</b>
Office of the Governor	(10)	(10)
Dept. of Commerce	(116)	(113)
Office of Financial Management	(37)	(36)
Dept. of Revenue	(229)	(224)
Health Care Authority	(3,734)	(3,601)
Criminal Justice Training Commission	(36)	(32)
Dept. of Labor and Industries	(31)	(33)
Dept. of Social and Health Services	(5,943)	(6,103)
Dept. of Health	(111)	(109)
Dept. of Veterans Affairs	(15)	(15)
Dept. of Corrections	(1,764)	(1,744)
<b>Social and Health Service Programs</b>		
Children's Administration	(634)	(628)
Juvenile Rehabilitation	(178)	(168)
Mental Health	(998)	(1,010)
Developmental Disabilities	(1,166)	(1,212)
Long Term Care	(1,773)	(1,868)
Economic Services Administration	(786)	(826)
Alcohol And Substance Abuse	(124)	(120)
Vocational Rehabilitation	(25)	(25)
Administration and Supporting Services	(63)	(62)
Special Commitment Program	(72)	(69)
Payments to Other Agencies	(124)	(115)
Dept. of Ecology	(47)	(46)
State Parks and Recreation Commission	(20)	(19)
State Conservation Commission	(13)	(13)
Dept. of Fish and Wildlife	(72)	(68)
Dept. of Agriculture	(31)	(30)
Washington State Patrol	(77)	(71)
Student Achievement Council (Operations)	(11)	(10)
School For The Blind	(12)	(12)
Center for Childhood Deafness/Hearing Loss	(19)	(19)
Dept. of Early Learning	(172)	(192)