

**Ideas to be shared with Human Services Agency CBOs
in the FY12-13 / FY13-14 Budget Process**

General Questions

- When you have to make cuts to your own budget, how do you decide what to reduce?
- Do you prefer across-the-board cuts where every contract or most contracts' budgets are reduced by the same percentage? Or, are targeted cuts preferable?
- What are your thoughts on the idea of cost savings achieved by merging CBO administrative functions such as human resources or accounting?
- What revenue sources do you know of that could be tapped to cover existing services?

These are a few specific contract reduction strategies HSA has brainstormed so far. Please share your thoughts about them.

- Reduce the budgets for contracts that have patterns of under-spending by no more than the amount of the under-spending.
- Institute an across-the-board 3% “contract attrition savings” from county general funds line in all contracts.
- Ask CBOs to generate their own revenue (through fundraising) to cover a small percent of contract costs.
- Institute an across-the-board reduction strategy, but exempt CBOs that are merging together, assuming that the merger reduces overall costs between the agencies.
- Reduce or eliminate contracts that are not meeting performance objectives.