



Albemarle County

Legislation Text

File #: 18-153, **Version:** 1

AGENDA DATE: 3/7/2018

TITLE:

Innovation Fund Update

SUBJECT/PROPOSAL/REQUEST: Report on the status of the County's Innovation Fund

ITEM TYPE: Regular Information Item

STAFF CONTACT(S): Richardson, Walker, Letteri, Wyatt

PRESENTER (S): Louise Wyatt

LEGAL REVIEW: Not Required

REVIEWED BY: Jeffrey B. Richardson

BACKGROUND: Innovation, learning, and stewardship are three of the County's four core values; the Innovation Fund encourages all three by dedicating one-time money to support the start-up of organizational initiatives that reduce costs and improve customer service and productivity. Since the inception of the Innovation Fund in FY 14, the Board has received periodic updates on the initiative. Last fall, the Board expressed an interest in getting another update.

STRATEGIC PLAN: *Quality Government Operations:* Ensure County government's capacity to provide high quality service that achieves community priorities

DISCUSSION: A cross-functional team of County employees came together to create the Innovation Fund program following adoption of the FY 14 budget, which made funding available. The team stressed a spirit of entrepreneurship in designing the Fund. Program guidelines were developed as outlined below, along with eligibility criteria and an application and review process.

The "Inventing Albemarle" Innovation Fund supports projects that:

- Yield a return on investment, may be measured in new ideas or relationships as well as new dollars
- Support an "innovation culture" in the organization
- Reduce operating costs/create capacity by freeing up employee time for more productive work
- Increase process efficiency, quality, and services that impact staff and/or customers
- Leverage technology, including automating/standardizing routine processes
- Improve customer experience - both internal and external
- Establish a competitive edge

Selection criteria that project proposals are judged on include:

- Alignment with mission, values and strategic plan priorities
- Benefits to internal and external customers

- Transferability of solutions, technologies and processes
- Project management and schedule
- Post-grant/long term sustainability
- Revenue enhancement potential
- Accelerating the modernization of government services and practices
- Probability of success
- Supporting *One Organization, Committed to Excellence*

Project applicants also are asked to estimate cost/benefit ratio and identify savings and/or avoided costs. Since 2014, employees have submitted over 60 applications for funding. Of the 60 applications, 35 of them were approved funding and are either fully implemented or are currently in progress.

Quantitative and Qualitative Results

Regular progress reports are required for all funded projects to ensure that goals are met. Of the 35 funded projects, staff estimates the following anticipated or realized results:

- Direct cost-savings (34% of the projects)
- Ongoing cost avoidance (69% of the projects)
- More efficient service delivery (71% of the projects)
- Enhanced service levels (94% of the projects)

The program has also afforded the opportunity for employees to step to secure funding to implement a good idea. This has helped to reinforce the County's belief in and expectation of "leadership at all levels" of the organization.

BUDGET IMPACT: In FY 17, \$108,752 was expended for innovation projects. To date, \$89,521 has been expended in FY 18. Money for approved innovation fund projects is moved administratively by the County Executive. There is no budget impact associated with this update.

RECOMMENDATION:

This update is for information only and no action is required by the Board.

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