

# CONTROLLING BOARD

OHIO OFFICE OF BUDGET AND MANAGEMENT

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## MINUTES OF THE MARCH 14, 2005 MEETING

President, Michele Hulse, called the Controlling Board meeting to order at 1:35 p.m. Serving on the Controlling Board were Senator John Carey, Representative Charles Calvert, Senator Robert Spada, Representative Tom Raga, Senator Ray Miller and Representative Sylvester Patton.

The minutes of the February 28, 2005, meeting were distributed. A motion to approve the minutes was made by Representative Patton, seconded by Senator Spada and approved by the Board members.

Attached is the March 14, 2005, meeting agenda. President Hulse said Item 3, DAS525-05, Item 29, DMH468-05 and Item 31, DMH477-05 have been deferred.

A motion for blanket approval of all items not held for questions was made by Representative Calvert and seconded by Senator Spada and approved by all Board members.

The following Items were discussed and acted upon as stated.

Item 4, DAS526-05 was held by Senator Carey and Representative Patton. Senator Carey asked how many of the MARCS radio towers are data only. Nancy Isom, Department of Administrative Services said they currently have a total of 200 tower sites and of the two hundred 60 are data only. Senator Carey asked what would the process be for Hamilton and Warren counties requesting the same thing. Todd Barnhouse, Department of Administrative Services said Hamilton County is putting in their own 800 systems so they probably wouldn't make that request. There is a 97.5 coverage requirement for Motorola to provide mobile coverage for the state per county and it is the same requirement for data. Data is not as robust as voice so they are filler sites with the data sites to provide the 97.5 coverage statewide. Representative Patton asked whether the Board would see more requests for data site upgrades. Mr. Barnhouse said in most cases no. Senator Carey asked if the department would provide him with a map of where the towers sites are in the State of Ohio specifying which site is dual or data only. The item was approved without objection.

Item 5, DAS527-05 was held by Senator Spada. Senator Spada asked why the additional office space is needed. Marcy Early-Jeter, Department of Administrative Services said most of the additional space is needed due to the overcrowding of existing space and additional staffing. Senator Spada asked whether the new lease would require the department to purchase additional furniture. Kevin McNeal, Department of Taxation said there would be additional cost but the department will not know the amount until they do a complete survey of their inventory and figure out what they are able to take into the new facility. Senator Spada asked if the new furniture would be purchased from an Ohio company. Mr. McNeal said yes, they have a meeting scheduled with OPI on Thursday morning to discuss modular furniture. The item was approved without objection.

Item 9, DEV023-05 was held by Senator Spada, Senator Miller, Representative Raga and Representative Patton. Senator Spada asked where the department will get the \$1.4 million to amend the contract. Mike Suver, Deputy Director, Department of Development said \$250,000.00 of the \$1.4 million is coming in

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savings that the department will realize as a result of the decline in the use of the 1-800-BUCKEYE number. An additional savings of \$150,000.00 will be saved in reduced telemarketing expenses and indirect costs such as fulfillment work operating the 1-800-BUCKEYE number. The remaining one million comes out of additional GRF appropriations reflecting an increase to the divisions operating budget from FY05. Travel and Tourism went from \$6 million in FY05 to \$7 million in FY06 so that one million dollars will be put back to increase marketing activities. Senator Spada asked why the department is compelled to spend that money someplace else rather than help to reduce other operating costs. Mr. Suver said they looked at what kind of return on investment they were getting from the Travel and Tourism Division, a nine to one return on investment. For every one dollar that tourists spend in Ohio the state is getting nine dollars back so the department decided that this was a good way to put that money to use and get an additional return on investment. Senator Miller questioned the use of the focus group data that is to be gathered. Amir Eylon, Deputy Director, Travel and Tourism, Department of Development said as far as focus groups of ongoing creative concepts they typically will do those once or twice a year at some point in the creative process. It is ongoing but every fall they will go into the field and that data is available by spring. It is not a set time every year and is based on what the needs are for the division. Senator Miller expressed his concern that the department did not require this contract to have a minority business component. Representative Raga asked if the department did any analysis on the increase in expenditure to determine whether or not it would meet the same criteria. Mr. Eylon said while it is very difficult to predict the return on investment when it happened by increased activity what they see in surrounding states and their past experiences is increased marketing dollars into target market places do tend to increase towards a return on investment. Representative Raga asked if all of the dollars will be spent in the current fiscal year. Mr. Eylon said yes. Representative Patton asked whether the 1-800-BUCKEY number has peaked out. Mr. Suver said those numbers have been going down and that is something that the focus groups have not hit on as far as a medium for accessing information. The item was approved with Senator Miller objecting.

Item 16, EDU383-05 was held by Senator Carey. Senator Carey asked how long the partnerships will have to spend the money that they are receiving from the Gates grants. Susan Tavakolian, Department of Education said approximately one year. Senator Carey asked if the grantees understand that this is a temporary funding source and they won't hire permanent staff and expect the state to step in to fund it later. Ms. Tavakolian said they are using people currently on staff to run this project, no new staff has been hired. The item was approved without objection.

Item 32, DMH478-05 was held by Representative Calvert. Representative Calvert asked why the department needs \$1,500,000.00 to finish out the fiscal year. Dalon Myricks, Department of Mental Health said the department anticipates at the end of each fiscal year that they will not have enough GRF funds to sustain the year so at that time they access which rotary funds have sufficient cash to sustain the payroll. There will be no additional staff added to that and it is part of what they do. Mr. Myricks said they are a little bit earlier this year than in past years mainly because of the timing of when their revenues have come in. Senator Carey asked what the balance of the funds is for this request. Mr. Myricks said at this time he does not have the exact amount of cash balance that they will have at the end of this fiscal year but can provide him that information later. The item was approved without objection.

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Item 35, DMR433-05 was held by Senator Spada. Senator Spada asked why the contract was not competitively bid. Rick Wymer, Department of Mental Retardation and Developmental Disabilities said the original contract was competitively bid and First Choice Medical Staffing was the low bidder. The reason for the addendum is that First Choice has been very proactive in supplying nurses. A lot of the vendors on DAS Term Schedule do not produce nurses for them and are more expensive on Term Schedule. Senator Spada asked what other course of action is being taken to fill the costs with regular employees at this time. Mr. Wymer said they are continuing to do nurse recruiting with Today's Nurses which is a recruiting magazine, work with nursing colleges and they are trying to do a nurses supplement in working with the union as far as being able to increase percentages to retain nurses. The item was approved without objection.

Item 36, DNR506-05 was held by Senator Spada. Senator Spada asked how many employees are covered under line item 725-601. Chris George, Legislative Liaison, Department of Natural Resources said line item 725-601 is a general line item used by multiple divisions within ODNR as a depository for grants when they receive them from outside entities. Overall they have about 30 employees paid out of that fund. This particular request is for five employees. Senator Spada asked whether other things are paid out of the line item besides the 30 employees. Mr. George said payroll expenses are paid out of the line item which includes the actual payroll as well as all of the associated benefits, health care for the full time employees, the retirement benefits, as well as the maintenance and other items paid out associated with the grant. The item was approved without objection.

Item 38, DNR512-05 was held by Representative Calvert and Representative Patton. Representative Calvert asked what the cost would be to ODNR to maintain the property in the future. Chris George, Legislative Liaison, Department of Natural Resources said there will be some general maintenance cost over time and that maintenance cost will be included in the regular maintenance schedule for the Wildlife employees in the area. Representative Patton asked what Ducks Unlimited would be doing. Mr. George said they will provide engineering services for the design of the wetland and will also oversee the construction of the wetland. Representative Patton questioned how long Ducks Unlimited has been in Ohio and the office locations. Mr. George said he did not have that information with him but would provide the information later on the Ohio Office of Ducks Unlimited. The item was approved without objection.

Item 40, DHS735-05 was held by Representative Calvert. Representative Calvert asked whether the State Highway Patrol provided free service for the Ohio State University football games and the 2004 Presidential Election Campaign. Captain Dave Dicken, Department of Public Safety, State Highway Patrol said the department has been reimbursed for the security measures for the Ohio State University. They contracted with the department and they received a federal grant to augment their security measures during the 2004 football season. The security details for dignitary protection is the umbrella for which the 2004 Presidential Election Campaign fell so the department is legally mandated to provide those services. Representative Calvert asked if it included the Presidential Inauguration in Washington, D.C. Captain Dicken said no. They contracted with Washington Metro Police in Washington, D.C. and they have been reimbursed. Representative Calvert asked if this request is to allow the department to spend the money from which they have been reimbursed. Captain Dicken said correct, it is a spending authority. The item was approved without objection.

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Item 41, DRC608-05 and Item 44, DRC611-05 were held as a group by Senator Carey and Representative Raga. Senator Carey asked what is the condition of the fence. Stuart Hudson, Department of Rehabilitation and Correction said the fence has been repaired continuously and now they need to replace the fence because it is becoming more costly to maintain. Senator Carey said the original estimate for the budget was about \$1.4 million and the actual amount is going to be about \$1.5 million and asked why the difference. Mr. Hudson said they actually bid the project out twice. The first time it came in greatly over budget because of the escalation of steel prices. The department decided to wait to see where the steel market was going and then put it out again to see if they could get lower steel prices, thus lower bids. Representative Raga asked whether the other projects have been completed. Mr. Hudson said the projects have been completed. The one project in particular at the Lancaster Southeastern Correctional Institution has been completed for nearly a year and has a remaining balance. Representative Raga asked if there is a reason why these funds were not returned to the main Capital Budget and the new projects reappropriated. Mr. Hudson said typically once the projects are completed and they come in under budget they maintain those lines and use them within the same facility to save their Capital Budget in the future. Representative Raga asked what a Constructability Review is. Mr. Hudson said the Constructability Review is a review that is completed through the State Architect's Office to review the constructability of the project as far as mobilizing materials, labor, looking at project schedules to make sure that they can complete the project on time. Representative Calvert asked will the amount of money appropriated here pay for the complete fence projects at both the Lorain Correctional Institution and the Lancaster Southeastern Correctional Institution. Mr. Hudson said yes. The items were approved with Representative Calvert and Representative Raga objecting.

Item 46, DRC613-05 was held by Senator Miller. Senator Miller released the hold. The item was approved without objection.

President Hulse asked if there was a motion to waive the seven-day rule to add DNR227-05 to the agenda. Representative Patton moved and Senator Spada seconded.

Item 52, DNR227-05. Glen Alexander, Assistant Director, Department of Natural Resources said this is a request to release \$300,000.00 in Capital funds for the purchase of supplies and materials necessary to implement the parking fees pass. This is an add-on request because the department waited until the parking fees went through the Joint Committee on Agency Rule Review (JCARR) process before they brought the request before the Board. Also, they have a date of May 1, 2005, to implement the fees, which leaves a very short time to get them implemented. Senator Miller asked why the Department of Natural Resources wouldn't submit this as a budget request as opposed to going through the JCARR process. Mr. Alexander said it was appropriated in the Capital Bill to pay for this type of thing and the administration felt it was best handled under the authorities that have previously been granted by the state legislature to take requests before the JCARR Committee, which they did. Representative Patton asked how the fees would be implemented. Mr. Alexander said there will be people operating out of the kiosks in heavy use areas and in lighter use areas they will have pipe safes. Initially they will have an honor system that will ask you to pay your fee when you come in but eventually there will be tickets issued for people who don't have a parking pass in a state park. The item was approved with Senator Miller objecting.

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With no further business before the board, the meeting was adjourned at 2:50 p.m.

Respectfully submitted,

Francene Johnson  
Controlling Board Executive Secretary

*03/14/05 Minutes approved by the Board:*

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