

CONTROLLING BOARD

OHIO OFFICE OF BUDGET AND MANAGEMENT

MINUTES OF THE APRIL 7, 2003 MEETING

President, Lisa Dodge, called the Controlling Board meeting to order at 1:45 p.m. Serving on the Controlling Board were Senator Bill Harris, Representative Charles Calvert, Senator James Carnes, Representative James Hoops, Senator Robert Hagan and Representative Sylvester Patton.

Executive Secretary Vanessa Niekamp, distributed the minutes of the March 24, 2003, meeting. A motion to approve the minutes was made by Senator Harris, seconded by Representative Calvert and approved by the Board members.

Attached is the April 7, 2003, meeting agenda. A motion for blanket approval of all items not held for questions was made by Representative Calvert, seconded by Senator Harris and approved by all Board members.

The following items were discussed and acted upon as stated.

Item I, AGO222-03 was held by Senator Carnes. Senator Carnes asked if this is a new piece of equipment or an add-on to an existing piece of equipment. Jay Easterling, Director of Operations, stated the equipment is an addition to an existing system. Senator Carnes asked if there is an additional cost for training. Chris Hanson, Chief Fiscal Officer, stated the training will be minimal and will not need Controlling Board approval. Senator Carnes asked what are the benefits of purchasing this piece of equipment. Mr. Easterling stated there will be a 200% to 300% increase in contacts and approximately \$17,000.00 per collector, per month. Senator Carnes asked why this purchase needs to be made now. Ms. Hanson stated to improve the collection of funds. Senator Carnes asked why this equipment could not be competitively bid. Ms. Hanson stated the equipment is an addition to an existing system and to purchase other like equipment would require an entirely new system. Senator Harris asked if other manufacturers have equipment of this type that could be compatible with this software. Mr. Easterling stated any other equipment would require additional programming. Senator Harris asked if there is any other equipment that could be compatible. Mr. Easterling stated he does not know if there is any other equipment. Representative Patton asked if this equipment will help collect additional taxes. Mr. Easterling stated yes. Representative Patton asked how many collectors will be using this equipment. Mr. Easterling stated 24. The item was deferred by request of the board.

Item 2, UAK165-03 was held by Senator Hagan. Senator Hagan asked for an explanation of how the search was conducted. Mark Foster, Professor, stated he attended the Materials Research Society Meeting in Boston where he had the opportunity to speak with each company that offers these pieces of equipment. Mr. Foster stated that after much research it was decided these two pieces of equipment are scientifically superior to the others on the market. Senator Hagan asked if there are other companies that could provide these scopes. Mr. Foster stated there are none that offer these capabilities. The item was approved with Senator Hagan objecting.

Item 7, UCN302-03 was held by Representative Patton. Representative Patton asked what follow-up was conducted to verify this item is a sole source. Chuck Darling, University Architect, stated the University's research indicated there are no other sources for this equipment. Representative Patton stated he believes there should be additional information attached to the request indicating all the

CONTROLLING BOARD

OHIO OFFICE OF BUDGET AND MANAGEMENT

research that was done. The item was approved with Senator Hagan and Representative Patton objecting.

Item 9, UCN304-03 was held by Representative Patton. Representative Patton asked how the University is sure this is a sole source. Chuck Darling, University Architect, stated the principal investigator that provides the technical research has indicated this is the only source for this equipment. Representative Patton stated he would like to see additional information attached to all requests that state the vendor is a sole source. The item was approved with Senator Hagan and Representative Patton objecting.

Item 10, UTOO 15-03 was held by Representative Calvert. Representative Calvert asked why the University would like to buy a piece of property that is in less than ideal condition. Bill Dector, Vice President of Finance, stated the University would like to move all support activities to the outer perimeter of the campus and use all the inter campus space for education. Mr. Dector stated the older space in this facility will be demolished. Representative Calvert asked if any tuition money will be used for this purchase. Mr. Dector stated the funds are reserve funds. Representative Calvert asked if there are any tuition dollars in the reserve funds. Mr. Dector stated there are some tuition funds included. The item was approved with Representative Calvert objecting.

Item 14, ADJ054-03 was held by Senator Harris. Senator Harris asked why this request is retroactive. Michael Snow, Administrative Officer, stated the contract was competitively bid, but due to a clerical error the original purchase order expired. The item was approved without objection.

Item 16, ADJ056-03 was held by Senator Harris. Senator Harris asked why this request is retroactive. Michael Snow, Administrative Officer, stated this contract was competitively bid, but due to a clerical error the funds were not encumbered during the previous fiscal year. Senator Harris asked if this project is in conjunction with ADJ054-03. Mr. Snow stated this is a separate project. The item was approved without objection.

Item 17, DAS 233-03 was held by Representative Hoops. Representative Hoops asked what agencies will be taking over the old MARCS space. Marc Half, Administrative Services, stated Ohio State University will be expanding into the space. The item was approved without objection.

Item 18, DAS257-03 was held by Representative Hoops. Representative Hoops asked why this request has taken so long to come before the board. Marc Half, Administrative Services, stated due to the construction on the supreme court building the study was delayed. Representative Hoops asked what happens to the funds when an agency goes from a private facility to a state facility. Mr. Half stated the funds would lapse. The item was approved without objection how many seminars have been held. Cheryl Holland, Administrative Services, stated this would be the first training. Senator Carnes asked why the department did not accept the lowest bid. Ms. Holland stated the instructors provided by the lowest bidder did not meet the deliverables outlined in the proposal. The item was approved without objection.

Item 21, DAS264 was held by Senator Harris. Senator Harris asked what service this will provide. Stu Davis, Executive Director, stated the project will provide multi-agency continuity for survey points throughout the state. The item was approved without objection.

Item 29, DEV410-03 was held by Representative Hoops. Representative Hoops asked why two new analysts will be hired. Tom Johnston, Chief Fiscal Officer, stated these positions and funding for

CONTROLLING BOARD

OHIO OFFICE OF BUDGET AND MANAGEMENT

them, have been transferred from the Department of Job and Family Services. Representative Hoops asked if these are federal funds. Mr. Johnston stated yes. The item was approved with Representative Calvert objecting.

Item 50, EDU270-03 was held by Senator Harris, Senator Carnes, Representative Calvert and Representative Hoops. Senator Harris asked what this proposal would accomplish. Susan Tavakolian, Education, stated in fiscal years 2000 and 2001 the program was funded at about \$10,000,000.00 per year; then the program was cut to \$4,000,000.00 in the current budget. Ms. Tavakolian stated the Workforce Development Board directed the department to access part of the Governor's discretionary funds for this program. Senator Harris asked if these funds have already been promised to these programs. Ms. Tavakolian stated yes. Senator Harris asked if the department would have the money to reimburse the sites for these programs if the Controlling Board does not approved this request to use these funds. Ms. Tavakolian stated the department would not be able to make the reimbursements to the sites. Senator Harris proposed the department look for other funds to support these promises made to these sites and return to the board at a later time. With a motion by Senator Harris and a second by Representative Calvert the item was amended to read. Education requests Controlling Board approval to increase appropriation authority in the amount of \$600,000.00 in appropriation line item 616, Vocational Education. The item was approved as amended, without objection.

Item 56, EXP062-0405 was held by Senator Carnes. Senator Carnes asked for an explanation on how the contract payment works. Rick Frenette, General Manager, explained most marketing firms collect the funds, take out their cut and then send the rest of the money to the client. The contract with this vendor allows the client to collect the money and then pay the marketing firm for the services rendered. Senator Carnes asked if there are other vendors who would be willing to commit to a contract like this one. Mr. Frenette stated the commission has not been able to recruit any other marketing finds who are willing to sign this type of contract. The item was approved without objection.

Item 57, DOH069-03 was held by Senator Hagan. Senator Hagan asked why the vaccination is purchased in bulk. Sean Keller, Finance Administrator, stated the amount of vaccine is what is needed to meet this summer's demand. Senator Hagan asked if cumidan could be purchased in bulk for the senior citizens of the state. Mr. Keller stated he could not speak to that request. Senator Hagan asked if it saves money to purchase the medication in bulk. Mr. Keller stated yes. The item was approved without objection.

Item 59, DOH071-03 was held by Senator Hagan. Senator Hagan asked why this request was not included in the original contract. Sean Keller, Finance Administrator, stated the request would allow the addition of fields that were not needed when the original package was developed. The item was approved without objection.

Item 66, DMH349-03 was held by Representative Hoops. Representative Hoops asked how this situation developed. Steve Gray, Mental Health, stated the two funds are used in conjunction throughout the year. Representative Hoops asked if the rotary fund has been increasing or decreasing. Mr. Gray stated the fund has been decreasing. Representative Hoops asked what the balance of the rotary fund will be after this transfer. Mr. Gray stated between \$500,000.00 and \$1,000,000.00 will be carried forward to the next fiscal year. The item was approved without objection.

CONTROLLING BOARD

OHIO OFFICE OF BUDGET AND MANAGEMENT

Item 70, DNR120-03 was held by Representative Calvert. Representative Calvert asked why these funds should be released now. Bill Moody, Assistant Director, stated the project has been scheduled for completion in the Spring of 2004. The item was approved with Representative Calvert objecting.

Item 72, DNR127-03 was held by Senator Harris. Senator Harris asked if these renovations are upgrades or for safety issues. Bill Moody, Assistant Director, stated the equipment is very old and the renovation will provide additional safety features that are currently not available. The item was approved without objection.

Item 78, DHS631-0405 was held by Representative Patton. Representative Patton asked why this move is happening. Kim Campbell, Motor Vehicles, stated the move is necessary due to over crowding and increased safety issues. Representative Patton asked what is the additional cost of the move. Ms. Campbell stated \$38,000.00 a year. The item was approved without objection.

Item 80, DRC361-03 was held by Representative Calvert. Representative Calvert asked if the Dining Hall project is complete. David Calhoun, Chief of Construction, stated the project is complete. Representative Calvert asked for the price of the Dining Hall project. Mr. Calhoun stated the project cost is \$5,800,000.00. Representative Calvert asked if there are any additional funds left over from the Dining Hall project. Mr. Calhoun stated there were other funds previously transferred from the Dining Hall project. The item was approved without objection.

Item 81, DRC391-03 was deferred by request of the agency.

Item 83, DRC397-0304 was approved as amended to read: DRC397-03, Rehabilitation and Correction requests Controlling Board approval to waive competitive selection in the amount of \$238,500.00 to purchase dialysis equipment and maintenance from Gambro Renal Products, Inc., Lakewood, Colorado, for the Frazier Health Center, Pickaway, Correctional Institution, Orient, Pickaway County.

Item 85, DRC400-03 was held by Senator Hagan. Senator Hagan asked for an explanation in the difference between the cost of the original contract and the current amount. David Calhoun, Chief of Construction, stated the due to a lawsuit settlement the scope of work had to be increased over the term of the project. The item was approved without objection.

With no further business before the board, the meeting was adjourned at 4:50 p.m.

Respectfully submitted,

Vanessa Niekamp
Controlling Board Executive Secretary

04/07/03 Minutes approved by the Board:
