

# Department of Administrative Services

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- Enacted budget provides \$2.43 billion in each fiscal year of which 87%, or \$2.05 billion is for state payroll deductions
- Fleet Management Law changes
- Funding for fixed asset management function of OAKS

## OVERVIEW

### Duties and Responsibilities

The Department of Administrative Services (DAS) is responsible for providing state agencies services pertaining to personnel, equal opportunity, collective bargaining, real estate, information systems, and the procurement of goods and services. A large portion of the agency's operating budget comes from charges that state agencies pay for these services. These fees are deposited into and disbursed from the General Services and Intergovernmental Service Fund Groups. Rates for DAS services are calculated using a cost pool that includes approved allotments for the fiscal year, adjustment for prior year gains and losses, and operating cash needs.

DAS consists of the following four divisions, and also the Office of Collective Bargaining and the Office of Information Technology. The Office of Information Technology (OIT), previously the Computer Services Division, was created by executive order in January 2004. The executive order created the position of State Chief Information Officer, a cabinet level position that oversees the OIT. OIT is housed within DAS and is not a separate state agency.

The **General Services Division** administers the state's procurement system. The Division also houses the State Architect's Office, which oversees the construction, renovation, and management of state facilities. Other responsibilities include printing, mail, fleet management, and records management services for state agencies.

The **Human Resources Division** handles matters related to personnel administration, benefits administration, accounting for accrued leave liability funds, and payroll for agencies. This Division will be faced with finding ways to manage rising health care costs on behalf of state agencies over the biennium.

The **Equal Opportunity Division** ensures that minorities and underrepresented populations are fairly considered in the economic and employment opportunities of the state. Over the biennium, this Division will implement a new program called Encouraging Diversity, Growth and Equity (EDGE), created to assist small socially and economically disadvantaged businesses in Ohio in the FY 2004-2005 biennium.

The **Administrative Support Division** includes the Director's Office, Quality Services, Legislative Affairs, Employee Services, Communications, Finance, the Central Services Agency, and the Centralized MIS unit.

The **Office of Collective Bargaining** provides for the central administration and negotiation of labor contracts. The office is also responsible for training state agencies in the administration of the collective bargaining contracts.

The **Office of Information Technology** consists of two divisions, the Investment & Governance Division and the Service Delivery Division. The OIT's mission is to optimize the state's information technology infrastructure with the goal of achieving the use of common technology across the executive branch and in doing so, provide statewide oversight, leadership, and direction for all activities related to information technologies by coordinating and superintending their use statewide.

### Agency in Brief

Agency In Brief					
Number of Employees*	Total Appropriations-All Funds		GRF Appropriations		Appropriation Bill(s)
	2006	2007	2006	2007	
871	\$2.43 billion	\$2.43 billion	\$162.3 million	\$163.1 million	Am. Sub. H.B. 66

### FYs 2006-2007 Enacted Budget

The enacted budget provides \$2.43 billion in each FY of the 2006-2007 biennium. Note that state payroll deductions are clustered in the Agency Fund Group (AGY) accounting for about 84% of this total. Payroll deductions are state employee paycheck withholdings. These withholdings pass through DAS and should not be considered part of DAS' operating budget.

DAS' enacted budget includes several noteworthy provisions. First, the budget provides for a 4% raise in FY 2006 as well as increased benefit costs. Second, the State Fleet Management Program may experience an increase in workload to ensure that state institutions of higher education comply with the Fleet Management Law. Furthermore, funding levels will not provide for a needed consultant to look at expanding the centralized insurance policies offered to state agencies, including collision insurance policies required when leasing vehicles. As for the State Architect, the budget will not provide funding to fill four new positions needed by the office; however, the funding levels will help alleviate some of the current project management overload. As for information technology issues, the budget establishes the Office of Information Technology and provides approximately \$452,000 over the biennium for development and implementation of the fixed asset management components of the OAKS system.

Overall, the enacted budget will maintain FY 2005 service and staffing levels across the majority of program areas.

### Funding Distribution

Table 1 displays the total enacted appropriations by fund group. Without considering \$2.05 billion of DAS' budget is for payroll deductions, DAS' operating budget is primarily funded through the General Revenue Fund and the General Services Fund.

**Table 1. Total FYs 2006-2007 Budget by Fund Group**

<b>Fund Group</b>	<b>FY 2006</b>	<b>FY 2007</b>
General Revenue Fund Group	\$162,295,547	\$163,129,980
General Services Fund Group	\$216,927,684	\$216,576,090
Federal Special Revenue Fund Group	\$82,048	\$82,048
Agency Fund Group	\$2,050,000,000	\$2,050,000,000
Holding Account Redistribution Fund Group	\$20,000	\$20,000
<b>TOTAL</b>	<b>\$2,429,325,279</b>	<b>\$2,429,808,118</b>

Table 2 shows that the State Support Services program series (Program Series 13) receives the largest portion of the budget. The State Support Services program series provides centralized support services to various state entities through the Central Service Agency and pays for the rent and operations of all state owned buildings.

**Table 2. Total FYs 2006-2007 Budget by Program Series  
(excludes payroll deductions of \$2.05 billion in each fiscal year)**

<b>Program Series</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>% of Total Budget</b>
1 – State Architect	\$8,082,217	\$8,092,691	2.0%
2 – Procurement Services	\$4,963,104	\$5,322,341	1.4%
3 – Document Management	\$8,761,466	\$8,684,447	2.3%
4 – Fleet Management	\$3,997,792	\$4,004,315	1.1%
5 – Risk Management	\$3,625,850	\$3,626,168	1.0%
6 – Property Facilities Management	\$20,134,878	\$20,617,405	5.4%
7 – Enterprise Information Technology	\$4,712,975	\$4,704,144	1.2%
8 – Information Technology Governance	\$14,370,312	\$13,752,139	4.0%
9 – Information Technology Services	\$105,745,876	\$104,369,912	28.0%
10 – Human Resources	\$35,760,308	\$35,816,743	9.4%
11 – Collective Bargaining	\$3,410,952	\$3,410,952	.08%
12 – Equal Opportunity Programs	\$2,957,818	\$2,992,419	.07%
13 – State Support Services	\$151,150,269	\$151,763,603	40.0%
14 – Program Management	\$11,651,462	\$11,950,839	3.1%
<b>TOTAL</b>	<b>\$379,325,279</b>	<b>\$379,808,118</b>	<b>100%</b>

### Selected Issues in the FYs 2006-2007 Enacted Budget

#### Encouraging Diversity, Growth and Equity Program (EDGE)

The enacted budget provides roughly \$880,000 in each fiscal year to continue the Encouraging Diversity, Growth and Equity Program (EDGE) and other equal opportunity certification programs. The EDGE Program was codified during the FY 2004-2005 budget process to provide economically and

socially disadvantaged business enterprises equity in regard to state contracts for goods and services and construction.

### **Information Technology**

The budget establishes the Office of Information Technology in the Department of Administrative Services to advise the Governor regarding the superintendence and implementation of statewide information technology policy and to lead, oversee, and direct state agency activities regarding the development and use of information technology. Furthermore, DAS will allocate approximately \$87 million for IT service delivery and \$20 million for major IT purchases. Over the biennium, DAS plans to consolidate and centralize multiple help desk services as well as centralize agencies' e-mail applications to eliminate the need for individual agencies to have their own servers. DAS also plans to continue work on the Ohio Business Gateway (OBG), and will coordinate and develop the use of geographic information systems through the state through the Ohio Geographically Referenced Information Program (OGRIP).

### **Ohio Administrative Knowledge System (OAKS)**

DAS plans to proceed with the development and implementation of the Ohio Administrative Knowledge Systems (OAKS). OAKS is an Enterprise Resource Planning system that will integrate the five major statewide business operations: capital improvements, financials, fixed assets, human resources, and procurement. The enacted budget provides approximately \$452,000 to advance efforts to develop and implement the fixed asset management components of the system. While DAS is a partner in the OAKS project, the lead agency responsible for the implementation is the Office of Budget and Management.

### **Fleet Management**

The enacted budget requires state agencies subject to the State Fleet Management Law to acquire passenger motor vehicles by lease through the master-leasing program established by DAS. Also, state agencies will be required to submit data and other information to DAS about motor vehicles that otherwise are not subject to the Fleet Management Law. The budget prohibits reimbursement to state employees who use their own motor vehicles for any mileage incurred above an amount DAS determines annually, with exceptions. Furthermore, the budget requires state institutions of higher education to use DAS' vehicle fleet management software system, DAS' fuel card program to pay for fuel and vehicle maintenance, and DAS' bulk fuel purchases contract to make bulk fuel purchases.

### **Vetoed Provisions**

The Governor did not veto any provisions affecting the Department of Administrative Services in the main appropriations bill, Am. Sub. H.B. 66.

## ANALYSIS OF THE ENACTED BUDGET

### Program Series 1

### State Architect

**Purpose:** Provides architectural, engineering, construction management services, and project oversight for public improvement projects.

The following table shows the line items that are used to fund the State Architect program series, as well as the enacted funding levels.

Fund	ALI	Title	FY 2006	FY 2007
<b>General Revenue Fund</b>				
GRF	130-321	State Agency Support Services	\$689,000*	\$623,000*
<b>General Revenue Fund Subtotal</b>			<b>\$689,000</b>	<b>\$623,000</b>
<b>General Services Fund</b>				
117	100-644	General Services Division-Operating	\$395,943*	\$402,264*
131	100-639	State Architect's Office	\$6,977,274	\$7,047,427
<b>General Services Fund Subtotal</b>			<b>\$7,373,217</b>	<b>\$7,449,691</b>
<b>Holding Account Redistribution Fund</b>				
R08	100-646	General Service Refunds	\$20,000	\$20,000
<b>Holding Account Redistribution Fund Subtotal</b>			<b>\$20,000</b>	<b>\$20,000</b>
<b>Total Funding: State Architect</b>			<b>\$8,082,217</b>	<b>\$8,092,691</b>

\* Amounts do not reflect total funding because line items are used to fund programs in other program series. Amounts shown are the budgeted amount provided in the executive budget.

The following programs are in the State Architect program series:

- **Program 1.1: Capital Project Management Services**
- **Program 1.2: Space Planning and Interior Design**
- **Program 1.3: Energy Services**

### Program 1.1 - Capital Project Management Services

**Program Description:** The Office of the State Architect (SAO) provides for the proper management of capital facility development for a large portion of state agencies' capital projects. In addition, the SAO develops and maintains the master contractual requirements for the professional services design contracts, construction management contracts, and the construction contracts used in the development of most state agencies' facilities; serves state agencies with guidance and support in the competitive selection of architects, engineers, and construction managers; and subsequently negotiates contracts and amendments for their services. The SAO also establishes procedures and policies for effective project management of the state's capital project design and construction management, and maintains a list of pre-approved consultants who are available on short notice to submit proposals for services required by agency customers.

**Funding Source:** Charges paid by state agencies and universities for assistance with completion of their capital improvement projects and administrative assessments

**Implication of the Enacted Budget:** The enacted budget will not provide funding to fill four new positions needed by the office; however, the funding levels will help alleviate some of the current project management overload.

**Permanent Law Provision: Local Administration Certification Program for State Universities and Community Colleges (R.C. section 123.17).** The enacted budget directs the Ohio Board of Regents to start up the Local Administration Certification Program (authorized by Am. Sub. H.B. 16, the capital appropriations act, to certify state universities and state community colleges to administer their own building projects without DAS oversight) by December 30, 2005. Specifies that certification remains valid as long as the State Architect determines that the institution (1) employs a sufficient number of personnel who have completed the certification program, and (2) conducts biennial audits of its self-administered building projects. The budget also authorizes the State Architect to revoke the certification of an institution if the State Architect determines that either requirement is no longer met. The budget subjects the State Architect's authority to set the fees for the program to the approval of the Director of Budget and Management. Specifies that the fees are to cover the cost of implementing the program.

### **Program 1.2 - Space Planning and Interior Design**

**Program Description:** The Interior Design program, a part of the General Service Division, provides space-planning services to tenants in state owned buildings and the Ohio Building Authority, and for state tenants in buildings that the state leases. This program develops space usage analysis, based on a standard methodology, as recommended by the Management Improvement Commission 2000 report, to provide more consistent use of office space and creates a more efficient, and therefore, a more economical use of state office areas. This program also compiles square footage information, which is used for accurate quarterly billings, as well as for federally required Statewide Indirect Cost Allocation Plan reporting.

**Funding Sources:** General Revenue Fund and administrative assessments

**Implication of the Enacted Budget:** Funding at enacted levels will allow for the continuation of staffing and services at FY 2005 levels.

### **Program 1.3 - Energy Services**

**Program Description:** The Office of Energy Services facilitates the cost-effective, efficient use of energy resources in state government operations and facilities through a review of existing energy systems in state buildings and the design and construction of new systems that result in energy savings to agencies. These savings are a result of promoting and implementing performance-based contracts and through capital improvement funds authorized by the state. These performance-based contracts are financed through Air Quality Development Authority bonds, which are retired by the owner agency and paid with a portion of the operating funds saved by the project.

**Funding Sources:** General Revenue Fund, fees charged to customers for managing their energy conservation performance projects, and administrative assessments

**Implication of the Enacted Budget:** The enacted budget will maintain current program and staffing levels.

**Program Series 2****Procurement Services**

**Purpose:** Provides centralized procurement of supplies and services used in the daily operations of most state agencies, with the exception of data and telecommunication products and services.

The following table shows the line items that are used to fund the Procurement Services program series, as well as the enacted funding levels.

Fund	ALI	Title	FY 2006	FY 2007
<b>General Revenue Fund</b>				
GRF	100-404	CRP Procurement Program	\$248,040	\$268,040
GRF	100-421	OAKS Project Implementation	\$239,392*	\$202,815*
GRF	130-321	State Agency Support Services	\$213,318*	\$217,078*
<b>General Revenue Fund Subtotal</b>			<b>\$700,750</b>	<b>\$687,933</b>
<b>General Services Fund</b>				
117	100-644	General Services Division-Operating	\$4,262,354*	\$4,634,408*
<b>General Services Fund Subtotal</b>			<b>\$4,262,354</b>	<b>\$4,634,408</b>
<b>Total Funding: Procurement Services</b>			<b>\$4,963,104</b>	<b>\$5,322,341</b>

\* Amounts do not reflect total funding because the line items are used to fund programs in other program series. Amounts shown are the budget amounts provided in the executive budget.

The following programs are in the Procurement Services program series:

- **Program 2.1: State Purchasing**
- **Program 2.2: Cooperative Purchasing**
- **Program 2.3: Competitive Sealed Proposal**

**Program 2.1 - State Purchasing**

**Program Description:** State Purchasing assists state agencies with procuring a number of goods and services by establishing and administering contracts. According to DAS, approximately \$285 million out of the statewide \$2 billion in supplies and services are competitively bid by State Purchasing, representing a savings to the state of over \$20 million after subtracting out the cost of the operation.

**Funding Sources:** General Revenue Fund and fees charged to customer agencies based upon their expenditures for goods and services utilizing State Purchasing contracts

**Implication of the Enacted Budget:** The enacted budget may result in hiring fewer positions resulting in some delays in the purchasing of goods and services for agencies. The budget also contains language that transfers the State Use Program from MR/DD to DAS. Any additional costs to the program are likely to be offset by an increase in GRF appropriations of \$248,040 in FY 2006 and \$268,040 in FY 2007.

**Permanent Law Provision: Transfer of State Use Program to DAS (R.C. sections 125.11, 125.60, 125.601, 125.602, 125.603, 125.604, 125.605, 126.606, 125.607, 125.608, 125.609, 125.6010, 125.6011, 125.6012, 127.16, 307.86, 731.14, 731.141, 4115.32, 4115.34, 4115.36, and Sections 203.12, 203.12.01, and 209.09.03).** The budget transfers the state committee for the purchase of products and services provided by persons with severe disabilities, a procurement program currently housed with the Department of Mental Retardation and Developmental Disabilities, otherwise known as the State Use Program, to the Department of Administrative Services.

### **Program 2.2 - Cooperative Purchasing**

***Program Description:*** The goal of the Cooperative Purchasing program is to combine the purchasing power of participating political subdivisions to procure quality goods and services at the lowest price. This voluntary program offers Ohio counties, townships, municipalities, school districts, public libraries, regional transit authorities, park districts, and others the benefit and cost savings of building goods and services through state contracts.

***Funding Source:*** Membership fees charged to local governments to participate in the state's purchasing program

***Implication of the Enacted Budget:*** Funding at enacted levels will allow for the continuation of services at FY 2005 levels.

### **Program 2.3 - Competitive Sealed Proposal**

***Program Description:*** The Competitive Sealed Proposal process is generally used for the procurement of professional and other services. This process involves Requests for Proposals, from which responses are evaluated based on many factors. The price is not revealed until the other aspects of the proposal are reviewed and is then considered in the final contract award decision.

***Funding Source:*** Fees charged to customer agencies based on their purchases from contracts established by this program

***Implication of the Enacted Budget:*** The enacted budget may result in a reduction in the number of positions funded by this program.



**Program Series 3****Document Management**

**Purpose:** Allows agencies to copy, print, distribute, store, and retrieve written information.

The following table shows the line items that are used to fund the Document Management program series, as well as the enacted funding levels.

Fund	ALI	Title	FY 2006	FY 2007
<b>General Revenue Fund</b>				
GRF	130-321	State Agency Support Services	\$833,580*	\$854,974*
<b>General Revenue Fund Subtotal</b>			<b>\$833,580</b>	<b>\$854,974</b>
<b>General Services Fund</b>				
117	100-644	General Services Division-Operating	\$343,991*	\$344,892*
122	100-637	Fleet Management	\$99,474*	\$100,160*
201	100-653	General Services Resale Merchandise	\$1,553,000	\$1,553,000
210	100-612	State Printing	\$5,931,421	\$5,931,421
<b>General Services Fund Subtotal</b>			<b>\$7,927,886</b>	<b>\$7,929,473</b>
<b>Total Funding: Document Management</b>			<b>\$8,761,466</b>	<b>\$8,784,447</b>

\* Amounts do not reflect total funding because line items are used to fund programs in other program series. Amounts shown reflect the budgeted amount provided in the executive budget.

The following programs are in the Document Management program series:

- **Program 3.1: Printing-Document Reproduction**
- **Program 3.2: Printing-Commercial Printing**
- **Program 3.3: Records Management**
- **Program 3.4: State Mail Services**

**Program 3.1 - Printing-Document Reproduction**

**Program Description:** The Office of State Printing operates a network of one main and six satellite copy centers. These copy centers are utilized by the executive and judicial branches of state government. According to DAS, work produced in these copy centers is 30% to 50% lower than commercial and agency copy centers because of the cost efficiencies associated with the economy of scale realized through centralized production services. These costs savings are realized by the state agencies that utilize the services of State Printing. State Printing offers a variable cost per impression of \$0.10 to \$0.20 per copy.

**Funding Sources:** Fees charged to customer agencies based upon the services provided, and administrative assessments

**Implication of the Enacted Budget:** The enacted budget will support current service and staffing levels; however, many agencies may continue to utilize the Internet and email rather than produce printed materials, thus reducing the services of DAS.

### **Program 3.2 - Printing-Commercial Printing**

**Program Description:** The Commercial-Printing program provides a wide range of printing services for state agencies, boards, and commissions for those printing projects that are more cost effective to contract out rather than perform in-house. State Printing writes detailed bid specifications that establish material requirements, production methods, and delivery parameters, which result in significantly lower prices for Ohio's printed goods.

**Funding Sources:** Fees charged to customer agencies based upon the services provided, and administrative assessments

**Implication of the Enacted Budget:** Funding at enacted levels will allow for the continuation of services at FY 2005 levels.

### **Program 3.3 - Records Management**

**Program Description:** Records Management establishes standards, reviews disposal requests, and establishes general schedules for retention for the records, both paper and electronic, of all state agencies. In addition, Records Management establishes and maintains a records management training program, and provides for the disposition of any remaining records of any state agency, board, or commission that has terminated its operations.

**Funding Sources:** General Revenue Fund and administrative assessments

**Implication of the Enacted Budget:** The enacted budget will provide for one employee to continue performing a combination of records management and forms management duties.

### **Program 3.4 - State Mail Services**

**Program Description:** State Mail Services provides interdepartmental mail delivery, metering, pre-sort services, and flat sorting services to enable agencies to meet their mailing needs. The State Mail Service is not statutorily required, but DAS believes it provides significant cost savings opportunities for its users. According to DAS, interoffice mail delivery sorts approximately 6,100 pieces of inter-office mail daily, and based upon current U.S. Postal Service rates, this equates to annual savings of over \$1.1 million.

**Funding Sources:** General Revenue Fund and administrative assessments

**Implication of the Enacted Budget:** The enacted budget will maintain current program and staffing levels.

**Program Series 4****Fleet Management**

**Purpose:** Supports the state's motor vehicle fleet management functions and provides guidance on vehicle purchases, assignment, usage, maintenance, operation, and disposal.

The following table shows the line items that are used to fund the Fleet Management program series, as well as the enacted recommended funding levels.

Fund	ALI	Title	FY 2006	FY 2007
<b>General Services Fund</b>				
117	100-644	General Services Division-Operating	\$72,223*	\$71,507*
122	100-637	Fleet Management	\$3,925,569*	\$3,932,808*
<b>Total Funding: Fleet Management</b>			<b>\$3,997,792</b>	<b>\$4,004,315</b>

\* Amounts do not reflect total funding because line items are used to fund programs in other program series. Amounts shown are the amounts provided in the executive budget.

The following programs are in the Fleet Management program series:

- **Program 4.1: Statewide Fleet Services**
- **Program 4.2: Vehicle Lease and Rental Services**

**Program 4.1 - Statewide Fleet Services**

**Program Description:** The Office of Fleet Management serves almost all state agencies by providing an on-line fleet program (FleetOhio) that provides vehicle management reports and vehicle inventory data, a review of all requests for the purchase or lease of motor vehicles, and the fleet fuel card system. The FYs 2004-2005 budget bill increased the authority and scope of the Fleet Management program by charging DAS with the reduction of the number of passenger vehicles by 10%, or 693 vehicles by June 30, 2005. In February 2003, the size of the overall state fleet was 12,563. The office has since successfully reduced the overall fleet by 900 vehicles.

**Funding Sources:** Fees charged to customer agencies based upon the number of vehicles for which service is provided and administrative assessments

**Implication of the Enacted Budget:** The enacted budget may not provide the resources for personnel and professional services to implement the requirements of the new fleet program. The State Fleet Management Program may experience an increase in workload to ensure that state institutions of higher education use DAS' fleet management software, use the fuel card program, and use DAS' bulk fuel purchases contract. Also, the enacted budget will allow for the continuation of the state's Voyager Fleet Card Payment program. DAS will allocate approximately \$859,000 in FY 2006 and \$879,000 in FY 2007 for this program.

**Permanent Law Provision:** Changes to Fleet Management Law (R.C. sections 125.831 and 125.832). The enacted budget authorizes proceeds from the disposition of motor vehicles under the Fleet Management Law to be deposited, at the discretion of the Director of Administrative Services, to the credit of either the Fleet Management Fund or the Investment Recovery Fund, rather than just into the Fleet Management Fund. Changes the definitions of "state agency" and "law enforcement officer" as used in the Fleet Management Law to include or exclude various individuals or entities from those terms. Generally requires state agencies subject to the State Fleet Management Law to acquire passenger motor vehicles by lease through the master-leasing program established by DAS. Requires state agencies to

submit data and other information to DAS about motor vehicles that otherwise are not subject to the Fleet Management Law. Prohibits reimbursement of state employees who use their own motor vehicles for any mileage incurred above an amount DAS determines annually unless DAS approves the excess mileage in accordance with specified standards. Requires state institutions of higher education to use DAS' vehicle fleet management software system, DAS' fuel card program to pay for fuel and vehicle maintenance, and DAS' bulk fuel purchases contract to make bulk fuel purchases. Requires DAS, rather than the Board of Regents, to receive each state institution of higher education's annual report concerning its acquisition and management of motor vehicles and to document savings made by the various institutions.

### **Program 4.2 - Vehicle Lease and Rental Services**

**Program Description:** The Vehicle Rental and Lease program provides state agencies with vehicles for long-term lease or short-term rent use.

**Funding Sources:** Fees charged to customer agencies based upon the usage of rental or leased vehicles; administrative assessments

**Implication of the Enacted Budget:** The enacted budget will maintain current program and staffing levels. The budget will allow DAS to continue to provide its 58 customer agencies with vehicles for lease, vehicle maintenance, and replacement of those vehicles. The budget provides approximately \$3.1 million each fiscal year for this program.

## **Program Series 5**

## **Risk Management**

**Purpose:** Coordinates insurance coverage to protect the state's assets from major loss and to insure agencies against losses that would adversely impact their financial stability.

The following table shows the line items that are used to fund the Risk Management program series, as well as the enacted funding levels.

Fund	ALI	Title	FY 2006	FY 2007
<b>General Services Fund</b>				
117	100-644	General Services Division-Operating	\$57,302*	\$57,620*
127	100-627	Vehicle Liability Insurance	\$3,344,644	\$3,344,644
130	100-606	Risk Management Reserve	\$223,904	\$223,904
<b>Total Funding: Risk Management</b>			<b>\$3,625,850</b>	<b>\$3,626,168</b>

\* Amount does not reflect total funding because line item is used to fund programs in other program series. Amount shown is the amount provided in the executive budget.

The following programs are in the Risk Management program series:

- **Program 5.1: Vehicle Liability Services**
- **Program 5.2: Property, Casualty, and Bonding Services**

### **Program 5.1 - Vehicle Liability Services**

**Program Description:** The Vehicle Liability Services program administers the state's self-insured vehicle liability program, which covers a wide variety of vehicles, including emergency units. This program provides vehicle liability insurance for state agencies and acts as a liaison between agencies and private firms to enable agencies to reduce the cost for processing claims against vehicles. The program also helps state agencies recover money owed to the state from at-fault parties or their insurance carrier and for damages to state owned motor vehicles.

**Funding Sources:** Fees charged to customer agencies based upon the number of vehicles for which liability coverage is provided and administrative assessments

**Implication of the Enacted Budget:** The enacted budget will maintain current program and staffing levels and allow DAS to continue providing risk management services through the provision of property and casualty insurance from private vendors. The enacted budget provides approximately \$3.34 million each fiscal year for vehicle liability insurance coverage for approximately 17,900 vehicles.

### **Program 5.2 - Property, Casualty, and Bonding Services**

**Program Description:** The Property, Casualty, and Bonding Services program provides state agencies with professional risk management services. The program procures property and casualty insurance coverage for state agencies through private insurers, acting on behalf of the agencies in contacting insurance markets.

**Funding Sources:** Fees charged to customer agencies based on the dollar volume of private insurance coverage placed or the number of exposure units for which coverage is placed; administrative assessments

**Implication of the Enacted Budget:** The enacted budget will continue this program at FY 2005 levels. Funding levels will not provide for a needed consultant to look at expanding the centralized insurance policies offered to state agencies, including collision insurance policies required when leasing vehicles. As a result, DAS will try to utilize its own staff to perform this review.

**Program Series 6****Property and Facilities Management**

**Purpose:** Supports the activities of state government by providing accommodations for state agencies' space needs and building management services.

The following table shows the line items that are used to fund the Property and Facilities Management program series, as well as the enacted funding levels.

Fund	ALI	Title	FY 2006	FY 2007
<b>General Revenue Fund</b>				
GRF	100-421	OAKS Project Implementation	\$244,608*	\$208,024*
GRF	100-734	Major Maintenance-State Buildings	\$50,000	\$50,000
GRF	130-321	State Agency Support Services	\$429,920*	\$439,526*
<b>General Revenue Fund Subtotal</b>			<b>\$724,528</b>	<b>\$697,550</b>
<b>General Services Fund</b>				
117	100-644	General Services Division-Operating	\$1,702,434*	\$1,735,081*
132	100-631	DAS Building Management	\$10,721,430	\$11,066,228
427	100-602	Investment Recovery	\$5,580,208	\$5,683,564
5C3	100-608	Skilled Trades	\$1,406,278	\$1,434,982
<b>General Services Fund Subtotal</b>			<b>\$19,410,340</b>	<b>\$19,919,855</b>
<b>Total Funding: Property and Facilities Management</b>			<b>\$20,134,878</b>	<b>\$20,617,405</b>

\* Amounts do not reflect total funding because line item are used to fund programs in other program series. Amounts shown are the budgeted amounts provided in the executive budget.

The following programs are in the Property and Facilities Management program series:

- **Program 6.1: State and Federal Surplus**
- **Program 6.2: Real Estate Services**
- **Program 6.3: Safety and Security Services**
- **Program 6.4: Facilities Management**
- **Program 6.5: Skilled Trades**
- **Program 6.6: Fixed Asset Management**

### **Program 6.1 - State and Federal Surplus**

**Program Description:** The State Surplus Property program receives excess property from state agencies, boards, and commissions. The surplus property is stored in a warehouse and surplus vehicles are stored on a parking lot at 4200 Surface Road. The property is then offered to eligible recipients, such as state agencies, state-supported or state-assisted institutions of higher education, tax-supported agencies such as public schools and political subdivisions of the state, and nonpublic elementary and secondary schools chartered by the State Board of Education. Any surplus property that is not reused is auctioned off to the highest bidder at a public auction. The Federal Surplus Property program allows eligible entities access to surplus federal property.

**Funding Sources:** A portion of the sales proceeds from property sold for state agencies and administrative assessments

**Implication of the Enacted Budget:** The enacted budget will allow for the continuation of this program at current service levels and provide additional funds to make refunds. The budget provides \$1.6 million in FY 2006 and \$1.7 million in FY 2007 to eliminate the annual Controlling Board request to increase appropriation authority to enable the State and Federal Surplus activity to make refunds.

**Temporary Law Provision: Investment Recovery Fund (Section 203.12.30).** The budget law allows cash balances in the Investment Recovery Fund (Fund 427) to be used to support the operating expenses of the Federal Surplus Operating Program, and the operating expenses of the State Property Inventory and Fixed Assets Management System Program. Earmarks up to \$2,147,024 in FY 2006 and up to \$2,205,594 in FY 2007 from appropriation item 100-602, Investment Recovery, for the operating expenses of the State Surplus Property Program, the Surplus Federal Property Program, and the State Property Inventory and Fixed Assets Management System Program. Earmarks \$3,433,184 in FY 2006 and \$3,477,970 in FY 2007 from appropriation item 100-602, Investment Recovery, to be used to transfer proceeds from the sale of surplus property from the Investment Recovery Fund to non-General Revenue Funds under division (A)(2) of section 125.14 of the Revised Code.

### **Program 6.2 - Real Estate Services**

**Program Description:** Real Estate Services represents most state agencies, boards, commissions, colleges, and universities in leasing of commercial facilities, state property appraisal review, preparation and processing of easements involving state property, and the purchase and sale of real estate. According to DAS, this office manages over 300 leases with an annual dollar value in excess of \$57 million for 59 state entities.

**Funding Sources:** General Revenue Fund, new fees charged to customer agencies based upon the dollar volume of their commercial leases, and administrative assessments

**Implication of the Enacted Budget:** The enacted budget will maintain program and staffing levels at FY 2005 levels.

### **Program 6.3 - Safety and Security Services**

**Program Description:** The Safety and Security Services program ensures the safety of tenants and visitors in certain state owned and leased facilities in the Metro Columbus area. These facilities include: 25 S. Front Street (Department of Education); 4200 Surface Road (Department of Administrative Services); the State of Ohio Computer Center; and commercially leased space occupied by the Environmental Protection Agency, Ohio Data Network Print Services, and the Department of Health Vital Statistics. Security is maintained 24 hours a day, seven days a week through a network of digital Closed Circuit Television (CCTV) and Card Access Systems at proprietary stations located at 4299 Surface Road. The expansion of Homeland Security measures has put additional emphasis on this program.

**Funding Sources:** Fees charged to customer agencies based on the square footage of building space for which services are provided; administrative assessments

**Implication of the Enacted Budget:** The enacted budget will maintain current program and staffing levels. DAS will allocate approximately \$1.2 million each fiscal year to continue providing safety and security services in five state-owned agency facilities in Columbus.

### **Program 6.4 - Facilities Management**

**Program Description:** The Facilities Management program provides centralized building operations and maintenance services for DAS owned and managed buildings, including custodial, preventive maintenance, HVAC operations, maintenance and repair, major remodeling and renovation, customer requested alterations, snow removal, and landscaping. Inflationary costs of electric, gas, and water utilities have increased beyond normal inflation, driving the cost of this program.

**Funding Sources:** General Revenue Fund, fees charged to customer agencies based on the square footage of office space occupied in DAS owned and managed buildings, and administrative assessments

**Implication of the Enacted Budget:** The enacted budget will maintain current program and staffing levels. The budget provides roughly \$10 million each fiscal year for facilities management.

### **Program 6.5 - Skilled Trades**

**Program Description:** The Skilled Trades Work Unit provides limited alteration and renovation work in state owned facilities. This unit employs a small number of skilled trade workers that are primarily used to respond to emergency situations. This unit also provides minor alteration, renovation, and construction services to state agencies.

**Funding Sources:** Fees charged to customer agencies on a time and materials basis for project work performed; administrative assessments

**Implication of the Enacted Budget:** The enacted funding levels may result in a delay in the scheduling of some detailed facilities work.

### **Program 6.6 - Fixed Asset Management**

**Program Description:** The Office of Fixed Asset Management provides asset management services to state agencies as a means for agencies to fulfill their own internal inventory reporting needs, and the state of Ohio statutory inventory and capital asset financial reporting requirements. This office also maintains and provides an on-line/real-time access to the state's Fixed Asset Management System (FAMS). This program will eventually be a part of the OAKS system.

**Funding Sources:** General Revenue Fund, a portion of sales of property sold for state agencies, and administrative assessments

**Implication of the Enacted Budget:** The enacted budget will maintain current program and staffing levels. The budget provides approximately \$452,000 over the biennium for development and implementation of the fixed asset management components of the OAKS system.



**Program Series 7****Enterprise Information Technology**

**Purpose:** Provides senior leadership and strategic direction for the state of Ohio on issues of Information Technology.

The following table shows the line items that are used to fund the Enterprise Information Technology program series, as well as the enacted funding levels.

Fund	ALI	Title	FY 2006	FY 2007
<b>General Revenue Fund</b>				
GRF	100-418	Web Sites and Business Gateway	\$3,275,280	\$3,275,280
<b>General Services Fund</b>				
229	100-630	IT Governance	\$1,355,647*	\$1,346,816*
<b>Federal Special Revenue Fund</b>				
3AJ	100-623	Information Technology Grants	\$82,048	\$82,048
<b>Total Funding: Enterprise Information Technology</b>			<b>\$4,712,975</b>	<b>\$4,704,144</b>

\* Amount does not reflect total funding because line item is used to fund programs in other program series. Amount shown is the budgeted amount provided in the executive budget.

The following programs are in the Enterprise Information Technology program series:

- **Program 7.1: Enterprise Information Technology Leadership**
- **Program 7.2: Digital Government**

**Program 7.1 - Enterprise Information Technology Leadership**

**Program Description:** The State Chief Information Officer position was created by executive order in January 2004. This position will provide collaboration, oversight, and communications essential to the future of state information technology by working with state agencies, local governments, and the federal government. One of the Chief Information Officer's top priorities is IT security.

**Funding Source:** Fees charged to user agencies for IT services

**Implication of the Enacted Budget:** The enacted budget will maintain current program and staffing levels.

**Temporary and Permanent Law Provisions:** Office of Information Technology (Section 203.12.48). The enacted budget maintains continuing temporary law that allows the Director of Administrative Services, with the approval of the Director of Budget and Management, to establish an information technology assessment for the purpose of recovering the cost of selected infrastructure and statewide programs. Such assessment shall comply with applicable cost principles issued by the federal Office of Management and Budget. The information technology assessment shall be charged to all organized bodies, offices, or agencies established by the laws of the state for the exercise of any function of state government except for the General Assembly, any legislative agency, the Supreme Court, the other courts of record in Ohio, or any judicial agency, the Adjutant General, the Bureau of Workers' Compensation, and institutions administered by a board of trustees. Any state entity exempted by this section may utilize the infrastructure or statewide program by participating in the information technology assessment. All charges for the information technology assessment shall be deposited to the credit of the IT Service Delivery Fund (Fund 133) created in section 125.15 of the Revised Code.

***Office of Information Technology (R.C. section 125.18).*** The budget establishes the Office of Information Technology in the Department of Administrative Services to advise the Governor regarding the superintendence and implementation of statewide information technology policy and to lead, oversee, and direct state agency activities regarding the development and use of information technology. Budget language also states that the creation of the Office of Information Technology does superintend the office of state-elected officials, other than the offices of the Governor and Lieutenant Governor, as well as the five state retirement systems, in their development or use of information technology.

### **Program 7.2 - Digital Government**

***Program Description:*** The Digital Government program coordinates the strategic delivery of on-line services to the citizens and business of the state by collaborating with state agencies to create effective and consistent on-line service offerings and interfaces. One project funded by this program is the Ohio Business Gateway, a system that currently allows businesses to file and pay eight different tax forms with four different agencies, all from within the same system. The maintenance and operating costs of the OBG are funded through the GRF, and the state has made a commitment to municipalities that these changes will take place at no cost to them. Other projects funded by this program are the Ohio Portal group, the Internet Portal, the Ohio Server Project, which provides web site hosting to state agencies, and the Appalachian Broadband project. The Appalachian Broadband project is an economic development effort to help the underserved areas of Southeast Ohio to achieve equal footing relative to the other areas of the state in terms of access to the benefits of high-speed Internet access. This project is funded through a federal grant, requiring a 50% match.

***Funding Sources:*** General Revenue Fund, fees charged to user agencies of IT services, and federal grants

***Implication of the Enacted Budget:*** The enacted budget will maintain current program and staffing levels.

**Program Series 8****Information Technology Governance**

**Purpose:** Provides enterprise-wide structure for management in the area of technology acquisition, policy, planning, project management, and project portfolio management to support agencies, boards, and commissions in their acquisition and use of information technology.

The following table shows the line items that are used to fund the Information Technology Governance program series, as well as the enacted funding levels.

Fund	ALI	Title	FY 2006	FY 2007
<b>General Services Fund</b>				
229	100-630	IT Governance	\$14,370,312*	\$13,752,139*
<b>Total Funding: Information Technology Governance</b>			<b>\$14,370,312</b>	<b>\$13,752,139</b>

\* Amount does not reflect total funding because line item is used to fund programs in other program series. Amount shown is the budgeted amount provided in the executive budget.

The following programs are in the Information Technology Governance program series:

- **Program 8.1: Superintendence**
- **Program 8.2: Research & Advisory Services**

**Program 8.1 - Superintendence**

**Program Description:** The Office of Information Technology has approval authority, in collaboration with the Director of Budget and Management, over all information technology budgeting and spending by agencies, establishing and running a new statewide advisory council, and continuing a comprehensive approach to steering the state of Ohio's investment in information technology.

**Funding Source:** Fees charged to user agencies for IT services

**Implication of the Enacted Budget:** The enacted budget will maintain current program and staffing levels. The budget will allow DAS to yield savings across all state agencies in excess of \$50 million annually on IT purchases. DAS will allocate approximately \$12 million each fiscal year for IT superintendence.

**Program 8.2 - Research & Advisory Services**

**Program Description:** The Information Technology Research & Advisory Services program provides services to all state agencies. Agencies can receive unlimited research, advice, and insights to support IT decision making through four research partners: Gartner, META, the Columbus Technology Council, and NOREX. These partners offer help on higher-level strategic and trend-based research and for IT research and advice. Agencies often use these services when developing applications. These services are accessible via the Internet, over the telephone, in person, via on-site briefings, in peer-to-peer discussion groups, through white papers and discussion groups, and via e-mail. Previously, agencies contracted independently with these partners. These contracts are now consolidated into a statewide subscription that is paid for by OIT.

**Funding Source:** Fees charged through payroll check-off for IT services

**Implication of the Enacted Budget:** The enacted budget will maintain program and staffing at FY 2005 levels.

## Program Series 9

## Information Technology Services

**Purpose:** Provides a variety of services including network infrastructure, data storage, and maintenance of operating system environments.

The following table shows the line items that are used to fund the Information Technology Services program series, as well as the enacted funding levels.

Fund	ALI	Title	FY 2006	FY 2007
<b>General Revenue Fund</b>				
GRF	100-419	IT Security Infrastructure	\$1,636,247	\$1,636,247
<b>General Revenue Fund Subtotal</b>			<b>\$1,636,247</b>	<b>\$1,636,247</b>
<b>General Services Fund</b>				
133	100-607	IT Service Delivery	\$81,418,432	\$80,345,564
229	100-630	IT Governance	\$2,805,853*	\$2,502,757*
4N6	100-617	Major IT Purchases	\$10,617,166	\$10,617,166
5C2	100-605	MARCS Administration	\$9,268,178	\$9,268,178
<b>General Services Fund Subtotal</b>			<b>\$104,109,629</b>	<b>\$102,733,665</b>
<b>Total Funding: Information Technology Services</b>			<b>\$105,745,876</b>	<b>\$104,369,912</b>

\* Amount does not reflect total funding because line item is used to fund programs in other program series. Amount shown is the budgeted amount provided in the executive budget.

The following programs are in the Information Technology Services program series:

- **Program 9.1: Enterprise Computing**
- **Program 9.2: Unified Network Services**
- **Program 9.3: Enterprise Shared Services**

### Program 9.1 - Enterprise Computing

**Program Description:** The Enterprise Computing program (formerly known as the Ohio Data Network) offers agencies a variety of data center services across various mainframe open platforms, and provides technical support and tools enabling agencies to develop systems that seamlessly cross platform boundaries. Agencies utilize these services when developing unique applications.

**Funding Source:** Fees charged to user agencies for IT services

**Implication of the Enacted Budget:** The enacted budget will maintain current program and staffing levels, and allow DAS to allocate approximately \$87 million for IT service delivery and \$20 million for major IT purchases. Over the biennium, DAS plans to consolidate and centralize multiple help desk services as well as centralize agencies' e-mail applications to eliminate the need for individual agencies to have their own servers.

### **Program 9.2 - Unified Network Services**

**Program Description:** The Unified Network Services program has two components: Network Operations and the Multi-Agency Radio Communications System (MARCS). Network Operations provides network services including Internet services, network connectivity, local area network support, video conferencing, remote network access, network security services, and voice communication services. Funding in the FY 2006-2007 biennium will be used to design and implement the OH\*1-The Next Generation Network for Ohio. The OH\*1 program will consolidate the multiple data, voice, and video networks throughout the state. The most recent capital bill (Am. Sub. H.B. 16 of the 126th General Assembly) appropriated \$4 million in the FY 2006-2007 biennium to start the development of the OH\*1 Network.

MARCS provides statewide mobile voice and data communications to public safety and service providers at all levels of government. Participants include state agencies involved with law enforcement, health, emergency management, and emergency medical services. Ohio has invested \$272 million in capital to create the infrastructure for this communication system. Funding in FYs 2006-2007 will be used to support the MARCS operational unit, including technical support, network operations, and remote communications.

**Funding Sources:** General Revenue Fund, fees charged to user agencies for IT services and MARCS users

**Implication of the Enacted Budget:** The enacted budget will maintain current program and staffing levels. DAS will allocate approximately \$9.3 million each fiscal year for administration of the MARCS program.

**Temporary Law Provisions: Multi-Agency Radio Communications System (Section 203.12.33).** The budget maintains continuing temporary law that allows the Director of Administrative Services to collect user fees from participants in the MARCS system. The Director of Administrative Services, with the advice of the Multi-Agency Radio Communications System Steering Committee and the Director of Budget and Management, shall determine the amount of the fees and the manner by which the fees shall be collected. Such user charges shall comply with the applicable cost principles issued by the federal Office of Management and Budget. All moneys from user charges and fees shall be deposited in the state treasury to the credit of the Multi-Agency Radio Communications System Administration Fund (Fund 5C2), which is hereby established in the state treasury. All interest income derived from the investment of the fund shall accrue to the fund.

### **Program 9.3 - Enterprise Shared Services**

**Program Description:** The Enterprise Shared Services (ESS) program focuses on the effective use of technologies in support of multi-agency functions and services by providing a wide range of services to streamline governmental operations and provide economies of scale to increase efficiencies, time-savings, and eliminate redundancy for state agencies and other governmental units. These services are offered through the following: Ohio Geographically Referenced Information Program/Geographic Information System Support Center (OGRIP/GISSC), the Ohio Portal, the Electronic Commerce Center (ECC), and the Ohio Business Gateway (OBG).

The GISSC provides assistance, consultation, and guidance to state agencies on spatial and location-based technologies and their use within state government providing enterprise solutions to support spatial information technologies. Ohio's statewide centerline program managed by GISSC, the Location Based Response System (LBRS), is an intelligent, high resolution/accuracy depiction of the center of the road, with site address and address ranges to support public safety, emergency response, and economic development. In partnership with local governments, the LBRS will allow access to imagery, mapping, and reference information based upon the entry of an address anywhere in Ohio.

The ECC provides enterprise services such as electronic payment, electronic data exchange, data transformation, data delivery, and electronic commerce consulting services to state agencies.

The OBG, a web-based application that permits businesses to report, file, and pay Ohio sales tax, employer withholding tax, unemployment compensation tax, and workers' compensation premiums electronically in one location via the state of Ohio's home page. The operations portion of the Ohio Business Gateway is funded through the Digital Government program.

The ESS also supports the continued operations of the Ohio.Gov Portal and Ohio Server Project. The Ohio.Gov Portal provides the "front door" through which web site visitors can easily locate state services without knowing what agency provides those needed services. The Ohio Server Project provides and supports the Internet Hosting to state agencies.

OGRIP was formalized by an executive order in order to coordinate and develop the use of geographic information systems through the state. OGRIP coordinates location information on behalf of all state and local governmental groups. The GRF funding for OGRIP was eliminated in the last biennium.

**Funding Sources:** General Revenue Fund and fees charged to user agencies for IT services

**Implication of the Enacted Budget:** The enacted budget will provide approximately \$8 million each fiscal year allowing current program and staffing levels to be maintained.

## Program Series 10

## Human Resources

**Purpose:** Meets the human resources needs of state government.

The following table shows the line items that are used to fund the Human Resources program series, as well as the enacted funding levels.

Fund	ALI	Title	FY 2006	FY 2007
<b>General Revenue Fund</b>				
GRF	100-403	Public School Employee Benefits	\$1,200,000	\$1,500,000
GRF	100-406	County & University Human Resources Services	\$60,000	\$60,000
<b>General Revenue Fund Subtotal</b>			<b>\$1,260,000</b>	<b>\$1,560,000</b>
<b>General Services Fund</b>				
125	100-622	Human Resources Division-Operating	\$18,864,179	\$19,220,614
5D7	100-621	Workforce Development	\$12,000,000	\$12,000,000
5L7	100-610	Professional Development	\$2,700,000	\$2,700,000
5V6	100-619	Employee Educational Development	\$936,129	\$936,129
<b>General Services Fund Subtotal</b>			<b>\$34,500,308</b>	<b>\$34,256,743</b>
<b>Agency Fund</b>				
124	100-629	Payroll Deductions	\$2,050,000,000	\$2,050,000,000
<b>Agency Fund Subtotal</b>			<b>\$2,050,000,000</b>	<b>\$2,050,000,000</b>
<b>Total Funding: Human Resources</b>			<b>\$2,085,760,308</b>	<b>2,085,816,743</b>

The following programs are in the Human Resources program series:

- **Program 10.1: State Personnel**
- **Program 10.2: Benefits Administration**
- **Program 10.3: OCSEA Workforce Development**
- **Program 10.4: Exempt Employee Professional Development**
- **Program 10.5: Employee Educational Development**
- **Program 10.6: Payroll Deductions**

### **Program 10.1 - State Personnel**

**Program Description:** State Personnel provides services and information to help state agencies conduct their personnel functions. These services include: developing and maintaining classification plans; testing, maintaining test certification listings, and providing tailored recruitment; processing state payroll maintaining computerized human resources subsystems; approving position descriptions; and maintaining personnel records. This program covers eight subprograms: Information Resources, Human Resources Support Center, Payroll Administration, the Ohio Administrative Knowledge System (OAKS), Policy Development, Employment Processing, Training and Development, and County Services.

Information Resources coordinates events, such as the Human Resources Conference, develops contracts with outside vendors, coordinates employee and agency communication, responds to requests for information, coordinates the Governor's Employee Recognition program, administers the Combined Charitable Campaign, and provides support to many other programs benefiting all state employees.

The Human Resources Support Center consists of the Classification and Compensation, Certification Services, and State Services units, and the Employee Records Office.

Payroll Administration administers the computerized Human Resources System that is used by all state agencies that are paid by warrant of the Auditor of State. This unit processes 65,000 payroll checks every two weeks. In addition, this unit is responsible for annual employee wage reporting, as well as enrollment data to various entities the state conducts business with. Payroll Administration released its first ever Payroll Officers manual, which provides instruction for on-line payroll posting.

The Ohio Administrative Knowledge System (OAKS) is an Enterprise Resource Planning system that will be used by the Treasurer of State, Auditor of State, Office of Budget and Management, and DAS to integrate the five major statewide business operations: capital improvements, financials, fixed assets, human resources, and procurement. When this system is complete, the Human Resources Division will use this system to perform human resources functions such as payroll.

Policy Development administers seminars focusing on employment law and HR issues throughout the year, provides information and assistance to state agencies and employees related to proposed and current legislation affecting public employment in Ohio, statewide HR policy and employment law issues, provides staff with educational opportunities on HR/employment law issues, provides its three attorneys with various legal databases to research customer inquiries, and acts as internal legal counsel for the Human Resources Division.

Employment Processing includes the development and administration of civil service tests, approving or disapproving test applications, consulting with state agencies to assist them with testing, and other functions related to civil service testing.

Training and Development offers educational opportunities and initiatives for all levels of state employees through many training and certification programs.

***Funding Sources:*** General Revenue Fund, payroll assessment, and administrative assessments

***Implication of the Enacted Budget:*** The enacted funding levels will allow DAS to maintain staffing levels in all program areas except for County Services. The executive budget included language that eliminated the duty of the director of DAS to provide various services to counties under the civil service law. The enacted budget did not include the executive language, nor did it provide GRF appropriations to DAS to perform the county functions.

### **Program 10.2 - Benefits Administration**

***Program Description:*** The Benefits Administration program administers health care, long-term care, dental, vision, and life insurance, COBRA, unemployment benefits, dependent care programs, disability leave, and workers' compensation for all state employees. This program also oversees the absence management and wellness initiative and various special events such as wellness fairs. DAS plans to continue in the FY 2006-2007 biennium to seek ways to provide state employees with cost-effective health care.



**Funding Source:** Payroll assessments

**Implication of the Enacted Budget:** The enacted budget will allow benefit services to be maintained at their current levels; however, there may be insufficient resources to introduce new cost-saving initiatives, particularly in the areas of wellness and absence management.

**Temporary Law Provision: Public School Employee Benefits (Section 203.12.02).** The enacted budget requires the foregoing appropriation item 100-403, Public School Employee Benefits, be used by the Director of Administrative Services to hire an executive director and an assistant responsible for providing administrative support to the School Employee Health Care Board and the public school employee health insurance program established under section 9.901 of the Revised Code. At any time during the biennium, when the Director of Administrative Services certifies that there is a sufficient reserve available from premium payments made to the School Employees Health Care Fund (Fund 815), the Director of Budget and Management shall transfer \$2,700,000 from the School Employees Health Care Fund to the General Revenue Fund.

### **Program 10.3 - OCSEA Workforce Development**

**Program Description:** The Workforce Development program administers the Workforce Development benefit created through collective bargaining agreements between the state of Ohio and the Ohio Civil Service Employees Association (OCSEA). This program is designed to develop the job skills and abilities of all eligible union employees, through tuition assistance, reimbursement, professional development programs, career counseling, grants, labor-management training, pre-retirement seminars, conferences, and other developmental activities as determined necessary by the Workforce Development Steering Committee.

**Funding Sources:** Union employee payroll assessments and administrative assessments

**Implication of the Enacted Budget:** The enacted budget will maintain current program and staffing levels. DAS will allocate approximately \$12 million each fiscal year for the Workforce Development program.

### **Program 10.4 - Exempt Employee Professional Development**

**Program Description:** The Exempt Employee Professional Development program provides state employees exempt from collective bargaining agreements with programs such as tuition reimbursement, computer purchase loan program, and other professional development education and training.

**Funding Sources:** Payroll assessments on exempt employees of participating agencies and administrative assessments

**Implication of the Enacted Budget:** The enacted budget will maintain current program and staffing levels.

### **Program 10.5 - Employee Educational Development**

**Program Description:** The Employee Educational Development program is a group of five tuition reimbursement plans, which are a result of collective bargaining agreements with the Health Care and Social Service Union District 1199, the State Council of Professional Educators, the Ohio State Troopers Association Unit 1 and 15, and the Fraternal Order of Police Unit 2. Each of the plans has a

negotiated yearly amount and individual amounts that can be reimbursed for approved classes and seminars.

**Funding Source:** Payroll assessment on affected state employees

**Implication of the Enacted Budget:** The enacted budget will maintain current program and staffing levels.

### **Program 10.6 - Payroll Deductions**

**Program Description:** The Payroll Deductions program collects over 1,000 different types of state agency and state employee payroll deductions into the Payroll Deductions Fund (Fund 124). This fund is used as a pass-through fund to centralize the payment of payroll deductions. DAS makes disbursements from this fund for federal, state, and local taxes withheld, state retirement system deductions, insurance, deferred compensation, credit unions, and many other purposes.

**Funding Source:** State employee payroll deductions

**Implication of the Enacted Budget:** The enacted budget will maintain current program and staffing levels. The budget appropriates \$2.05 billion each fiscal year for payroll deductions. As can be seen, these "pass-thrus" are the lion's share of the agency's appropriations.

## **Program Series 11**

## **Collective Bargaining**

**Purpose:** Supports the collective bargaining process with union-represented state employees on behalf of the Governor.

The following table shows the line items that are used to fund the Collective Bargaining program series, as well as the enacted funding levels.

Fund	ALI	Title	FY 2006	FY 2007
<b>General Services Fund</b>				
128	100-620	Collective Bargaining	\$3,410,952	\$3,410,952
<b>Total Funding: Collective Bargaining</b>			\$3,410,952	\$3,410,952

The following programs are in the Collective Bargaining program series:

- **Program 11.1: Contract Administration**
- **Program 11.2: Conflict Resolution Services**
- **Program 11.3: Contract Negotiation**

### **Program 11.1 - Contract Administration**

**Program Description:** The Contract Administration program provides state agencies assistance in the resolution of unionized employee grievances through the coordination and review of mid-term changes in the collective bargaining agreements, the review of employee terminations and fine impositions, and as the final authority in the interpretation of labor contracts.

**Funding Source:** Payroll check-off charges

**Implication of the Enacted Budget:** The enacted budget will maintain current program and staffing levels. The budget will allow DAS to maintain administration of six collective bargaining agreements with five unions, as well as review of mid-term changes of those agreements. DAS will allocate approximately \$1.2 million for these functions.

### **Program 11.2 - Conflict Resolution Services**

**Program Description:** The Conflict Resolution Services program provides agencies assistance in the resolution of unionized employee grievances through the hiring and scheduling of mediation and arbitration services. In addition, the program provides staff for the representation of the state in grievance proceedings and in issues before the State Employment Relations Board.

**Funding Source:** Payroll check-off charges

**Implication of the Enacted Budget:** The enacted budget will maintain current program and staffing levels.

### **Program 11.3 - Contract Negotiation**

**Program Description:** The Contract Negotiations program provides state agencies representation in contract negotiations, develops cost estimates of proposed changes to the collective bargaining agreements, statistical analysis of labor market trends and labor costs for dispute resolution and contract negotiations, and statewide or agency payroll cost analysis when requested by the Governor, the legislature, or state agencies. Negotiations are conducted every three years. The current contract will expire in calendar year 2006.

**Funding Source:** Payroll check-off charges

**Implication of the Enacted Budget:** The enacted budget will allow FY 2005 service and staffing levels to be maintained.

**Program Series 12****Equal Opportunity Programs**

**Purpose:** Assists state agencies with the promotion of equal access to state employment opportunities and state contracting opportunities.

The following table shows the line items that are used to fund the Equal Opportunity Programs program series, as well as the enacted funding levels.

Fund	ALI	Title	FY 2006	FY 2007
<b>General Revenue Fund</b>				
GRF	100-439	Equal Opportunity Certification Program	\$726,481	\$728,384
GRF	100-451	Minority Affairs	\$47,000	\$47,000
GRF	102-321	Construction Compliance	\$1,190,959	\$1,206,779
<b>General Revenue Fund Subtotal</b>			<b>\$1,964,440</b>	<b>\$1,982,163</b>
<b>General Services Fund</b>				
188	100-649	Equal Opportunity Division-Operating	\$993,378	\$1,010,256
<b>General Services Fund Subtotal</b>			<b>\$993,378</b>	<b>\$1,010,256</b>
<b>Total Funding: Equal Opportunity Programs</b>			<b>\$2,957,818</b>	<b>\$2,992,419</b>

The following programs are in the Equal Opportunity Programs program series:

- **Program 12.1: AA/EEO Compliance**
- **Program 12.2: Minority Affairs**
- **Program 12.3: Construction Compliance**
- **Program 12.4: Equal Opportunity Certification**

**Program 12.1 - AA/EEO Compliance**

**Program Description:** The Affirmative Action/Equal Employment Office Compliance program directs and manages the state employee discrimination complaint procedure program. This program provides a vehicle for any state employee to address and resolve perceived employment discrimination issues with the employing agency. The program also provides guidelines, procedures, and expertise to state agencies, boards and commission in the development and implementation of strategic planning for equal employment opportunity programming within their departments.

**Funding Source:** Payroll assessments on a per employee basis

**Implication of the Enacted Budget:** The enacted budget will maintain current program and staffing levels.

**Program 12.2 - Minority Affairs**

**Program Description:** The Minority Affairs program provides liaison services to the Ohio Dr. Martin Luther King, Jr. Holiday Commission. The Commission coordinates the Dr. Martin Luther King, Jr. Commemorative Celebration and award ceremony, releases a calendar to educate and enlighten Ohioans on equality in our society, and sponsors a statewide oratorical contest for Ohio youth. This program provides the funding, budget preparation, and clerical support to the Commission.

**Funding Sources:** General Revenue Fund and administrative assessments

**Implication of the Enacted Budget:** The enacted budget will maintain current program and staffing levels.

### **Program 12.3 - Construction Compliance**

**Program Description:** The Construction Compliance program is responsible for ensuring that construction contractors on state and/or state-assisted construction projects comply with laws/regulations pertinent to equal employment opportunity. The program issues a contractor certificate of compliance through an application process, which permits a contractor to conduct business on a state and/or state assisted contract.

**Funding Sources:** General Revenue Fund and administrative assessment

**Implication of the Enacted Budget:** The enacted budget will allow FY 2005 service levels to be maintained over the biennium.

### **Program 12.4 - Equal Opportunity Certification**

**Program Description:** The MBE program was designed to assist minority business in obtaining state government contracts through a set aside procurement program for goods and services. The EDGE program, codified during the FY 2004-2005 budget process, was created to provide economically and socially disadvantaged business enterprises equity in regard to state contracts for goods and services and construction.

**Funding Sources:** General Revenue Fund and administrative assessment

**Implication of the Enacted Budget:** The enacted budget will maintain current program and staffing levels. The budget provides approximately \$1.8 million over the biennium to support this program.

**Temporary Law Provision: EDGE Program (R.C. section 123.152).** The budget requires the Director of Administrative Services to establish guidelines for state universities and the Ohio School Facilities Commission for awarding contracts. These guidelines allow the universities and Commission to establish their own agency procurement goals for contracting with (Encouraging Diversity, Growth and Equity Program) EDGE business enterprises. In addition, this section requires the Director to use the standard industrial code or an equivalent code classification when establishing procurement goals for agencies that award contracts pursuant to the Department of Administrative Services Public Works Law, the Department of Administrative Services Office Services Law, and the Public Improvements Law. This section exempts, from the Public Records Law, business and personal financial information and trade secrets submitted by EDGE applicants to the Director unless the Director presents the financial information or trade secrets at a public hearing or public proceeding regarding the applicant's eligibility to participate in the program.

**Program Series 13****State Support Services**

**Purpose:** Provides centralized support services to various state entities.

The following table shows the line items that are used to fund the State Support Services program series, as well as the enacted funding levels.

Fund	ALI	Title	FY 2006	FY 2007
<b>General Revenue Fund</b>				
GRF	100-405	Agency Audit Expenses	\$329,000	\$329,000
GRF	100-410	Veterans' Records Conversion	\$69,000	\$48,600
GRF	100-433	State of Ohio Computer Center	\$4,991,719	\$4,991,719
GRF	100-477	OBA-Building Rent Payments	\$115,740,400	\$116,091,300
GRF	100-448	OBA-Building Operating Payments	\$25,393,250	\$25,647,183
GRF	100-449	DAS-Building Operating Payments	\$4,160,383	\$4,170,623
<b>General Revenue Fund Subtotal</b>			<b>\$150,683,752</b>	<b>\$151,278,425</b>
<b>General Services Fund</b>				
115	100-632	Central Service Agency	\$466,517	\$485,178
<b>General Services Fund Subtotal</b>			<b>\$466,517</b>	<b>\$485,178</b>
<b>Total Funding: State Support Services</b>			<b>\$151,150,269</b>	<b>\$151,763,603</b>

The following programs are in the State Support Services program series:

- **Program 13.1: Central Service Agency**
- **Program 13.2: State Owned Buildings-Rent & Operations**
- **Program 13.3: Agency Audit Expenses**
- **Program 13.4: Veterans' Records Conversion**

**Program 13.1 - Central Service Agency**

**Program Description:** The Central Service Agency (CSA) provides budget, fiscal and human resources expertise to smaller boards and commissions that would otherwise have to develop their own resources to provide these services. CSA provides these support services to 31 boards and commissions located in Columbus and 1 commission in Warrensville Heights.

**Funding Source:** Payments from customer boards that use CSA services

**Implication of the Enacted Budget:** The enacted budget will maintain current program and staffing levels. Because of a planned consolidation of several professional and occupational licensing boards in FY 2007, it is unclear what CSA's role will be with these entities in the future. It is possible fewer boards and commissions will utilize the services of the Central Services Agency.

**Program 13.2 - State Owned Buildings-Rent & Operations**

**Program Description:** The State Owned Building Rent & Operations program provides the centralized financial infrastructure to finance and maintain state buildings that house state employees. The three primary activities are: payment of building debt service, building operating costs, and rent

payments for GRF agencies and other agencies that are exempt for paying rent. Agencies that are exempt from paying rent are veterans' groups, and GRF-funded state agencies.

**Funding Source:** General Revenue Fund

**Implication of the Enacted Budget:** The enacted budget will maintain current program and staffing levels. Approximately \$115 million in each fiscal year is provided for debt service payments due on specified state buildings constructed with bond proceeds.

**Temporary Law Provision: Ohio Building Authority (Section 203.12.06).** The budget requires the foregoing appropriation item 100-447, OBA - Building Rent Payments, be used to meet all payments at the times they are required to be made during the period from July 1, 2005 to June 30, 2007, by the Department of Administrative Services to the Ohio Building Authority pursuant to leases and agreements under Chapter 152. of the Revised Code, but limited to the aggregate amount of \$231,831,700. These appropriations are the source of funds pledged for bond service charges on obligations issued pursuant to Chapter 152. of the Revised Code.

### **Program 13.3 - Agency Audit Expenses**

**Program Description:** The Agency Audit Expenses program provides funding to pay the Auditor of State for state agency audits that are conducted on a biennial basis, which includes state boards, commissions, elected officials, the House, and the Senate. State agencies that are audited on an annual basis are required to pay for annual audits from agency operating budgets. The Auditor of State requested funding for 9,630 hours in FY 2006 and 10,180 hours in FY 2007 to perform the required audits.

**Funding Source:** General Revenue Fund

**Implication of the Enacted Budget:** The enacted budget will likely support 5,520 audit hours in FY 2006, or 57% of the number of hours requested by the Auditor, and 5,298 audit hours in FY 2007, or 52% of the hours requested by the Auditor.

### **Program 13.4 - Veterans' Records Conversion**

**Program Description:** The Governor's Office of Veterans' Affairs (GOVA) maintains military discharge records for over 1.6 million veterans who filed for the Ohio bonus for their military service in World War II, Korea, and Vietnam. To obtain the bonus, the veteran was required to provide proof of honorable military service during these periods of conflict. In 2003, GOVA contracted with Prithvi Information Solution L.L.C. to digitize 100,000 discharge certificates for Ohio veterans who served from 1993 to June 2003, and add them as a stand-alone element to this database. GOVA averages approximately 6,500 requests for military discharge records per year to allow the military veteran benefits from all levels of government. The computerization of the Veterans Data Files allows GOVA to respond to queries in less than ten seconds.

**Funding Source:** General Revenue Fund

**Implication of the Enacted Budget:** The enacted funding levels will allow for the replacement of the Veterans' Records System server in FY 2006 and scanning of approximately 20,000 new military discharges (Ohio veterans) into the system during FYs 2006 and 2007.

**Program Series 14****DAS Program Management**

**Purpose:** Provides centralized services, guidance, and oversight to DAS' operating divisions and offices.

The following table shows the line items that are used to fund the Program Management program series, as well as the enacted funding levels.

Fund	ALI	Title	FY 2006	FY 2007
<b>General Revenue Fund</b>				
GRF	130-321	State Agency Support Services	\$527,970*	\$534,408*
<b>General Services Fund</b>				
112	100-616	DAS Administration	\$5,221,393	\$5,299,427
4P3	100-603	DAS Information Services	\$5,902,099	\$6,117,004
<b>Total Funding: DAS Program Management</b>			<b>\$11,651,462</b>	<b>\$11,950,839</b>

\* Amount does not reflect total funding because line item is used to fund programs in other program series. Amount shown is the budgeted amount provided in the executive budget.

**Program 14.1 - Program Management**

**Program Description:** The Program Management program provides centralized shared services, direction, guidance, and oversight to DAS' six operating divisions and offices. Services are provided through seven specialized offices: Office of Chief Legal Counsel, Office of Finance, Office of Employee Services, Office of Communications, Office of Legislative Affairs, and Office of Quality and Departmental MIS. Each of these offices primarily support the Department except the Office of Communications and the Computer Resources Center, which also serve the general public, media, boards and commissions, the Governor's Office, and other state agencies and employees.

**Funding Sources:** General Revenue Fund and assessments on DAS programs

**Implication of the Enacted Budget:** The enacted budget provides approximately \$12 million each fiscal year for Program Management. The budget will allow DAS to support statewide initiatives including upgrades to state fleet services, procurement program improvements, labor negotiations and joint labor-management committees, and the implementation of the procurement, asset management, capital improvement project tracking, and human resources modules of the OAKS system.