President, Lisa Dodge, called the Controlling Board meeting to order at 1:52 p.m. Serving on the Controlling Board were Senator Bill Harris, Representative Charles Calvert, Senator James Carnes, Representative Jim Hoops, Senator Ray Miller and Representative Sylvester Patton.

Minutes of the June 2, 2003, meeting were distributed. A motion to approve the minutes was made by Senator Harris, seconded by Representative Calvert and approved by the Board members.

Attached is the June 16, 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.

President Dodge announced the following: Item No. 78, DEV474-03 had been withdrawn; Item No. 35, DAS332-0405, Line Item should be 415-606; Item No. 163, EDU289-03 should be consistent in the amount which is $791,791.00.

The following items were discussed and acted upon as stated.

Item 3, AGOO03-04 was held by Senator Harris: Senator Harris asked what plans the Attorney General's Office has for its in-house employees. Christine Hansen, Chief Fiscal Officer, said the Web-Check program is a multi-year federal program, with both in-house staff and consultants assisting on the project. Ms. Hansen said Mr. Robert Spence is one of the consultants hired to look at specific aspects of the program while the pilot is going on. She said that once the program is implemented that the in-house staff will be sufficient and no outside consultants will be needed. Senator Harris asked if Mr. Spence had worked at the Attorney General's Office as a Computer Programmer prior to being hired as a consultant. Ms. Hansen said that he had worked in that office from 1997-99 before becoming a private consultant. Senator Harris asked if Mr. Spence's original contract had been competitively bid. Ms. Hansen said that she did not believe so but that other consultants were working on the project at substantially higher rates, i.e., $60, $75, $85 and hour. Senator Harris said it was his concern, and the Board's, that contracts of this type are not competitively bid. Representative Patton objected to the fact that the project had not been competitively bid and he felt that it was a circumvention of the system. Noting Representative Patton's objection, the item was approved.

Item 6, AGOO06-03 was held by Representative Hoops. Representative Hoops asked if the money being transferred would be used for the FY03 shortfall. Christine Hansen, Chief Fiscal Officer, said she was not certain as to how the funds would be used. President Dodge said that OBM's legal counsel was looking into the matter but she felt that it would require Controlling Board action. The item was approved without objection.

Item 27, BOR 109-03 was held by Representative Calvert. Representative Calvert asked for clarification on how the Commission had arrived at the figures it used to calculate the increase for administrative purposes. Representative Calvert said he had multiplied the request of $3,900,000 by 10%, which would total $390,000, whereas the Commission had arrived at a total of $440,400. Mark Cloutier, Executive Director for the Biomedical Research and Technology Transfer Commission, said he had used a different denominator than Representative Calvert. He said he had used $4.3 million as his denominator and arrived at 10.1%. Mr. Cloutier said he figured the request according to Section 183.30 (D), paragraph C, of the Revised Code. Representative Calvert said that perhaps corrections should be made since that way of doing the math will lead to huge administration expenses. Representative Calvert said that perhaps the issue would need to be addressed in legislation. Representative Patton asked why the percentage had gone from 5% to 10% when the idea was to have the money go to the program and use little for administration costs. Mr. Cloutier said that two
contracts had to be reviewed because a conflict of interest had been found which necessitated a review by the National Academy of Science. The review occurred in 2003 in addition to the FY03 competition. The Commission had incurred twice the expense for the review process in 2003. The item was approved without objection.

Item 51, DAS348-03 was held by Senator Carnes. Senator Carnes said it appeared that this was a retroactive request. Carolyn Nellon, Acting Deputy Director, Human Resources Division, said that in the past two years HRD had aggressively executed the independent exams that were done through the disability program. She said the department had been able to use a wide number of physicians and typically they did not need contracts, since the amounts did not approach $50,000.00. However, the department found the costs rapidly building and consequently they did go over the amount by $900. She assured the Board that the agency had contracted out all of these services for physicians who do independent medical exams for the disability program.

Item 56, DAS353-03 was held by Senator Carnes. Senator Carnes asked when it was discovered that 01 Communications was not under contract. Carolyn Nellon, Acting Deputy Director, Human Resources Division, said it was around January 2003 and once it was found they were not under contract the work was stopped. Senator Carnes asked why it took so long to come before the Controlling Board. Ms. Nellon said it was primarily because the department has had a lot of turnover and the manager of the unit is new. Senator Carnes asked what actions have been implemented to ensure that this oversight that occurred will not happen again. Ms. Nellon said the department has implemented a tracking oversight for all contracts and they are attempting to have contracts re-bid versus being renewed. Items 51 and 56 were approved without objection.

Item 57, DAS354-0405 was held by Representative Hoops. Representative Hoops asked since competitive selection was waived why the department didn't look at other locations. Marcey Early Jeter of DAS Real Estate said the State Board of Cosmetology has been at that location since late 1995 and the rental rates were pre-negotiated at that time. The department tried to renegotiate and to minimize the percentage increase for this particular lease but the landlord was not willing to negotiate and had another tenant occupy the space. Ms. Jeter said it would cost Cosmetology a substantial amount to relocate as they have their training facilities and administrative offices at that location. The item was approved without objection.

Item 58, AGE014-0405 and Item 59, AGE016-0405, were held by Senator Miller. Senator Miller asked how many pharmaceutical companies had been contacted. Roland Hornbostel, Chief of Planning, Development & Evaluation, said the agency wanted to find how many manufacturers they would need to sign up to make the program viable but that as soon as all of the contracts are negotiated and are signed the agency would be ready to proceed. Senator Miller asked about the enrollment fees since he thought the program was going to be free for eligible seniors. Mr. Hornbostel said there will be no enrollment fees to participants. The item was approved without objection.

Item 83, OEBO07-0405 was held by Senator Miller. Senator Miller said he is always disappointed to see the number of contracts being awarded to businesses outside the state and this one was being awarded to a business in Switzerland. He asked why the agency had to go all the way to Switzerland to find a company to perform this service. Pete Ford, Chief Technology Officer, said the Swiss firm was originally subcontracted to write the software for what OET calls their oldest project and they were subcontracted by the Harris Corporation which was the prime contractor. Harris is based in Ohio. Harris selected Lysis because they had a proven solution to a highly sophisticated software application which was what GET required for its oldest project. There was only one other potential vendor that could offer a solution which was a west coast company but their price was 40% higher than Lysis. The item was approved without objection.
Item 84, EPA319-04 was held by Representative Patton. Representative Patton asked where EPA is in the cleanup, how long the agency has been involved in the cleanup, and how much has been spent on the cleanup. Don McNeal, Chief Fiscal Officer, said, to date, EPA has cleaned up approximately 8,000,000 tires at the state's largest scrap tire facility, that the cleanup has been going on for four years, and that $10.2 million has been spent on the cleanup. EPA estimates it will be involved in the cleanup for three more years. The item was approved without objection.

Item 92, DOH083-0405 was held by Senator Harris. Senator Harris asked how the department has determined there would be an increase in calls on the help line. Sean Keller of the Health Department said there are a couple of reasons why the department used the 40,000 - 80,000 call volume. For information consistency purposes, when the bid was let a year and a half ago that is the range of calls used in that RFP. The department is now entering into the final phase of the first year of the contract which is for years 02/03. That will be the end of this particular contract. The new contractor, CMR, doesn't have quite a full year and the numbers that were reported in the CB request are calendar year numbers, so it only contains six months worth of the new contractor's data. Mr. Keller said that regardless of the number of calls that this contract is strictly on a per call reimbursement basis so whether its 30,000 or 80,000 calls reimbursement is on the actual number of calls that come through the system. Senator Harris questioned why the department felt the calls would increase when the data show a continuous decrease. Mr. Keller said that when the department originally let this bid they were in the 40,000-call range but he felt that 80,000 calls was a bit aggressive. Senator Harris said that since the data presented show a decrease in calls he recommended the contract be for one year then there's no question about encumbering dollars that would appear to not be needed. President Dodge said there were concerns that had been raised and that the agency could bring it back at a future meeting or amend the request in the meeting extending the contract for one year. Mr. Keller said that of the options presented the agency would want approval for at least a one-year contract to avoid a potential interruption in service. President Dodge asked if it was acceptable to the members if the request was revised to apply to FY04 only with the understanding they will come back in FY05. Senator Harris moved and Representative Calvert seconded. The amended request was approved.

Item 95, JFSO01-04 was held by Representative Hoops. Representative Hoops asked why the Board should approve a renewal of the contract when the budget has not been passed for 04 and 05. Christopher Carlson, Deputy Director, said a good portion of the work by this vendor would support the outcome of the budget debate for FY04/05, and the department wanted to continue the work immediately into July. This contract would allow the vendor to continue work which is not dependent on the outcome of the budget but the work does have a September deadline. The item was approved without objection.

Item 98, JFS016-0405 was held by Representative Hoops. Representative Hoops asked how many RFPs were sent out. Christopher Carlson, Deputy Director, said it was posted on their Web site. He did not know how many had been sent out. This was the third RFP for this program and this vendor has won the previous two and has consistently been the lowest cost vendor. Mr. Carlson said that federal requirements require the department to have this program in place on July 1. The item was approved without objection.

Item 108, DMH368-04 was held by Senator Miller. Senator Miller asked since the Office of Support Services purchases pharmaceuticals for Mental Retardation, Rehabilitation and Correction and Youth Services why do they not purchase for all agencies using medical supplies. Steve Gray of the Office of Fiscal Administration, said at this time the only agencies they are dealing with in this program are the ones that have actually shown an interest. He could not answer why they did not want to be part of it because the department gets the supplies much cheaper by buying in bulk. The item was approved without objection.

Item 113, DNR137-03 was held by Senator Carnes. Senator Carnes asked when the department anticipated having the final claims settled for this project. Bill Moody, Assistant Director, said the
department anticipates having all of these claims satisfied by the end of calendar year 03. The item was approved without objection.

Item 116, DNR140-03 was held by Representative Hoops. Representative Hoops asked why the department was taking money from the handicapped accessibility line and moving it into a different line that was established for different reasons. Bill Moody, Assistant Director, said the handicap accessibility line item is a statewide line item in the capital budget and any project within the system that has ADA can use the money that is appropriate for that part of the project. Four campsites are being made ADA accessible. The item was approved without objection.

Item 121, DRC431-0405 was held by Representative Calvert. Representative Calvert asked why the department hasn't considered using technical schools or technical colleges to provide this training. Ron France, Operations Manager of the Ohio Central School System within the Department of Rehabilitation and Correction, said the department is in contractual agreements with several school systems around the state to provide either GED programs or technical programs in prisons. The problem the department encounters is that their numbers are such that most of the school systems cannot accommodate those and the scheduling of the classes conflict with the scheduling of the school district. The universities and colleges have more resources to draw upon for the needs the department has in the institutions. The item was approved without objection.

Items 136, NET305-04 and No. 137, NET306-04 were held by Senator Harris. Senator Harris asked why the Commission did not approach the areas you have with Items 136 and 137 as amendments in the budget process as opposed to seeking appropriation authority by the Controlling Board. Stephanie Soltis, Fiscal Manager, said the line item was established in December in this fiscal year. School Net was unsure they would receive funding in FY04; the addendum for the agreement with the Department of Education was signed May 27, 2003. Ms. Soltis said it was very late in this fiscal year when she approached the agency's OBM budget analyst and asked if the items should be presented as an amendment or go to the Controlling Board. His advice was that the agency should go to the Board. The items were approved without objection.

Item 143, DOT163-03 was held by Representative Calvert. Representative Calvert asked if the agency would have further claims from Great lakes or any other contractor on this project. Todd Neilsen, Legislative Liaison, said there would be no further claims. Representative Calvert asked how reasonable the October 03 completion date was. Mr. Neilsen said the District 3 Deputy Director had entered into an emergency acceleration agreement with the contractor to move up the project completion date to September 1. This was due to the fact that at the time the request was written the inclement weather had pushed the October 5 date back into November. The department did not want the project to move into another construction season so they entered into this emergency acceleration agreement. The item was approved without objection.

Item 149, DOT223-04 was held by Representative Calvert. Representative Calvert asked why the department needs to develop the database being proposed. We know where the historical sites are, why do we need to know where they're not. Paul Graham, Office of Environmental Services, said the best way he could explain this is the earlier GIS efforts that the department undertook with the Historical Society pinpointed from their data bases accurate points and places, so for their planning purposes in using that new GIS system they would know exactly where these archaeological and historical sites are which helps us streamline our process of advancing our projects through the project development process. What this new one does is it digitizes all the areas that were previously surveyed. Once we know where all these previously surveyed areas are in the state we don't need to resurvey them. Representative Calvert said he didn't understand why a database was needed. You know where the sites are. Mr. Graham said the historic preservation office doesn't contain just records of our surveys. They contain records of surveys that are done by oil companies. What we don't have access to in our agency is where. We know what we have surveyed. It's not in a digitized format but we do have a pretty good handle where we've worked over the past 30 years in the state on
transportation projects. What we don't know is where these other agencies have worked. Our intent is that data would be easily accessible by our staff in order to know if we need to survey in a particular area. One of the intents of this is to do predictive modeling and in order for the modeling to have statistical reliability we have to have negative data as well as positive data in order for a model to work. Representative Calvert said he has some experience in mathematical modeling and he would have to significantly disagree with this evaluation and he would have to object to the request. President Dodge said that it would be beneficial to the members if the request could be withdrawn and the department come back at a future meeting with more written information clarifying the project. Item was deferred to a future meeting.

Item 156, DYS352-0405, Item 157, DYS357-0405, Item 159, DYS359-0405 were held by Representative Calvert. Representative Calvert noted that in all three requests the department didn't necessarily take the lowest bid. He asked why any doctor isn't capable of providing the medical services. Ann Liotta, Chief of Policy and Legislative Services, said the way their system is structured you're dealing with a juvenile population in a correctional setting. While they look at budget as one of the considerations, they also look at the knowledge and experience of the physician bidding as far as dealing with adolescents in a correctional setting. Representative Calvert asked if the doctors chosen are renewal contracts. Ms. Liotta said they are new bidders. Representative Calvert asked if he could be assured that the doctors chosen did have experience or knowledge needed to work in the prisons. Ms. Liotta said yes, as part of their evaluation the department looks at all of those standards. The items were approved without objection.

President Dodge asked if there was a motion to waive the seven-day rule to add CLSO07-03, DAS356-04, and EDU289-03 to the agenda. Senator Carnes moved and Representative Calvert seconded.

Item 161, CLSO07-03. President Dodge asked Michael Kinter, Staff Member in the Cleveland Clinic Research Institute at Cleveland State, why an add on was necessitated by this request. Mr. Kinter said we are processing this request from the Cleveland Clinic over to Cleveland State University and in that process some of our paperwork was delayed in getting to the Ohio Board of Regents. More importantly, questions from the BOR were not answered in a timely manner so it got to the point that our main quote for the purchase of a mass spectrometry expires in about a week. So unfortunately we could not wait until the next Controlling Board meeting. In addition, Mr. Kinter said that as a part of the Ohio Mass Spectrometry Consortium and the work they did with that consortium they were willing to recognize their 2002 prices, so there is a $6,800 discount that is a part of that quote. The item was approved without objection.

Item 162, DAS356-04. Carolyn Nellon, Acting Deputy Director, Human Resources Division, said this particular issue came before the department last week. They were apprised that one of their very good programs, an HMO, had their accreditation suspended because of some actions by their employees. The DAS contract with the HMOs indicates that the department cannot renew an HMO without appropriate accreditation. This is a well-regarded program by state of Ohio employees and DAS has approximately 1,300 employees in this program that are being served in Cuyahoga, Lake, Portage and Summit Counties. DAS is asking for an extension rather than a renewal which will afford them the opportunity to get their accreditation reinstated. DAS must notify their employees so they can opt for reenrollment should they choose to do so. The six-month extension will allow DAS to do those things. Senator Harris asked if the agency had taken proper steps if the accreditation is not implemented to protect all those employees. Ms. Nellon said this extension will help DAS protect the employees. First, it will give DAS an opportunity to conduct open enrollment for them due to accreditation having been suspended. Secondly, if, within the six-month period, DAS finds the accreditation has not been reinstated they will do a second open enrollment for their employees and allow them to move to other programs of their choice. The item was approved without objection.
EDU289-03. Susan Tavakolian, representing the Department of Education, said the transfer of these funds was new to the department in the current biennium and the person who initiated this transfer last year had since left the department. It wasn't until late last week that another person realized that the department had not requested to make this transfer. Representative Hoops asked if they were federal or GRF dollars. Ms. Tavakolian stated these are GRF dollars which go to the county commissioners to help pay for the rent for educational service centers. The item was approved without objection.

With no further business before the board, the meeting was adjourned at 4:20 p.m.

Respectfully submitted,

Emily Sams
Controlling Board Secretary

06/16/02 Minutes approved by the Board: