

CONTROLLING BOARD

OHIO OFFICE OF BUDGET AND MANAGEMENT

MINUTES OF THE FEBRUARY 7, 2005 MEETING

President, David Brunson, called the Controlling Board meeting to order at 1:40 p.m. Serving on the Controlling Board were Senator John Carey, Representative Charles Calvert, Senator Robert Spada, Representative Tom Raga, Senator Ray Miller and Representative Sylvester Patton.

The minutes of the January 24, 2005, meeting were distributed. A motion to approve the minutes was made by Senator Carey, seconded by Senator Spada and approved by the Board members.

Attached is the February 7, 2005, meeting agenda. President Brunson said Item 47, DYS407-05 has been deferred and Item 46, OVH103-05 has been withdrawn.

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

The following Items were discussed and acted upon as stated.

Item 2, AUD004-05 was held by Senator Carey, Representative Raga and Senator Miller. Senator Carey asked why the increase is needed in fund R06, Continuous Receipts and what are the options for recovery of the forged warrants. Michael Elrod, Auditor's Office said there has been an increase in the size of the warrants that have been forged. Representative Raga asked why not mandate that the follow-up warrant be direct deposited. Mr. Elrod said the Auditor's Office can not mandate that direct deposit be used. Senator Miller asked what the \$45,816.00 warrant was for. Mr. Elrod said an employee of a vendor doing business with the State of Ohio forged the \$45,816.00 warrant. Senator Miller inquired about the General Assembly's mandate for direct deposit. Mr. Elrod said they did mandate direct deposit, however that was limited to employees of the State of Ohio. Senator Miller asked about the decrease in forgeries for State employees. Mr. Elrod said he did not have that information but the Auditor's Office would provide him the information. The item was approved without objection.

Item 3, CSU047-05 was held by Senator Carey and Representative Calvert. Senator Carey asked if the original estimate was \$8.36 million and the actual amount for Phase I is \$13.5 million. Harlan Henderson, Central State University said that is correct. Senator Carey asked whether the university is maintaining the buildings they have now. Mr. Henderson said absolutely, they are in good shape. Representative Calvert asked whether the Emery Hall Roof Project had been completed. Mr. Henderson said the university has deferred the Emery Hall Roof project. It is an abandoned building and through reprioritization of the specific needs at the university, they are requesting to move this money to a current project. Representative Calvert asked whether the university requested money in the most recent Capital Budget for the Academic Facility Center for Education and Natural Sciences project. Mr. Henderson said in the current Capital Budget the university did ask for all of the funding that was required for the second phase of the Center for Education and Natural Sciences building project and through the appropriations process the entire amount was not included in the appropriation. The item was approved with Representative Calvert objecting.

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Item 9, AGE028-05 was held by Senator Spada and Representative Raga. Senator Spada inquired about the revisions made to the request. Sharon Evanich, Department of Aging said the department changed the request from an hourly fee based request to a deliverable payment fee. They itemized each customization for the web site and made it deliverable payment. The vendor will be responsible for completing the assigned task instead of an hourly base. Representative Raga asked how much will be spent on this project in the future. Ms. Evanich said the department would spend an additional \$144,000.00 over the next two years. Representative Raga asked whether the department has data on the use and success of their other web sites such as the Long Term Care Guide. Ms. Evanich said she was not familiar with the statistics on the Long Term Care Guide but would provide him that information. The item was approved with Representative Calvert and Representative Raga objecting.

Item 16, DEV006-05 was held by Senator Spada. Senator Spada asked how the previous general revenue funds would be spent. Mike Suver, Deputy Director, Department of Development said the U.S. Environmental Protection Agency has given the Department of Development the authority to spend up to \$58,750.00 of the \$500,000.00 for payroll costs associated with the management of grants coming from that fund. These costs will be specifically documented and related to administering the grant. It frees up some general revenue funds that would otherwise be used for administering grants. Without the \$500,000.00 the department would be billing to their GRF fund for the administrative costs associated with any of the grants that they fund through this program. The item was approved without objection.

Item 26, DOH153-05 was held by Representative Raga and Senator Miller. Representative Raga asked whether the immunization information on individual students could be released to schools. Sean Keller, Department of Health said only healthcare professionals have access to the information. Representative Raga asked for the percentage of doctors and public health agencies that are anticipated to participate in the Statewide Immunization Information System. Mr. Keller said the current participation rate for private physicians is approximately 33 percent and the public health entities are at 90 percent. Senator Miller asked whether the department of Job and Family Services currently contract with anyone to provide the kind of services for Medicaid recipients that is provided by the Statewide Immunization Information System. Kent Ware, Department of Health said he couldn't speak for ODJFS in regards to whether they have another contract. Representative Patton inquired about the potential savings. Mr. Keller said there is a state cost associated with implementing a system, the training and the maintenance of that but the potential for savings statewide is at the doctor's office. The item was approved with Senator Miller and Representative Patton objecting.

Item 28, JFS113-05 was held by Representative Patton. Representative Patton asked what conclusion has been drawn within the last five years on Ohio's Title IV-E Waiver Program. Christopher Carlson, Deputy Director, Department of Job and Family Services said the net result of the waiver demonstrates that the granting of more flexible funds at the county level appears to have a direct result in reduction of foster care placement days and a faster reunification of the children into their homes in a safe environment. Representative Patton asked what is the life of the pilot program. Mr. Carlson said the pilot was implemented at the beginning of fiscal year 1998 with a five-year life cycle. The department asked the federal government for an extension of the demonstration project and they gave the department a series of short-term extensions and as of January have reached agreement on another five-year extension of this demonstration project. Representative Patton asked whether ODJF is prohibited from placing geographic restrictions upon procurement activities when using federal funds with subcontractors. Mr. Carlson said that is correct. The item was approved without objection.

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Item 35, DNR500-05 was held by Representative Calvert. Representative Calvert asked why request DNR395 did not include the \$75,000.00. Chris George, Legislative Liaison, Department of Natural Resources said the request DNR395 is a release of the grant funds from the Division of Watercraft for the Cooperative Boating Facility Grant Program statewide. It is a cost share program with a local match required on part of the recipient. The release the department is requesting today in DNR500 is the release of the Division of Parks capital portion. DNR395 was a grant release and DNR500 is a release of the parks Capital fund to complete the purchase. Representative Calvert asked for clarification on whether DNR395 request was a release and also a request to purchase the dredge. Mr. George said DNR395 was listed as a transfer and release of Capital funds so that the monies from the Waterway Safety funds which is the source of funds for the grants, could be released and transferred to the entities and among those entities are several local governments in addition to the parks and recreation. A Memorandum of Understanding has been signed between the Division of Watercraft and the Division of Parks over the use of those grant funds and the \$75,000.00 in addition to the \$20,000.00 trade in will be used to complete the purchase of that dredge. It is a \$75,000.00 Capital release of capital dollars and the \$20,000.00 is the trade in value of the dredge the Division of Parks currently owns so there will be a total of \$95,000.00 match coming from the Division of Parks and Recreation. Representative Calvert asked how many hours the dredge would be used per year. Mr. George said our goal is to have it operating 66% of the available hours and that would be somewhere in the range of 750 to 800 hours of operation. Representative Calvert asked how many dredges are there in the state of Ohio. Mr. George said the Division of Parks has 11 dredges. The item was approved with Representative Calvert and Representative Raga objecting.

Item 36, DNR501 and item 37, DNR502 were held as a group by Senator Carey and Representative Raga. Senator Carey asked whether employees are being transferred from General Revenue funds to be paid with federal dollars. Chris George, Legislative Liaison, Department of Natural Resources said there will be some use of these dollars to pay employees who are partially funded through GRF and other sources. These will be projects specific funds. Senator Carey asked how would the additional staff members and their associated operating expenses be paid for in subsequent fiscal years. Mr. George said after this project specific grant runs its course the employees will no longer be doing that work and they will then return to GRF and other federal grants as the funding source. Representative Raga asked whether the two college interns would still be employed when the program is complete. Mr. George said once this grant runs its course the interns will be terminated. The items were approved without objection.

Item 39, DHS723-05 was held by Senator Miller and Representative Patton. Senator Miller asked how much has been appropriated for the MARCS program. Captain Dave Dicken, Department of Public Safety, State Highway Patrol said the Highway Patrol has appropriated on the Capital side of the project approximately \$38 million. Senator Miller asked what would happen to the 385 radios that are being replaced. Captain Dicken said the radios will go through State Salvage to be sold and the revenue generated will be returned to the department's salvage account. Senator Miller asked if there were any other bids. Captain Dicken said the vendor is on the State Term Schedule and the department is committed to making the purchase from them. Representative Patton asked whether they could be assured that the old radios are not part of a trade in. Captain Dicken said no, the department is not trading them in. There is no availability to have the old radios repaired. Senator Miller asked if he could get complete information about the MARCS program. Captain Dicken said he would get the information to him. The item was approved without objection.

Item 42, DRC599-05 was held by Representative Calvert. Representative Calvert asked whether the program manager assigned to the program is a new employee or new position. Douglas Forbes, Department of Rehabilitation and Correction said the employee did work for the department and selected to transfer into this

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position. Representative Calvert questioned the role of the independent contractor and the project manager. Mr. Forbes said the independent contractor is working more closely at the institution local agency level verifying that the individual inmates recommended for this program meets the requirements of the TANF funding. The program manager is a part-time position, 32 hours per week, providing oversight and management and reports to the Department of Job and Family Services on the program. The item was approved without objection.

President Brunson asked if there was a motion to waive the seven-day rule to add DEV009-05 and DRC604-05 to the agenda. Senator Carey moved and Senator Spada seconded.

Item 48, DEV009-05. Mike Suver, Department of Development said placing this request on the agenda today would allow the department to begin analyzing various tax reform proposals that might be considered by the Legislature, the Executive Branch or by various business groups between today and June 30, 2005. This request would allow the department to contract with a company that provides dynamic analysis analyzing the various interactions of one component versus another component of whatever tax reform proposal that may be introduced. The item was approved without objection.

Item 49, DRC 604-05, Michael Randel, Deputy Director, Department of Rehabilitation and Correction said the Department of Corrections currently operates a dialysis unit located on the grounds of the Pickaway Correctional Facility currently serving 64 offenders with complete dialysis services. There is a three-week supply of the items used as part of the dialysis process left and therefore they are requesting this add-on to proceed with the purchase of additional supplies needed for that unit. Senator Carey asked how the department arrived in this situation where they only have three weeks of supplies for inmates. Mr. Randle said the department has been working with State Purchasing since prior to October 2004 to work with the current supplier of dialysis material. We have not been able to reach agreement as of yet for the purchase of the supplies. Long-term they hope to reach agreement with the current supplier and/or seek other suppliers for these materials. The item was approved without objection.

With no further business before the board, the meeting was adjourned at 3:10 p.m.

Respectfully submitted,

Francene Johnson
Controlling Board Executive Secretary

2/7/05 Minutes approved by the Board:
