Department of Administrative Services

- Consolidation of state printing function in downtown Columbus
- $20 million transfer from Development for the NextGen broadband network
- State employee payroll deductions no longer part of DAS budget

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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 Fund groups. Rates for DAS services are calculated using a cost pool that includes approved allotments for a fiscal year, adjustment for prior year gains and losses, and operating cash needs.

DAS consists of four divisions, and also the Office of Collective Bargaining, and the Office of Information Technology (OIT). 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 OIT. Nevertheless, 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. One of its chief concerns is finding ways to manage rising health care costs on behalf of state agencies.

The **Equal Opportunity Division** ensures that minorities and underrepresented populations are fairly considered in the economic and employment opportunities of the state.

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.

Lastly, there is the **Office of Information Technology**, which consists of two divisions, the Investment & Governance Division and the Service Delivery Division. Its mission is to optimize the state's information technology infrastructure and provide statewide oversight activities related to information technologies.

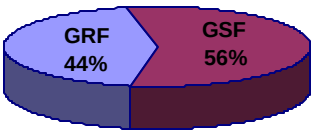
Agency in Brief

Agency In Brief					
Number of Employees*	Total Appropriations-All Funds		GRF Appropriations		Appropriation Bill(s)
	2008	2009	2008	2009	
870	$409.78 million	$390.02 million	$177.43 million	$172.80 million	Am. Sub. H.B. 119

*Employee count obtained from the Department of Administrative Services (DAS) payroll reports as of June 2007.

As the following pie chart shows, DAS's funding comes from two sources: General Services Funds (GSF) and the GRF. The GSF, representing 56% of DAS's total funding, consists of various service charges that DAS assesses state agencies for various centralized human resources, procurement, IT service delivery, and other services. The GRF accounts for 45% of the DAS budget for the biennium. This simplified funding structure is different from past years, when DAS budgets contained payroll

Total FY 2008-2009 Budget by Fund Group



deductions for items such as retirement contributions, health benefits, taxes, and other items for all state employees. These are now budgeted under the Employee Benefits Funds. Also, the current budget reduces from 14 to 7 the number of program series and from 48 to 35 the number of programs supported within those series.

Highlights of the Budget

- Continued integration of the Ohio Administrative Knowledge System (OAKS) system. With this integration, a number of related or interfacing DAS systems must be updated or replaced. DAS received funding for these upgrades as well as a number of other projects to maintain or improve DAS's ability to analyze and control costs.

- Consolidation and move of DAS State Printing to the renovated Lazarus Building in downtown Columbus. Also, DAS is to take over mail and fulfillment services currently within the Department of Job and Family Services.

- Transfer of $20 million from the Department of Development to DAS for equipment related to the creation of the NextGen broadband network. According to the Governor's July 27, 2007 Executive Order, NextGen will be part of an overall strategy called the Broadband Ohio Network, the goal of which is to expand broadband access to Ohio and reduce costs by consolidating the delivery of electronic data from state agencies to county governments. Once developed, the NextGen component will provide broadband services to state agencies, boards, and commissions.

Vetoed Provisions

The Governor partially vetoed several portions of a provision dealing with the duties and responsibilities of the School Employees Health Care Board. For a detailed discussion of these provisions and how the vetoes affect them, see Program Series 6: State Support Services, under the "Public School Employee Benefits" program, or consult the LSC bill analysis.

ANALYSIS OF THE BUDGET

Program Series 1: General Services

Purpose: The General Services program series consists of seven programs that provide 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 General Services program series, as well as the FY 2008 - 2009 funding levels.

Fund	ALI	Title	FY 2008	FY 2009
General Revenue Fund				
GRF	130-321*	State Agency Support Services	$4,957,707	$5,289,403
GRF	100-421	OAKS Project Implementation	$402,005	$402,005
GRF	100-404	CRP Procurement Program	$255,000	$255,000
GRF	100-734	Major Maintenance-State Buildings	$42,000	$42,000
		General Revenue Fund Subtotal	**$5,656,712**	**$5,988,408**
General Services Fund				
117	100-644	General Services Division-Operating	$8,295,772	$8,540,772
122	100-637	Fleet Management	$2,182,968	$2,032,968
130	100-606	Risk Management Reserve	$2,568,548**	$2,568,548**
131	100-639	State Architect's Office	$7,348,483	$7,544,164
132	100-631	DAS Building Management	$9,716,228	$10,166,228
201	100-653	General Services Resale Merchandise	$1,553,000	$1,553,000
210	100-612	State Printing	$5,681,421	$5,436,421
427	100-602	Investment Recovery	$5,683,564	$5,683,564
5C3	100-608	Skilled Trades	$934,982	$934,982
		General Services Fund Subtotal	**$43,964,966**	**$44,460,647**
Total Funding: General Services			**$49,621,678**	**$50,449,055**

* Amount does not reflect total funding because line item is used to fund programs in other program series.
** 100-606, Risk Management Reserve includes funding that was previously appropriated to 100-627, Vehicle Liability Insurance.

The following programs are in the General Services program series:

- ***Program 1.01: State Architect***
- ***Program 1.02: Procurement Services***
- ***Program 1.03: Printing and Document Management Services***
- ***Program 1.04: Fleet Management Services***
- ***Program 1.05: Risk Management Services***
- ***Program 1.06: Property and Facility Management***
- ***Program 1.07: General Services Program Management***

State Architect

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 agency's facilities, serves state agencies with guidance and support in the competitive selection of architects, engineers and construction mangers, 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, and General Revenue Funds

Implication of the Budget: Recent budget constraints have caused the State Architect's Office to reduce its staff by 16 positions. During the FY 2006 - 2007 biennium, DAS was able to refill some of these positions. With funding in this budget, DAS is making it a priority to refill an additional four positions. While the budget does not provide funding for all four positions to be filled, it will help alleviate some of the project management overload.

Procurement Services

Program Description: The Procurement Services program, a part of the General Services Division, serves as the central procurement office for the state of Ohio. It establishes contracts for supplies and services required by state agencies for the daily operation of their facilities. Local governments, political subdivisions, and institutions of higher education may also make purchases from these contracts through the Cooperative Purchasing program. The office canvasses all users to these contracts to ascertain the types of supplies and services that will be required and then combines requirements into contracts to take advantage of volume discounts offered by the business community.

Funding Source: General Revenue Fund and administrative assessments

Implication of the Budget: The budget for this program was $5,586,211 in FY 2008 and $5,684,540 in FY 2009. This funding level will not allow DAS to add four additional staff to the State Term Schedule (STS) unit to handle an increasing workload in this program area, as the agency had hoped. Although this may cause delays in processing, DAS feels that no other reduction of services will occur.

Printing and Document Management Services

Program Description: The Printing and Document Management Services program seeks to provide state agencies efficient solutions to document needs such as design, creation, duplication, distribution, and archival. The program provides state agencies a procurement program for large printing projects and six print production facilities in the Columbus area. Each procurement action is measured in terms of cost savings using the average of all bids on a project against the awarded bid price. The difference in the two amounts represents the savings from the DAS procurement process. DAS states that the agency's pricing is consistently 30%-50% lower than commercial services for quick copy services. For FYs 2008 - 2009, there is a proposed consolidation of printing services. See below for details.

Funding Source: General Revenue Fund, fees charged to customers for various printing projects

Implication of the Budget: The budget authorizes the relocation of the main operations of the Printing and Document Management Services offices to the renovated Lazarus Building in downtown Columbus. DAS feels this move will provide greater efficiency in the future, as most of the program's clients are located in the downtown Columbus area. Secondly, the budget provides for the consolidation of the Office of Information Technology printing operations to the state printing program. According to DAS this will also lead to greater efficiencies and cost reductions, as DAS can provide this service at a lower cost than if it were performed by the Office of Information Technology. Finally, the budget provides for the consolidation of the Department of Job and Family Services' mail and fulfillment office within DAS. The budget will provide funding for the start-up costs of this transfer. However, DAS has indicated that it will need to go before the Controlling Board in the future for non-GRF State Printing appropriations to cover ongoing costs that were not appropriated in the budget.

Temporary Law Provision

Transfer of Printing Services from the Office of Information Technology (Section 515.06). Merges the printing function of this office with the Department of Administrative Services' main printing operation, beginning in FY 2008. The functions, assets, and liabilities of this office are also transferred to the Department of Administrative Services.

Transfer of Mail and Fulfillment Services from the Department of Job and Family Services to the Department of Administrative Services (Section 515.09). Merges the mail and fulfillment functions of the Department of Job and Family Services to the Department of Administrative Services, beginning in FY 2008. The functions, assets, and liabilities of this office are also transferred to the Department of Administrative Services.

Fleet Management Services

Program Description: The Office of Fleet Management serves almost all state agencies by providing an online 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 FY 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. This reduction also includes consolidations with agencies utilize small fleets.

Funding Source: Fees charged to customer agencies based upon the number of vehicles for which service is provided, administrative assessment

Implication of the Budget: The FY 2006 - 2007 biennium budget placed several mandates on this program (Fleet Master Lease, Fleet Consolidation, Certified Fleet Manager, University Certification, Alternative Fuel Resource Reporting, and State Rental Vehicle Program). With a budget of $2,182,968 in FY 2008 and $2,032,968 in FY 2009, DAS feels that the recommended levels will adequately fund this program.

Risk Management Services

Program Description: The Office of Risk Management is responsible for the administration of the state's self-insured vehicle liability program, the blanket bonding program and the statewide property insurance program. The program seeks to reduce the long-term cost of risk and the uncertainty of potential accidental losses, which may reduce the state's revenue or interrupt services. The program covers over $5 billion of state-owned building values, encompassing more than 47 million square feet. Over 14,000 state motor vehicles are self-insured. All state employees are served under this program and covered under the public employee dishonesty/crime policy.

Funding Source: Fees charged to customer agencies based on coverage provided

Implication of the Budget: The budget for this program is $2,568,548 in both FY 2008 and FY 2009, amounts that will adequately fund this program over the next biennium.

Temporary Law Provision

Elimination of the Vehicle Liability Fund Assets (Section 207.10.70). Requires the abolishment of the Vehicle Liability Fund (Fund 127), and the transfer of its functions, assets, and liabilities to the Risk Management Reserve Fund (Fund 130), effective July 1, 2007.

Transfer of Vehicle Liability Fund Assets (Section 207.10.80). Authorizes the Director of Budget and Management, on or after July 1, 2007, to take all actions needed to transfer the assets of the Vehicle Liability Fund (Fund 127), to the Risk Management Reserve Fund (Fund 130).

Property and Facilities Management

Program Description: The Office of Property and Facilities Management consists of four integrated program sections: Real Estate, State and Federal Surplus, Facilities Management (which also includes services provided by the Skilled Trades Unit), and Safety and Security. The office provides agencies with centralized property management services that include site selection, real estate purchase and sales, and oversight of state owned and leased properties. The office also provides facility management and minor construction services, as well as security services for various state building assets. In addition, the office operates the State and Federal Surplus program, where property that is declared as surplus is made available to governmental entities, and the remaining property is sold at public auctions.

Funding Source: General Revenue Fund, fees charged to customers for various property and facility management services

Implication of the Budget: The budgeted amounts will allow DAS to maintain the current level of service for this program. Efficiencies in building management as well as capital improvements in the form of energy automation have lowered the overall administrative costs of property and facility management making it possible for this program to be funded at the budgeted level.

General Services Program Management

Program Description: The General Services Program Management program provides all necessary and required division management, fiscal, HR, and MIS services to General Services Division (GSD) program units. The division administration is made up of four sub-units: Deputy Director's Office, Business Office, Employee Relations and Management Information Systems. The Deputy

Director's Office provides leadership and oversight for the entire Division. The Business Office handles all fiscal functions, budget development and oversight, procurement, contracting accounts payable, billing and accounts receivable. Employee Relations provides human resources, payroll, labor relations, and personnel action services to the division. The MIS unit is a separate cost pool to pay division-wide MIS costs; no personnel are included.

Funding Source: General Revenue Fund, fees assessed to all GSD program units based upon the level of service provided

Implication of the Budget: The budget will allow DAS to maintain current service levels within this program.

Program Series 2: Human Resources

Purpose: The Human Resources program series consists of five programs that provide human resources needs to state government.

The following table shows the line items that are used to fund the Human Resources program series, as well as the FY 2008 - 2009 funding levels.

Fund	ALI	Title	FY 2008	FY 2009
General Revenue Fund				
GRF	100-406	County/University Human Resources	$875,000	$875,000
		General Revenue Fund Subtotal	**$875,000**	**$875,000**
General Services Fund				
125	100-622	Human Resources Division-Operating	$19,890,614	$20,560,614
5D7	100-621	Workforce Development	$70,000	$0
5L7	100-610	Professional Development	$3,900,000	$3,900,000
5V6	100-619	Employee Education Development	$936,129	$936,129
		General Services Fund Subtotal	**$24,796,743**	**$25,396,743**
Total Funding: Human Resources			**$25,671,743**	**$26,271,743**

The following programs are in the Procurement Services program series:

- ***Program 2.01: State Personnel***
- ***Program 2.02: Benefits Administration***
- ***Program 2.03: Exempt Employee Educational Program***
- ***Program 2.04: Non-Exempt Employee Educational Program***
- ***Program 2.05: Human Resources Program Management***

State Personnel

Program Description: State Personnel provides services and information to help state agencies conduct their personnel functions such as HR roundtables, developing and maintaining classification plans, testing, maintaining test certification listings, providing tailored recruitment, processing state payroll, approving position descriptions, and maintaining personnel records. There are five primary units

in this program: Payroll Administration, Human Resources Support Center, Classification and Compensation Plan, Training and Development, and the Information Resource Center.

Funding Source: General Revenue Fund and payroll and administrative assessments

Implication of the Budget: The budget provides $13,799,811 in FY 2008 and $14,480,736 in FY 2009. This funding enables DAS to fund the 3.5% increase in salaries for bargaining unit employees as well as integrate several online application, certification and testing systems.

Benefits Administration

Program Description: The goals of the Benefits Administration Services program are to maximize the state's employee benefits package, to effectively manage healthcare, disability, and workers' compensation costs, and to educate state employees regarding healthcare costs and benefit options. It also manages contracts with all health vendors and provides support to the open enrollment process.

Funding Source: Payroll assessments from state employees

Implication of the Budget: The budget of $5,603,332 in each fiscal year will make it difficult to handle the 3.5% increase in salaries for bargaining unit employees. The funding level also will not permit DAS to upgrade the Automated Call Distribution System and Case Management System. Additionally, DAS estimates that the costs for Workers' Compensation Third Party Administrators, which represent state employers during injured employees' workers' compensation claims, will increase by roughly 6% over the next biennium. Offsetting this new expense, however, beginning in FY 2008, DAS will switch to a single pharmacy benefit management firm to handle the oversight of some benefits administration. The agency anticipates this will result in future savings in terms of DAS oversight, as well as benefits costs for other agencies. If so, this may allow DAS to fund the above projects at the budgeted level.

Exempt Employee Educational Programs

Program Description: The Exempt Employee Educational Program is a statewide program offered to provide opportunities for continuing education and professional development of exempt employees. The program provides tuition reimbursement, professional development education and training, and computer purchase loans for exempt employees.

Funding Source: Check-off rates of $.06 per hour worked and approved leave for full-time and part-time permanent exempt employees

Implication of the Budget: The budget fully funds this program.

Non-Exempt Employee Educational Program

Program Description: This program is a group of five tuition reimbursement plans managed and processed by the Human Resources Division Business Office. The reimbursement plans are the result of collective bargaining agreements with the state of Ohio and (1) the Health Care and Social Union District 1199, (2) State Council of Professional Educators, (3) Ohio State Troopers Association Unit 1 and Unit 15, and (4) Fraternal Order of Police. Also, the Workforce Development program within this program was intended to enhance the job skills and provide educational opportunities for bargaining unit

employees. However, this program is being eliminated due to current collective bargaining language in effect.

Funding Source: Check-offs for each of the five reimbursement programs

Implication of the Budget: The budget fully funds this program at $1,006,129 in FY 2008 and $936,129 in FY 2009. This funding level will allow the program to offer services at the same level through the next biennium.

Human Resources Program Management

Program Description: This program provides services, guidance, and oversight to programs in the Human Resources program series. These functions include personnel services, fiscal support services, and coordination of quality initiatives, performance measures, and workplace mediation services.

Funding Source: Administrative assessments

Implication of the Budget: The budget funds this program at $1,292,471 in FY 2008 and $1,351,546 in FY 2009, allowing for continuation of current service levels over the next biennium.

Program Series 3: Collective Bargaining

Purpose: The Collective Bargaining program series consists of three programs that support the collective bargaining process with union-represented state employees.

The following table shows the line items that are used to fund the Collective Bargaining program series, as well as the FY 2008 - 2009 funding levels.

Fund	ALI	Title	FY 2008	FY 2009
General Services Fund				
128	100-620	Collective Bargaining	$3,464,533	$3,662,534
		General Services Fund Subtotal	**$3,464,533**	**$3,662,534**
Total Funding: Collective Bargaining			**$3,464,533**	**$3,662,534**

The following programs are in the Collective Bargaining program series:

- ***Program 3.01: Contract Administration***
- ***Program 3.02: Conflict Resolution Services***
- ***Program 3.03: Contract Negotiations***

Contract Administration

Program Description: The Contract Administration program is responsible for interpreting collective bargaining language, providing guidance for statewide consistency in contract administration matters, and providing guidance when contract language may conflict with provisions of the Revised Code or other law. This service is provided for all agencies with unionized employees under the appointing authority of the Governor.

Funding Source: Payroll check-off charges

Implication of the Budget: The budget provides $1,741,797 in FY 2008 and $1,939,798 in FY 2009, allowing this program to maintain current service levels.

Conflict Resolution Services

Program Description: The Conflict Resolution Services program assists state agencies in resolving conflicts through the selection and scheduling of mediation and arbitration services. Additionally, the program provides representation in issues before the State Employment Relations Board. This service is provided for all unionized employees under the appointing authority of the Governor.

Funding Source: Payroll check-off charges and intrastate transfer vouchers for dispute resolution proceedings

Implication of the Budget: The budget provides $1,180,589 in both FY 2008 and FY 2009 for this program. This will allow for continuation of current service levels over the next biennium.

Contract Negotiations

Program Description: This program provides representation to state agencies in contract negotiations. It develops cost estimates of proposed changes to collective bargaining agreements, statistical analysis of labor market trends, 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.

Funding Source: Payroll check-off charges

Implication of the Budget: The budget of $542,147 in both FY 2008 and FY 2009 provides full funding for this program to maintain its current level of service through the next biennium.

Program Series 4: Equal Opportunity Programs

Purpose: The Equal Opportunity Programs program series consists of five programs that assist state agencies with the promotion of equal access to state employment and contracting opportunities.

The following table shows the line items that are used to fund the Equal Opportunity Programs program series, as well as the FY 2008 - 2009 funding levels.

Fund	ALI	Title	FY 2008	FY 2009
General Revenue Fund				
GRF	102-321	Construction Compliance	$1,167,099	$1,167,099
GRF	100-439	Equal Opportunity Certification Programs	$750,236	$750,236
GRF	100-451	Minority Affairs	$52,927	$52,927
		General Revenue Fund Subtotal	**$1,970,262**	**$1,970,262**
General Services Fund				
188	100-649	Equal Opportunity Division-Operating	$847,409	$884,650
		General Services Fund Subtotal	**$847,409**	**$884,650**
Total Funding: Equal Opportunity Programs			**$2,817,671**	**$2,854,912**

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

- ***Program 4.01: AA/EEO Compliance***
- ***Program 4.02: Dr. Martin Luther King Jr. Holiday Commission***
- ***Program 4.03: Construction Compliance***
- ***Program 4.04: Equal Opportunity Certification***
- ***Program 4.05: Equal Opportunity Program Management***

AA/EEO Compliance

Program Description: This program directs and manages the state employee discrimination program. The discrimination complaint procedure provides a vehicle for any state employee to address and resolve perceived employment discrimination issues and ensure that complaints are processed in compliance with state and federal laws or regulations governing those activities. The program provides guidelines, procedures, and expertise to state agencies, boards, and commissions in the development and implementation of strategic planning for equal employment opportunity programming within their departments.

Funding Source: Payroll assessments to agency payroll on a per person basis

Implication of the Budget: The budget provides $360,339 in FY 2008 and $374,558 in FY 2009 for this program. At this funding level it may take longer to process complaints of workplace discrimination, or to respond to agencies requesting guidance on these issues. However, DAS feels that through some internal administrative cost savings, there will be little to no reduction of services in this program at the budgeted funding level.

Dr. Martin Luther King Jr. Holiday Commission

Program Description: The MLK Commission provides liaison services to the Ohio Dr. Martin Luther King Jr. Holiday Commission. The Ohio commission has three major programming initiatives: sponsorship of the Ohio Dr. Martin Luther King Jr. Commemorative Celebration; publication of a yearly calendar to educate and enlighten Ohioans about equality-related topics and the legacy of Dr. King; and sponsorship of a statewide oratorical contest for Ohio youth that promotes awareness of the importance of providing opportunities for equal employment.

Funding Source: GRF

Implication of the Budget: The budget provides $52,927 in each fiscal year to continue this program.

Construction Compliance

Program Description: The Construction Compliance program is responsible to ensure that construction contractors on state or state-assisted construction projects comply with laws and regulations pertinent to equal opportunity employment. A major responsibility of the program is issuing certificates of compliance that permit contractors to conduct business on state or state-assisted projects. These certificates indicate that contractors have not violated any affirmative action program requirements during the last five years.

Funding Source: GRF

Implication of the Budget: The budget provides $1,167,099 in both FY 2008 and FY 2009 for this program. This amount will allow for the continuation of services at the same level.

Equal Opportunity Certification

Program Description: The Equal Opportunity Certification program facilitates access to state government contracts and business services for underrepresented Ohio businesses. This program provides certification for Ohio businesses interested in participating in the Minority Business Enterprise and Encouraging Diversity, Growth, and Equity programs.

Funding Source: GRF

Implication of the Budget: The budget of $750,236 in both FY 2008 and FY 2009 fully funds this program to maintain its current level of services.

Equal Opportunity Program Management

Program Description: This program provides centralized management to DAS programs in the Equal Opportunity Program program series.

Funding Source: Administrative assessments

Implication of the Budget: The budget provides $487,070 in FY 2008 and $510,092 in FY 2009 for this program, which will allow this program to maintain its current level of services.

Program Series 5: Information Technology

Purpose: The Information Technology program series consists of seven programs that is the direction-setting body for the state of Ohio on information technology issues. The program series consists of an enterprise-wide structure for managing technology acquisition, policy, planning, and project management to support agencies, boards, and commissions in their acquisition and use of information technology. The bill calls for the Office of Information Technology (OIT) to be moved under the Office of Budget and Management beginning in FY 2008. The responsibilities of OIT do not change under the bill.

The following table shows the line items that are used to fund the Information Technology program series, as well as the FY 2008 - 2009 funding levels.

Fund	ALI	Title	FY 2008	FY 2009
General Revenue Fund				
GRF	100-418	Web Site and Business Gateway	$3,270,473	$3,270,083
GRF	100-419	IT Security Infrastructure	$1,500,000	$1,500,000
		General Revenue Fund Subtotal	**$4,770,473**	**$4,770,083**
General Services Fund				
133	100-607	IT Service Delivery	$92,539,887	$75,847,949
229	100-630	IT Governance	$17,108,846	$17,108,546
4N6	100-617	Major IT Purchases	$7,495,719	$7,495,719
5C2	100-605	MARCS Administration	$11,069,291	$11,069,291
5EB	100-635	OAKS Support Organization	$19,132,671	$19,132,671
5X3	100-634	Centralized Gateway Enhancement	$974,023	$974,023
		General Services Fund Subtotal	**$148,320,437**	**$131,628,199**
Total Funding: Information Technology			**$153,090,910**	**$136,398,280**

The following programs are in the Information Technology program series:

- ***Program 5.01: Enterprise IT Leadership***
- ***Program 5.02: Digital Government***
- ***Program 5.03: IT Governance, Research & Advisory Services***
- ***Program 5.04: Enterprise Computing***
- ***Program 5.05: Unified Network Services***
- ***Program 5.06: Enterprise Shared Services***
- ***Program 5.07: IT Services Program Management***

Enterprise IT Leadership

Program Description: The state chief information officer is responsible for the strategic direction and efficient use of Internet technology (IT) across the state and for oversight of state activities related to information technologies. This program supports planning, research, communication, and collaboration among government entities.

Funding Source: GRF, administrative billing to all program areas of OIT

Implication of the Budget: The budget provides $1,527,430 in FY 2008 and $1,780,886 in FY 2009. This program can be fully administered over the biennium given the budgeted funding levels.

Digital Government

Program Description: This program is responsible for coordinating the state's efforts for delivery of online services to the public. Digital Government manages the state's primary web site, Ohio.gov, and provides web site hosting to state agencies. This program is also responsible for the oversight of the development and operation of the Ohio Business Gateway (OBG). This is an online service that allows businesses to file paperwork, register with government agencies, and make payments. Agencies involved are the Department of Job and Family Services, the Department of Commerce, and the Department of Taxation.

Funding Source: GRF, payroll check-off charges, charges to agencies

Implication of the Budget: The budget for this program is $5,341,448 in FY 2008 and $5,442,077 in FY 2009. This fully funds this program over the next biennium.

IT Governance, Research & Advisory Services

Program Description: This program provides enterprise-wide management and oversight in the areas of statewide technology policy, acquisition, planning, and project management to support all state agencies, boards, and commissions in their acquisition and use of IT.

Funding Source: Payroll check-offs, billing of acquisition fees, administrative assessments

Implication of the Budget: The budget provides $14,484,164 in FY 2008 and $14,129,689 in FY 2009, allowing the program to be adequately funded.

Enterprise Computing

Program Description: The Enterprise Computing program offers a wide complement of data center services across various mainframes and open platforms. The program provides computing platforms, associated technology, computer operations, data storage options, technical assistance, and database administration services. Additionally, the program offers support and tools enabling customers to develop systems that seamlessly cross platform boundaries.

Funding Source: General Services Fund

Implication of the Budget: The budget provides $38,936,047 in FY 2008 and $41,790,330 in FY 2009, amounts sufficient to adequately fund this program over the next biennium.

Unified Network Services

Program Description: The Unified Network Services program has two major components: Network Administration and the Multi-Agency Radio Communications System (MARCS). Network Administration provides network connectivity, network infrastructure management for wide area and local area network connectivity, video connectivity, and network security. The program also provides local, long distance, and other associated telephone services. MARCS is a computer and communications network that provides voice and data communication statewide across a secure, interference-free radio

system to support mobile voice, data, vehicle location services and computer-aided dispatching for public safety and service entities.

Funding Source: GRF, General Services Fund

Implication of the Budget: The budget provides $34,836,748 in FY 2008 and $36,111,456 in FY 2009. At these levels, MARCS tower maintenance could be a challenge. The first towers were constructed in 1999. Those and the other newer towers have required maintenance as well as hardware upgrades, some of which has reached its life expectancy. Under the budgeted funding levels, DAS will likely have to defer maintenance on some towers, and defer hardware replacement.

Additionally, the budget provides for a transfer of $20 million from the Department of Development to DAS for equipment related to the creation of the NextGen broadband network. According to the Governor's July 27, 2007 Executive Order, NextGen will be part of an overall strategy called the Broadband Ohio Network, the goal of which is to expand broadband access to Ohio and reduce costs by consolidating the delivery of electronic data from state agencies to county governments. Once developed, the NextGen component will provide broadband services to state agencies, boards, and commissions.

Enterprise Shared Services

Program Description: The Enterprise Shared Services (ESS) supports multi-agency functions and services, including electronic commerce, electronic filing, and geographic information services. This program is the service provider for the Ohio Business Gateway, web hosting services, and the Ohio Portal for the Digital Government program. ESS also manages the state's central e-Payment Engine, hosts and manages the Enterprise Cognos Business Intelligence and Reporting platform and houses the state's GIS coordinating body, the Ohio Geographically Referenced Information Program (OGRIP). These programs support numerous state agencies' applications associated with homeland security, homeland defense, public safety, and economic development.

Funding Source: GRF, General Services Fund

Implication of the Budget: The budget provides $10,862,018 in FY 2008 and $10,704,393 in FY 2009.

IT Services Program Management

Program Description: This program provides centralized management of DAS/OIT programs in the Information Technology program series.

Funding Source: General Services Fund recovered through cost allocation to all programs within the program series.

Implication of the Budget: The budget provides $27,157,190 in FY 2008 and $26,493,886 in FY 2009. This program is responsible for the support of all operating costs associated with implementation and maintenance of the OAKS system. This OAKS support portion of the budget is fully funded. Barring the OAKS component of $19,132,671 in FY 2008 and FY 2009, DAS feels as though the remaining areas of the program can be successfully administered given these funding levels.

Program Series 6: State Support Services

Purpose: The State Support Services program series consists of five programs that support 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 State Support Services program series, as well as the FY 2008 - 2009 funding levels.

Fund	ALI	Title	FY 2008	FY 2009
General Revenue Fund				
GRF	100-403	Public School Employee Benefits	$1,425,000	$1,425,000
GRF	100-405	Agency Audit Expenses	$400,000	$400,000
GRF	100-410	Veterans Records Conversion	$46,170	$46,171
GRF	100-415	OAKS Rental Payments	$14,162,000	$14,162,000
GRF	100-433	State of Ohio Computer Center	$5,092,502	$5,007,502
GRF	100-447	OBA Building Rent Payments	$112,294,800	$106,476,400
GRF	100-448	OBA Building Operating Payments	$26,457,000	$27,303,000
GRF	100-449	DAS Building Operating Payments	$3,769,510	$3,834,871
		General Revenue Fund Subtotal	**$163,646,982**	**$158,654,944**
General Services Fund				
115	100-632	Central Service Agency	$860,878	$928,403
		General Services Fund Subtotal	**$860,878**	**$928,403**
Total Funding: State Support Services			**$164,507,860**	**$159,583,347**

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

- ***Program 6.01: Central Service Agency***
- ***Program 6.02: State-Owned Buildings – Rent/Operation***
- ***Program 6.03: Agency Audit Expenses***
- ***Program 6.04: Veterans' Records System***
- ***Program 6.05: Public School Employee Benefits***

Central Service Agency

Program Description: The Central Service Agency (CSA) provides accounting, budgeting, personnel and payroll services for 32 boards and commissions. CSA provides these services to smaller boards and commissions that would otherwise have to develop their own resources to provide these services. CSA also provides extensive technical assistance support to new agencies and newly appointed agency directors in their first year of operation.

Funding Source: Full cost billing to customer agencies

Implication of the Budget: The budget of $860,878 in FY 2008 and $928,403 in FY 2009 provides full funding for this program.

State-Owned Buildings – Rent/Operations

Program Description: The State-Owned Buildings – Rent and Operations program provides the centralized financial infrastructure to finance and maintain state buildings that house state employees. The program provides for the payment of building debt service, operating, and maintenance costs for the Rhodes Tower, Riffe Center, and State of Ohio Computer Center (SOCC) in Columbus, Lausche Building in Cleveland, DiSalle Center in Toledo, and Ocasek Building in Akron. Additionally, this program supports rent for GRF-funded state agencies, veterans groups that occupy space in DAS-owned buildings, vacant space and space undergoing renovation, and tenants relocated due to building renovations, as well as the cost of appraisals and other evaluations.

Funding Source: GRF

Implication of the Budget: The budget of $161,775,812 in FY 2008 and $156,786,773 in FY 2009, will allow DAS to fund requested maintenance repairs to the SOCC as well as pay any pending unpaid utility bills that resulted from adding additional users to the building. This funding level also accounts for increases in the rates of natural gas and electricity that may be experienced by all state-owned buildings. The budget also will be used to pay for leases and agreements that deal with the acquisition, development, installation, and implementation of the Ohio Administrative Knowledge System (OAKS).

Agency Audit Expenses

Program Description: The Agency Audit Expenses program provides funding for DAS to pay the Auditor of State for state agency audits conducted on a biennial basis. The Revised Code requires that the Auditor of State bill for all audits conducted and specifies who is to be billed for each audit. State agencies audited on an annual basis, including all major executive branch agencies, are required to pay for these annual audits from agency operating budgets. State agencies that are audited on a biennial basis, including state boards, commissions, statewide elected officials, Ohio House of Representatives, and Ohio Senate, do not pay for their audits. DAS is statutorily responsible for the payments, which this program funds.

Funding Source: GRF

Implication of the Budget: The budget provides $400,000 in both FY 2008 and FY 2009.

Veterans' Records System

Program Description: This program supports the Governor's Office of Veterans' Affairs efforts to digitize copies of original certificates of discharge and separation for Ohio veterans. Copies of these military records may be provided to the 88 Ohio county veterans service offices as well as federal agencies such as the Social Security Administration, Department of Veterans' Affairs, and National Records Center, as required documentation to re-enlist or to claim benefits including retirement, disability, pension, health care, and burial.

Funding Source: GRF

Implication of the Budget: The budget provides funding at $46,170 in FY 2008 and $46,171 in FY 2009.

Public School Employee Benefits

Program Description: The Public School Employee Benefits program supports the activities of the School Employees Health Care Board and the Public Schools Health Care Advisory Committee, which is comprised of interested parties to advise the board. These entities were created in Am. Sub. H.B. 66 of the 126th General Assembly, to analyze the health care environment for nonteaching public school employees, make recommendations for pooling this group for centralized health plan administration to save money for school districts, and implement and administer such a program if approved by the legislature.

Funding Source: GRF

Implication of the Budget: The budget provides $1,425,000 in both FY 2008 and FY 2009, an amount that will allow for the ongoing support of the School Employees Health Care Board and the Public Schools Health Care Advisory Committee.

Temporary and Permanent Law

School Employees Health Care Board (Sec. 901, 9.833, 9.90, 3311.19, 3313.12, 3313.202, 3313.33, 4117.03, 4117.08; Section 209.10.10). The budget act made several changes to the mission and scope of both the Board and the Advisory Committee. First, the School Employees Health Care Board is required to adopt a set of standards to be termed "best practices" to which all of the employee health care plans of a public school district and any combinations of public school districts must adhere. All policies or contracts for health care benefits provided to public school district employees that are issued or renewed after the expiration of any applicable collective bargaining agreements are required to contain the Board's best practices 12 months after the release of those best practices. Also, the Board is required to oversee school districts' implementation of each district's health care plans including monitoring the district's adherence to best practices standards, providing educational outlets and consultation, and requiring that the cost and design elements of the plans be transparent and available to the public.

A vetoed provision would have specified that the best practices standards developed by the Board must not duplicate or conflict with existing requirements with which health insuring corporations and sickness and accident insurers must comply pursuant to Chapters 1751. and 3923. of the Revised Code. Further, the act would have eliminated from the program the Board's responsibility to determine what strategies are used by the existing medical plans to manage health care costs and study the potential benefits of state or regional consortiums of public schools offering multiple health care plans, but those provisions were reinserted by the Governor's veto. Another item affected by veto was a provision that would have eliminated the Board's responsibility to include disease management and consumer education programs, which must include wellness programs and other measures, designed to encourage the wise use of medical plan coverage and specified that these programs are not services or treatments for purposes of section 3901.71 of the Revised Code. The Governor's veto reinserts both the responsibility of the Board to include such information and the specification concerning those programs.

Finally, the act allows the Board to contract with independent consultants to analyze current health care plans offered by public school districts and make recommendations to the Board for the development and implementation of the Board's best practices and other programs for improving school districts' health care plans.

Language in the budget also changes the membership of the 18-person Public Schools Health Care Advisory Board, by specifying the appointments to be made by the Governor, the Speaker of the House of Representatives, and the President of the Senate.

Program Series 7: DAS Program Management

Purpose: The Program Management program series provides centralized shared services, guidance, and oversight to DAS's operating divisions and offices.

The following table shows the line items that are used to fund the DAS Program Management program series, as well as the FY 2008 - 2009 funding levels.

Fund	ALI	Title	FY 2008	FY 2009
General Revenue Fund				
GRF	130-321	State Agency Support Services	$537,456	$565,760
		General Revenue Fund Subtotal	**$537,456**	**$565,760**
General Services Fund				
112	100-616	DAS Administration	$5,299,427*	$5,299,427*
4P3	100-603	DAS Information Services	$4,793,190	$4,958,218
		General Services Fund Subtotal	**$10,630,073**	**$10,257,645**
Total Funding: DAS Program Management Program Series			**$11,167,529**	**$10,823,405**

The DAS Program Management program series has a single program:

- ***Program 7.01: DAS Program Management***

DAS Program Management

Program Description: This program provides services, guidance, and oversight to all of DAS's operating divisions and offices. These services include legal counsel, finance, human resources, communications, legislative relations, and IT support.

Funding Source: Allocated costs billed quarterly to DAS programs, GRF

Implication of the Budget: The budget provides $10,630,073 in FY 2008 and $10,823,405 in FY 2009 for this program. DAS believes that the program can still be fully administered given these amounts.

Line Item Detail by Agency

Report For: Main Operating Appropriations Bill **Version:** Enacted

DAS Administrative Services, Department of

			FY 2005:	FY 2006:	FY 2007 Adj. Appropriations:	FY 2008 Appropriations:	% Change 2007 to 2008:	FY 2009 Appropriations:	% Change 2008 to 2009:
GRF	100-402	Unemployment Compensation	$ 9,720	----	$ 0	----	N/A	----	N/A
GRF	100-403	Public School Employee Benefits	----	$ 74,071	$ 1,500,000	$ 1,425,000	-5.00%	$ 1,425,000	0.00%
GRF	100-404	CRP Procurement Program	----	$ 251,618	$ 268,040	$ 255,000	-4.86%	$ 255,000	0.00%
GRF	100-405	Agency Audit Expenses	$ 162,374	$ 186,857	$ 329,000	$ 400,000	21.58%	$ 400,000	0.00%
GRF	100-406	County/University Human Resources	$ 458,762	$ 181,281	$ 940,000	$ 875,000	-6.91%	$ 875,000	0.00%
GRF	100-410	Veterans' Records Conversion	$ 21,456	$ 58,680	$ 48,600	$ 46,170	-5.00%	$ 46,171	0.00%
GRF	100-415	OAKS Rental Payments	----	----	----	$ 14,162,000	N/A	$ 14,165,000	0.02%
GRF	100-417	MARCS	$ 564,108	$ 198,061	$ 0	----	N/A	----	N/A
GRF	100-418	Web Site and Business Gateway	$ 2,217,925	$ 3,978,081	$ 3,275,280	$ 3,270,473	-0.15%	$ 3,270,083	-0.01%
GRF	100-419	IT Security Infrastructure	$ 1,650,116	$ 993,637	$ 1,636,247	$ 1,500,000	-8.33%	$ 1,500,000	0.00%
GRF	100-421	OAKS Project Implementation	$ 353,539	$ 476,796	$ 410,839	$ 375,000	-8.72%	$ 375,000	0.00%
GRF	100-433	State of Ohio Computer Center	$ 5,131,422	$ 5,190,443	$ 4,991,719	$ 5,092,502	2.02%	$ 5,007,502	-1.67%
GRF	100-439	Equal Opportunity Certification Programs	$ 582,551	$ 619,033	$ 728,384	$ 750,236	3.00%	$ 750,236	0.00%
GRF	100-447	OBA-Building Rent Payments	$ 97,148,564	$ 107,241,389	$ 116,091,300	$ 112,294,800	-3.27%	$ 106,476,400	-5.18%
GRF	100-448	OBA-Building Operating Payments	$ 27,318,351	$ 21,440,485	$ 25,647,183	$ 26,457,000	3.16%	$ 27,303,000	3.20%
GRF	100-449	DAS-Building Operating Payments	$ 4,176,511	$ 3,055,002	$ 4,170,623	$ 3,769,510	-9.62%	$ 3,834,871	1.73%
GRF	100-451	Minority Affairs	$ 33,805	$ 50,086	$ 47,000	$ 52,927	12.61%	$ 52,927	0.00%
GRF	100-734	Major Maintenance-State Bldgs	$ 40,433	$ 88,713	$ 50,000	$ 42,000	-16.00%	$ 42,000	0.00%
GRF	102-321	Construction Compliance	$ 957,142	$ 1,005,415	$ 1,206,779	$ 1,167,099	-3.29%	$ 1,167,099	0.00%
GRF	130-321	State Agency Support Services	$ 2,589,188	$ 2,484,003	$ 2,668,985	$ 5,495,163	105.89%	$ 5,855,163	6.55%
General Revenue Fund Total			**$ 143,415,968**	**$ 147,573,651**	**$ 164,009,979**	**$ 177,429,880**	**8.18%**	**$ 172,800,452**	**-2.61%**
112	100-616	DAS Administration	$ 4,566,120	$ 4,375,966	$ 5,299,427	$ 5,299,427	0.00%	$ 5,299,427	0.00%
115	100-632	Central Service Agency	$ 929,473	$ 740,132	$ 860,878	$ 860,878	0.00%	$ 928,403	7.84%
117	100-644	General Services Division - Operating	$ 5,114,723	$ 6,902,794	$ 8,145,773	$ 8,295,772	1.84%	$ 8,540,772	2.95%
122	100-637	Fleet Management	$ 1,469,633	$ 2,222,037	$ 4,032,968	$ 2,182,968	-45.87%	$ 2,032,968	-6.87%
125	100-622	Human Resources Division - Operating	$ 15,721,790	$ 15,795,254	$ 19,220,614	$ 19,890,614	3.49%	$ 20,560,614	3.37%
127	100-627	Vehicle Liability Insurance	$ 1,701,329	$ 1,770,237	$ 3,344,644	$ 0	-100.00%	$ 0	N/A
128	100-620	Collective Bargaining	$ 2,901,219	$ 2,946,866	$ 3,410,952	$ 3,464,533	1.57%	$ 3,662,534	5.72%
130	100-606	Risk Management Reserve	$ 191,699	$ 205,031	$ 223,904	$ 2,568,548	1,047.16%	$ 2,568,548	0.00%

Line Item Detail by Agency			FY 2005:	FY 2006:	FY 2007 Adj. Appropriations:	FY 2008 Appropriations:	% Change 2007 to 2008:	FY 2009 Appropriations:	% Change 2008 to 2009:
DAS Administrative Services, Department of									
131	100-639	State Architect's Office	$ 4,767,251	$ 5,093,670	$ 7,047,427	$ 7,348,483	4.27%	$ 7,544,164	2.66%
132	100-631	DAS Building Management	$ 8,819,666	$ 8,822,695	$ 11,066,228	$ 9,716,228	-12.20%	$ 10,166,228	4.63%
133	100-607	IT Services Delivery	$ 81,949,006	$ 65,507,431	$ 80,345,563	$ 92,539,887	15.18%	$ 75,847,949	-18.04%
188	100-649	Equal Opportunity Division-Operating	$ 800,402	$ 695,536	$ 1,010,255	$ 847,409	-16.12%	$ 884,650	4.39%
201	100-653	General Services Resale Merchandise	$ 942,184	$ 1,523,421	$ 1,553,000	$ 1,553,000	0.00%	$ 1,553,000	0.00%
210	100-612	State Printing	$ 5,166,287	$ 4,907,618	$ 5,931,421	$ 5,681,421	-4.21%	$ 5,436,421	-4.31%
229	100-630	IT Governance	----	$ 13,705,158	$ 20,117,555	$ 17,108,546	-14.96%	$ 17,108,546	0.00%
427	100-602	Investment Recovery	$ 5,037,088	$ 5,092,615	$ 5,683,564	$ 5,683,564	0.00%	$ 5,683,564	0.00%
4N6	100-617	Major IT Purchases	$ 3,423,457	$ 1,914,378	$ 10,617,166	$ 7,495,719	-29.40%	$ 7,495,719	0.00%
4P3	100-603	DAS Information Services	$ 3,828,891	$ 3,803,695	$ 6,117,004	$ 4,793,190	-21.64%	$ 4,958,218	3.44%
5AB	100-624	Non-Federal Info Technology Grants	$ 17,442	$ 241	$ 0	$ 0	N/A	$ 0	N/A
5C2	100-605	MARCS Administration	$ 9,000,187	$ 8,313,206	$ 11,069,291	$ 11,069,291	0.00%	$ 11,069,291	0.00%
5C3	100-608	Skilled Trades	$ 863,314	$ 723,129	$ 1,434,982	$ 934,982	-34.84%	$ 934,982	0.00%
5D7	100-621	Workforce Development	$ 14,274,239	$ 13,510,855	$ 5,397,619	$ 70,000	-98.70%	$ 0	-100.00%
5EB	100-635	OAKS Support Organization	----	----	----	$ 19,132,671	N/A	$ 19,132,671	0.00%
5L7	100-610	Professional Development	$ 3,403,208	$ 3,553,288	$ 2,700,000	$ 3,900,000	44.44%	$ 3,900,000	0.00%
5V6	100-619	Employee Educational Development	$ 596,360	$ 733,971	$ 936,129	$ 936,129	0.00%	$ 936,129	0.00%
5X3	100-634	Centralized Gateway Enhancement	----	----	$ 0	$ 974,023	N/A	$ 974,023	0.00%
General Services Fund Group Total			**$ 175,484,969**	**$ 172,859,223**	**$ 215,566,364**	**$ 232,347,283**	**7.78%**	**$ 217,218,821**	**-6.51%**
3AJ	100-623	Information Technology Grants	$ 1,299	$ 448,183	$ 82,048	$ 0	-100.00%	$ 0	N/A
3AL	100-625	MARCS Grants	$ 87,252	$ 154,327	$ 308,000	$ 0	-100.00%	$ 0	N/A
3AM	100-626	Homeland Security Grants	$ 83,280	$ 95,992	$ 0	$ 0	N/A	$ 0	N/A
3H6	100-609	Federal Grants OGRIP	----	----	$ 1,000,000	$ 0	-100.00%	$ 0	N/A
Federal Special Revenue Fund Group Total			**$ 171,831**	**$ 698,502**	**$ 1,390,048**	**$ 0**	**-100.00%**	**$ 0**	**N/A**
124	100-629	Payroll Deductions	$ 2,006,912,680	$ 2,061,318,876	$ 0	$ 0	N/A	$ 0	N/A
Agency Fund Group Total			**$ 2,006,912,680**	**$ 2,061,318,876**	**$ 0**	**$ 0**	**N/A**	**$ 0**	**N/A**
R08	100-646	General Services Refunds	$ 5,580	$ 100	$ 20,000	$ 0	-100.00%	$ 0	N/A
Holding Account Redistribution Fund Group Total			**$ 5,580**	**$ 100**	**$ 20,000**	**$ 0**	**-100.00%**	**$ 0**	**N/A**
Administrative Services, Department of Total			***$ 2,325,991,027***	***$ 2,382,450,351***	***$ 380,986,391***	***$ 409,777,163***	***7.56%***	***$ 390,019,273***	***-4.82%***