



ARIZONA STATE SENATE
Forty-ninth Legislature, First Regular Session

PROGRAM PRESENTATION

Arizona Department of Administration:

Utilities

Personnel Services

Motor Vehicle Pool

Utilities

Background

The Arizona Department of Administration's (ADOA) Division of Facilities Management oversees the operation of state-owned properties and provides maintenance, janitorial and landscaping services.

State departments and agencies may occupy state-owned or leased buildings that fall under the jurisdiction of the ADOA. These departments or agencies are required to pay rental and tenant improvement labor costs. Rental rates for occupants of state-owned buildings are determined by the Joint Committee on Capital Review and the rental fees are transferred into the Capital Outlay Stabilization Fund (COSF) at the beginning of each fiscal year. Occupants of leased buildings pay a rental fee that includes the cost of the lease-purchase obligation and can also include any associated operating costs. The ADOA transfers the amount of any associated operating costs into the Lease-Purchase Building Operating and Maintenance Fund. The monies in the fund are subject to legislative appropriation and exempt from lapsing.

Fiscal Information

The FY 2008-2009 budget provides ADOA \$7,975,600 for utilities:

- 1) \$625,700 – state General Fund
- 2) \$7,349,900 – COSF

The FY 2008-2009 budget continues an increase of \$1,466,100 from the COSF to pay for increased utility charges on the Capitol Mall. Additionally, the FY 2008-2009 budget provides an increase of \$150,000 from the COSF to cover utility costs at the new Polly Rosenbaum Archives and History Building.

Committee Activity

- 1) Discussed building leased by ADOA in rural areas.
- 2) Discussed energy use by the Polly Rosenbaum Library and Archives building.
- 3) Discussed energy saving measures implemented by ADOA and the inefficiencies of old buildings.

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- 4) Discussed a recent investigative report that showed state building with the lights left on all night.

Personnel Services

Background

Statute requires that the Director of ADOA have authority for developing and administering a program of personnel administration for the state service in conformance with personnel rules and to establish offices necessary to maintain an effective and economical program of personnel administration.

The Human Resources Division is ADOA's personnel office, providing employee benefits, among other services. The division oversees Arizona Government University, which offers centralized training to state employees on a variety of topics. The division's operating budget is funded through a permanent statutory charge to state agency payrolls of 1.07 percent.

Fiscal Information

ADOA was appropriated \$19,168,000 and 177 FTEs for its operating budget in FY 2008-2009:

- 1) \$14,064,000 from the Personnel Division Fund.
- 2) \$5,104,000 from the Special Employee Health Insurance Trust Fund.

Committee Activity

- 1) Questioned the ADOA representative regarding state employee health plans and elective abortions.
- 2) Discussed an increase in health plan enrollees.
- 3) Questioned the ADOA representative regarding the number of domestic partners enrolled in employee health plans.
- 4) Discussed the Employee Wellness Program and the Healthful Living Tobacco-Free Program.

Motor Vehicle Pool

Background

The ADOA Fleet Management Office contracts with private vendors to provide vehicles to state agencies for daily rentals and long-term assignment. Contracts to acquire vehicles require competitive sealed proposals and preference is given to vehicles with the lowest emissions levels. A FY 2008-2009 budget general appropriations footnote states that the Legislature requires ADOA to replace vehicles with an average of 120,000 miles or more. The Arizona Department of Transportation (ADOT) performs maintenance on fleet vehicles.

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The Motor Vehicle Pool Revolving Fund receives payment from agencies using fleet vehicles.

Fiscal Information

According to the Joint Legislative Budget Committee, the FY 2008-2009 budget provides \$12,726,800 from the Motor Vehicle Pool Revolving Fund.

Committee Activity

- 1) Discussed usage of ADOA's motor vehicle pool.
- 2) Questioned ADOA's representative regarding the size of the motor vehicle pool.

FY 2008-2009 Budget Action

General Fund:

Lump sum suspension/reduction	\$2,424,200
Salary lump sum reduction	\$ 441,200

Fund Reductions and Transfers and Excess Balance Transfers:

AFIS II Collections FRAT	\$ 400,000
Air Quality Fund FRAT	\$ 42,500
Automation Operations FRAT	\$1,210,600
Automation Operations EBT	\$ 629,900
Capital Outlay Stabilization FRAT	\$1,300,000
Construction Insurance FRAT	\$ 672,800
Construction Insurance EBT	\$2,304,900
Co-Op State Purchasing Agreement FRAT	\$ 54,600
Corrections FRAT	\$ 137,600
Corrections EBT	\$ 318,100
Motor Vehicle Pool Revolving FRAT	\$ 876,600
Motor Vehicle Pool Revolving EBT	\$ 349,500
Personnel Division FRAT	\$ 935,600
Risk Management Fund Transfer	\$9,000,000
Special Services Revolving FRAT	\$ 108,600
State Surplus Materials Revolving FRAT	\$ 213,400
Telecommunications FRAT	\$ 530,800
Telecommunications EBT	\$1,496,100
Telecommunications Fund - Infrastructure Improvements	
Account Fund Transfer	\$3,328,000
Building Renewal COSF Fund Transfer	\$5,200,700

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Attachments

- 1) Excerpt from the JLBC FY 2010 Baseline Book
- 2) Committee Handouts

Prepared by Senate Research

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