



# Budget Brief: DAS Purchasing and General Services

CAPITAL FACILITIES AND GOVERNMENT OPERATIONS

FY 2010

## SUMMARY

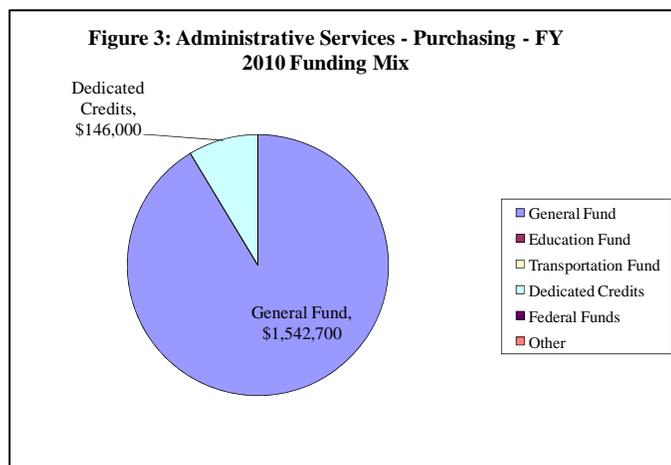
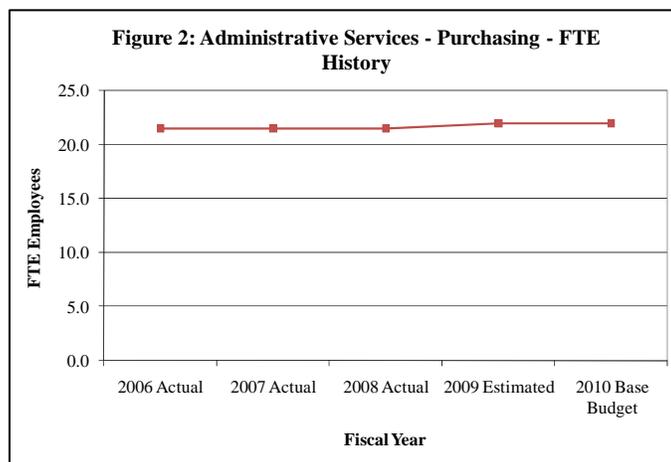
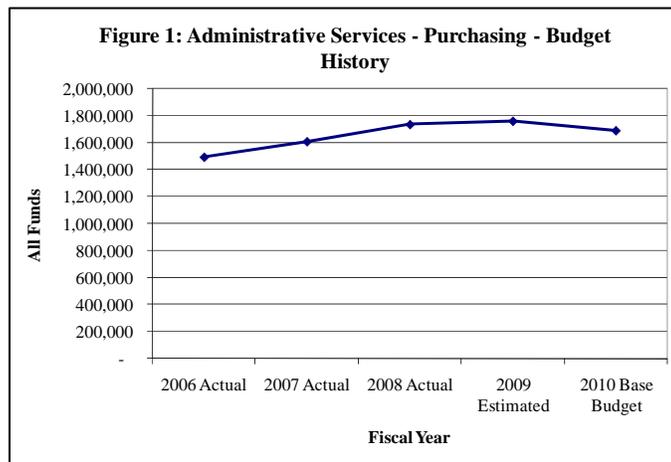
In 1997 the Legislature reorganized the Department of Administrative Services, merging Central Copying, Central Mail, and Central Stores into the Division of Purchasing and General Services. The procurement function that enables other agencies to contract for goods and services remains an appropriated function. Other programs operate as Internal Service Funds and are budgeted separately in the ISF section of the budget.

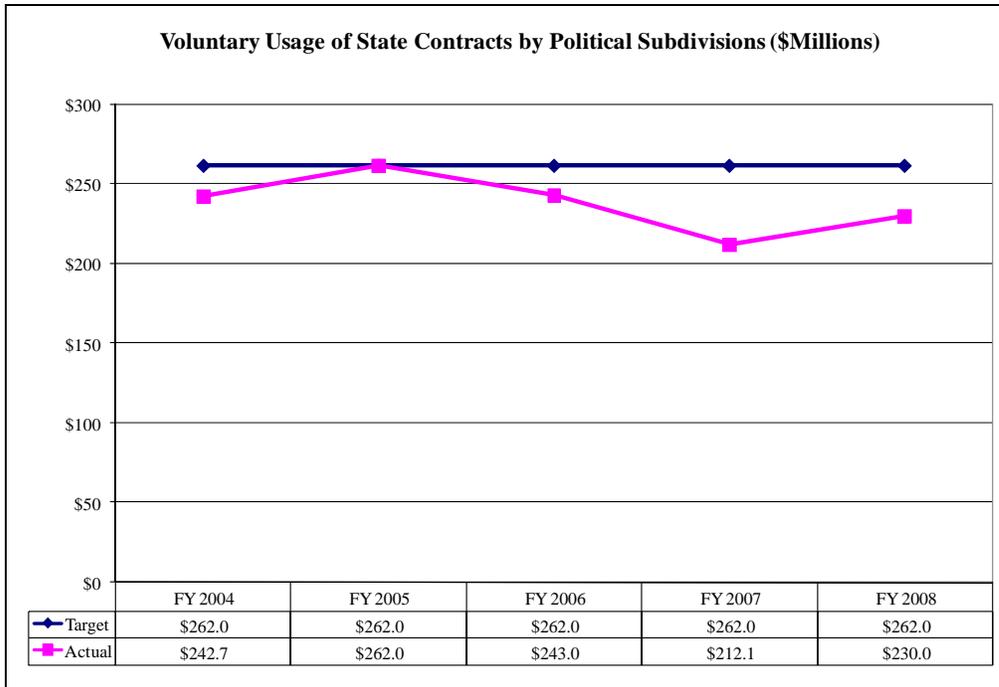
The division provides a centralized purchasing function for all state agencies. The Purchasing Program manages over 750 statewide contracts that are used by state agencies, education, and local governments, and oversees more than 2,000 agency contracts and more than 1,500 procurement processes per year. The value of these contracts and procurements exceeds a billion dollars annually.

## ACCOUNTABILITY DETAIL

State Purchasing manages cooperative contracts that are utilized by state agencies, institutions of higher education, school districts, and local governments. Usage of the contracts is mandatory for state agencies, but voluntary for political subdivisions. Thus political subdivision usage of the contracts is a barometer of whether the contracts provide best value.

Usage of state contracts by political subdivisions increased by 51 percent between FY 2002 and FY 2005, but has declined since. This may be an indication that the value of state purchasing contracts has been maximized.





**BUDGET DETAIL**

Dedicated Credits in this program are generated by contract management cost reimbursements. The division participates in and manages several multi-state contracts for the Western States Contracting Alliance (WSCA) – a contracting alliance of fifteen western states. Utah has the lead on data communications, small package delivery, and other types of contracts.

***Nonlapsing Balance***

The division requests that \$45,500 not lapse at the end of FY 2009. These funds will be used for the division’s eCommerce initiative that maintains an electronic bidding system for purchasing contracts:

- \$4,000 for system support
- \$3,000 for computer and office equipment for a new Research Analyst
- \$10,000 for new computer workstations to replace aging equipment
- \$28,500 for unspecified uses

***Intent Language***

The Analyst recommends the Legislature adopt the following supplemental intent language for Fiscal Year 2009:

*Under terms of UCA 63G-1-402(3), the Legislature intends not to lapse Item 46, Chapter 2, or Item 33, Chapter 371, Laws of Utah 2007. Expenditure of these funds is limited to \$17,000 for system support (\$4,000) and computer and/or office equipment (\$13,000).*

**LEGISLATIVE ACTION**

The Analyst recommends the Legislature consider adopting:

1. A total FY 2010 base appropriation of \$1,688,700 for the Division of Purchasing and General Services.
2. Intent language making the FY 2009 appropriation nonlapsing but limited to uses specified in the language.

**BUDGET DETAIL TABLE**

Administrative Services - Purchasing						
Sources of Finance	FY 2008 Actual	FY 2009 Appropriated	Changes	FY 2009 Revised	Changes	FY 2010* Base Budget
General Fund	1,627,000	1,680,700	(138,000)	1,542,700	0	1,542,700
General Fund, One-time	0	17,500	0	17,500	(17,500)	0
Dedicated Credits Revenue	105,100	86,500	66,000	152,500	(6,500)	146,000
Beginning Nonlapsing	47,600	30,600	14,900	45,500	(45,500)	0
Closing Nonlapsing	(45,500)	0	0	0	0	0
<b>Total</b>	<b>\$1,734,200</b>	<b>\$1,815,300</b>	<b>(\$57,100)</b>	<b>\$1,758,200</b>	<b>(\$69,500)</b>	<b>\$1,688,700</b>
<b>Programs</b>						
Purchasing and General Services	1,734,200	1,815,300	(57,100)	1,758,200	(69,500)	1,688,700
<b>Total</b>	<b>\$1,734,200</b>	<b>\$1,815,300</b>	<b>(\$57,100)</b>	<b>\$1,758,200</b>	<b>(\$69,500)</b>	<b>\$1,688,700</b>
<b>Categories of Expenditure</b>						
Personal Services	1,579,200	1,673,100	(114,700)	1,558,400	1,000	1,559,400
In-State Travel	1,400	1,200	200	1,400	0	1,400
Out of State Travel	3,000	5,300	(2,300)	3,000	0	3,000
Current Expense	80,500	56,800	(1,100)	55,700	(900)	54,800
DP Current Expense	70,100	78,900	60,800	139,700	(69,600)	70,100
<b>Total</b>	<b>\$1,734,200</b>	<b>\$1,815,300</b>	<b>(\$57,100)</b>	<b>\$1,758,200</b>	<b>(\$69,500)</b>	<b>\$1,688,700</b>
<b>Other Data</b>						
Budgeted FTE	21.5	23.0	-1.0	22.0	0.0	22.0
Actual FTE	20.9	0.0	0.0	0.0	0.0	0.0

\*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.