



STATE OF OREGON

INTEROFFICE MEMO

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DATE: March 8, 1982

FROM:

Joan Hader

SUBJECT: Special Session Budget Reductions

At the request of the Executive Department, the Department of General Services prepared budget reductions by decision packages that total \$2 million in reduced expenditures and \$4.4 million in reduced revenue. I have reviewed the proposed budget reductions with the objective of reducing Department of General Services expenditures and revenue in line with the Special Session reductions in other state agencies, but without laying off staff or severely disrupting services.

Recommendations

1. Reduce Department of General Services revenue by \$3.7 million including \$2.2 million in uniform rent and \$1.5 million in General Services' assessment.
2. Reduce Department of General Services expenditures by \$615,047.

Impact of Recommendation

1. Reduces Department of General Services working capital made possible through improved cash management techniques and elimination of larger than anticipated 1979-80 cash balances.
2. Holds certain vacant positions unfilled resulting in reduced staffing flexibility in the Purchasing and Real Property Divisions.
3. Eliminates the Motor Pool express services between Salem Motor Pool and agency offices.
4. Reduces the Shuttle Bug services during mid-day low ridership periods.
5. Eliminates budgeted, but not implemented, service improvements in alternate modes activities.
6. Reduces the level of ground maintenance in the Capitol Mall area.
7. Reassigns certain custodial workers.

Discussion

The recommended revenue reduction would allow the Department of General Services to reduce its assessment rate paid by state agencies and forgive approximately three months of uniform rent payments during the 1981-83 biennium. The recommended expenditure reduction represents 3.5 percent of the Department of General Services controlled expenditures.

JH:ka



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DEPARTMENT OF GENERAL SERVICES
Recommended Expenditure and Revenue Reductions

<u>Division</u>	<u>Pkg.</u>	<u>Description</u>	<u>Revenue</u>	<u>Expenditure</u>
Administrative Services	1	Reduce revenue and working capital	\$ 250,000	\$ --
Purchasing	1	Reduce excess cash reserve	300,000	--
	2	Leave three positions vacant and reduce Services and Supplies	67,310	67,310
Services	1	Reduce alternate mode contract	200,000	200,000
	1	Reduce Shuttle Bug rental	35,488	35,488
	1	Reduce Shuttle assessment	169,135	--
	2	Eliminate Motor Pool Express	47,951	47,951
Real Property Administration	1	Reduce revenue	225,448	--
	2	Leave position vacant	33,183	33,183
Landscape	1	Reduce revenue	82,887	--
	2	Reduce Services and Supplies and hold position vacant	28,115	28,115
Security	1	Reduce revenue	60,000	--
State-owned Building	1	Reduce revenue	2,047,071	--
	2	Reduce custodial services (leave Painter position)	200,000	200,000
Capital Improvement	1	Reduce surplus funds	<u>3,000</u>	<u>3,000</u>
Total			\$3,749,588	\$615,047

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DEPARTMENT OF GENERAL SERVICES
Recommended Revenue Reduction by Revenue Source

<u>Division</u>	<u>Uniform Rent</u>	<u>Assessment</u>
Office of Director and Administrative Services	\$ --	\$250,000
Purchasing Division	--	367,310
Services Division	--	452,574
Real Property Division	--	258,631
Landscape	--	111,002
Security	--	60,000
State-owned buildings	2,247,071	--
Capital Improvement	<u>3,000</u>	<u>--</u>
Total	\$2,250,071	\$1,499,517

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