

Minutes of the Meeting of the Utah Privatization Policy Board
Thursday January 22, 2009 11:00 a.m.
Room 3150, State Office Building
Salt Lake City, Utah

Attendees

Senator Brent Goodfellow, Jim Kesler, Ted Boyer, Steven Wrigley, Steve White, Steve Dickson, Kent Beers, Nancy Orton

Excused

Mayor Randy Simmons, Representative Fred Hunsaker, Tanja Henrie

Visitors

Ryan Van Tassell – Utah Taxpayers Association

Welcome and Introductions

Senator Brent Goodfellow, Chair, conducted the meeting.

Approval of Minutes:

Jim Kesler made a motion to approve the October 16, 2008 minutes. Ted Boyer seconded his motion and they were unanimously approved.

Senator Goodfellow asked the new Director of Purchasing, Kent Beers to introduce himself. The board members introduced themselves to Mr. Beers.

Discussion on 15% Budget Cut – Strategy for Adding this Position Back into Purchasing’s Budget

Senator Goodfellow gave a brief history of the Privatization Policy Board. He mentioned that legislation wanted the board to do more and Senator Goodfellow convinced the legislature that they could make all the legislation that they wanted but if we don’t have people to do the work we can’t do what is asked without the staff. An FTE was created for \$72,000 and we went through the hiring process but both candidates for different reasons didn’t want the job.

Kent Beers stated that on one hand it was unfortunate that we could not fill the position but on the other it may have been a good thing because under DHRM rules we may have ended up laying off the Research Analyst anyway. Mr. Beers wondered if there was a possibility of Senator Goodfellow, Representative Hunsaker and Representative Frank, who was very anxious to have this position added back into our budget, could form a coalition and garner support to have this position restored back to our budget. Mr. Beers feels that this is a strategy that needs to be explored. Mr. Beers asked Senator Goodfellow if he thought this strategy would have a chance.

Senator Goodfellow said his perception, and he could be totally wrong especially if revenue’s continue to decline he would admit right up front if he was wrong, but he thought that there has been other years that the 15% they are asking for now is hard and fast today but the Legislative Session has not even started and here we are talking about 15% budget cut straight across

without even going through the session. We don't know what the revenue projections are going to be so as we meet in the appropriations committees during session that is where senators and legislators ought to be talking about the details and the budget. But what they want to do is take the 15% and pass a base budget the first day of the session and he thinks what will happen is the 15% will be kind of a target and then they will backfill as they go through the session if the numbers don't get any worse because right now the Governor's budget is balanced but he is taking on some debt with bonding. He is using some of the rainy day fund and is doing some other things the legislature has not done. Senator Goodfellow thinks there will be some give and take there and so in this process he would certainly be willing to put that money back into the budget and some of the others would support this because they are anxious to get this inventory so that we know whether there are services that may or may not be privatized. Senator Goodfellow will more than be willing to ask for the money to hire a Research Analyst.

If Funding is not Restored, How to Fill the Research Analyst Position

Kent Beers presented the board with another way of funding the Research Analyst position internally. This would require purchasing to take one of their purchasing agents and shift them over into this position. A potential candidate has been identified. What has happened is Nancy Orton has shifted some of the agents work assignments around to free up this agent part time. There is a price for this also because a good purchasing agent on average last year through cost avoidance saved the state agencies and school districts about two million dollars for each agent. So that would be a total that we have been able to identify of about thirty six million dollars in cost avoidance for our division. Salt Lake County gave Mr. Beers a call the other day and said that if Purchasing keeps getting cut and will no longer effectively be able to administer these statewide contracts we are going to have to add staff because we rely on the contracts you manage and that would be doubly so for school districts. They use our contracts all the time. There is a cost to taking away a purchasing agent from her assigned duties and putting her in the Research Analyst position. On the other hand the statutory obligation the fill this requirement has not been repealed with the 15% budget cut. We are still required to staff the position. So we really don't have any alternative if it isn't restored we have to do the work by statute.

Nancy Orton gave us a handout of Tracey Stevens resume and defined her credentials.

Senator Goodfellow thought it would be a good idea for now to have Tracey Stevens fill the Research Analyst position half time and have her as a purchasing agent the other half.

Steve Wrigley though it would be a good idea to have Tracey Stevens oversee the project and have maybe an intern or two do the actual work. Kent Beers agreed with him and thought Tracey Stevens would be a good administrator but for a lot of the data entry work we would have to use our technicians.

Nancy Orton mentioned that we have a talented person in our office that could create a database for the board to use that would be in a format for the cities and counties and potentially other states to use.

Kent Beers said that the important thing is that we get the work done but what would help us is to have the funding restored either way even if we had the funding restored and we still wanted her to lead the program, then that means we would be able to keep one of the purchasing technicians that we may have to lay off.

Senator Goodfellow proposed that the board ask Kent Beers to loan us Tracey Stevens to be our Research Analyst half time until the legislature adjourns and then we will have a better feeling as to whether the board will get any money for the position. Senator Goodfellow felt that if we brought in Tracey Stevens and introduced her it would formalize the position so it would be better to work informally through Kent Beers and Nancy Orton. It was decided that Senator Goodfellow would be Tracey Stevens contact person.

There was a brief discussion on re-appointments to the board.

Next Meeting

The next meeting will be held after the legislative session is over in the Purchasing & General Services Conference Room