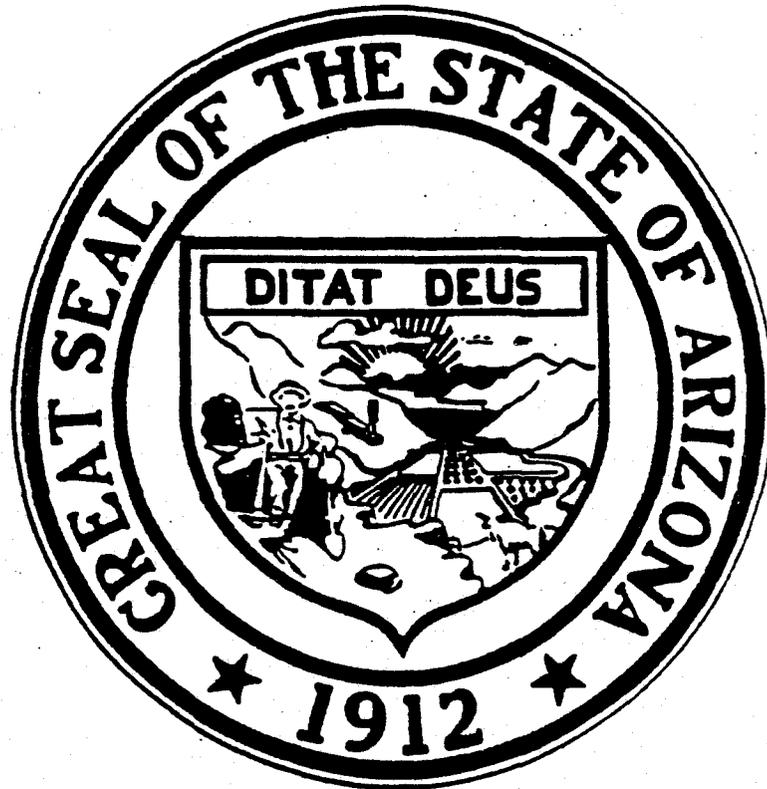


**STATE OF ARIZONA**

**PROJECT S.L.I.M. REPORT ON THE  
DEPARTMENT OF ADMINISTRATION**



July 2, 1992

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GV 802, A25  
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July 2, 1992

Mr. J. Elliott Hibbs  
Director  
Department of Administration  
1700 W. Washington  
Phoenix, Arizona

Dear Mr. Hibbs:

The Governor's Project SLIM review of your agency has been completed, and the project team is pleased to present you with this summary of our findings and recommendations. The study was initiated November 1, 1991 and the field work was completed approximately May 21, 1992.

This summary restates the objectives of the review, the approach which was used, and highlights the major changes recommended as a result of the study. It quantifies the potential benefits for your agency and summarizes the key implementation actions and legislative support needed to convert the potential into actual benefits. The summary is followed by the detailed findings and recommendations.

In total, the recommendations identify approximately \$15 million in benefits to the citizens of Arizona.

### **OBJECTIVES & GOALS**

The overall objective of this study was to find ways to improve the delivery of services by the Arizona Department of Administration (DOA). The goals were to improve the process of delivering services and reduce the cost of government whenever and wherever possible. Impediments to prompt and effective services were to be identified and removed, and structures established which support the long term goal of continuous improvement throughout the agency.

DOA is unique among the agencies reviewed by Project SLIM for three important reasons. First, its "customers" are only other state agencies. Second, DOA has several major unrelated functional missions, ranging from Personnel, Purchasing, Facilities Management, and General Services, through Finance, Data

Management and Risk Management. Third, it was created by the Legislature to have a dual role of providing service to agencies and providing control in each of its functions to ensure policy compliance. This dual role results in strongly differing perceptions of quality performance.

DOA sees opportunities where benefits to the State can be achieved by increasing control through centralization of functions to reduce costs and improve policy compliance.

Agencies see opportunities for benefits through decentralization of functions to reduce cycle time, improve quality and reduce costs.

Ultimately, the nexus of this paradox is that, the legislature holds the Governor accountable when any lack of control by DOA or an agency causes embarrassment or financial loss to the State, while there is no recognition or reward for improved service. In fact, it is likely in today's culture that even if DOA reduced the cost of a service such as purchasing on a per-item basis, agencies would buy more items rather than revert funds at the end of a fiscal year. Thus, there is little likelihood that an actual savings will be achieved. Therefore, when DOA must choose between control or service there is a strong tendency to default to control.

Against this background, the team's objective was to develop practical and implementable recommendations which balance these conflicting priorities in a way that improves service or reduces cost without reducing control, or improves control or reduces cost without reducing service.

## APPROACH

We reviewed the shelf data from the Department to understand the mission, responsibilities, and workloads. Over 150 interviews were conducted with selected managerial, supervisory, and clerical staff. We observed work activities, computer system use, and obtained either actual or estimated work measurement standards for the processes which were reviewed. We discussed procedural findings with work center managers and supervisors.

Exhibit 1 lists the individuals we contacted during the review. Many of these individuals were

contacted more than once to confirm our understanding of their areas of responsibility and to discuss the feasibility of proposed process changes and structures.

The Present Organizational Structure of each division as it was presented to us at the time of the review is presented in Exhibits 4-17. Numerous organizational changes may have occurred in DOA since the inception of our review.

#### Summary of Findings and Benefits

The following sections summarize our recommendations in each of the major DOA functional areas reviewed by Project SLIM:

- State Procurement Office
- Risk Management Division
- Personnel Division
- Finance Division
- General Service Division
- Data Management Division
- Facilities Management Division

Many of the recommendations were developed from examples provided by DOA or an agency. Considerable care was taken to understand both the DOA and agency perception of the issue, but it was not practical to review all recommendations with all agencies. Further, extrapolating data from limited samples, and the unavailability or unreliability of state-wide data results in an approximate quantification of total benefits.

In addition to the specific actions recommended in the functional areas of DOA, we recommend a new paradigm for the DOA/Agency relationship which seeks to resolve the service/control paradox using a total quality partnering approach. This approach recommends developing written one year service contracts between DOA and each agency. Where DOA agrees to delegate authority to an agency to provide its own services, the agency would agree to provide monthly performance measure reporting and demonstrate quality compliance with policy. Where DOA agrees to provide service to an agency, service performance measures would be agreed upon.

Consistent with this concept, DOA would transition to an organization structure which separates the service component from Planning, Policy & Training and Compliance activities. The detailed DOA Mission recommendation describes this concept.

We believe it will be necessary for DOA to begin with the implementation of the specific recommendations first to demonstrate its ability to provide quality services. Then the contract concept can be pilot tested and expanded. This process can evolve starting about six months after implementation begins and be in place in one year.

#### State Procurement Office

In the State Procurement Office we have made recommendations to reduce the cost of both establishing state contracts and the cost of the commodities and services purchased, enforcement of purchasing policy, and training of state agencies in procurement procedures.

Reductions in the cost of establishing state contracts will be achieved by:

- Revising the State Procurement Code to increase the dollar amount for which a formal RFP process must be used from \$10,000 to \$25,000
- Revising the statutes pertaining to the public notice of an invitation to bid.

Reductions in the cost of obtaining goods and services will be achieved by:

- Revising the delivery terms on the statewide contracts for commodities to provide for cost based delivery charges on orders outside of the Phoenix and Tucson metropolitan areas
- Segregating the costs of commodities, delivery, installation, training, maintenance, and other services on state contracts in order to eliminate the payment of county and local sales taxes on non-taxable components of the contract

- Developing an internally generated Vendor Usage reporting system in conjunction with AFIS II in order to provide the SPO with the tools to negotiate with vendors and eliminate the reliance on the vendors to provide usage reports to SPO.

#### Risk Management Division

Establishing a loss threshold of \$5,000 for selected property losses currently covered by Risk Management, will result in an 85% reduction of internally processed property claims. This will allow for the claims currently processed by outside processing services to be handled in house at a savings of approximately \$238,000.

#### Personnel Division

In the Personnel Division we made a number of recommendations that will improve service by reducing the time it takes to hire a state employee. In some cases, the reduction may be as much as three weeks. Specific recommendations include:

- Expanding the use of open continuous announcements with the potential of savings 7,500 weeks of waiting time per year
- Allowing APMS offices (Personnel Division managed offices located at larger agencies) to generate "Hiring Lists" when available
- Eliminating the delay period between the time applications close and they are scored. This delay can be as long as one to one and one half weeks.

In addition, we recommend utilizing outside temporary agencies to provide temporary secretarial and clerical help to agencies rather than the internally managed clerical pool. This recommendation could result in a savings of approximately \$1,000,000. Personnel Division Management has expressed a desire to begin implementing our recommendations immediately.

The Personnel Division has begun a program to decentralize recruitment of agency specific positions to the larger agencies with "APMS" offices. We support this program and encourage the expansion of this program.

As part of our review of the Personnel Division we discussed the division's plans for automation. We support these plans and feel that there are many benefits that would be realized through the use of a modern data processing technology. Included in these plans are use of imaging technology for the processing, storage, and distribution (to agencies) of employment applications which will provide the following benefits:

- Eliminate the handling of the estimated 125,000 applications that are received annually
- Eliminate the photocopying of applications by utilizing the imaging system to distribute applications to the hiring supervisors through the system
- Allow for on screen scoring of applications thus eliminating the need for data entry performed by support personnel
- Eliminate the filing of applications by personnel.

The following issues should be considered for further study:

- Use of an on-line requisitioning system, whereby employment requisitions are forwarded electronically to the Personnel Division "system" from agencies
- Changing employment applications to allow an applicant to apply for multiple positions on an application

#### Finance Division

With the implementation of the AFIS II system on July 1, 1992 there will be significant changes in the work performed by the Finance Division. We identified two areas where the workload will be eliminated through the use of a modern on line system, and made recommendations to eliminate the affected positions.

We believe that the new on-line financial system will increase the productivity and efficiency of the Finance Division. A work measurement system should be implemented to determine the effects of the new system on productivity and determine staffing requirements.

State agencies are not taking advantage of discounts offered by vendors for payment of invoices within specific discount terms. An estimate of approximately \$381,000 could be saved by expediting processing of invoices from vendors that offer discounts.

#### General Services Division

We recommend consolidating nine of the State print shops into two. ACI would remain at the ASP Perryville complex, and DOA would be consolidated into one location. This will result in anticipated annual savings of \$474,000.

As the State moves forward in upgrading fueling stations for environmental reasons, we recommend installing card-lock systems at major locations throughout the State. We have conservatively estimated annual savings at approximately \$190,000.

Our analysis has confirmed that much of the State fleet is not controlled. We are recommending a centralized control of the entire State fleet, with analysis of fleet needs, a tightening of policies and procedures, and reduction of the old fleet vehicles, saving an estimated \$3,462,000.

We recommend the following areas be considered for further study:

- Privatization of landscaping for the Capitol Mall
- Increasing the amount of "Zero-Scape" (Desert Landscaping) in the Capitol Mall
- Utilization of inmates for certain landscaping tasks

#### Data Management Division

We recommend a restructure of the DMD Support Center to become a more focused and effective training center while reducing labor costs by \$112,000 per year and avoiding filling vacancies valued at \$114,000 per year.

We also recommend creating two separate sections from the existing Data Management Division. This restructuring will provide a more functionally appropriate and responsive organization while eliminating duplication between the current Data Management Division and Information Systems and Planning.

We have identified the need for additional control of the telecommunications network. Misuse of the system, coupled with a variety of other issues outlined in this report are costing an extra \$2.8 million annually.

#### Facilities Management Division

We recommend centralizing all leasing activities for private office space in the Facilities Management Division. This would be accomplished through the establishment of a core of currently existing state employees with the necessary real estate background, supported by a group of commercial real estate brokers that have been selected by RFP. Savings are estimated to be in excess of \$2 million annually.

We recommend transferring management of Capitol Police to DPS. With improved management and scheduling, along with shared administrative duties, anticipated benefits approximate \$780,000 annually.

#### General Observations

As the team commenced its study the Department of Administration was under the direction of another individual. We understand that at this time you have only been at the helm for a few months. During the course of our review your predecessor had made continuous organizational changes to the department.

The team's recommendations, and the accompanying exhibits which describe them, are based on the situation as it existed at the time of the interviews and analyses. Some of the recommendations which

are being submitted by the Project Team are already in the process of being implemented. Others may be altered in the final analysis because the context of the recommendations have been changed since they were prepared.

Implementation leadership will determine the achievement of maximum savings by putting in place the concepts proposed in this document.

### Summary of Savings

Exhibit 2, DOA Summary of Titles and Savings, shows the impact of each of the recommendations, reduction of present costs and the avoidance of future costs. The magnitude of each is:

DOA Cost Reduction	\$ 1,248,778
Other Agencies Cost Reduction	13,850,047
Cost Avoidance	<u>260,900</u>
Total	<u>\$15,359,725</u>

\$750,000 of this total are one-time savings

The proposed Organizational Structure, which shows the structure of DOA following the implementation of these recommendations, is included in the exhibits. This structure is consistent with the recommendations, but is not the only possible structure which can achieve the improved service and benefits. Actual structures will be finalized as the recommendations are implemented.

### IMPLEMENTATION

Implementation is the critical step in the process of achieving savings. Potential savings are often identified but not achieved when the implementation process is distracted by day to day activities, and managers shy away from the necessary reduction in staff. Successful implementations are marked by two things; a strong commitment from senior management to achieve as much of the savings as proves possible; and designation of implementation team leaders with the requisite mental toughness to see the task through to completion.

The implementation process is best carried on soon after the review process. This maintains momentum while topics are fresh in people's minds. We estimate that most of the recommendations contained in the report can be implemented within a period of 12 months.

Some recommendations however may require up to 8 months, and a few requiring statutory amendments may take longer.

Our recommended Implementation Plan in Exhibit 3 shows an implementation sequence and approximate duration for each recommendation. A detailed plan will can be established at the outset of implementation.

There are three major components of cost associated with implementation. These are typically one-time costs and represent a reduction in first year benefits. They include the costs of current employee time during implementation, outside assistance, and employee re-deployment. Outside implementation assistance can significantly improve the total value of benefits achieved, the probability that benefits will be achieved, and can reduce the total time necessary to achieve implementation through the use of focused, dedicated resources. These costs depend on the total scope of the assistance requested, and are not included in this individual agency report.

\* \* \* \* \*

Mr. J. Elliott Hibbs, Director  
Department of Administration  
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We wish to thank you as the Director of DOA and your entire staff for their complete cooperation, participation, suggestions and comments and support of our efforts during this study.

We appreciate the opportunity to be of service to the Governor and the SLIM Steering Committee in this endeavor. Should you have any questions regarding this report please feel free to contact the Project Executive or any member of your Project Slim Team.

Julie Bahavar, Department of Transportation

Joe Dean, Department of Commerce

Bill Hernandez, Department of Economic Security

Beverly Francy, State Land Department

Phyllis Knox, Department of Health Services

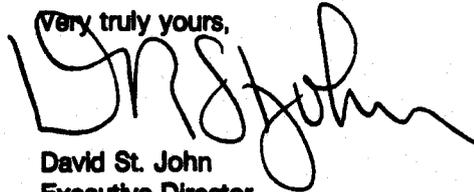
Paul Donovan, Department of Environmental Quality

Carl Jager, Department of Transportation

Mel Litzenberger, Coopers & Lybrand

Ray Kurkijy, Coopers & Lybrand

Very truly yours,



David St. John  
Executive Director  
Project SLIM

PROJECT SLIM INTERVIEW LIST  
Department of Administration

EXHIBIT 1  
1 OF 4 PAGES

Name	Title	Actual
Tony West	State Treasurer	11/1/91
Tim Boncoskey	Budget analyst: OSPB	11/1/91
Tobin & Mgt Team	Dir & Mgt	11/6/91
David Borg	Group Admin: Mgt Services	11/7/91
Lee Baron	Deputy Director	11/8/91
Brian Donnelly	Special Assistant	11/12/91
Rob Rocha	A.D: Finance Division	11/12/91
Ben Froelich	A.D: Data Management	11/13/91
Gene Vitetta	A.D: General Services	11/13/91
Margaret McConnell	Mgr: State Purchasing Office	11/14/91
Steve Conner	A.D: Facilities Management	11/14/91
Alicia Sterna	A.D: Risk Management	11/15/91
Kathleen Peckardt	Mgr: Mgt Svcs - Procurement	11/18/91
Pitcairn	Analyst: JLCB	11/18/91
Louise Battaglia	Dir Off: Program/Proj Specialist	11/18/91
Alberto Gautier	Dir Off: Special Assignments	11/19/91
Edward Gulli	Mgr: Mgt Svcs - AFIS II Project	11/19/91
Jack Jones	Mgr: Mgt Svcs - Finance	11/19/91
Bill Bell	A.D: Personnel	11/20/91
Mike Norman	Mgr: Mgt Svcs - Info sys/plan	11/20/91
Linda Turner	Asst Mgr: Mgt Svcs - Purchasing	11/21/91
Ruth Holeman	Adm Sec: Mgt Svcs Purchasing	11/21/91
Ruth Johnston	Clerk Typist III: Mgt Svcs Purch	11/21/91
Lorinda Goodman	Secretary: Mgt Svcs Purchasing	11/21/91
Ruth Holeman	Adm Sec: Mgt Svcs Purchasing	11/21/91
Jeff Hesenius	Mgr: Mgt Svcs - DOA Budget	11/21/91
Earl Painter	Buyer III: Mgt Svcs - Purchasing	11/21/91
Missy Oates	Buyer II: Mgt Svcs - Purchasing	11/21/91
William Taylor	Chief: Capitol Police	11/22/91
Heishman	DOA Mgt Svcs: Human Resources	11/25/91
Allen Bogan	SPO: Assitant Administrator	11/25/91
Bob Stephenson	SPO: Administrator - Pro Svcs	11/26/91
Robert Descheemaker	SPO: Administrator - Commodities	11/26/91
Frank Dukarm	DOA Mgt Svcs: IS&P Mgr	11/26/91
Alice Clarkson	SPO: Adm Sup Supv - Sup Svcs	11/27/91
Paula Davidson	SPO: IPS Supv - Support Svcs	11/27/91
Linda Donaldson	SPO: Contract Off, Prof Svcs	11/27/91
William Bell	A.D: Personnel	12/02/91
Judy Henkelman	AZ State Personnel Board: Exec Dir	12/03/91
Wendy Winkelman	SPO: Contract Off, Commodities	12/03/91
Richard Valdivia	Purchasing Mgr Dept of Ed	12/03/91
Maggie McConnell	Mgr: State Purchasing Office	12/04/91
Beau Grant	ADOT: Procurment Mgr	12/04/91

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**Department of Administration**

**EXHIBIT 1**  
**2 OF 4 PAGES**

Name	Title	Actual
Mike Metko	DOR: Admin Svcs Officer	12/05/91
Robert Descheemaker	SPO: Administrator - Commodities	12/05/91
John Bogert	ADOT: Procurement Mgr	12/05/91
J. McConnell	SPO: Contract Off, Commodities	12/05/91
Ben Goodman	DES: Procurement Mgr	12/05/91
Bob Pierson	SPO: Admins Comp Info Sys	12/05/91
C. Eggleston	SPO: Contract Off, Commodities	12/05/91
Bob Pierson	SPO: Admins Comp Info Sys	12/06/91
Beau Grant	ADOT: Procurment Mgr	12/06/91
June Vance	SPO: Contract Officer	12/10/91
Carmen Eggleston	SPO: Contract Officer	12/12/91
Carl Kohler	DOA: Accounting	12/13/91
Bill Munch	SPO: Contract Officer	12/13/91
Maggie McConnell	Mgr: State Purchasing Office	12/16/91
Bob Stephenson	SPO: Administrator - Pro Svcs	12/17/91
Loretta Cassidy	SPO: Contract Officer	12/17/91
Robert Descheemaker	SPO: Administrator - Commodities	12/18/91
Bob Stephenson	SPO: Administrator - Pro Svcs	12/18/91
Allen Bogan	SPO: Assitant Administrator	12/18/91
Linda Turner	Asst Mgr: Mgt Svcs - Purchasing	12/19/91
Robert Descheemaker	SPO: Administrator - Commodities	12/19/91
Bob Stephenson	SPO: Administrator - Pro Svcs	12/20/91
US West	Procurement division	12/20/91
Debra Van Alstine	DOA Fin: Acct Tech III	12/23/91
Marietta Montoya	DOA Fin: Acct Sup	12/24/91
Wendy Hammond	GAO: Asst State Comptroller	12/24/91
Peter Vazquez	DOA Fin: Fis Ser Sup III	12/27/91
Klint Tegland	DOA Fin: Fis Svs Mgr III	12/27/91
Sam Pignato	Risk Mgt: Admin Mgr	12/30/91
Steve Fotinos	Risk Mgt: Manager - Claims	12/30/91
Joan Jackson	Risk Mgt: Supervisor - Claims	12/31/91
Julia Lewis	Risk Mgt: Mgr - Loss Control	12/31/91
Sam Pignato	Risk Mgt: Admin Mgr	1/2/92
M. Thompson	Risk Mgt: Mgr - Acctg	1/2/92
Virgil Bell	U.S. West Purchasing	1/2/92
Bart Gubrud	Risk Mgt: Proj Leader - EDP	1/2/92
Julian Lewis	Risk Mgt: Mgr - Loss Control	1/2/92
B. Nyggard	Risk Mgt: Mgr - Insurance	1/10/92
Diana Shaw	American Express Credit Card Group	1/10/92
Allen Bogen	SPO: Assistant Administrator	1/15/92
Jim Martin	Diners Club Travel Card	1/16/92
Tony Gonzalez	Lieutenant-Capitol Police	1/21/92
Carol Defanzio	GOA: Unit Super	1/22/92

PROJECT SLIM INTERVIEW LIST  
Department of Administration

EXHIBIT 1  
3 OF 4 PAGES

Name	Title	Actual
David Lofgren	Lieutenant-Capitol Police	1/24/92
Thomas Whetten	Lieutenant-Capitol Police	1/27/92
Cecilia Dahl	Pers: Program Mgr	1/27/92
Paulette Hausler	Risk Mgt: FscI Srvc Specialist	1/28/92
Jayne Brown	Risk Mgt: Act Tech II	1/28/92
Louis Casterio	Risk Mgt: Act Tech II	1/28/92
Dan Wheeler	Risk Mgt: Acct Tech I	1/28/92
Frank Liu	Pers: Mgr IV	1/28/92
Karen Keller	Risk Mgt: Claim Adjuster III	1/29/92
Tonie Griffin	Pers: Mgr I	1/29/92
Dolores DeBaca	Gen Svcs: State Boards Admin	1/29/92
Ed Neary	Pers: Mgr I	1/29/92
Allan Boone	Gen Svcs: Fleet Administrator	1/30/92
Faye Miles	Pers: Prgrms Spc Asst	1/30/92
Lisa Oster	Pers: Analyst	1/31/92
Diane Whetley	Gen Svcs: Admin	1/31/92
Martha Chambers	Pers Prog & Proj Spec II/c	1/31/92
Margaret Guerra	Pers: Admin Asst II	2/3/92
Al Quintanilla	Pers: Analyst	2/3/92
Rosie Martinez	Pers: Info Proc Spc III, SS	2/4/92
Lula Sharp	Pers: Info Proc Spc III, SS	2/4/92
Irene Fernandez	Pers: Clerk Type II, SS	2/5/92
Keith Orr	GAO: Fiscal Svs Cent Ops	2/4/92
Paul Ong	Pers: Admin Serv. Officer II	2/4/92
Tammie Ecckloff	GAO: Fiscal Svs Spec II	2/5/92
Ken Sullivan	Data Center: Buisness Manager	2/5/92
Charlie Voss	GAO: Admin Service Officer II	2/6/92
Doug Yeskey	GAO: Fiscal Svc Sp V	2/6/92
Deannie Leader	Facil: Buisness Manager	2/6/92
Sean Kendall	GAO: Fiscal Svc Sp III	2/7/92
Kris Rowan	RMD: Insurance Analyst III	2/7/92
Margaret McConnell	Mgr: State Purchasing Office	2/7/92
Vicki Thomas	RMD: Admin Assist II	2/12/92
Dick Collamer	RMD: Special Assistant	2/12/92
Joni Mazon	RMD: Admin Serv. Officer III	2/13/92
Sam Pignato	RMD: Admin manager	2/13/92
Gene Cirzan	RMD: Insurance Analyst III	2/14/92
Ben Nygard	RMD: Insurance Manager	2/14/92
Carl Kohler	GAO: Fiscal Svs Cent Ops	2/25/92
Geneva Arthin	GAO: Admin Asst II	2/26/92
Carol Defazio	GAO: Fiscal Service Unit Sup	2/26/92
Wendy Hammon	GAO: Adm Svc Off III	2/26/92
Sam Pignato	RMD: Admin manager	3/13/92

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**Department of Administration**

**EXHIBIT 1**  
**4 OF 4 PAGES**

Name	Title	Actual
Ron Rusch	GAO: Fin cons II	3/18/92
Tom Young	GAO: EDP Sys Pro Mgr II	3/19/92
Mohammad Khaskari	GAO: Adm Svc Off III	3/23/92
Dorothy Ashley	GAO: Fiscal Service Manager	3/23/92
Alex Delacruz	DMD: Operational Supervisor	3/12/92
Tom Hinds	DMD: Operational Supervisor	3/12/92
M. Lopez	DMD: Tech Support Magr	3/12/92
Karl Heckart	DMD: Data Base Manager	3/13/92
Tanja Schmitt	DMD: Data Base Admin Super	3/13/92
Lee Lane	DMD: Security Spcl	3/13/92
George Schoen	DMD: Quality Assurance Spcl	3/13/92
Ken Smith	DMD: Data Administrator	3/13/92
Ken Caroli	DMD: Support Center Mge	3/13/92
Cynthia Meyers	DMD: EDP Sys proj Ldr	3/13/92
Bob Brewer	DMD: Training Officer	3/13/92
Herb Fust	DMD: EDP Planner	3/13/92
Jerry Sigman	DMD: Tech Support Supv	3/16/92
Maggie Lopez	DMD: Tech Support Magr	3/16/92
Ken Sullivan	DMD: Business and Finance Manager	3/16/92
Diana Sandy	DMD: Administrative Support Super	3/17/92
Jay Nash	DMD: System & Programing Mgr	3/19/92
Larry Beauchat	DMD: Telecomm Mgr	3/20/92
John Allemana	DMD: Admin Svcs Officer	3/20/92
Vernadean Chartrand	DMD: Exec. Assistant	3/20/92
Randy Frost	DOA: Surplus Property Mgr	5/08/92
Diann Whitley	DOA: Business Mgr, Business Office	5/08/92
Allan Boone	DOA: Fleet Admin	5/11/92
Jerry West	ADOT: Equip Admin	5/11/92
Ann Jones	DES: Office of Equip & Material, Mgr	5/12/92
Eugene Vittela	DOA: Director, Gen Svc	5/12/92
Mike Prathers	Enterprise Leasing & Rental	5/13/92
Allan Boone	DOA: Fleet Admin	5/15/92
John H. Eager	ADC: Fleet Mgr	5/10/92
Diane Whitley	DOA: Business Mgr	5/10/92
Allan L. Boone	DOA: State Fleet Admin	5/11/92
Jerry West	ADOT: Equip Admin	5/11/92
Eugene Vitetta	DOA: Asst Director	5/12/92
Alberta Reed	DEQ: Fleet Mgr	5/15/92
Michael C. Prather	Acct Mgr	5/20/92
Pat Curtis	Admin Serv Officer	5/20/92
Ann Jones	DES: Manager	5/14/92
Allan L. Boone	DOA: State Fleet Admin	5/15/92
John Adler	Game & Fish: Fleet Mgr	5/20/92

DEPARTMENT OF ADMINISTRATION

SUMMARY OF TITLES & SAVINGS

EXHIBIT 2

1 OF 3 PAGES

Title	DOA Savings	Other Agency Savings	Avoidance	Total	FTE DOA	FTE Other	Vacant FTE
State Procurement Office							
Increase in Bid Ceiling	58,000	348,000		406,000	2	12	
Statewide Delivery of Commodities		3,060,000		3,060,000			
Taxation of Contract Purchases		60,000		60,000			
Enforcement of Procurement and Regulations				0			
Off-Contract Purchase Authorization				0			
Procurement Training				0			
Public Notice of Procurement Services	4,000			4,000			
Usage Report				0			
Delegate DOA Purchasing Authority				0			
				0			
Risk Management Division				0			
				0			
Change Loss Threshold to \$5,000	237,953			237,953			
				0			
Personnel Division				0			
				0			
Recruitment and Hiring				0			
Clerical Pool/Temporary Employment Services		1,044,000		1,044,000			
Open Continuous Announcements				0			
Establishment of Hiring List				0			
Job Application Evaluation Timing				0			
Hire List Compliance and Clearing				0			
Supervisor Signature of Hiring List				0			

DOA - 16

DEPARTMENT OF ADMINISTRATION

SUMMARY OF TITLES & SAVINGS

EXHIBIT 2

2 OF 3 PAGES

DOA - 17

Title	DOA Savings	Other Agency Savings	Avoidance	Total	FTE DOA	FTE Other	Vacant FTE
				0			
Finance Division				0			
				0			
Eliminate Requirement To Forward TC-50 Form to GAO	58,200			58,200	3		
Design AFIS II to Prepare 1099 Forms	49,000		27,900	76,900	2		
Discounts and Penalties		381,000		381,000			
				0			
General Services Division				0			
				0			
State Vehicle Use		2,632,500		2,632,500			
DOA Fleet Maintenance Control		641,187		641,187			
Motor Vehicle Fuel Costs		189,360		189,360			
Procurement and Motor Vehicles				0			
Print Shops		474,000		474,000		12	
				0			
Facilities Management Division				0			
				0			
Centralization of Statewide Leasing		2,108,000		2,108,000			
Building Inspections	31,550			31,550	1		
				0			
				0			
Data Management Division				0			
				0			
Telecommunications Charges		2,800,000		2,800,000			
DMD Support Center		112,000	114,000	226,000	5		3

DEPARTMENT OF ADMINISTRATION

SUMMARY OF TITLES & SAVINGS

EXHIBIT 2  
3 OF 3 PAGES

Title	DOA Savings	Other Agency Savings	Avoidance	Total	FTE DOA	FTE Other	Vacant FTE
Computer Project Development Model				0			
Equipment/Software Acquisition System				0			
Data Management Organization				0			
				0			
General Recommendations				0			
				0			
DOA Mission				0			
Transfer Capital Police to DPS	661,300		119,000	780,300	30		8
Capital Police Special Assistant	52,275			52,275	1		
Directors Office Program Project Specialist	35,000			35,000	1		
Special Assistant To The Director	61,500			61,500	1		

One Time Savings				\$750,000			
Total First Year Savings	\$1,248,778	\$13,850,047	\$260,900	\$15,359,725	46	24	11
Total Annual Savings				\$14,609,725			

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# DOA IMPLEMENTATION SCHEDULE (PRELIMINARY)

**EXHIBIT 3**  
**1 OF 2 PAGES**

TITLE	MONTHS																																								
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24																	
<b>STATE PROCUREMENT OFFICE</b>																																									
INCREASE IN BID CEILING	→																																								
STATE-WIDE DELIVERY OF COMMODITIES	→																																								
TAXATION OF CONTRACT PURCHASES	→																																								
ENFORCEMENT OF PROCUREMENT RULES & REGS	→																																								
OFF-CONTRACT PURCHASE AUTHORIZATION	→																																								
PROCUREMENT TRAINING	→																																								
PUBLIC NOTICE OF PROCUREMENT SERVICES	→																																								
USAGE REPORT	→																																								
DELEGATE DOA PURCHASING AUTHORITY	→																																								
<b>RISK MANAGEMENT DIVISION</b>																																									
CHANGE LOSS THRESHOLD TO \$5,000	→																																								
<b>PERSONNEL DIVISION</b>																																									
RECRUITMENT AND HIRING PERSONNEL DIVISION	→																																								
CLERICAL POOL/TEMPORARY EMPLOYMENT SERVICE	→																																								
OPEN CONTINUOUS ANNOUNCEMENTS	→																																								
ESTABLISHMENT OF HIRING LIST	→																																								
JOB APPLICATION EVALUATION TIMING	→																																								
HIRE LIST COMPLIANCE AND CLEARING	→																																								
SUPERVISOR SIGNATURE OF HIRING LIST	→																																								
<b>FINANCE DIVISION</b>																																									
ELIMINATE REQUIREMENT TO FORWARD TO GAO	→																																								
DESIGN AFIS II TO PREPARE 1099 FORMS	→																																								
DISCOUNTS AND PENALTIES	→																																								

DOA - 19

# DOA IMPLEMENTATION SCHEDULE (PRELIMINARY)

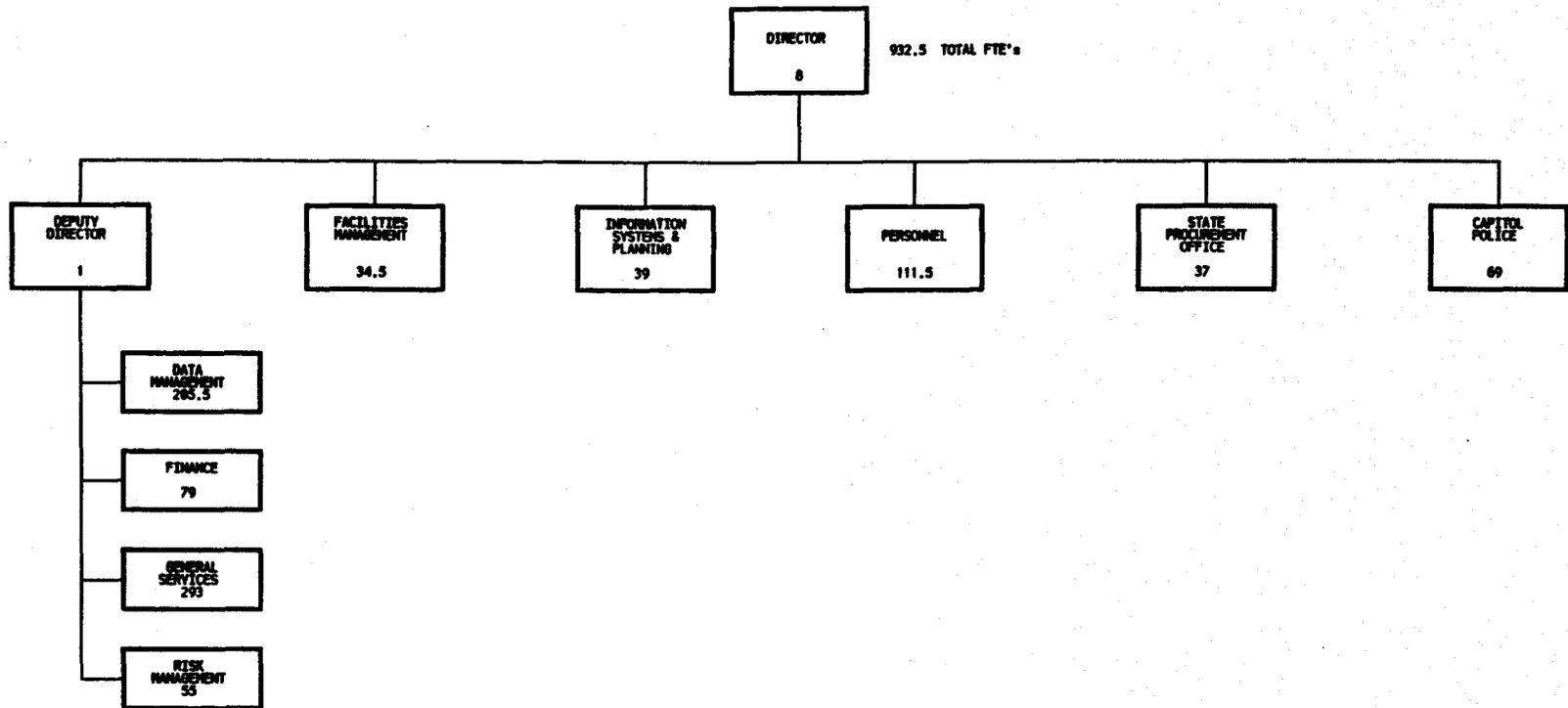
**EXHIBIT 3  
2 OF 2 PAGES**

TITLE	MONTHS																								
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	
<b>GENERAL SERVICES DIVISION</b>																									
STATE VEHICLE USE																									
DOA FLEET MANAGEMENT CONTROL																									
MOTOR VEHICLE FUEL COSTS																									
PROCUREMENT AND MOTOR VEHICLES																									
PRINTSHOPS																									
<b>FACILITIES MANAGEMENT DIVISION</b>																									
CENTRALIZATION OF STATEWIDE LEASING																									
BUILDING INSPECTIONS																									
<b>DATA MANAGEMENT DIVISION</b>																									
TELECOMMUNICATIONS CHARGES																									
DMD SUPPORT CENTER																									
COMPUTER PROJECT DEVELOPMENT MODEL																									
EQUIPMENT/SOFTWARE ACQUISITION SYSTEM																									
DATA MANAGEMENT ORGANIZATION																									
<b>GENERAL RECOMMENDATIONS</b>																									
TRANSFER CAPITOL POLICE TO DPS																									
CAPITOL POLICE SPECIAL ASSISTANT																									
DIRECTORS OFFICE PROGRAM PROJECT SPECIALIST																									
SPECIAL ASSISTANT TO THE DIRECTOR																									

DOA - 20

DEPARTMENT OF ADMINISTRATION  
PRESENT ORGANIZATIONAL STRUCTURE

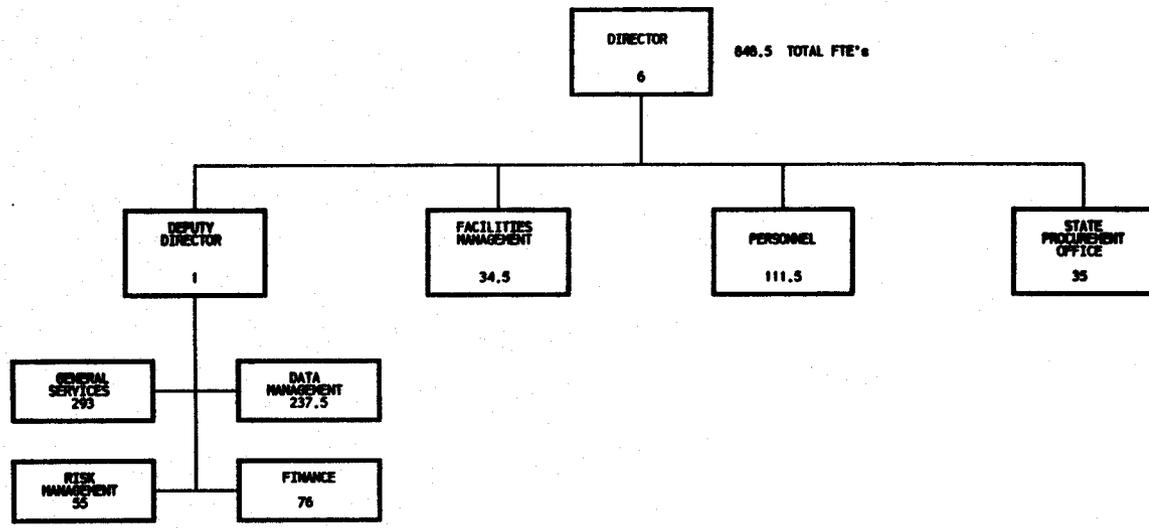
EXHIBIT 4



DOA - 21

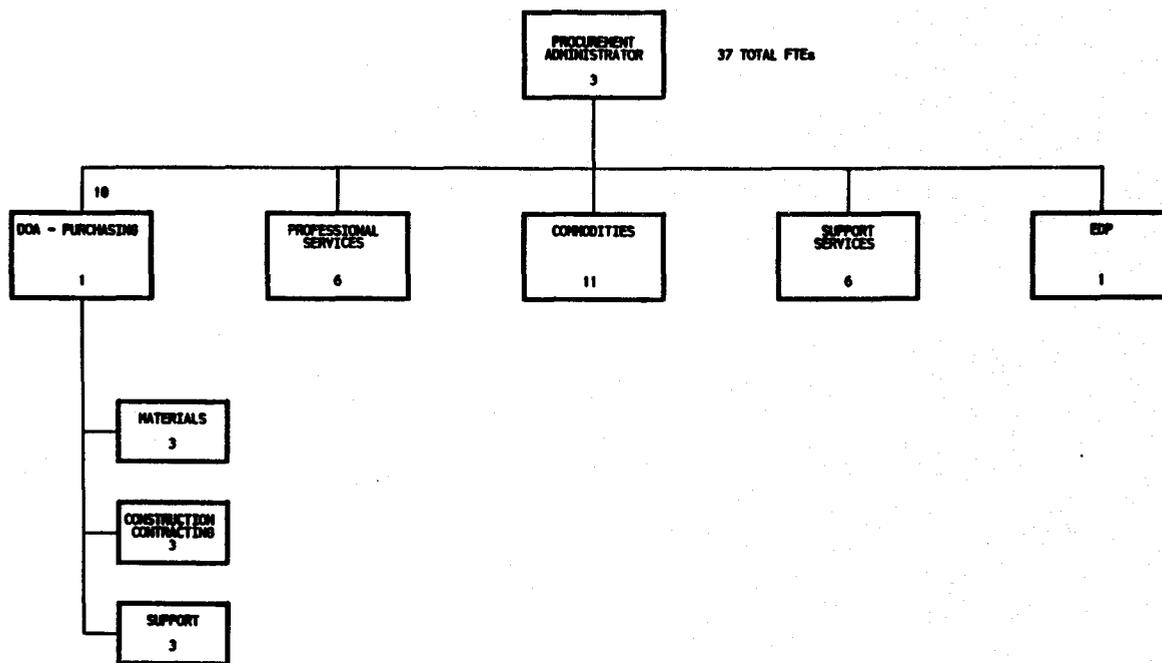
DEPARTMENT OF ADMINISTRATION  
PROPOSED ORGANIZATIONAL STRUCTURE

EXHIBIT 5



DOA - 22

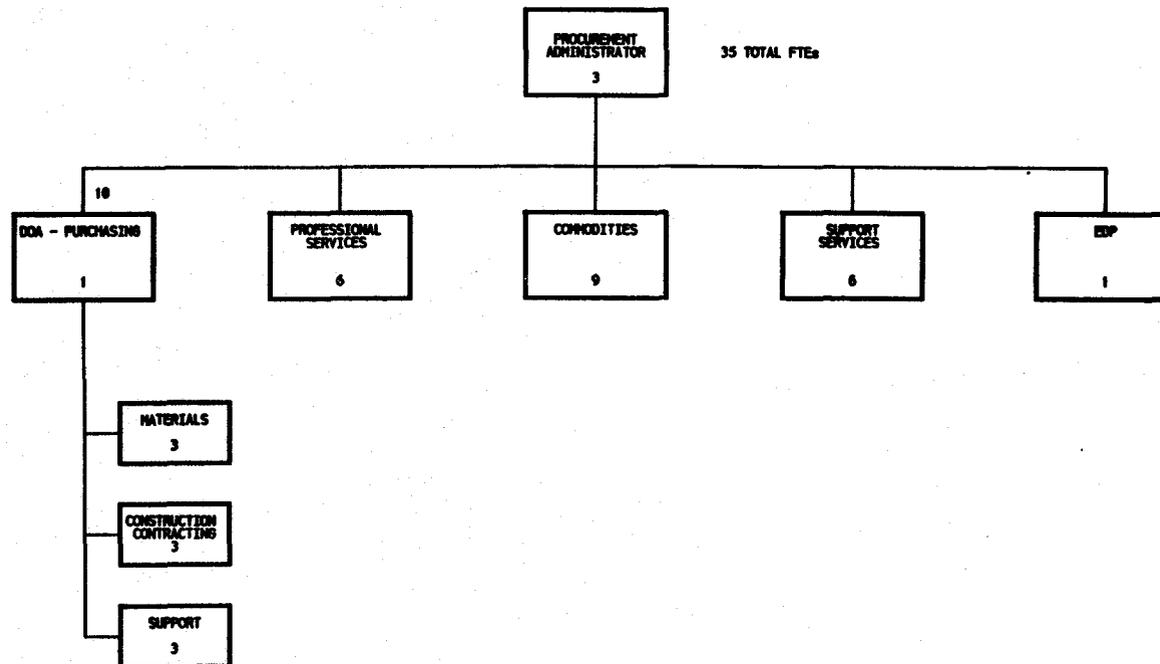
DEPARTMENT OF ADMINISTRATION  
STATE PROCUREMENT OFFICE  
PRESENT ORGANIZATIONAL STRUCTURE



DOA - 23

DEPARTMENT OF ADMINISTRATION  
STATE PROCUREMENT OFFICE  
PROPOSED ORGANIZATIONAL STRUCTURE

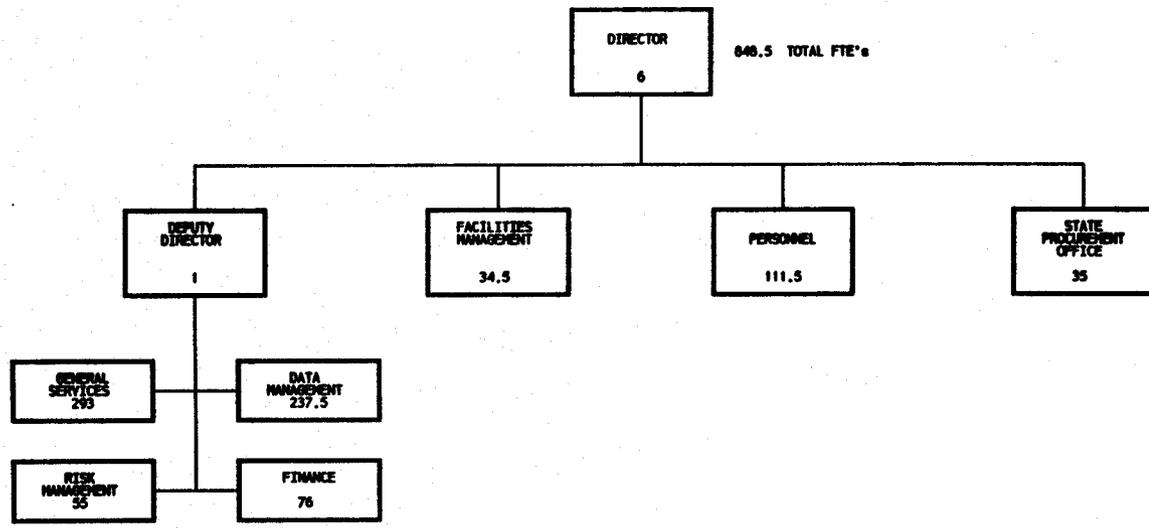
EXHIBIT 7



DOA - 24

DEPARTMENT OF ADMINISTRATION  
PROPOSED ORGANIZATIONAL STRUCTURE

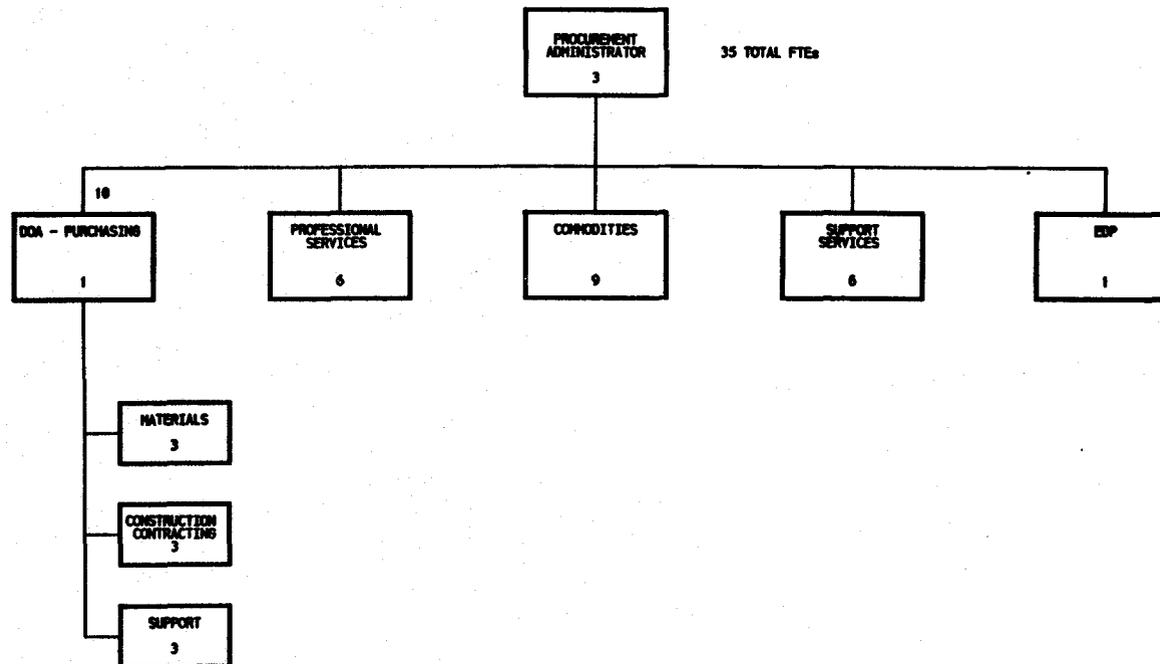
EXHIBIT 5



DOA - 22

DEPARTMENT OF ADMINISTRATION  
STATE PROCUREMENT OFFICE  
PROPOSED ORGANIZATIONAL STRUCTURE

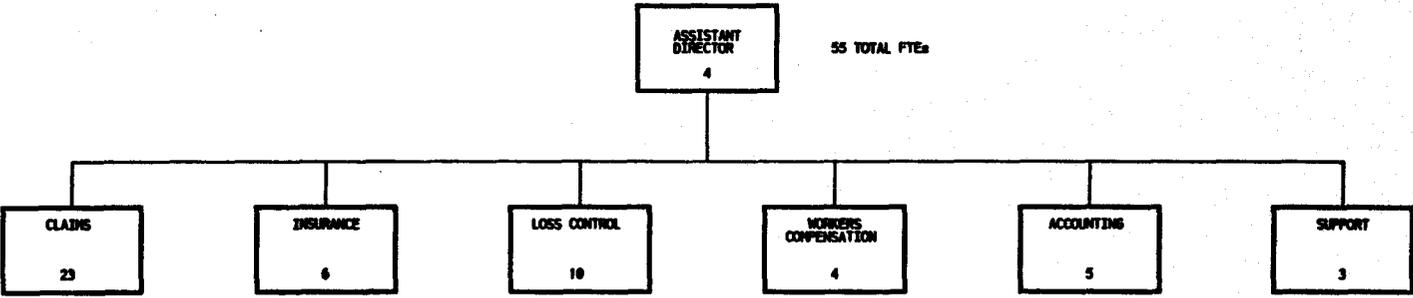
EXHIBIT 7



DOA - 24

DEPARTMENT OF ADMINISTRATION  
RISK MANAGMENT DIVISION  
PRESENT ORGANIZATIONAL STRUCTURE

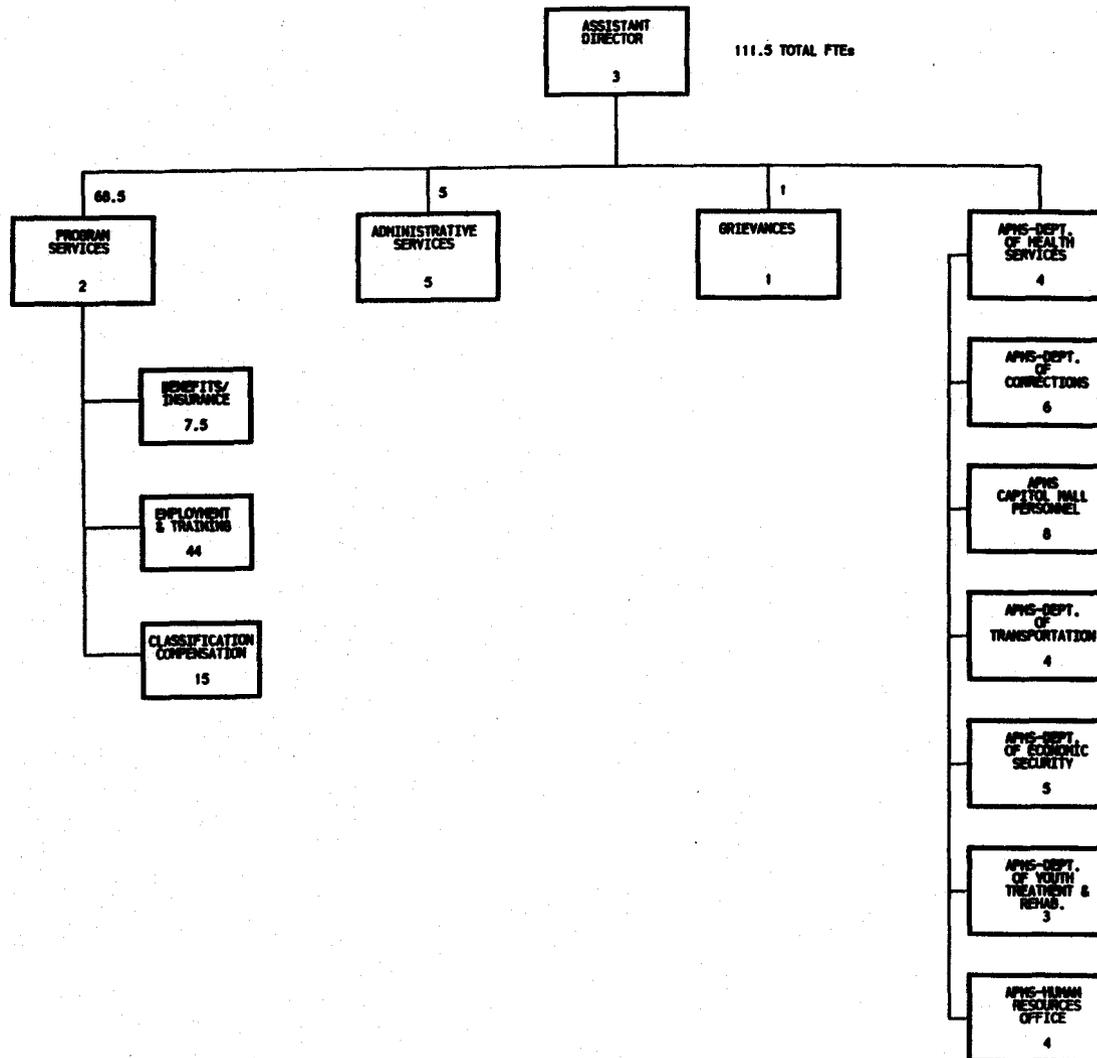
EXHIBIT 8



DOA - 25

DEPARTMENT OF ADMINISTRATION  
PERSONNEL DIVISION  
PRESENT ORGANIZATIONAL STRUCTURE

EXHIBIT 9

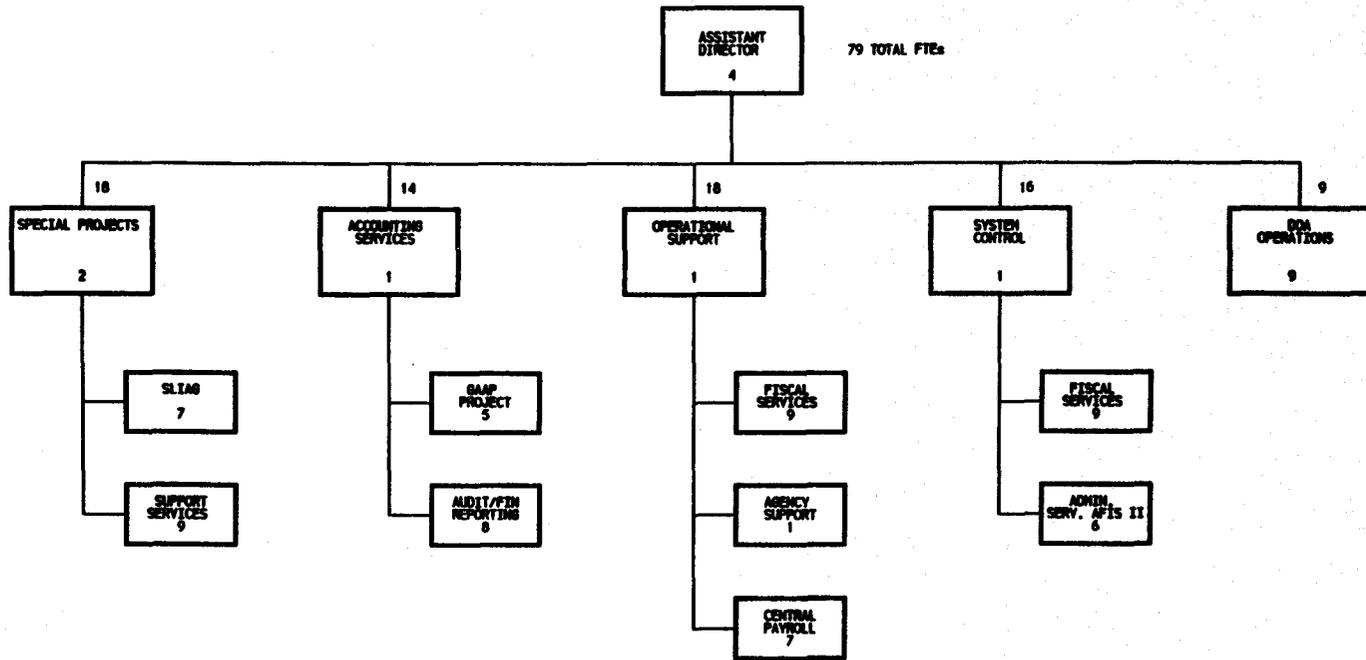


DOA - 26

DEPARTMENT OF ADMINISTRATION  
 DOA FINANCE DIVISION  
 PRESENT ORGANIZATIONAL STRUCTURE

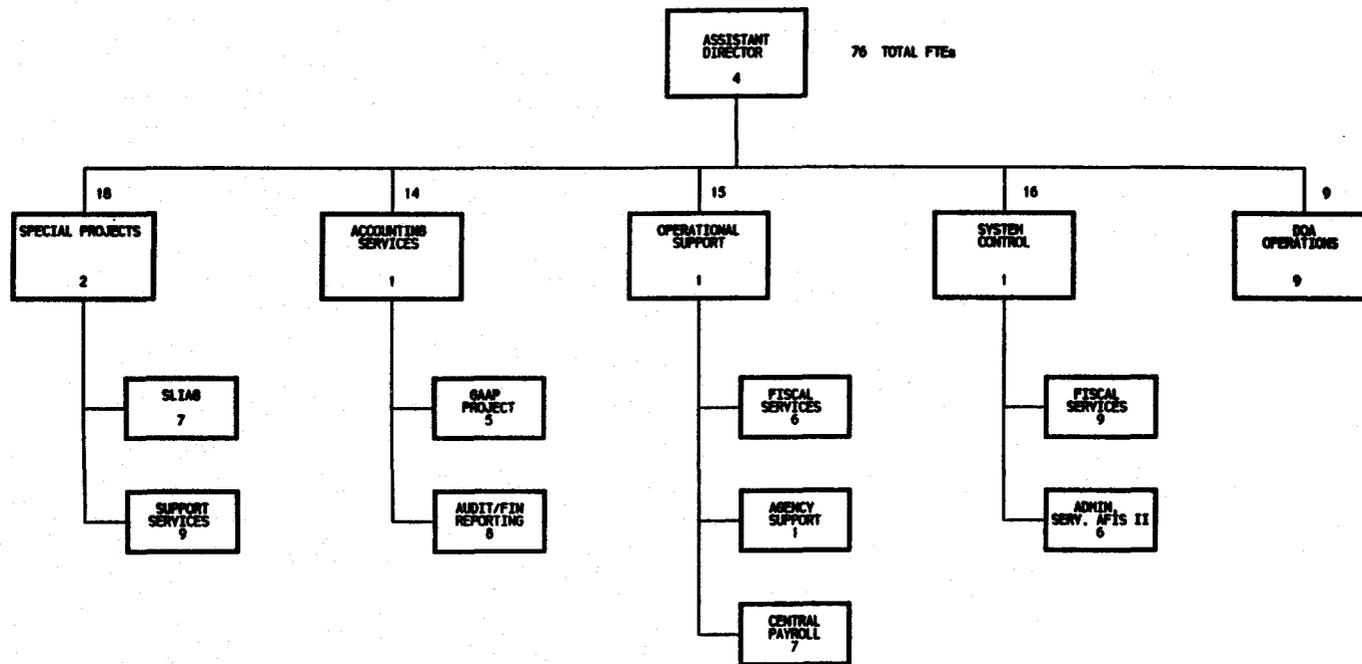
EXHIBIT 10

DOA - 27



DEPARTMENT OF ADMINISTRATION  
DOA FINANCE DIVISION  
PROPOSED ORGANIZATIONAL STRUCTURE

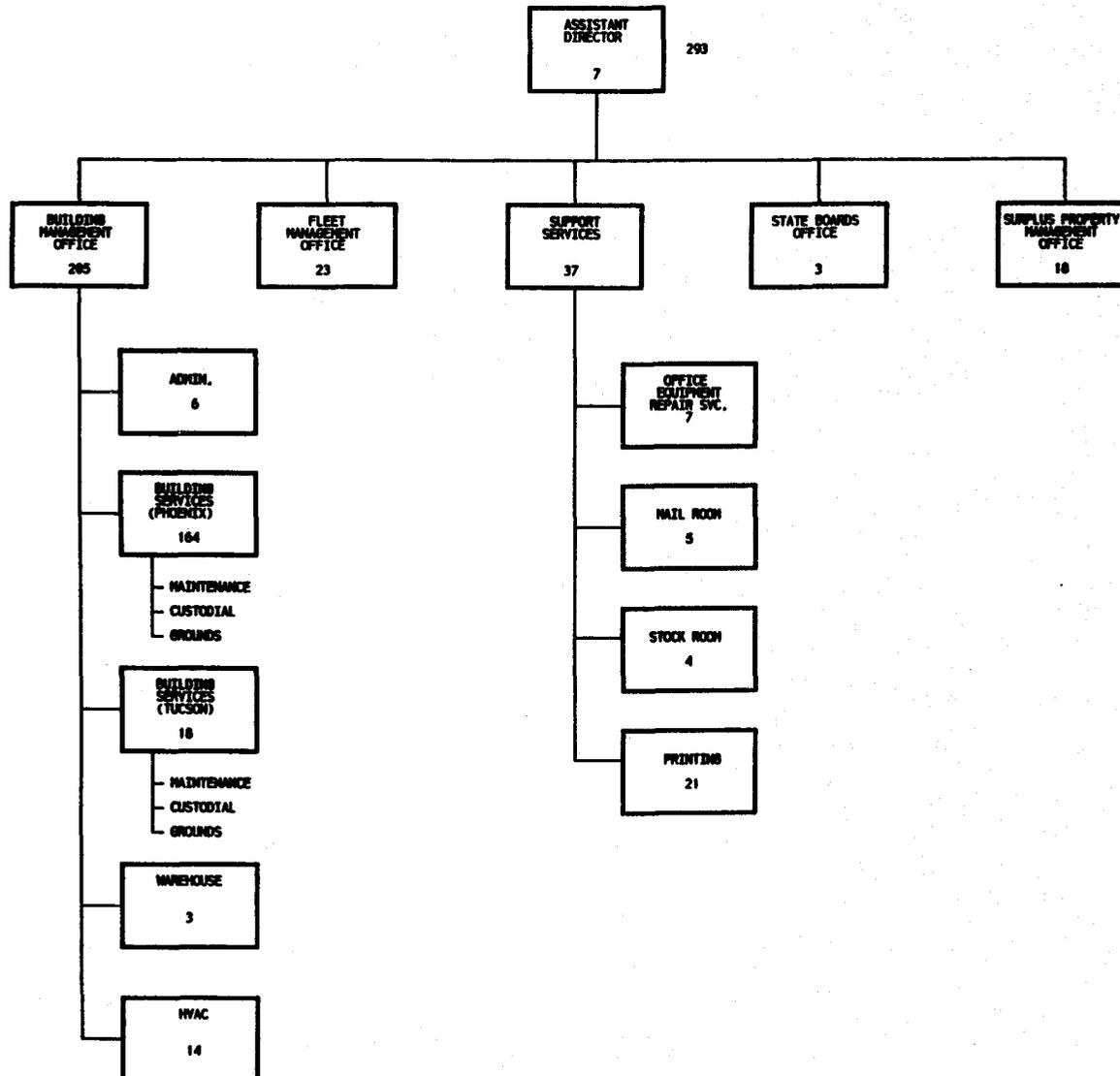
EXHIBIT 11



DOA - 28

DEPARTMENT OF ADMINISTRATION  
 GENERAL SERVICES DIVISION  
 PRESENT ORGANIZATIONAL STRUCTURE

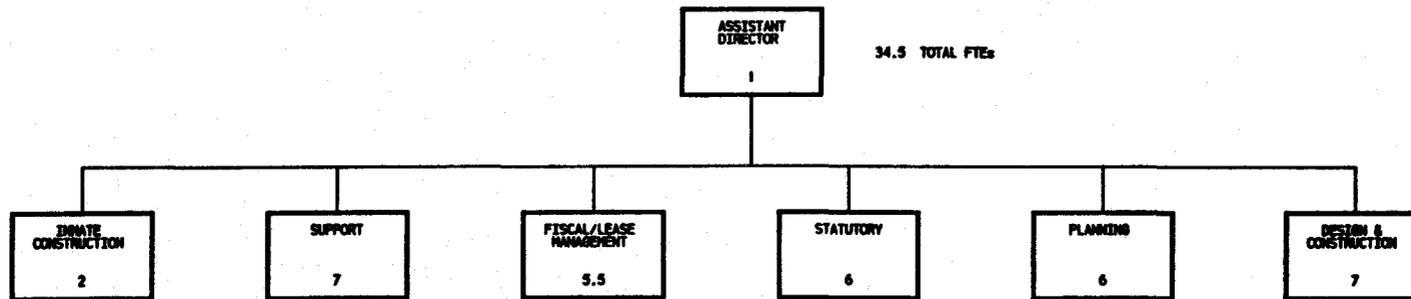
EXHIBIT 12



DOA - 29

DEPARTMENT OF ADMINISTRATION  
FACILITIES MANAGEMENT DIVISION  
PRESENT ORGANIZATIONAL STRUCTURE

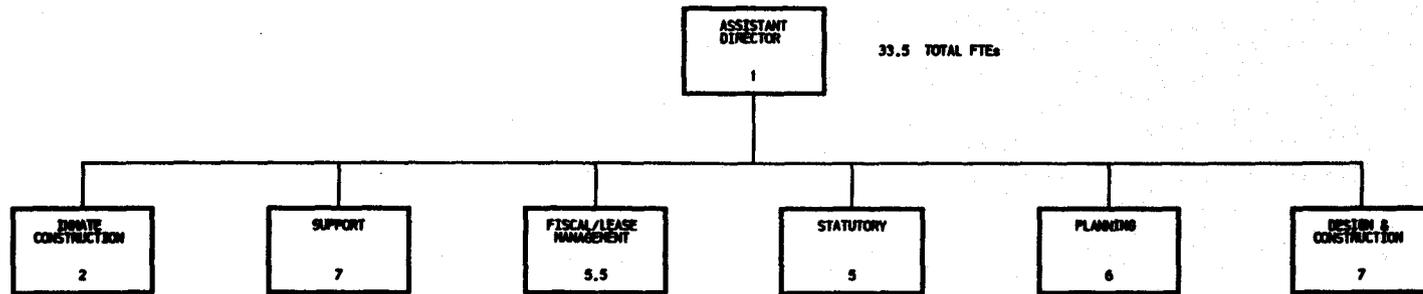
EXHIBIT 13



DOA - 30

DEPARTMENT OF ADMINISTRATION  
FACILITIES MANAGEMENT DIVISION  
PROPOSED ORGANIZATIONAL STRUCTURE

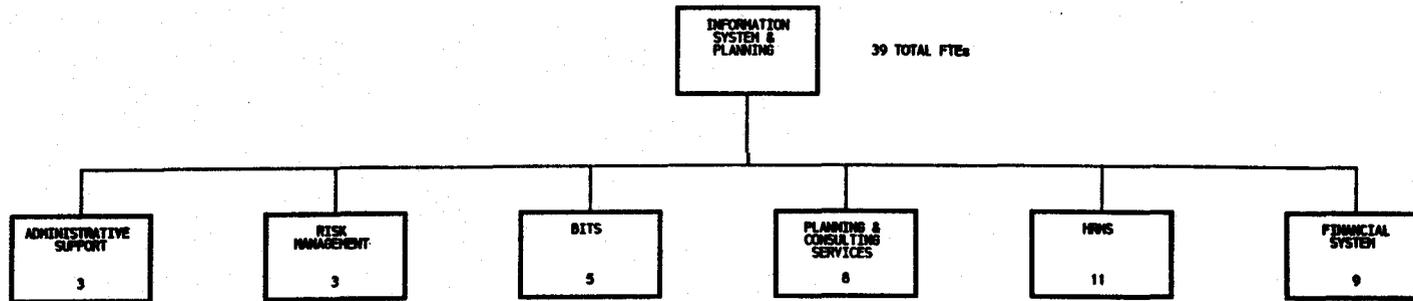
EXHIBIT 14



DOA - 31

DEPARTMENT OF ADMINISTRATION  
INFORMATION SYSTEMS AND PLANNING  
PRESENT ORGANIZATIONAL STRUCTURE

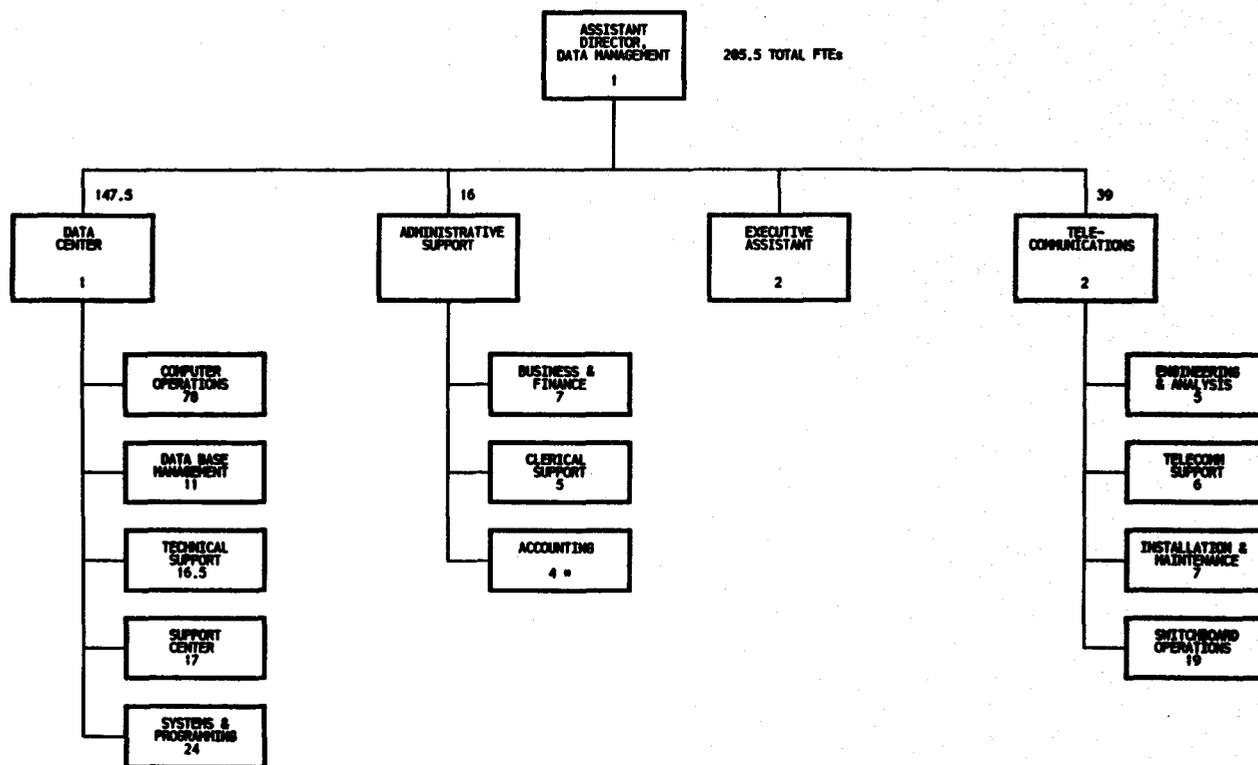
EXHIBIT 15



DOA - 32

DEPARTMENT OF ADMINISTRATION  
 DATA MANAGEMENT DIVISION  
 PRESENT ORGANIZATIONAL STRUCTURE

EXHIBIT 16

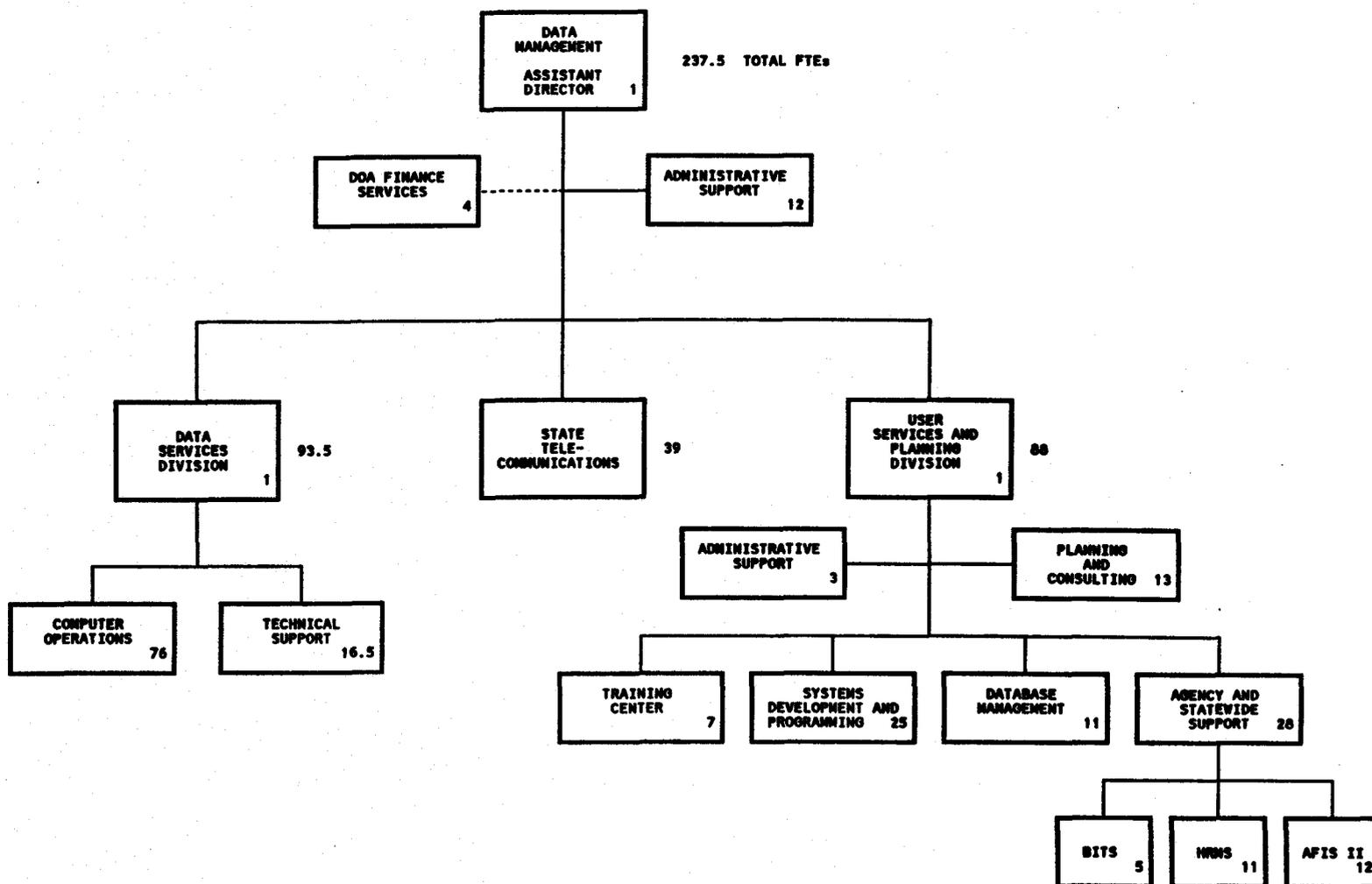


DOA - 33

\* 4 FTEs ASSIGNED TO DOA FINANCE DIVISION

**DEPARTMENT OF ADMINISTRATION  
DATA MANAGEMENT DIVISION  
PROPOSED ORGANIZATIONAL STRUCTURE**

**EXHIBIT 17**



DOA - 34

## **INCREASE IN BID CEILING**

### **Current Situation**

Under A.R.S. 41-2501, all purchases of \$10,000 and above are required to be publicly bid in accordance with the State Procurement Code and applicable rules and regulations. This means that SPO must perform the formal bidding process for all State agencies with delegated procurement authority of \$10,000 or under. All of the agencies with unlimited procurement authority are also required to follow the State Procurement Code and applicable rules and regulations. The current State Procurement Code was enacted in 1984, to be effective January 1, 1985. When the \$10,000 limit was established in the 1984 State Procurement Code, that Code contained no provision for adjustment of the limit in response to inflation. During our review of SPO, we calculated that approximately 9% of all SPO's procurement activities were directed to solicitations falling between \$10,000 and \$15,000, and that an additional 17% of SPO's procurement activities were directed to solicitations falling between \$15,000 and \$25,000.

### **Impact**

SPO employs a staff of 29 people - 15 buyers and 14 support personnel. Fourteen percent of the time expended by the buyers and support personnel is devoted to processing solicitations and awarding contracts between \$10,000 and \$25,000. This equates to two full-time buyer positions; and about one full-time support position. Currently, contracts of \$10,000 or more can only be awarded through the RFP process. Contracts of less than \$10,000 can be awarded through the RFQ process. SPO estimates that solicitations by RFQ are processed in 17% of the time it takes to process solicitations by RFP.

The impact of the \$10,000 bid ceiling extends beyond SPO itself. State agencies with unlimited or delegated procurement authority are also required to follow the State Procurement Code and applicable rules and regulations. There are seven agencies with unlimited procurement authority to process and award contracts between \$10,000 and \$25,000 through the RFP process. SPO estimates that there is a greater expenditure of time at these agencies than at SPO itself because the agencies have more contracts at this expenditure level.

### Recommendations

We recommend that the State Procurement Code be revised to increase the \$10,000 bid ceiling to \$25,000, and to provide for an annual inflation-related adjustment to the bid ceiling.

### Benefits

An increase in the bid ceiling from \$10,000 to \$25,000 will decrease the work of SPO by 14.4%. A reduction of this magnitude will result in savings of 2 Grade 18 buyers with a salary of \$23,700 each per year and 23% Employee-Related Expenses for a total of \$58,000 for SPO. In addition, there would be a savings at each of the seven agencies with unlimited procurement authority, equal to that of SPO. The DOC SLIM project team has made a recommendation entitled "Procurement Code" that recommends changes to the procurement code. The savings at the remaining six agencies would be approximately \$348,000 ( $\$58,000 \times 6$ ). Total savings resulting from implementation of this recommendation would be approximately \$406,000.

### Implementation

Implementation of this recommendation would require amending Arizona Revised Statute 41-2535 to reflect the increase of the ceiling from \$10,000 to \$25,000.

## **STATEWIDE DELIVERY OF COMMODITIES**

### **Current Situation**

SPO's contracts with vendors usually include clauses called "Shipping - F.O.B. Statewide" that provide, in part: "Prices shall be F.O.B. destination to any delivery location in the State of Arizona, delivered to the specified receiving point as required by the customer agency at the time of order." Under such a statewide contract, the delivered price for any item is the same regardless of the receiving point. Our best estimate of total annual commodity purchases under this provision is approximately \$306 million.

SPO administers the State's cooperative purchasing programs through which approximately 350 political subdivisions and non-profit health and educational institutions purchase from the State's statewide contracts. Those entities pay a fee of \$120 per year to receive a monthly microfiche which advises them of the items on statewide contracts. The SPO staff spends a substantial amount of time annually answering questions from these entities about statewide contracts and cooperative purchasing.

### **Impact**

We contacted major Statewide vendors to discuss the price impact of this contract provision. The consensus was that one to two percent of their current prices reflects statewide delivery requirements. These vendors further advised that if such requirements were not a part of the statewide contracts, they would simply place an appropriate, cost-based delivery charge on each order outside of the Phoenix and Tucson metropolitan areas.

Eighty percent of the State's purchases are for delivery to the Phoenix metropolitan area; an additional ten to fifteen percent are for delivery to the Tucson metropolitan area. The majority of purchases for delivery outside of the Phoenix and Tucson metropolitan areas are for the approximately 350 political subdivisions and non-profit health and educational institutions which purchase from the State's statewide contracts.

### **Recommendations**

We recommend that the "Shipping - F.O.B. Statewide" and "Pricing" clauses of statewide contracts be revised to provide for cost-based delivery charges on orders outside of the Phoenix and Tucson metropolitan areas.

**Benefits**

Revision of statewide contracts to provide for cost-based delivery charges on orders outside of the Phoenix and Tucson metropolitan areas would reduce the cost of statewide contracts by 1%, which equals a total savings of \$3,060,000 (the 1 percent is net after all delivery charges).

**Implementation**

Revise the language of the contract to provide for cost-based delivery outside of the Phoenix and Tucson metropolitan areas. Request vendors to estimate savings to the state from this change in the RFP for a six month period to provide a basis for estimating realized savings

## **TAXATION OF CONTRACT PURCHASES**

### **Current Situation**

The current State contracts usually include one price for the cost of each product. The purchase price of the commodity may include service costs relating to delivery, installation, training and maintenance. The vendor usually calculates the cost of the commodity itself, separately calculates the cost of each service, and then combines all such costs into the bid price for that solicitation. A commodity purchased by the State is subject to State, County and City sales taxes charged on the total bid price of the vendor, which, as noted above, may include the vendor's cost of providing delivery, installation, training and maintenance services. In Arizona, however, sales tax should not be assessed on services.

Approximately \$356 million is spent annually on commodities purchases. The major city and county tax rates are 1.2% and .5%, respectively, for a total of 1.7%. 1.7% of \$356 million is an approximate tax payment of \$6,052,000.

### **Impact**

As a result of the failure to separate the cost of commodities, delivery, installation, training, maintenance and other services for tax purposes on State contracts, the State of Arizona pays counties and cities taxes on such services contained in State contracts.

Under the current contract process, there is no way to accurately identify the value of the services now included in the contract price. If only 1% of the tax now paid to cities and counties is based on service, the cost is approximately \$60,000.

### **Recommendations**

We recommend that State contracts should separate the costs of commodities, delivery, installation, training, maintenance and other services for tax purposes.

**Benefits**

By requiring vendors to separate the cost of the commodities, delivery, installation, training, maintenance and other services that make up their bid prices on State contracts, the State of Arizona will reduce its cost of sales tax by \$60,000 and therefore, will reduce its cost of purchasing by \$60,000.

**Implementation**

Revise the format of the contract to segregate taxable and non-taxable purchases.

## **ENFORCEMENT OF PROCUREMENT POLICIES AND REGULATIONS**

### **Current Situation**

An important element of the Director of DOA's responsibilities (along with the Attorney General) is enforcement of State procurement policies and regulations. The Arizona Revised Statutes specify the need for enforcement if sound procurement practices are to be established and maintained. (Refer to Attachment I for the ARC text that specifies DOA's responsibilities regarding state-wide procurement).

Within the relevant legislation, there are two key pieces of text which, in essence mandate enforcement of procurement policies and regulations; "The director shall prepare, issue, revise, maintain and monitor the use of . . . ," (A.R.C 41-2562); and "The attorney general. . . shall enforce the provisions. . . ," (ARC 41-26166, sec. C). Despite the statutory requirement, SPO does not make any significant effort to enforce procurement policies and regulations.

### **Impact**

The need for enforcement and the effect of no such activity is underscored by a few examples uncovered during this study of purchases made outside established procedures.

The lack of any form of enforcement of state procurement policies and regulations undermines SPO's ability to control state-wide procurement practices. Without the backing of a visible enforcement policy there is less assurance that state agencies use the most efficient and appropriate procurement practices. Without an enforcement mechanism to support the state procurement environment, the door is wide open to wasteful expenditures, abuse and violations (that could result in illegal activities).

### **Recommendations**

It is recommended that enforcement of established procurement policy and regulations begin immediately. This enforcement program should start with the up front education of all necessary parties of the intent to enforce and the repercussions for deviating from the approved practices.

In addition, we recommend that the Department of Administration be responsible for reviewing each agencies' compliance with procurement policy. We envision that as the reorganization of DOA into Service, Policy and Compliance Divisions is accomplished, the resources for this compliance review will be identified. Violations of the Procurement Code should be brought to the attention of SPO management and the respective Agency Director in order to correct violations through retraining or disciplinary action. Sources of repeated violations will be referred to the Attorney General.

### **Benefits**

Once an agency's procurement personnel are aware of the potential liabilities for knowingly failing to conform with established policy and regulations, they will more willingly comply. Only a full audit of agencies' purchases would allow for quantification of the potential savings in hard and soft dollars.

### **Implementation**

- SPO, with the assistance of the Attorney General's office, should publish a statement of enforcement policy. This statement should clearly communicate required procurement practices and the ramifications of deviating from them
- SPO should develop a formal program for notifying state agencies of the intent to enforce procurement policy and laws. It should be considered to have this program culminate in a signed letter of understanding by the procurement managers of the state agencies
- Note that the foundation of a successful enforcement program is dependent upon equally successful:
  - Training on procurement policy and procedure
  - Audit/review of agency procurement practices
  - Procurement information systems that provide both agency and SPO management with necessary and sufficient data to establish and maintain control over state procurement.

Each of these issues (training, review, and information systems) is addressed in separate recommendations.

**ATTACHMENT I**  
**Arizona Revised Statutes:**  
**State Procurement Practices**

- **41-2501. Applicability**
  - A. This chapter applies only to procurement initiated after January 1, 1985 unless the parties agree to its application to procurement initiated before such date
  
  - B. This chapter applies to every expenditure of public monies, including federal assistance monies except as otherwise specified in A.R.S. 41-2637, by this state, acting through a state governmental unit as defined in this chapter, under any contract, except that this chapter does not apply to either grants or contracts between this state and its political subdivisions to other governments, except as provided in Article 10 of this chapter. This chapter also applies to the disposal of state materials. Nothing in this chapter or in regulations promulgated under this chapter shall prevent any state governmental unit or political subdivision from complying with the terms and conditions of any grant, gift, bequest or cooperative agreement
  
- **41-2637. Compliance with Federal Requirements** If a procurement involves the expenditure of federal assistance or contract monies, the director shall comply with federal law and authorized regulations which are mandatorily applicable and which are not presently reflected in this chapter
  
- **41-2562. Duties of the Director** The director shall establish guidelines governing the preparation, maintenance and content of specifications for materials, services and construction required by this state. The director shall prepare, issue, revise, maintain and monitor the use of specifications for materials, services and construction required by this state. Added by Laws 1984, Ch. 251, 2, eff. Jan 1, 1985
  
- **41-2565. Maximum practicable competition** All specifications shall seek to promote overall economy for the purposes intended and encourage competition in satisfying this state's needs and shall not be unduly restrictive. Added by Laws 1984, Ch. 251, 2, eff. Jan 1, 1985
  
- **41-26166. Violation: classification: liability: enforced authority**
  - A. A person who contracts for or purchases any material, services or construction in a manner contrary to the requirements of this chapter, the rules adopted pursuant to this chapter, the rules adopted by the state board of education pursuant to 15-213 or rules adopted by the Arizona board

of regents, the Arizona lottery commission or the judicial branch pursuant to 41-2501 is personally liable for the recovery of all public monies paid plus twenty per cent of such amount and legal interest from the date of payment and all costs and damages arising out of the violation.

B. A person who intentionally or knowingly contracts for or purchases any material, services or construction pursuant to a scheme or artifice to avoid the requirements of this chapter, rules adopted pursuant to this chapter, rules adopted by the state board of education pursuant to 15-213 or rules adopted by the state board of regents, the lottery commission or the judicial branch pursuant to 41-2501 is guilty of a class 4 felony.

C. The attorney general on behalf of this state shall enforce the provisions of this chapter. Amended by Laws 1990, Ch. 299, 3. Historical and Statutory Notes – The 1990 amendment rewrote the section.

## OFF-CONTRACT PURCHASE AUTHORIZATION (FORM 150)

### Current Situation

Form 150 (F150) is a formal request to buy a commodity from a vendor that is not specified in an established state-wide contract. It should be used when a buyer's needs (operational or financial) cannot be met by the items or prices included in these contracts.

Upon receipt of the F150 by SPO, the request is reviewed by the commodity buyer and a determination is made to approve or reject the request to purchase off-contract and the requesting organization is so notified. Buyers use these requests in part, to determine the appropriateness and usefulness of the products on state contract.

A study of all the F150s received by SPO between July 1, 1990 and December 13, 1991 revealed the following:

- F150s received: 101
- Approved: 92
- Denied: 9

While the F150 process is simple and takes little time, very few requests are received in SPO relative to the thousands of purchases made annually on a state-wide basis. In contrast to the minimal use of the F150, commodity users in agencies frequently complain about the products available on state contracts.

### Impact

With only 101 F150 requests being received during the seventeen month period studied, it appears agencies are unaware of the process or are making purchases without following the waiver procedure. This lack of awareness can result in user frustration, loss of purchasing control, under use of a good monitoring tool and a potential loss of savings.

### **Recommendations**

It is recommended that SPO educate and work with all State agencies to gain more effective use of the F150 waiver. We recommend that a buyer identification be added to the contracts and that the F150s be delivered directly to the Buyer for review. After the review the Manager should review the F150. All F150s that are approved and reflect a variance less than \$100 are sent directly back to the agency. Approved F150s with a variance over \$100 should be reviewed by the SPO Assistant Director.

It is also recommended that SPO implement a formal tracking of the F150s submitted to maximize its potential as a tool for measuring the utility of current state-wide contracts.

### **Benefits**

Agencies would have a better understanding and awareness of the rules and guidelines for off-contract purchases. The increased knowledge will help to improve control and eliminate the perception of users that the procurement system is inflexible and unresponsive. By changing the process flow, the support staff is taken completely out of the process, the manger only sees the F150 once and the AD is required only for the most significant cases. These changes to the current process for reviewing the F150s will speed up the process and improve service to the state agencies.

Along with improved processing of the F150s, SPO Buyers would also have more comprehensive information on the use of contracts. Because of this more thorough knowledge of agency purchasing habits, they will be better equipped to determine the appropriateness and the effectiveness of state contracts in meeting users' needs. An additional benefit would be improved relations among users, vendors and SPO.

### **Implementation**

It is recommended that SPO publicize the F150 process to all agencies. The following two methods are suggested:

- Utilize the state wide employee's newsletter on a regular basis to publicize helpful hints, rules and other purchasing information

- **Publish a procurement training manual that covers all facets of purchasing and procurement. A section of this manual would cover the use of the F150 to purchase a commodity off-contract**
- **Publish a procurement bulletin that highlight new and important issues for procurement personnel state-wide.**

## **PROCUREMENT TRAINING**

### **Current Situation**

The Director of Administration is required by statute to:

- "Procure or supervise the procurement of all materials, services, and construction needed by this state." (Sec. 41-2511 A.R.S.)
- "Establish guidelines governing the preparation, maintenance and content of specifications for materials, services and construction required by this state. . ." (Sec. 41-2562 A.R.S.)
- ". . .prepare, issue, revise, maintain and monitor the use of specifications . . ." (Sec. 41-2562 A.R.S.)

Implicit in the statutory authority provided is the need to train the procurement personnel of the various state agencies on established policy and procedure.

The State Procurement Office (SPO) conducts procurement and awards contracts for statewide needs in addition to awarding other special contracts for agencies that have not been delegated procurement authority from the Director. Eight state agencies have been granted procurement authority for an unlimited dollar amount. Other agencies have been delegated up to \$10,000 of procurement authority. Also, some agencies are granted procurement authority on a one-time basis.

In short, every agency within the state performs some procurement. However, the only form of training provided by SPO is ad hoc. And it is done only when initiated at the request of a user agency.

### **Impact**

The effects of essentially no procurement training program are:

- Agencies making inappropriate purchases outside of state contracts
- Agencies purchasing items independently that could have been purchased more economically from state-wide contracts

- Difficulties in the development of agency sponsored RFPs because of the agency's lack of knowledge regarding the bid process
- Agencies writing RFPs that do not adhere to state policy (and in some cases exposing the state to potential liabilities).

### **Recommendations**

We recommend that SPO develop a complete training and support program on state procurement policy and procedure. The program should include:

- User oriented instruction/reference manuals
- Comprehensive classroom instruction that provides the individual with a global perspective of procurement (as seen from both the agency and SPO perspectives). Consideration should be given to making this class mandatory for the top two or three purchasing people in all agencies
- A procurement bulletin that highlights new and important issues, and provides class schedules for new procurement personnel.

### **Benefits**

The recommendation will provide the following benefits to the state procurement process:

- Increase agency adherence to state procurement code by increasing consistency in agency purchasing practices
- Ensure agencies properly use statewide contracts for purchases
- Inform agencies regarding the waiver process which allows agencies to obtain SPO approval for purchases of items not on statewide contract
- Reduce the development time of RFPs
- Improve the quality of RFPs issued by state agencies, and of scopes of work submitted to SPO

- Reduce costs with the decrease in time to issue RFPs
- Reduce exposure to liability for faulty or irregular procurement practices
- Establish a better relationship/communication between SPO and the other state agencies.

#### **Implementation**

- Design a training program
- Prepare training manuals
- Design and hold training classes

## **PUBLIC NOTICE FOR PROCUREMENT OF SERVICES**

### **Current Situation**

Section 41-2533, Arizona Revised Statutes, subsection C states that public notice of an invitation for bids may include publication of the notice in a newspaper one or more times before the bid opening. However, this law also requires that a notice of a bid for the procurement of services, with the exception of those services exempted by law, must be published in a newspaper or newspapers in this state with a circulation of at least fifty thousand subscribers. Public notices must be printed not less than six nor more than ten days apart. The second notice must not be printed less than two weeks before the bid opening. At least one of the newspapers must be circulated within the affected governmental jurisdiction.

Potential vendors or offerors can obtain RFPs/IFBs as follows:

- The vendor submits an application for placement on a vendor list
- SPO staff or an affected agency may add vendors to the list of vendors to receive the RFP/IFB
- The vendor may request the RFP/IFB after becoming aware of the RFP/IFB through the publication of the notice or word of mouth. Such requests are "add-ons" to the vendor and buyer/agency lists.

### **Impact**

A review of seven contracts recently awarded and four contracts about to be awarded for the procurement of services was conducted to determine whether a significant number of vendors were requesting RFPs/IFBs in response to the public notice requirement in section 41-2533 (C), A.R.S. This review showed that the vast majority of vendors receiving documents were on the SPO vendor list or were added on by the agency or SPO staff. A very small number of vendors were "add ons" who requested the RFP/IFB as a result of the required publication notice or who become aware of the RFP/IFB by other means. The review provided the following information regarding the contracts:

Professional Service	Vendor/Agency List	Add-ons
Cost Allocation Consultant	295	1
Speech Therapy	76	4
Convention and Catering	83	2
Promotional Consultant for Agriculture	85	0
Educational Reform Consultant	12	0
Removal of Hazardous Waste	481	4
Land Re-use Consultant	636	9
Benefits Consultant Services	63	0
Juvenile Detention Residential Living	103	3
Hearing Officer	66	4
Underwriting Services	69	0
Total	1949	27

During fiscal year 1989-1990, SPO issued 102 IFB's/RFP's for services. In fiscal year 1990-1991, SPO issued 97 IFB's/RFP's for services. The average cost in the statewide contract for the publication of public notice is forty dollars which results in an annual cost of about \$4,000.

#### Recommendations

We recommend that the statutory language in 41-2533 (C) which requires publication of notice regarding bids for procurement of services be eliminated and that such publication be permissive in conformance with the current law for invitation for bids which is also provided in section 41-2533 (C), A.R.S.

#### Benefits

The recommendation will provide the following benefits:

- Eliminate the cost of advertising bids for procurement of services when the SPO or a state agency determines that an existing list of vendors will provide a sufficient number of responses to the bid and that the advertising is not in the best interest of the state. An example of the potential savings is seen in the \$4,000 SPO spent on advertising in the '90 to '91 fiscal year. This money was spent with Cox Publications because of the statutory requirement to advertise RFPs for services
- Eliminate staff time required to conduct advertising they believe to be unnecessary.

### **Implementation**

Implementation of the recommendation can be accomplished by eliminating the requirement for public notice of bids for procurement of services. This would require passage of the following legislative proposal:

Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 41-2533, Arizona Revised Statutes, is amended to read:

41-2533. Competitive sealed bidding

- A. (no changes proposed)
- B. (no changes proposed)
- C. Adequate public notice of the invitation for bids shall be given a reasonable time before the date set forth in the invitation for the opening of bids, in accordance with rules adopted by the director. The notice may include publication one or more times in a newspaper of general circulation a reasonable time before bid opening. ~~If the invitation for bids is for the procurement of services other than those described in 41-2513 and 41-2578, the notice shall include publication in a single newspaper or in multiple newspapers within this state with an accumulated general circulation of at least fifty thousand subscribers for two publications which are not less than six nor more than ten days apart. The second publication shall be not less than two weeks before bid opening. At least one of the newspapers must be circulated within the affected governmental jurisdiction.~~

**D. (no changes proposed)**

**E. (no changes proposed)**

**F. (no changes proposed)**

**G. (no changes proposed)**

**H. (no changes proposed)**

**I. (no changes proposed)**

## USAGE REPORT

### Current Situation

In the body of each contract, SPO requires the vendor to furnish the State with Quarterly Usage Report, "delineating the acquisition activity governed by the contract. The format of the report shall be approved by the Sate and shall disclose the number and dollar value of each contract by individual purchasing unit." The Usage Reports are not in a standardized format, and their utilization is cumbersome.

SPO requires that the Quarterly Usage Report "shall be due at the end of each three month period of the contract term." The Usage Reports are not provided by the vendors on a timely basis, and SPO buyers are usually required to manually generate and send a letter to the vendors requesting a Usage Report. Additionally, there are no Usage Reports for non term contract items.

Arizona Financial Information System (AFIS) does not have the capability of tracking State purchases by contract number, by vendor, or by category of item, and cannot provide any such statistical or accounting information to SPO.

### Impact

SPO is limited in its ability to serve agencies, evaluate proposed changes to contracts, and determine the proper time for renegotiation of existing contracts or negotiation of new contracts, with any degree of accuracy.

- The currently available Usage Reports are not providing an accurate picture of State purchases, because the Usage Reports are compiled by the vendors, and the Reports' accuracy is questioned
- AFIS lacks the capability of tracking State purchases by contract number, by vendor, or by category of item, and cannot provide any such statistical or accounting information; therefore, SPO cannot determine what is being bought by the State on the state Contract
- Additionally, SPO has no accurate picture of what is being bought by the State off the term contract, and cannot effectively; negotiate for a term contract using "economy of scale" as reasoning for such negotiation.

### **Recommendations**

We recommend that AFIS II be designed to track State purchases by contract number, by vendor, and by category of item, and to provide such statistical and accounting information to SPO.

We recommend elimination of the Usage Report requirement currently contained in the body of each contract after the implementation of AFIS II.

### **Benefits**

Implementation of the above AFIS II recommendations will provide SPO with statistical and accounting information allowing it to track State purchases by contract number, by vendor, and by category of item. This will increase SPO's ability to serve agencies, evaluate proposed changes to contract, and determine the proper time for renegotiation of existing contracts or negotiation of new contracts. Additionally, SPO will have a more accurate picture of what is being bought by the State off the term contract, and will be able to effectively negotiate for a term contract using "economy of scale" as reasoning for such negotiation.

### **Implementation**

Key implementation steps include:

- Confirm AFIS II capability to track purchases by contract number
- Develop new purchasing procedure to include contract number in processing steps
- Develop output report formats, frequency and distribution.

## **DELEGATE DOA PURCHASING AUTHORITY**

### **Current Situation**

The DOA Purchasing Section, a part of the State Purchasing Office (SPO) is responsible for procurement and purchasing for all DOA Divisions. It has 10 budgeted positions, all of which are currently filled. DOA Purchasing is divided into the Materials Services, Construction Contracting and Support Units.

The main functions of DOA Purchasing are to:

- Process the purchase requisitions of each DOA division, prepare purchase orders, and order the goods and services from the vendor
- Prepare requests for bid (RFB's) for the construction of buildings by the Facilities Management Division.

Purchases of \$500 and less make up 50% of the requisitions, while accounting for approximately 3% of the dollars expended. The section is currently planning to delegate procurement and purchasing authority for items up to \$100 dollar to each DOA division.

Purchase orders are currently typed by clerical staff. There is normally a three to four day backlog of un-typed purchase orders. In addition there is an unprocessed requisition backlog of approximate 20% of all requisitions received on a monthly basis.

### **Impact**

Purchasing and procurement activities relating to items of \$500 or less account for fifty percent (50%) of the orders proposed by this section.

### **Recommendations**

We recommend delegation of procurement and purchasing authority of up to \$500 to each DOA division. Each Division would continue to prepare and approve all requisitions, then rather than forwarding the requisition to purchasing for preparation of the purchase order the Division personnel would simply phone the approved vendor with the order.

### **Benefits**

Delegation of procurement and purchasing authority for items up to \$500 to each DOA division would result in a reduction of workload for DOA purchasing. This reduction in workload will enable DOA purchasing to eliminate the current backlogs that exist in the unit. In addition, this will allow the buyers to use their time more effectively on the larger purchases, thus providing a higher level of service to the DOA Divisions.

### **Implementation**

- Determine appropriate authority level for each division
- Develop procedures for divisions to use
- Train division personnel in new procedures

## **CHANGE LOSS THRESHOLD TO \$5,000**

### **Current Situation**

The Risk Management Code, A.R.S. Section 41-621, et seq., and Article 1 of R2-10-105, Coverage and Limitations, provide that the property loss coverage of the Risk Management Division (RMD) for state-owned buildings is on a replacement cost basis for items actually replaced or repaired. RMD's property loss coverage for state-owned personal property is on a replacement cost basis, less depreciation. A Self Insured Retention (SIR) of \$25,000 applies to each and every loss other than:

- Earthquake, which is 5% of value per location or \$100,000 (whichever is greater)
- \$100,000 SIR for flood losses
- \$300,000 SIR applicable to each and every loss at the Department of Corrections and Juvenile Corrections.

Under the statutes and regulations, RMD's practice emphasizes the immediate payment of State agency claims for losses. RMD is currently required to pay State agency claims for losses of \$100 or above, regardless of the cause of the loss, and regardless of the number of claims submitted by the State agency.

Although there is a multi page State Loss Control Policy, R2-10-205, there is no enforcement of that policy. Furthermore, the State agencies do not have any accountability standards regarding loss control in general.

While RMD's allocation to each State agency is directly related to that State agency's history of losses, the State agencies are not required to explain their losses, regardless of the number or dollar amount of those losses, or their budget requests for RMD allocation.

The Claim Section of RMD is responsible for investigating and evaluating all liability claims filed against the State, as well as adjusting all property claims. The Claim Section is staffed by 12 claim adjusters, two claim supervisors, the claim manager and support personnel. Offices are located both in Phoenix and Tucson.

Approximately five claim adjustors are assigned to handle small claims (claims under \$5,000) and RMD estimates that 2/3 of their time is spent in processing property claims and the remaining 1/3 is spent in processing liability claims. Thus approximately three FTE process 2,867 claims per year.

In addition to the in house claims processing, RMD utilizes outside claims processing services. These services charge approximately \$30 per hour based on state contract. RMD management informed us that the total annual charges for these services are approximately \$800,000.

### **Impact**

Some State agencies have used the current requirement imposed upon RMD as a method to purchase and replace items that should more appropriately be funded through the agencies' Operations and Maintenance (O & M) budget. As a result, the claims process is overburdened with an excessive number of claims, thus increasing administrative costs.

An analysis of State agency loss/claims reports for real, personal and automobile property losses submitted to RMD reveals that approximately 85% of all the property claims processed are under \$5,000 (see Exhibit 18, Risk Management Division, Loss Claims History).

A lack of enforcement of the State Loss Control Policy means that there are no stateside accountability standards and the agencies themselves apparently do not have any such standards. Without such policy or standards, and as long as any loss over \$100 can easily be recouped through the claims process, there is no incentive to control losses.

### **Recommendations**

We recommend that RMD institute a \$5,000 threshold for agencies over \$3 million in annual budget to submit property loss claims to RMD except in cases where a third party can be identified from whom money can be recovered. Those agencies with annual budgets of \$3 million and less should be subject to a threshold of \$500.

We also recommend that State agencies be required to include as O & M expenses in their annual budget requests all property losses of under \$5,000, thus properly reflecting many items now paid by RMD. RMD should provide agencies with an analysis of their claims history under \$5,000 and the budget amount should be 5% less than this average to promote greater emphasis on loss prevention.

## **Benefits**

Institution of the \$5,000 property loss threshold will result in an approximate 85% reduction in the number of property loss claims processed by RMD. This represents the work performed by the following staff:

- Three grade 18 Claims Adjustors
- One grade 11 Clerk.

Once the work performed by the above staff is eliminated the higher grade claim adjusters in RMD can pass the claims that they are currently processing to the three grade 18 claim adjusters and in turn begin to process claims currently processed by outside claims processing services. This will result in a savings of approximately \$172,800 based on the equivalent of 5,760 hours (2,080 hours less 160 hours vacation and holiday times 3) of processing time currently performed by the outside services being performed in house.

The requirement that State agencies include as O & M expenses in their annual budget requests all property losses of under \$5,000, thus properly reflecting many items now paid by RMD, means that State agencies will no longer be able to use RMD as a method to purchase and replace items that should more appropriately be funded through the agencies' O & M budget. The 5% incentive would result in additional savings of \$65,153, and a powerful incentive to control losses.

The institution of a \$5,000 deductible will provide State agencies with a powerful incentive to control losses.

## **Implementation**

Amendment of R-2-10-105 is required.

- RMD identification of agencies to be included in new requirements
- RMD analysis of losses by agency
- Budget revision approved.

Department of Administration  
Risk Management Division  
Loss Claims History

EXHIBIT 18

LOSS TYPE	DESCRIPTION	88-89 # CLAIM	88-89 \$	89-90 # CLAIM	89-90 \$	90-91 # CLAIM	90-91 \$
001	AUTO LIAB-BODILY INJ.	143	1,161,382	116	624,770	168	3,422,643
002	AUTO LIAB-PROPERTY	387	331,222	321	366,531	537	407,665
003	GEN LIAB-BODILY INJ.	448	8,570,398	470	6,533,458	443	11,802,073
004	GEN LIAB-PROPERTY	1,272	1,451,235	1,590	469,620	1,309	962,705
005	MEDICAL MALPRACTICE	78	3,898,070	56	1,751,931	58	4,601,329
007	PERSONAL INJURY	259	1,378,810	433	1,944,083	950	2,717,953
050	PERSONAL PROPERTY	329	702,068	475	804,196	504	703,582
051	PROPERTY-VEHICLE	1,765	948,517	2,081	923,480	2,370	1,061,616
052	REAL PROPERTY	339	1,055,607	366	918,817	492	1,440,656
053	BOILER AND MACHINERY	1	94,317	6	143,861	4	61,324
054	AIRCRAFT HULL	12	109,410	9	120,040	9	74,352
055	FIDELITY AND SURETY	0	205	2	27,863	0	38,247
056	ENVIRONMENTAL GL/BI	0	171,740	2	472,607	17	177,969
057	ENVIRONMENTAL GL/PD	9	8,347	16	468,514	4	386,224
058	ENVIRONMENTAL-PERSONAL PROP	1	0	1	4,166	5	14,717
059	ENVIRONMENTAL-REAL PROP	16	1,587,585	64	1,043,529	36	838,460
	<b>TOTAL LOSS COMBINED</b>	<b>5,059</b>	<b>21,468,913</b>	<b>6,008</b>	<b>16,617,466</b>	<b>6,906</b>	<b>28,711,515</b>
	<b>TOTAL RESERVED</b>		<b>53,655,715</b>		<b>58,437,089</b>		<b>79,611,568</b>
	<b>TOTAL PROPERTY CLAIM</b>	<b>2,446</b>	<b>2,910,124</b>	<b>2,937</b>	<b>2,938,257</b>	<b>3,379</b>	<b>3,379,777</b>
	<b>TOTAL CLAIMS \$100-\$500</b>	<b>1,308</b>	<b>154,524</b>	<b>1,756</b>	<b>242,001</b>	<b>2,190</b>	<b>347,969</b>
	<b>TOTAL CLAIMS \$500-\$1,000</b>	<b>204</b>	<b>288,837</b>	<b>212</b>	<b>149,170</b>	<b>321</b>	<b>229,425</b>
	<b>TOTAL CLAIMS \$100-\$1,000</b>	<b>1,512</b>	<b>443,361</b>	<b>1,968</b>	<b>391,171</b>	<b>2,511</b>	<b>577,394</b>
	<b>TOTAL CLAIMS \$1000-\$5,000</b>	<b>320</b>	<b>517,587</b>	<b>298</b>	<b>535,216</b>	<b>356</b>	<b>725,682</b>
	<b>TOTAL CLAIMS \$100-\$5,000</b>	<b>1,832</b>	<b>960,948</b>	<b>2,266</b>	<b>926,387</b>	<b>2,867</b>	<b>1,303,076</b>
	<b>% PROP. \$100-\$1,000 TO TOTAL. PROP.</b>	<b>62%</b>	<b>15%</b>	<b>67%</b>	<b>13%</b>	<b>74%</b>	<b>17%</b>
	<b>% PROP. \$1,000-\$5,000 TO TOTAL. PRO</b>	<b>13%</b>	<b>18%</b>	<b>10%</b>	<b>18%</b>	<b>11%</b>	<b>21%</b>
	<b>% PROP. \$1,000-\$5,000 TO TOTAL. PRO</b>	<b>75%</b>	<b>33%</b>	<b>77%</b>	<b>32%</b>	<b>85%</b>	<b>39%</b>
	<b>% PROP. \$100-\$1,000 TO TOTAL CLAIM</b>	<b>30%</b>	<b>2%</b>	<b>33%</b>	<b>2%</b>	<b>36%</b>	<b>2%</b>
	<b>% PROP. \$1000-\$5,000 TO TOTAL CLAIM</b>	<b>6%</b>	<b>2%</b>	<b>5%</b>	<b>3%</b>	<b>5%</b>	<b>3%</b>

DDA - YOD - 62

SOURCE: RMI SYSTEM RMS 5003 RUN DATE 08/07/91  
SOURCE: RMI SYSTEM RMS 5001 RUN DATE 01/24/92

## **RECRUITMENT AND HIRING - PERSONNEL DIVISION**

### **Current Situation**

The Department of Administration (DOA) Personnel Division's centralized recruitment system does not always provide timely and qualified hiring registers for the State agencies utilizing personnel services.

The DOA's Personnel Division is responsible for processing hiring requests from the major State agencies and preparing hiring registers through a system of open continuous recruitment and advertised announcements.

Except for internal promotional announcements, Central Personnel Division handles all requests for position registers. The Personnel Division also handles internal promotional recruitment for those state agencies which do not have Personnel employees out-stationed within the agency.

DOA Personnel have instituted a program to incorporate a closer working relationship between Central Personnel analysts, agency analysts, and hiring authorities in matters of recruitment and hiring register development.

### **Impact**

The DOA Personnel Division employs 74 staff members in its central office. Additionally, there are 42 staff members out-stationed in the major State agencies. The length of time required for a hiring authority to secure a register currently averages 58 days. This time includes both agency and Central Personnel processing time periods.

### **Recommendations**

We recommend that Optical Disk imaging technology (already a part of DOA plans and partially funded) be incorporated into the overall employee recruitment system. This would allow both agency and Central Personnel Offices to scan applications and make them available, via local optical disk or terminal, for printing and subsequent transmittal to the hiring authority.

Once imaging and retrieval capability is installed at Central and selected agency personnel offices, we recommend that some of the operations and decision making authority now practiced at DOA Personnel

Central Office be decentralized to individual state agency administration. In this regard, we recommend that a portion of Central Personnel recruitment staffing (both analyst and clerical employees) be reassigned to the larger agencies (number and names of agencies to be determined) not now utilizing DOA Personnel employees. Although initially these employees would continue to serve as DOA - Personnel Administration employees, pilot projects should be initiated whereby these employees could be assimilated into the individual agencies on a case by case basis.

Consistent with the above changes, we recommend that the remaining Central Personnel recruitment staff maintain the following roles:

- For cross-agency hiring registers
  - Announcement and advertisement of those position vacancies whose classifications are found in more than one agency
  - Screening and scoring of those applications relating to positions found in more than one agency. In this regard, the screening and scoring process may need to be strengthened to better insure equity and fairness in the qualification evaluation process
  - Preparation of hiring registers for those positions found in more than one agency
- As central repository of all agency and cross-agency registers (housed in imaging bank)
- Oversight, including regular audits, of agency personnel analyst actions and decisions. In this regard, statutes and/or personnel rules may need to be modified in order to formally strengthen this oversight function
- Personnel rules development, monitoring and interpretation
- Assistance/advice on Personnel recruitment practices and procedures

In addition, we recommend that Agency Personnel recruitment staff assume the following roles:

- For agency - specific hiring registers

- **Announcement and advertisement of those vacancies whose classifications are found only in that agency**
- **Screening and scoring of those applications relating to positions found only in that agency. In this regard, further training of agency personnel analysts may be required to help insure equity and fairness in the qualification evaluation process**
- **Preparation of hiring registers for those positions found only in that agency**
- **Coordination of all agency personnel recruitment practices**
- **Coordination with DOA Central Personnel staff.**

**As is detailed in another recommendation, expanding the open-continuous list of classifications will facilitate the implementation of this personnel authority decentralization.**

**We recommend that the recruitment process be modified (see Exhibit 19, Proposed Recruitment Process) in order to correspond to the modified roles of DOA - Central Personnel and Agency Personnel Offices respectively (authority decentralization). The process can be summarized as follows:**

**In response to a vacancy, the agency hiring authority would forward a personnel requisition to the agency personnel office. Staff there would access its own storage media for available registers (if agency specific position vacancy or if cross-agency position, would access Central Personnel register file via terminal). In either case a register of names and accompanying applications can be printed and forwarded to the hiring authority immediately.**

**Hiring registers would be composed of all applications which met minimum qualifications for the position classification. Screening would include a strengthened scoring process to accommodate "relative excellence" in ranking names on register.**

**Registers would be built, as they are now, from special or routine advertisement/announcement. DOA - Central Office would announce those positions (or maintain open-continuous status) which cross agencies; Agency Personnel Offices would announce (or maintain open-continuous status) for those positions specific to the agency.**

Once hires have taken place, agency personnel records and other employee data banks would be updated and the applications of the hired employee would be purged from the file.

We also recommend that the recruitment process as outlined here be fully coordinated with the automated Employment Management System (currently underway).

### **Benefits**

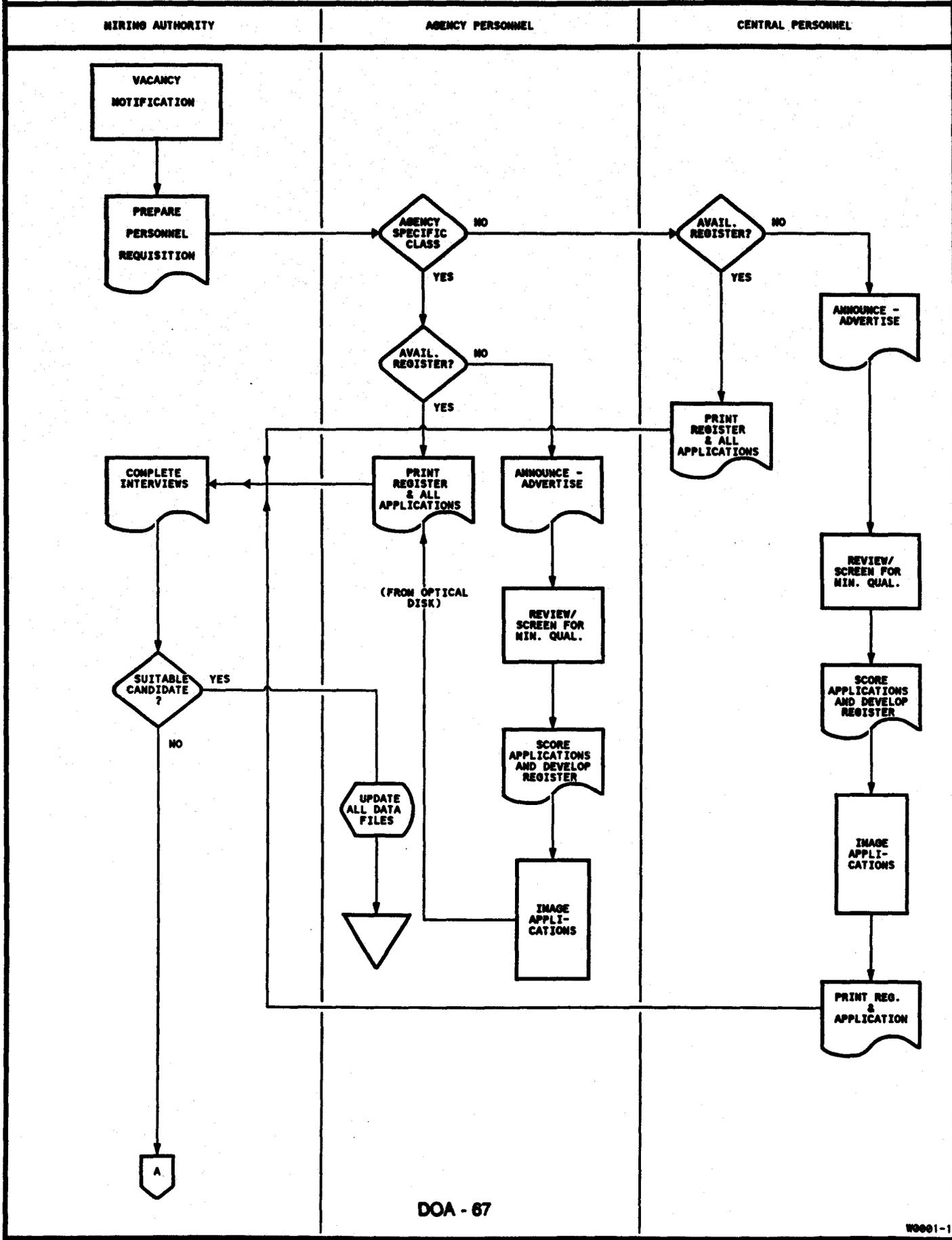
The revised roles and procedures for recruitment, supported by a system of scanning and optical storage media, will shorten the turn-around time for the typical hiring cycle from vacancy notification to candidate interview for the following reasons:

- Hiring registers for many more classifications (agency specific) can be prepared on site
- Due to an increase in the number of open-continuous classifications, the likelihood of a register being immediately available is enhanced
- According to the DOA feasibility study for Automated Information Retrieval, when this system is implemented it will result in the reduction of at least three FTEs and approximately \$63,849 in labor savings. Additional savings will be realized when the system is fully integrated with the Employment Management and Automated Scoring Systems.

### **Implementation**

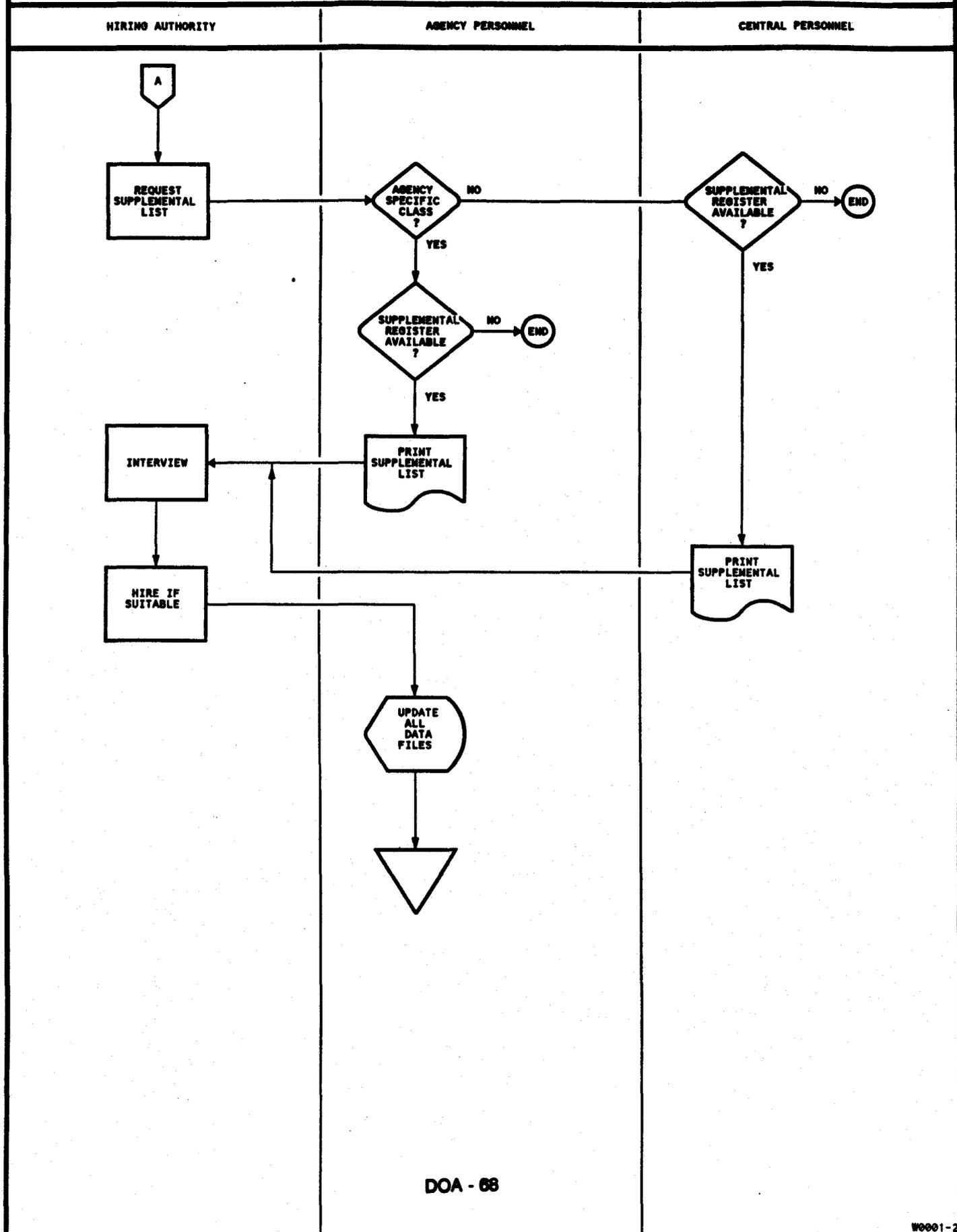
- Continue the DOA plan to require an automated application filing and retrieval system
- Introduce legislation or propose rule changes to strengthen the oversight policy of DOA Central Personnel
- Decentralize authority for recruitment decision making consistent with this recommendation
- Out-station Central Personnel analysts within selected agencies
- Select agency(s) for assimilation of personnel employees into the agency employee structure.

DEPARTMENT OF ADMINISTRATION  
 PROPOSED RECRUITMENT PROCESS



DEPARTMENT OF ADMINISTRATION  
PROPOSED RECRUITMENT PROCESS

EXHIBIT 19  
2 OF 2 PAGES



## CLERICAL POOL/TEMPORARY EMPLOYMENT SERVICES

### Current Situation

The Clerical Pool operates a placement program for temporary clerical services to state agencies in the Phoenix and Tucson areas. A permanent full-time coordinator operates the Clerical Pool in Phoenix, while the Tucson Personnel Office operates a separate program for Tucson. The Clerical Pool operates as a separate, self contained unit within Team 1 of the Employment and Training Section of the Personnel Division in the Department of Administration (DOA).

The State Procurement Office (SPO) within DOA has established temporary employment services contracts for the Phoenix area with Asosa Personnel and Kelly Temporary Services. SPO has also established a contract for the Tucson area with Asosa Personnel. The contracts include a provision that requires state agencies to determine if the Clerical Pool can fill a request for clerical services. If the Clerical Pool cannot fill the request, the agency can request service from the appropriate contractor.

A comparison of the clerical position hourly rates is listed below:

<u>CLASS</u>	<u>ASOSA HRLY RATE</u>	<u>KELLY HRLY RATE</u>	<u>STATE HRLY RATE</u>
Jr. Clerk	\$8.25	\$5.50	
Jr. Typist	5.31	6.25	
Sr. Typist	6.30	6.40	
Jr. Secretary	5.70	6.40	
Jr. Secretary (PC expert)	6.25	7.00	
Sr. Secretary	6.38	6.85	
Sr. Secretary (PC expert)	7.50	7.15	
Exec Secretary	8.25	8.20	
Clerical Assistant			\$6.42
Clerk Typist I			6.81
Clerk Typist II			7.19
Clerk Typist III			8.02
Secretary			8.02

### Impact

The coordinator is responsible for evaluating applications, processing requisitions, conducting applicant orientation and administering tests, researching applicant and agency inquiries, preparing correspondence and performing other clerical duties. The Clerical Pool has grown from about 500 participants in 1988 to approximately 1,300 participants in 1991. During FY 1990-91, monthly requisition activity ranged from 36 to 245. In 1991, the clerical pool made 1,235 appointments for clerical positions.

### Recommendations

We recommend that the Clerical Pool coordinator in Phoenix and the Tucson Personnel Office fill requests for temporary clerical services by using the SPO contracts for temporary employment services. It is also recommended that the coordinator determine which of the two temporary services contracts are most cost effective for the state and make the placements accordingly.

In addition, we recommend the contract for temporary employment services be rebid based on the entire demand for clerical pool services rather than the overflow alone.

### Benefits

Periodically, the clerical pool coordinator will manually count the number of clerical pool participants working on a given day. On February 2, 1992, the clerical pool had placements for 890 participants. The 890 placements working an 8 hour day would result in 7,120 hours worked. The difference between the \$8.02 hourly rate paid by the state for a clerk typist III or secretary and the \$7.15 hourly rate paid by Kelly Temporary Services for a senior secretary is 87 cents. A savings of 87 cents per hour for 7,120 hours worked would be \$6,194.40 per day, or \$1,554,694 annually.

According to the clerical pool coordinator, placements range from one day to six months with a possible extension to nine months. Most agencies initially request a clerk typist III or secretary for a placement of one month and later request an extension. An average of 600 placements on any given day would result in 1,200,000 hours worked annually. Using this example, a savings of 87 cents per hour for 1,200,000 hours worked would result in a savings of \$1,044,000 annually.

Additional cost savings should be realized based on a lower hourly rate due to the higher volume of placements with the personnel agencies if the contracts are rebid.

In addition to the cost savings, the recommendation will also decrease the workload for the coordinator by eliminating the need for evaluating applications, maintaining application files, conducting applicant orientation, administering tests, mailing applicant scores and other related clerical duties. This will also eliminate the need for the DOA Data Center to print applicant scores for mailing.

### **Implementation**

Implementation of the recommendation can be accomplished by doing the following:

- Rebidding the SPO contracts for temporary employment services to reflect the entire demand for temporary clerical services. The contract should again be multi-awarded to provide different hourly rates for the various clerical positions. The state should realize a decrease in the hourly rates as a result of expanding the volume of placements
- The clerical pool coordinator should act as the coordinator for the agency clerical pool requests. The coordinator should continue to receive the requests and determine which temporary services contract will provide the most cost effective placement for the agency. For example, under the current contracts, the hourly rate for a Jr. Typist from Asosa is \$5.31 while the hourly rate from Kelly is \$6.25. By acting as a coordinator for the agencies requesting clerical help the coordinator can obtain clerical services at the most cost effective rates available on the contracts and more than pay for the coordinator's salary.

## **OPEN CONTINUOUS ANNOUNCEMENTS**

### **Current Situation**

A personnel office (APMS office or central office) which receives a requisition requesting that a position be filled has two options for developing a hiring list. If a register of qualified candidates exists for the class being recruited, a hiring list can be returned to the agency within five to seven days. If an acceptable register does not exist and it is necessary to advertise the position and generate a new register, the process will take from three to five weeks to provide a hiring list to the agency. In order to maintain a constant pool of available candidates in a register for certain classes of jobs, the DOA personnel division has established certain classes of positions that are open continuously for applications. Applications received for classes which are advertised open continuous are evaluated on an ongoing basis. Requisitions requesting a hiring register for such positions can therefore be provided within the five to seven day time frame.

The state currently has approximately forty positions advertised on an open continuous basis out of approximately 1500 classes. Open continuous applications are used for positions or classes which experience high turnover and require continual recruitment or may be hard to fill. For example, in Fiscal Year 1990-1991, 1,253 of the 4,733 requisitions received by central office were for Clerk Typist I, II, III and Secretary positions. These four positions have therefore been announced open continuous for applications.

### **Impact**

Handling the four clerical positions which comprise .3% of the job classes (4 of 1500) through the open continuous system saves two to four weeks for approximately 25% of agency requests (1253 of 4733).

### **Recommendations**

We recommend expanding the use of open continuous announcements in order to increase the number of requests that can be filled in one week or less.

We further recommend that a detailed analysis be performed to determine which positions are appropriate to be announced on an open continuous basis. Based on this analysis we further recommend that a goal be established. As an example, announcing 20% of all job classes on an open continuous basis, could result in approximately 80% of agency requests being filled in one week or less.

### **Benefits**

Agencies will save an average of three weeks waiting time on all positions that are announced on an open continuous basis. The savings in waiting time, based on 80% of 4,733, less the 1,253 already on open continuous, leaves about 2,500 requisitions, each saving three weeks for a total savings of 7500 weeks or 140 years of waiting time each year.

### **Implementation**

Expansion of open continuous announcements should be phased in as positions are identified. A phase in of new open continuous positions will allow for the continued orderly processing of applications.

## **ESTABLISHMENT OF HIRING LIST**

### **Current Situation**

Recruitment for most state agencies is handled by the Employment and Training Section within the Personnel Division of the Department of Administration (DOA). Personnel offices have also been established in the Departments of Health Services, Economic Security, Corrections, Transportation, Administration and Youth Treatment and Rehabilitation. A Capitol Mall Personnel Office (CAMP) has also been established to provide a variety of personnel services to those agencies without their own personnel office. These offices are referred to as APMS offices. The APMS offices conduct the same recruitment functions as the central personnel office for recruitment that is conducted within the agency. The central personnel office conducts a recruitment for the APMS agencies when the recruitment will be open to applicants outside the agency.

An APMS agency which desires to conduct a recruitment outside the agency submits a requisition to the APMS office for review and submittal to the central office. Requisitions from state agencies are received in support services.

Requisitions for outside recruitment are entered into the Applicant Tracking System. The requisitions are then submitted to a team manager who checks the requisition, makes certain notations on the requisition and distributes the requisition to an analyst. The analyst receiving the requisition checks the information on the requisition and then determines whether a register already exists from which a hiring list can be run. When an acceptable register exists, the requisition and any analyst instructions are submitted to support services for a list to be run. Support services runs the hiring list, copies applications of persons on the list, attaches hiring instructions and submits the packet to the appropriate APMS office. A flow chart of this process used to establish a hiring list from an existing register is included in appendix . Approximately 11 minutes of an analyst's time is required to review each existing hiring list, this equates to approximately .45 FTE or an average of 16 hours per week.

### **Impact**

The current process for developing a hire list involves an analyst at the APMS agency, and central office support staff, a team supervisor and an analyst. Central office estimates it will receive approximately 4,750 requisitions during fiscal year 1992. According to a Personnel Division report titled Requisition Summary By Team for the period July 1, 1990 through June 30, 1991, central office handled 4,733 requisitions. The review effort requires approximately .45 FTE.

Approximately 4.5 days elapse once the requisition is received at the central office until the hiring list and the copy of the application are submitted to the hiring supervisor. The 4.5 days is made up of 4 days to generate the hiring list and .5 days to photocopy the applications.

### **Recommendations**

We recommend the APMS offices be authorized to review existing registers for recruitment that will be open to applicants outside the agency to determine if an acceptable register exists. When an acceptable register exists, the APMS office shall run the hiring list. A copy of the hiring list can be printed at the APMS office and at the central office. Support services will then supply the APMS Office with copies of the applications for submittal to the hiring supervisor.

This recommendation does not include the CPU as hiring lists are currently being provided on an expedited basis.

We also recommend that after a hire has been conducted, the APMS office certify the hire was in compliance and clear the hire list on the Applicant Tracking System (See point - Hire List Compliance And Clearing).

### **Benefits**

The recommendation will provide the following benefits:

- Reduce the workload for central office support staff relating to hiring lists which are developed from existing registers, this workload reduction equates to approximately .45 FTE of an analyst's time
- Reduce the number of times a requisition must be handled by DOA personnel by printing a hiring list at the APMS office
- Reduce the time required to establish a hiring list from an existing register by eliminating the need for all requisitions to be submitted to the central office and thus reducing the time it takes to fill a vacant position by approximately three to four days.

**Implementation**

- **Develop procedures for generating hiring lists at APMS offices**
- **Establish capability of printing hiring lists at both APMS offices and central office**
- **Train APMS employee on system.**

## **JOB APPLICATION EVALUATION TIMING**

### **Current Situation**

Applications for posted jobs are received by the DOA Personnel office and submitted to an analyst for an evaluation to determine training and experience ratings. Once the applications have been evaluated, qualified applicants are placed on a register which is then used to provide the hiring agency with a hiring list of candidates for a position.

The time frame for evaluating applications is as follows. The closing date or filing deadline for an announcement ends on a Friday. During the next week, the personnel office will hold the applications that have been submitted and receive additional applications from DES offices or other designated locations. On Wednesday of the second week, the Personnel office feels that all the applications would have been received and will then begin evaluating the applications.

### **Impact**

When a register of qualified candidates exists for a class, the hiring agency can usually receive a hiring list within five to seven days after a requisition is received by the DOA Personnel central office. If a register does not exist and it is necessary to advertise the position and develop a new register, the process will take between three to five weeks to generate a hiring list for the agency. The time it takes to generate a hiring list for positions that must be announced is a major issue for state agencies.

### **Recommendations**

We recommend that the process or time frame for evaluating applications be changed. DOA Personnel should evaluate applications for positions located in Phoenix or Tucson beginning on Monday of the week following the closing date or filing deadline. DOA Personnel currently evaluates applications approximately a week and a half after the filing deadline. This is done to allow sufficient time for applications to arrive from other locations where applications were submitted. Applications submitted for jobs in Phoenix or Tucson which close on a Friday should have sufficient time to arrive in the personnel central office by the middle of the following week for an evaluation.

### **Benefits**

This recommendation will eliminate one week from the current process for announcing a position and generating a hiring list, for approximately two thirds of the positions statewide. This assumes that the turnover of positions in Phoenix and Tucson is the same as statewide turnover.

### **Implementation**

Implementation of the recommendation can be accomplished by changing the current practice of evaluating applications during the second week after the Friday closing date of the announcement for jobs located in the Phoenix and Tucson areas. Applications for jobs in those areas would instead be evaluated beginning on the Monday immediately following the Friday closing date.

## **HIRE LIST COMPLIANCE AND CLEARING**

### **Current Situation**

After an agency has completed its interviews and hired an applicant, the agency returns the hiring list to the Central Office. The Central Office will review the hiring list to ensure the form has been completed correctly and that the hire was conducted in compliance with personnel rules. Once the hire has been determined to be in compliance, the hiring list is returned to Support Services to be cleared from the computer Applicant Tracking System. The process used by the Central Office for certifying that the hiring was in compliance and clearing the hiring list is shown in Appendix .

Based on interviews with three APMS managers and the CAMP office, it appears that APMS staff also review hiring lists to ensure forms are completed correctly and the hiring was in compliance. After this review, the hiring lists are submitted to the Central Office for their review.

The current process for certifying compliance and clearing the hiring list involves three different persons in Central Office. Support staff date stamp the hiring list when it is received and submits the list to a team supervisor who conducts a review of the list and distributes the list to the appropriate analyst. The analyst reviews the hiring list to determine compliance. If the analyst believes the hiring was not in compliance the analyst will contact the APMS office or hiring supervisor. If the hire was not conducted legally, the hire may be nullified or additional interviews may be required. If the hire was in compliance or questions regarding the hire have been resolved, the analyst signs off on the hiring list and submits the list to support staff for clearing of the list from the Applicant Tracking System. Related documents are pulled from a file of certified requisitions, the list is checked for signature, codes and analyst initials and the list is cleared from the computer. The hiring list, requisition and attachments are then filed in the cleared hiring list files.

### **Impact**

The compliance review check by an analyst will take a minimum amount of time when a hire is in compliance. Assuming each analyst takes one minute to review each hire this results in a total of 78 hours of work per year or .03 FTE based on 4,733 hires per year.

### **Recommendation**

We recommend changes to the process for certifying a hire was in compliance and for clearing the hiring list.

First, we recommend that the APMS offices conduct the certification that the hire was in compliance and that the central office not duplicate this check.

Second, we recommend that the APMS offices clear the hiring lists on the Applicant Tracking System once the hire has been determined to be in compliance.

After the compliance review and clearing of the hiring list has been completed, the APMS hiring list should be filed as follows:

- Hiring lists generated by the APMS office should be filed with the requisition at the APMS office
- Hiring lists generated at the central office should be returned to the central office for filing.

### **Benefits**

The proposed recommendations will eliminate a duplication of functions that is occurring in the hiring compliance review and will reduce the workload for analysts and support staff in the central office.

### **Implementation**

- This recommendation should be implemented in conjunction with the recommendation to establish hiring lists at APMS offices.

## **SUPERVISOR SIGNATURE OF HIRING LIST**

### **Current Situation**

Employment Support Services functions as support staff within the Employment and Training Section of the Personnel Division in the Department of Administration. Once a hiring list has been established for an agency, the support staff copy desk provides the hiring agency with a copy of the hiring list and copies of the applications for persons on the list. Once the copy desk has compiled the hiring list and applications, the documents are submitted to a support supervisor for signature and are returned to the copy desk for submittal to the agency. The purpose of the supervisor signature is to provide the hiring agency with the name of a contact person if they should have any questions regarding the hiring list.

### **Impact**

Under the process described above, one of the support supervisors is required to sign each hiring list. The supervisor does not review the hiring list or applications which are attached to the list.

### **Recommendations**

We recommend that the support supervisor not personally sign each hiring list and that support staff at the copy desk be authorized to write the supervisor's name on the hiring list and include their initials.

### **Benefits**

This recommendation will eliminate a step in the current process which requires an exchange of the hiring list and applications between support services staff.

### **Implementation**

Implementation of the recommendation can be accomplished by authorizing copy desk staff to write the supervisor's name on the hiring list.

## **ELIMINATE THE REQUIREMENT TO FORWARD TC-50 FORMS TO GAO**

### **Current Situation**

DOA Finance Division (GAO) requires all state agencies to forward copies of their TC-50 claim forms to GAO for processing. These forms are sent to GAO in batches, without any support documents. GAO then combines them into larger batches and sends them to the Data Center for input into the AFIS system. Some large state agencies, with their own in-house computer systems, such as ADOT, DES, DOC, and AHCCCS, transmit their information via computer tape and the information is directly loaded into the AFIS system. There are currently 17,358 TC-50 forms input each month by the data center.

On July 1, 1992, the AFIS II system is scheduled to become operational, and will be used by GAO as its state-wide accounting system. The new system will provide state agencies with the on-line capability to directly input their claim information. Therefore, this process will eliminate the need to forward TC-50 forms to GAO for all users except 20 to 25 small boards, subsequently the majority of the input by data center personnel will be eliminated.

### **Impact**

GAO has assigned 1.5 Grade 13 FTE's to review and batch every TC-50 forwarded to GAO. The input of the 17,358 TC-50 forms by the data center personnel requires 440 hours per month or 5,280 hours annually which equates to approximately two FTE.

### **Recommendation**

With the implementation of the AFIS II system the majority of TC-50 forms will be input on-line by all agencies with access to the system. In those instances where agencies are not using the AFIS II system, the TC-50 form should be sent directly to the data center for input, without a review by GAO.

### **Benefits**

Elimination of the requirement to forward TC-50 forms to GAO will result in a reduction of 1.5 Grade 13 FTEs, at salary of \$16,618 per year, plus 23% ERE for a cost savings of 20,400. In addition, the on-line entry of TC-50 forms will eliminate the majority of the data input performed by the data center. Thus

eliminating the need for two Data Entry Operator II positions at a salary of \$13,431 and \$17,286 and ERE of 23% for a cost savings of \$37,800.

**Implementation**

- Determine effective date for AFIS II
- Determine dates for agencies to enter TC-50's directly
- Develop a schedule for the workload reduction
- Eliminate the positions as the workload is eliminated.

## **DESIGN AFIS II TO PREPARE ALL 1099 FORMS**

### **Current Situation**

The Internal Revenue Service (IRS) requires that all payments to contractors for professional and outside services with the State be reported to both the IRS and the contractor through the use of a "1099" form (or on magnetic tape to the IRS). The AFIS I system does not maintain vendor information and therefore cannot produce the "1099 forms." GAO has assigned two FTEs, Grade 17 and Grade 15, to collect such information on an ongoing basis and issue 1099 Forms at the end of each year.

### **Impact**

Two FTEs, Grade 17 and Grade 15, are assigned to collect such information on an on-going basis and issue 1099 Forms at the end of each year. In addition, the 1993 budget request contains a request for an additional FTE to be responsible for "compilation, submission, and timely correction of information submitted to the IRS."

### **Recommendations**

We understand that the AFIS II system will have a "vendor master" file and have the capabilities to produce "1099" forms (or magnetic tape) at year end.

### **Benefits**

Using AFIS II to generate "1099" forms will result in the elimination of two FTEs, Grade 17 and Grade 15, at annual salaries of \$21,000 and \$19,000, respectively, plus 23% ERE for a cost reduction of \$49,000. Not funding the additional requested position will result in a cost avoidance of \$27,900.

### **Implementation**

The following key steps are required in implementation:

- Determine AFIS II implementation date

- **Determine which agencies will participate over which time periods in calendar year 1992**
- **Determine how pre-AFIS II amounts will be compiled**
- **Establish new reporting procedures**
- **Eliminate positions as workload is completed.**

## **DISCOUNTS AND PENALTIES**

### **Current Situation**

DOA Finance Operations is responsible for the processing of all DOA divisions bills, except those incurred by the Risk Management Division.

The DOA Finance Division is responsible for the payment of all claims generated by state agencies. Claims are forwarded to DOA Finance either by the TC-50 claims form or on computer tape. DOA Finance Division stated that the standard turn-around time for the generation of a warrant from a TC-50 claim form is three days, and from claims submitted on magnetic tape is only one day.

Certain vendors offer discounts of one to two percent for payment of invoices within a certain number of days of the invoice date or the date of receipt of the invoice.

We were informed that DOA divisions and state agencies do not process the vendors invoice and forward the claim to DOA Finance Division in time to take advantage of the discount offered by the vendor.

Additionally, some divisions do not pay their invoices in a timely manner; therefore, penalties are assessed by the vendor for delayed payment.

### **Impact**

DOA Finance estimates that in the General Services Division, the Motor Pool and the Print Shop could each save approximately \$300 per month if their invoices were paid in a timely manner and the discounts offered by the vendors were taken. Additionally, in the Telecommunication unit, we examined invoices from U S West for the months of September, October and December, 1991. During these three months, the State had been assessed over \$11,000 in penalties for late payment.

Under the current accounting process, there is no way to accurately identify the amount of discounts not taken by the State. However, during 1990, the State spent approximately \$773 million on equipment, food and other operating expenses and \$74 million in professional services. If only 5% of these vendors offered discounts of 2% for early payment, and if only 50% of such offers were utilized, the State would reduce its costs by approximately \$423,500 (see Exhibit 20, Calculation of Discount Lost).

Under the current accounting process, there is no way to accurately identify the amount of penalty or interest that has been paid by the State. However, the late payment penalties assessed on the State's telephone bills alone, extrapolated on an annual basis, add up to at least \$40,000.

### Recommendations

All the invoices should be paid by the State in a timely manner. Each agency or division should use a tickler system to flag invoices that are due for payment. Priority should be given to invoices that offer discounts, and no invoice should be paid any later than its due date. No interest or penalty charge for delayed payment should be tolerated and accepted.

SPO claims that if the State paid its bills on time SPO would have a better negotiating tool with vendors in reducing future contract amounts.

### Benefits

We estimate that the net effect of requiring all invoices to be paid early enough to receive a discount, less the interest income the state would have otherwise earned on the funds withdrawn from its accounts, will result in a net savings for the State of \$381,000.

### Implementation

- Review all bills and insure payments are made in a timely manner to capture discounts
- Establish audit sampling plan to insure compliance

**CALCULATION OF DISCOUNT LOST**

	\$	If 5% Offer Discounts	If 50% Discounts Not taken	Discount Lost @2%
Purchases	\$773,000,000	\$38,650,000	\$19,325,000	\$386,500
Professional Services	<u>74,000,000</u>	<u>\$3,700,000</u>	<u>\$1,850,000</u>	<u>\$37,000</u>
<b>Total</b>	<u>\$847,000,000</u>	<u>\$42,350,000</u>	<u>\$21,175,000</u>	\$423,500
 10 days interest lost @7% (\$42,350,000 @7% for 10 days)				<u>(82,347)</u>
 <b>Total Estimated Discounts Lost</b>				<u><u>\$341,153</u></u>

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EXHIBIT 20

## **STATE VEHICLE USE**

### **Current Situation:**

Analysis of the State of Arizona Fleet Management includes procurement, record keeping, maintenance, vehicle utilization and operating costs. In the beginning of this analysis, it became evident that the State of Arizona has no central source of information regarding the number of State vehicles in operation, their utilization or distribution. In addition, there is no centralized system for maintaining records of maintenance and no system for ascertaining operating costs. This is partially due to A.R.S. § 41-803, which states that the Department of Administration shall operate a motor vehicle fleet for all State-owned motor vehicles at convenient locations for the purpose of providing transportation for State officers and employees, with the exception of the following agencies:

- Department of Public Safety (DPS)
- Arizona Department of Transportation (ADOT)
- Department of Economic Security (DES)
- Arizona Department of Corrections (ADC)
- Universities and community colleges

Also exempted under A.R.S. 41-703 is AHCCCS and under 23-986E.3, the State Compensation Fund. The Game and Fish Department, while not exempt, operates under an Intra-governmental agreement with the Department of Administration, allowing it to manage and service its own vehicles.

The policies and procedures currently in use by DOA result in vehicles being classified as:

- Agency Owned - bought and paid for by individual agency, either by appropriated funds, federal funds, grants or contract funds. DOA may or may not be responsible for these vehicles, and has little or no control over use or location, but may provide maintenance
- Extended Dispatch - purchased by the agency through allocated funds, then assigned to DOA for management and maintenance, and earmarked for exclusive use of the agency

- **Taxi - Owned by DOA, general purpose passenger and cargo vehicles which are available for short notice dispatch to any agency for use on a "first come, first served" basis. Agencies are charged a daily amount plus mileage and there are various taxi rates. For example, a newer mid-size sedan is charged out at \$7.00 per day plus \$0.11 per mile, equal to about \$320.00 per month. Older taxi cars are charged out at \$2.00 per day plus mileage**
- **"Permanent" Taxi - not an official DOA category, but used in practice by several agencies. This class of vehicle refers to those used on a more or less permanent basis. So called because taxi vehicles by rule are supposed to be limited to a 14 day period**

**Because of the diversity in record keeping, there is little uniformity in reporting requirements for the various agencies, and varying degrees of vehicle utilization and accurate operating expense records. These problems have been long recognized and have been addressed in several studies. These include the Mini Grace Commission Study in April of 1988, the Joint Legislative Budget Committee (JLBC) study of State-owned light duty vehicles in June of 1990, the Auditor General's report on the Department of Public Safety Fleet Management, dated September, 1991 and the Productivity Resource Management System, Highways Division, Department Services of 1989. These reports range in varying degrees of detail, and have provided a great deal of useful information relating to the present situation.**

**The most detailed and useful of these reports is the JLBC report of June, 1990. This report presents a rather comprehensive inventory of the light duty vehicles operated by various State agencies. The JLBC report concluded that there were a total of 5,380 light duty vehicles as of June, 1989. Our most recent survey suggests a total of 5,290. All of the previously referenced reports have been studied and combined with our most recent survey of several of the major vehicle users. However, issues not addressed in any of the earlier reports except in a fragmentary fashion. These would include vehicle utilization, distribution among agencies and policies regarding the Department of Administration's management of the fleet vehicles. It should be noted that university and community college State owned vehicles are not included in vehicle counts.**

#### **Vehicle Utilization:**

**There is a wide variation in policy between the agencies surveyed. Some agencies such as ADC and DES administratively permit some management and employees more unrestricted use of State vehicles, including commuting from home to their work place. Others, such as ADOT, DPS and State Land**

Department (SLD), have more restrictive policies which permit vehicle use for work related activities only. There are several variations between these two extremes.

Certain agencies have a legitimate need for employees to have access to vehicles outside of normal working hours. Examples are probation officers, undercover investigations, child protective services, environmental emergency personnel and game rangers. In the vast majority of cases, however, we find no reason for State employees to use a State vehicle for commuting to and from work. In spite of previous efforts on the part of the State to eliminate this practice, this analysis found that it is still wide spread in some agencies. Justification statements for allowing the continuance of take-home vehicle privileges included employees on 24-hour call or emergency response situations. In 1991 the Auditor General reported that these reasons were insufficient to warrant take-home vehicles in a majority of situations at DPS, and therefore, this practice was sharply curtailed at this agency. Fleet industry estimates provided to our analyst indicated that the average cost benefit for a take-home vehicle is approximately \$2,000.00 annually. This cost benefit includes insurance, depreciation, additional maintenance and fuel. More specifically, an average 30-mile round trip between home and work, at a conservative \$0.20 per mile for approximately 225 working days, equates to an annual cost of \$1,350 to the State and benefit for each employee afforded a take-home vehicle. One agency estimated that their take-home privileges cost them approximately \$100,000 annually. The number of vehicles can be reduced substantially if this privilege is curtailed or eliminated. Reduction or elimination of this privilege for even 100 employees would result in saving fuel, maintenance and operating cost of \$135,000.

ADOT and DPS both have situations which may require 24-hour on call and emergency responses. However both agencies currently restrict vehicle utilization to work related purposes. They no longer provide take-home vehicles for the Director, management and administrative personnel. Without a more comprehensive agency by agency investigation, it is difficult to determine which specific take-home users have a legitimate cause.

There is no uniform reporting of vehicle utilization. One agency reported 95% utilization for a vehicle, based on eleven days service in a month. The vehicle needed only to be used 10 days during any calendar month to be considered 95% utilized, as opposed to the usual 21 working-day month. It is unlikely that the vehicles are utilized as much as 95% of the time, simply because of varying workloads. However, there should be a uniform procedure adopted for calculating vehicle utilization in order to maximize the utility of the vehicle and minimize the need for additional vehicles. Earlier studies have suggested that a vehicle driven for 1,000 miles per month may be considered completely utilized. Latest information from the Department of Administration suggests that vehicle usage between 12,000 and 13,000 miles per year is

achieved. An earlier study suggests that the average of the entire DOA fleet was 1,228 miles per month, or 14,736 miles per year. In either case, vehicles using as little as 200 or even 500 miles per month could not be considered as being fully utilized, and based on the "standard" 1,000 miles per month, one vehicle could reasonably replace two currently in service, if this practice is discontinued.

There is a disparity in numbers reported as unmarked or undercover cars. One source reports a 1992 total of 273 vehicles, with ADC having 102 vehicles in this category. ADC actually has 140 such vehicles. Similar discrepancies can be expected for the other agencies, although this study has not revealed the numbers.

The use of an unmarked car clearly can exacerbate the problem of personal use, since there is no easy way to identify the vehicle as State owned. In addition, it is difficult to understand why the Mine Inspector has two such vehicles or Northern Arizona University has four.

Even with marked vehicles, there appears to be abuse. Families have been observed at local lakes unloading from State vehicles for recreational outings, while day care centers are visited by persons using State owned cars to drop off and deliver children.

#### DOA:

As stated previously, DOA has the responsibility for the management and maintenance of a fleet of vehicles for use by State employees. Vehicles are purchased under the program through the budget process. An agency is allocated the funds for a vehicle which will be purchased for a contracted bid price. The agency transfers the extended dispatch vehicle to DOA who assigns the vehicle back to the agency for a base rate per day plus mileage. The average base rate for a sedan is \$7.00 per day and \$0.11 per mile, equal to \$320.00 per month. Pick-ups and specialty vehicles such as 4x4's, have higher rates of \$9.50 per day and \$0.15 per mile or more. An agency which does not meet the 1,000 mile minimum per "extended dispatch" vehicle rate, will be charged each month with a surcharge or penalty in addition to the daily base rate. Of the 1,280 vehicles DOA has in their fleet, 963 are extended and 317 are taxi's.

A shortage of taxi vehicles exists and a five day advance reservation is required. Reservations for specialty vehicles must be made in written form and 30 days in advance.

DOA has responsibility and authority to remove extended use vehicles from agencies for abuse or under utilization, however this action is seldom taken.

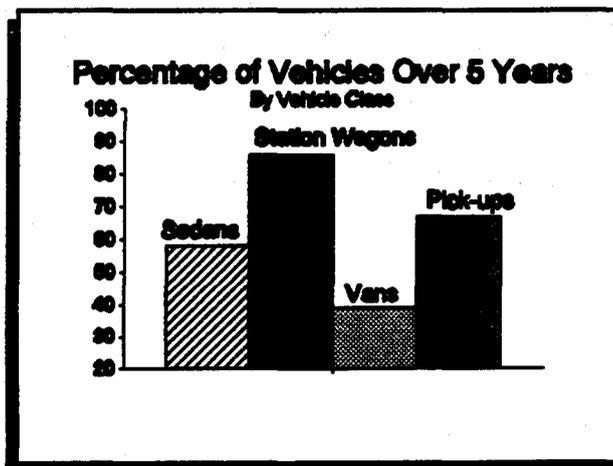
**ADC:**

ADC has approximately 680 light duty vehicles including sedans, pick-ups, station wagons and vans, out of a total fleet of 1,050 vehicles.

- 140 of these vehicles have been issued undercover plates
- 48 of these undercover vehicles have take-home privileges, of which 15 vehicles or 31% are assigned to parole officers, security chiefs and investigators with a possible legitimate work related purpose, while 33 vehicles or 68% are assigned to managers and administrative personnel, Assistant Directors, Deputy Wardens, Wardens and the Director.

ADC by comparison with some other agencies, has a relatively aging fleet. Of the total 680 light duty vehicles:

- 58% of the sedans are over five years old
- 86% of the station wagons are over five years old
- 39% of the vans are over five years old
- 67% of the pick-ups are over five years old



As a final note on ADC, the agency averages about 15,000,000 fleet miles annually or approximately 14,286 miles per vehicle, assuming 1,050 total vehicles of all types. Maintenance is generally done with inmate labor under the supervision of employees.

**DES:**

DES reported having a total of 622 vehicles of various types. Of these 352 are "agency owned," while the balance are DOA extended and "permanent tax" vehicles. These 352 vehicles range in age from new to over 10 years, with 59% being over 5 years in age.

Until recently, DES had a very restrictive take-home policy. This policy has been reversed and at the present time maintenance vehicles, child protective services, "travel status" employees and a limited number of management and administrative positions have take-home privileges. The exact number is uncertain because DES has no central record of the number of take-home vehicles. Each district or supervisor maintains its own records and we have not been able to determine the total number of vehicles in this agency.

During the DES survey, it was reported that the average rate per mile charged by DOA over a six month period was \$0.29 to \$0.295 per mile, not the quoted \$0.25 per mile charge quoted by DOA. In response to this issue, DOA produced several receipts to validate their higher charges. During a one month period, DES employees checked taxi fleet vehicles out of DOA, drove relatively few miles, but kept the vehicles for extended periods of time. Examples of invoices are shown on the following page.

<u>Vehicle</u>	<u>Days</u>	<u>Per Day</u>	<u>Rental</u>
1 x	<u>leased</u>	<u>Charge</u>	<u>Charge</u>
	16 @	\$7.00 =	\$112.00

	<u>Miles</u>	<u>Per Mile</u>	
+	<u>Driven</u>	<u>Charge</u>	
	47 x	\$0.11 =	\$5.17 Totals: \$117.17 or \$2.50 per mile driven

<u>Vehicle</u>	<u>Days</u>	<u>Per Day</u>	<u>Rental</u>
1 x	<u>leased</u>	<u>Charge</u>	<u>Charge</u>
	15 @	\$7.00 =	\$105.00

	<u>Miles</u>	<u>Per Mile</u>	
+	<u>Driven</u>	<u>Charge</u>	
	45 x	\$0.11 =	\$4.95 Totals: \$109.95 or \$2.44 per mile driven

<u>Vehicle</u>	<u>Days</u>	<u>Per Day</u>	<u>Rental</u>
1 x	<u>leased</u>	<u>Charge</u>	<u>Charge</u>
	15 @	\$7.00 =	\$105.00

	<u>Miles</u>	<u>Per Mile</u>	
+	<u>Driven</u>	<u>Charge</u>	
	15 x	\$0.11 =	\$1.65 Totals: \$106.65 or \$7.11 per mile driven

<u>Vehicle</u>	<u>Days/</u>	<u>Per Day</u>	<u>Rental</u>
1 x	<u>leased</u>	<u>Charge</u>	<u>Charge</u>
	15 @	\$7.00 =	\$105.00

	<u>Miles</u>	<u>Per Mile</u>	
+	<u>Driven</u>	<u>Charge</u>	
	43 x	\$0.11 =	\$4.73 Totals: \$109.73 or \$2.55 per mile driven

These four examples resulted in total charges of \$443.50 for four vehicles driven 150 miles. In comparison, the use of a private employee owned vehicle for these trips at the \$0.255 per mile State rate would have cost the agency only \$38.25. The overcharge to the agency then totals \$405.25 due, in large part, to the lack of an effective vehicle use policy. The more important issue is that this kind of use causes a larger number of vehicles to be purchased.

Records produced for this agency from two different sources indicate that DES extended and taxi vehicle use account for between 1,748,000 to 1,955,000 miles driven annually. At the DES reported charge of \$0.29 or more per mile, the cost for vehicle use costs to the agency average between \$506,920.00 and \$566,950.00 annually. At the average DOA charge of \$0.25 per mile, these charges should have cost between \$437,000.00 to \$488,750.00. With a more effective vehicle use program, a potential savings of between \$69,920.00 to \$78,200.00 may have been realized by the agency.

SLD:

The State Land Department (SLD) has a policy of no take-home vehicle use, with total mileage being work related. SLD has relatively complete vehicle records. Accurate mileage is maintained for each vehicle and there is accountability for each vehicle. Nevertheless, these records reveal that of their 25 vehicles, several vehicles are not utilized to the "DOA standard" base of 1,000 miles per month. Analysis of the records found:

- Two similar vehicles assigned to one section were under-utilized for nine of sixteen vehicle months or 56% of the time.
- Another section utilized the 1,000 base miles only once in eight months or 12.5% of the time.
- Two vehicles revealed standard utilization in only five of sixteen months or 31% of the time.

Surcharge penalties to the agency for under utilization were over \$3,000 for an eight month period. It was also reported during this survey that a DOA "taxi" vehicle is kept on a fairly "permanent" basis by one section for convenience.

Reallocation or reduction of vehicles in these areas is warranted, as well as in other areas where job emphasis has changed or positions eliminated as a result of Project SLIM recommendations.

**ADOT:**

ADOT's fleet of 1,110 light duty vehicles is second in size only to DOA's fleet. Due to the complexity of maintaining a sizable fleet of highway construction heavy equipment, they have the most "state of the art" maintenance programs and shops, as well as the largest staff. According to the JLBC report, ADOT has 16 vehicle service shops with 95 multi-purpose or light duty vehicle bays. ADOT reported having 70 fuel sites state-wide.

Several state agencies reported attempts to enter into agreements with ADOT for the purpose of providing vehicle repairs and maintenance services. Most or all have discontinued these intergovernmental programs citing ADOT's excessive charges and their policy of attending to ADOT vehicles first.

ADOT will provide fuel to other agencies at a \$0.05 additional per gallon charge, for processing and billing. Currently, this would result in a charge of \$0.92 to \$0.95 per gallon, but still well below the cost of fuel at a private facility. With ADOT's state-wide maintenance and fueling facilities, one advantageous and cost-effective alternative to the State's present costly decentralized vehicle situation could be realized if a intergovernmental policy could be developed that would benefit ADOT and other agencies.

ADOT has permanent assignment vehicles allocated to specific positions, taxi vehicles and loaner vehicles for their employees. Other agencies in our study reported that on occasion they have rented a taxi vehicle from ADOT, but this is not a routine practice.

During our survey, ADOT reported that some of their vehicles are considered to have a utilization rate of 95% if they are in use eleven days or 500 miles per month. This was verified in the Venture Team approved report, previously noted in this report. In comparison, the DOA fleet requires a 1,000 mile minimum, based on a 21-day month. Conclusions reached in other reports, as well as this survey, is that the number of actual vehicles required by ADOT should be scrutinized thoroughly and during the implementation phase of Project SLIM, a vehicle reduction program be implemented.

DEQ:

DEQ reported having approximately 85 vehicles, of which 55 are extended dispatch, and 30 taxi vehicles are on "permanent" assignment. DOA reported that DEQ actually has 76 agency purchased and 46 DOA purchased vehicles, for a total of 112. DOA reported short term taxi vehicle use by this agency averages 14 per month.

As previously stated, DOA taxi vehicles are to be kept by an agency no longer than 14 days. DEQ, as well as other agencies surveyed, stated that the standard practice is to simply request the vehicle be extended every 14 days. In essence, these "taxi" vehicles are actually used as "extended use" vehicles. With 30 vehicles on "permanent" taxi status assigned to DEQ, this may be one of the reasons for the lack of available DOA taxi fleet vehicles and the primary reason for the five day reservation requirement.

DEQ reported only five maintenance employees have vehicle take-home privileges and recently implemented a vehicle management program to assist with vehicle assignments, credit card audits and automotive record keeping functions.

Game and Fish (G&F)

The Game and Fish Department has 350 vehicles under one ton size. Recently, they sold 50 vehicles. Under their intergovernmental agreement with DOA, they purchase, maintain, repair and dispose of their own vehicles. On rare occasions, they use DOA taxi vehicles. Both automated and manual record systems are maintained on vehicles.

G&F has 250 game rangers and remote area biologists who may work out of their homes and require vehicles with take home privileges. Other staff are granted take home vehicles on a case by case, day to day analysis. They also have undercover vehicle plates for law enforcement staff.

In this report, we have explored several opportunities for cost savings in the operation of the State vehicle fleet. We have not addressed the question of special use vehicles, such as fire trucks or heavier equipment such as road maintenance equipment, dump trucks and the like. In addition, we have not addressed other equipment such as the DPS motorcycle fleet or any aircraft.

We have sampled a number of agencies for purposes of this report. Specific situations discussed under one agency may not be exclusive to that agency alone and are reported as a means of identifying state-wide examples.

### Impact

The statewide fleet system is fragmented into a great many areas of responsibility. In effect, each agency shares responsibility with DOA for purchase, maintenance, operating costs and, to some extent, disposal of vehicles. Because of this sharing of responsibility, there is no uniformity in record keeping between agencies and indeed within branches of the same agency.

Vehicle utilization policies vary and there are no clear guidelines, rules or regulations regarding vehicle usage. This leads to abuses such as allowing home use or personal use of State vehicles by those who do not have a legitimate reason for 24 hour access. It is significant that two agencies (ADOT and DPS), both have policies prohibiting home use by other than peace officers. This suggests that those agencies allowing home use could benefit by a stringent review of actual needs, and thereby reduce automotive costs by a significant amount.

It is quite clear from our sample survey that the State fleet is very much an unknown quantity as far as actual needs are concerned. The various agencies, in part, have very fragmentary records on actual numbers, usage, operating costs and maintenance records. In addition, the classification of vehicles as "agency," "extended use" and "taxi" further blurs the responsibility for accurate and complete records to assure maximum return on investment.

Further, through the elimination of duplication and streamlining of processes identified through the SLIM Program, State agencies right-sized will result in the redevelopment or elimination of programs and employees. With the exception of DPS, reduction in vehicles, agency by agency, was not addressed. During the first phase of SLIM, some 1,300± FTE's have been identified and recommended for redevelopment or elimination. While it is recognized that not all positions utilized or resulted in vehicles being assigned to them, it is our conclusion that these positions, along with the adoption of the more stringent policies recommended in this report, would result in the reduction of vehicles needed by the State.

It is our consensus that the problems and issues expressed in this report are not limited to the agencies studied, but are representative of other agencies not included in our study.

**Recommendations:**

It is clear there are some significant economies to be gained through procurement policies, particularly in the purchase of vehicles, as well as in supplies and maintenance equipment. While this is difficult to quantify, it is very obvious that this could cut the cost of fleet operation as a whole by 10 to 15%.

Based on this review, our recommendations are:

- Publish and enforce policies, guidelines and rules regarding automotive use, to include home use and other non-work related uses
- Establish reasonable minimum usage criteria, perhaps on an annual basis, to assure that only necessary vehicles are in the fleet. Require agencies to justify fleet size.
- Reduce the number of vehicles allocated to agencies in a manner that is reflective of the 1,300± positions eliminated during the first phase of project SLJM.
- Require justification for the purchase of more costly units, i.e., 4x4's.
- Increase private vehicle mileage rate to I.R.S. standard of \$0.28 per mile and establish guidelines to encourage employees to utilize this means on short local trips.

**Benefits:**

- Estimated possible reduction in fleet size from 10 to 15%
- Savings in purchase price of vehicles by central source
- Timely disposal of aging vehicles.
- Ability to provide accurate and complete records for legislative review and audit.

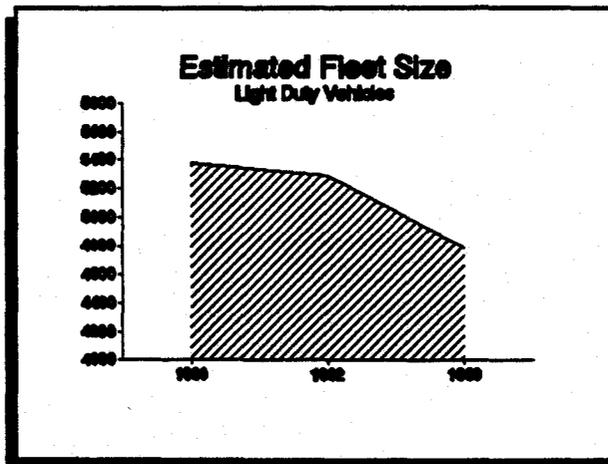
**Reduce fleet expenditures, on an annual basis, by eliminating the excess supply used for non-work related trips and from oversupply.**

**Estimated savings based on:**

- a) Approximately 500 vehicles**
- b) DOA average annual mileage per unit - 13,000**
- c) Per mile costs @ \$0.25 (source DOA)**
- d) One time disposal, 500 units @ \$1,500**
- e) Fuel and maintenance savings @ \$50 x 4500 units**

Annual Savings

Units, conservative reduction in fleet size	500
Per unit savings, 13,000 miles x \$0.255 =	\$ 3,315
500 x \$3,315 =	\$1,657,500
Plus, fuel and maintenance savings (estimated)	<u>\$ 225,000</u>
Total Annual Savings	\$1,882,500
Savings, One time disposal- 500 units @ \$1,500	<u>\$ 750,000</u>
Projected Total Benefits - Savings:	\$2,632,500



## **Implementation**

Prior to implementing these recommendations, a complete diagnostic should be completed to determine:

- The cost incurred by the State by increasing private vehicle mileage reimbursement
- Take Home Vehicle Policy modifications
- A standard minimum vehicle usage policy and enforcement authority
- The number of motor vehicles that can be eliminated as a result of FTE reductions from Project SLIM.

## **DOA FLEET MAINTENANCE CONTROL**

### **Current Situation**

One of the DOA Office of Fleet Management's missions is to control vehicle maintenance. However, A.R.S § 41-803 has resulted in the evolution of two motor vehicle fleet management programs. One fleet management program is centralized and operated by the DOA Office of Fleet Management, while the other is decentralized and operated by each of the statutorily exempt agencies or departments. The exempt motor vehicle fleets utilize private maintenance and repair shops, in addition to the DOA maintenance/repair shop. ADOT currently operates sixteen maintenance/repair shops statewide; and DES has one maintenance/repair shop. Only three of the State motor vehicles reviewed have computer software to track and monitor vehicle maintenance and repair costs (see Exhibit 21, Sample Survey of State Agency Vehicle Fleet).

Overall, State vehicle users rated DOA motor vehicle service from good to poor. The most common complaints were the amount of time required to accomplish repairs, car washes and acquiring a taxi vehicle. Vehicle service demands on DOA motor vehicle staff have reduced their ability to provide prompt maintenance and repair services.

### **Impact**

A review of the State's two motor vehicle fleet programs revealed the following maintenance and repair issues:

- The State's motor vehicle fleet management systems are fragmented, lack accountability and lack sufficient cost maintenance and repair controls
- Consistent standards of operation for motor vehicles in the form of policies and procedures for maintenance and repairs for the State's motor vehicle fleets do not exist
- Vehicle maintenance costs are not closely monitored by excluded agencies or departments; and private repair and maintenance vendors are frequently utilized with higher repair and maintenance costs

- Some state motor vehicle fleets retain and utilize vehicles over five years old, even though the vehicles' maintenance and repair costs have drastically increased and the vehicles' market values are zero
- A central source of data on maintenance and repairs costs for all state owned motor vehicle fleets does not exist
- Automated motor vehicle maintenance records are not maintained by each motor vehicle fleet (ie; DES, DOC and DEQ). Historical vehicle maintenance records for each vehicle are not tracked or collected by all motor vehicle fleets.

A small sample review of DOA Office of Fleet Management work orders/invoices on light duty vehicles over ten years from one exempt motor vehicle fleet was conducted. In FY 1990-91, DES averaged \$1,719 in repair costs per vehicle, in addition to paying DOA fleet management a daily rate of \$2.00 to \$8.25 per day plus mileage. According to DOA records and information from the DES Fixed Asset Unit, approximately 60 percent of 622 light duty vehicles in the DES motor vehicle fleet are five years or older. Motor vehicle repair and maintenance costs increase drastically after five years (see Appendix E, DOA Fleet Management Work Order/Invoices).

622 DES Vehicles X .60 = 373 vehicles five years or older

(Assuming that 60% of the DES Fleet statewide is five or more years old)

\$1,719 X 373 total vehicles five years or older = \$641,187/year

- Total average annual repair costs to DES = \$641,187

Routine service costs (oil change, filter, lubrication and general check of safety items) are reported to be \$18.00 at DOA and an estimated \$26.00 under a recent DOA "pilot project" with a private contractor. There is some variation in reported costs and it is unclear how often outside vendors are used. The existence of several chains offering lube, oil/filter changes and tune-up services may make it possible for the State to contract for these routine services at a significantly reduced cost and in areas where State motor vehicle facilities are non-existent or difficult to access.

## **Recommendation**

We recommend the following modifications:

- Establish a mechanism for controlling maintenance and repair costs by establishing (including restricting the use of private maintenance and repair vendors)
- Hiring one experienced Fleet Management Coordinator to oversee and coordinate both motor vehicle fleet systems
- Establish a Local Area Network between the two fleet management systems which includes the automation of all motor vehicle maintenance records
- Establish an Interagency Service Agreement (ISA) between DOA and ADOT to improve the coordination, management, maintenance and repairs of all state light duty motor vehicle fleets
- Develop standardized maintenance and repair policies and procedures for all Motor Vehicle Fleets.

## **Benefits**

As demonstrated in the examples referenced in the Impact Section of this report, lack of coordination and controls within the State's motor vehicle fleets have resulted in unnecessary maintenance and repair costs.

- A Fleet Management Coordinator will provide management oversight to the two fleet systems and decrease vehicle maintenance and repair costs through compliance auditing; and improve accountability by establishing standard policies and procedures for maintenance and repairs
- Fleet Management Software and a Local Area Network linking all state motor vehicle fleets will improve cost controls, reduce or eliminate manual maintenance recordkeeping and improve tracking of repair to assist in determining when it more cost effective to dispose of vehicles

- An ISA between DOA and DOT would link the two fleets; encourage joint planning; and coordinate maintenance and repair service delivery statewide.
- Based on calculations above, a conservative savings in excess of \$641,000 per year can be gained by eliminating aged vehicles, thus the need for excessive maintenance. These figures represent one agency only.

### **Implementation**

The recommendations above are based on a brief review of the State's Motor Vehicle Fleets Maintenance and Repair practices and does not include a review of all State motor vehicle fleets. Prior to implementing changes, a complete diagnostic should be completed to determine :

- Fleet maintenance and repair requirements and specifications
- Duties and responsibilities to be assigned to a Fleet Management Coordinator
- Statute change requirements
- Cost benefit of utilizing private vendors for all State light duty vehicle maintenance and repairs
- Cost associated with acquiring fleet maintenance software and installing a Local Area Network System.

## SAMPLE SURVEY OF STATE AGENCY VEHICLE FLEET

AGENCY	NO. LIGHT DUTY VEHICLES	DOA PURCHASED	AGENCY PURCHASED	VEHICLE TYPE	FLEET MGR.	NO. TAKE HOME VEHICLES	AUTOMATED FLEET MAINTENANCE RECORDS	MAINTENANCE SHOP PRIVATE / DOA
DOA	1,280	ALL	N/A	963 Extended & 317 Taxi	YES	N/A	YES	DOA
DES	622	(270) PARTIAL	(352) PARTIAL	45 Extended & 225 Taxi	NO	Unknown	NO	NONE- Utilize Private & DOA
ADOT	1,110	ALL	N/A	1010 Extended & 100 Taxi	YES	24	YES	ADOT operates 16 maintenance shops
ADC	684	ALL	Specialty Vehicles	684 Extended No Taxi	YES	48	NO	ADC maintenance shop at each institution
DEQ	122	(46) PARTIAL	(76) PARTIAL	55 Extended & 30 Taxi*	NO	5	NO	NONE- Utilize Private & DOA
SLD	26	ALL	N/A	26 Extended & 1 Taxi	NO	0	NO	DOA & SLD
G & F	350	NONE	ALL	NONE	YES	250	YES	G & F and ADOT maintenance shops

\* Includes 14 Taxi Dispatched Vehicles permanently assigned to DEQ.

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EXHIBIT 21

## **MOTOR VEHICLE FUEL COSTS**

### **Current Situation**

A major component of the operating costs is fuel. Not all State motor vehicle facilities are conveniently located and the staffing required at those sites results in additional expense, which partially offsets the savings per gallon price.

In several locations State vehicles are serviced from State pumps and gasoline supplies. By buying in bulk, the State realizes considerable savings with gasoline prices reported as low as \$0.85 per gallon. Policies differ throughout State service. Many agencies' policies allow private vendor fueling of vehicles resulting in considerably higher costs which are currently nearly \$1.20 per gallon, and seldom below \$1.05 per gallon. It is clear, that savings in fuel would range from a low of \$0.20 per gallon to perhaps as much as \$0.35 per gallon. When priced against mileage driven, substantial savings can be realized. For example, ADC vehicles are driven approximately 15 million miles per year.

### **Impact**

In order to closely estimate the extent of "outside" fuel purchases, DOA was asked to supply information as to the extent of the use of "non-State" fuel. The average monthly charges were reported to be \$35,400.00 for 33,700 gallons, equalling \$1.05 per gallon. However, other agencies may experience similar levels of outside fuel purchase. By excluding these two agencies, it might be fair to say that perhaps one-half of the total State fleet are fueled at least part of the time by outside vendors.

Unauthorized purchases of full-service fuel, expensive car washes, and unrelated items such as candy bars and soft drinks has resulted in charges to the State to date of \$10,358. When these unauthorized charges are audited by DOA, they are billed back to the agency. The credit card misuse is estimated to cost the State \$15,000 annually. While not a major amount, the savings should be added to those realized by providing State fuel, since the opportunity for credit card abuse would be eliminated.

### **Recommendation**

We recommend the implementation of a Cardlock system. This is a well developed, researched and virtually trouble free system dispensing fuel with the use of a card, which, when inserted into the pump,

enables the user to fuel the vehicle. Records are automatically kept and it certainly provides a means of identification of the individual fueling the vehicle, the number of gallons dispensed, the date, time and location. This is a relatively inexpensive procedure to set up and our research indicates that an automatic fuel dispensing facility can be constructed at a relatively modest cost. It is recognized that cardlock fueling systems cannot be economically installed in approximately 130 fuel sites state-wide, however, it is our recommendation that this system be installed at five major use locations, such as: DOA and ADOT Phoenix facilities, Tucson, Mesa and Flagstaff. It is further recommended that as new pumps and tanks are installed in compliance with Federal Environmental Regulations effective in 1993, the Cardlock system will be expanded.

Operating costs can be reduced to some extent by requiring the maximum possible use of State fuel facilities, with savings of between \$0.20 and \$0.35 per gallon in fuel costs. While not always possible due to remote locations, ADOT, DPS and ADC facilities should be made available to fuel all State vehicles possible.

The light duty vehicles, considered in this study, would generally be fueled with unleaded gasoline and a lesser number with diesel. To allow for both types of fuel, it would be necessary to set up a dispensing facility with two storage tanks, perhaps of 10,000 and 5,000 gallon capacity and either two single head dispensers or one double head dispenser for the two types of fuel. Costs have been assembled for the completion of such a system, assuming there is no storage capacity in any location where it might be placed. The following is a listing of the costs, in place, of the various components to implement a Cardlock dispensing system.

Computer System with modem	\$ 2,500.00
Pump controller	1,400.00
Two, single head dispensers	3,400.00
One card reader	<u>2,000.00</u>
Total	\$9,300.00

Total estimated installation costs for five sites:  $\$9,300 \times 5 = \$46,500$

As we have noted, this does not include land costs, on the theory that there are substantial State holdings which could be utilized for the placement of these facilities. In addition, a majority of these costs would not be incurred if storage for fuel were already located on the site. Consequently, the major portion of these costs would be eliminated and the entire system could be in place, utilizing existing storage tanks

for approximately \$18,000.00 per location. Considering the vast amounts of gasoline purchased by the State and its employees, it is believed that this is a cost measure which would result in significant savings.

We further recommend imprinting credit cards with "self serve only" and "vehicle related purchases only." Charge employees for unauthorized purchases.

**Benefits**

Based on a DOA fleet of 1,280 light duty vehicles, the average per vehicle would be:

$$33,700 \text{ gallons} \div 1,280 \text{ vehicles} = 26.3 \text{ gallons}$$

If applied to an estimated 3,000 vehicles, this suggests a total of:

$$\begin{array}{r} 3,000 \text{ vehicles} \times 26.3 \text{ gallons} = 78,900 \text{ gallons} \\ \times 12 \text{ months} \qquad \qquad \qquad \underline{12} \\ \text{Annual gallon purchases} \qquad \qquad \qquad 946,800 \text{ gallons} \end{array}$$

If a savings of \$0.20 per gallon could be achieved, this would result in an annual savings of:

$$946,800 \text{ gallons} \times \$0.20 = \$189,360.00$$

**Implementation**

Prior to implementing changes, a complete diagnostic should be completed to determine:

- Economic impact of installing a Cardlock system at state motor vehicle fleet facilities
- Identify costs associated with credit card modifications

## PROCUREMENT AND MOTOR VEHICLES

### Current Situation

Procurement covers a variety of subjects ranging from the purchase of maintenance supplies, such as tires, oil filters and lubricants to the purchase of entire fleets of vehicles. There is little uniformity in State procurement policy. Our research suggests that some agencies are charged with the responsibility of selecting and purchasing their own vehicles with State funds. These vehicles are sometimes transferred to the DOA fleet and then leased back to the agency. In essence, the agency is arranging for the purchase of the vehicle. Currently, statutorily exempt agencies are purchasing motor vehicles through DOA or directly from auto dealers. Generally, motor vehicle fleets have purchased sedans, light pick-up trucks and 4x4 trucks.

Our brief analysis has also revealed some agencies purchasing vehicles outside the contracts, as demonstrated in the following examples:

Two DEQ Purchase Orders for light duty motor vehicles directly purchased from two local auto dealers revealed the following:

1. A 1991 S-15 Pickup with an extended cab was purchased outside the state contract for \$16,891.74. The same light duty vehicle would have cost the state \$3,000 less if DEQ used the state purchasing contract with DOA.
  2. A 1991 Chevrolet Silverado Suburban – 1/2 Ton vehicle was purchased outside of the state purchasing contract for \$24,570.54. The same light duty vehicle would have cost the state \$8,000 less if DEQ used the state purchasing contract with DOA.
- Total dollars overspent by DEQ = \$11,000 (see Appendix F, DEQ Purchase Orders).

### Impact

A variety of vehicle makes and models can be found in the States' motor vehicle fleets, including some with luxury options. Without further study, the number of luxury vehicles purchased by the State of Arizona cannot be determined. Vehicles purchased by State agencies are not always purchased at the lowest possible price.

### **Recommendation**

**We recommend a single source and centralized method of purchasing motor vehicles.**

### **Benefits**

**It is likely that some lowering of purchase price could be achieved. Agencies could make vehicular needs known to this central source, which would then arrange for the purchase or transfer from the pool or other agency, of the required vehicle.**

**This would make maximum use of the State's buying power and provide the means to exercise some control over the total numbers purchased. Computer software will assist motor vehicle fleets in closely monitoring and regulating vehicle needs with vehicle supply and eliminate a surplus of vehicles at one agency and a shortage at another.**

**A central purchasing source can easily keep track of individual vehicles and arrange for timely disposal based on age, mileage or a combination of the two. In addition, responsibility for maintenance can be fixed, either to the agency, many of which have the necessary facilities, or to DOA. This would assure timely preventive maintenance procedures as well as economical repairs.**

**Specifications could be easily prepared regarding the size, weight, accessories and other characteristics of vehicles and bids issued for the purchase of whatever number of vehicle would be anticipated for the year. Assuming a State fleet of some 5,000 and a five-year life, it is clear that it would result in the purchase of about 1,000 new vehicles per year. Our research suggests that substantial savings in unit price could be achieved if there were some uniformity in specifications for as many as 1,000 vehicles.**

**It should also be noted that there is a significant number of 4x4's included in the State's inventory. While 4x4's or pick-ups, for example, would be very useful to those engaged in range management and to the Game and Fish Department for law enforcement, it is less clear why so many are never driven off the pavement. Since the cost of acquisition and operation of 4x4's is significantly higher than more conventional vehicles, those requesting such vehicles should be forced to clearly demonstrate the need and justify the expense.**

## **Implementation**

Prior to implementing changes, a complete diagnostic should be completed to determine:

- Procurement code changes required
- Fleet Management software and hardware required to centralize purchasing and controls
- Methods for standardizing the types of State motor vehicles purchased
- Methods for holding agencies and employees accountable for vehicle cost higher than the DOA motor vehicle purchasing contract.

## PRINT SHOPS

### Current Situation

**Overview:** There are nine printing shops operating within the various departments in State Government. In addition, some departments have large high-speed copiers to help meet their printing needs. Current production, excluding private sector contracted printing services is approximately 204.5 million impressions as of March 1, 1992 (see Exhibit 22, Statewide Printing -- Current Annual Production)

**Funding:** There are three methods used to fund these operations: Appropriated funds, Revolving Fund (Cost recovery only) and a Revolving Fund permitting the shop to make a profit. These revolving fund activities compete with the private sector for contracts. Normally, those operations fully funded by appropriated funds are not available for "outside work".

**Printing Expenditures:** For the period July 1, 1991 to May 1, 1992 the State has spent \$5,153,745 for printing services. (Source: Report #CS4010-16-P Statewide Expenditure by Fund). Seven departments were surveyed to collect year-to-date expenditures for "outside" printing services, which amounted to \$1,674,784, (see Exhibit 23, Survey of Expenditures for Outside Printing Services). Annualized, these amounts are approximately \$2 million and \$6 million. This clearly shows a trend toward utilizing outside contractors for general, as well as special printing work. In addition, the State has spent \$898,867 for print-related work such as Binding, Quick Copy, Photography, and "other printing and photo" categories.

Note that the outside purchase of printing services spent by the seven departments accounted for approximately one third of all printing services both in state facilities and commercial print shops.

**Equipment:** Exhibit 24, Printing Resources displays a breakdown of the various types of printing and bindery equipment and staffing located in the Phoenix area. The resources exist to respond to almost any need that could be foreseen, but because of the dispersal of these resources, there are limitations placed on the State's ability to meet current printing demands.

**Capacity:** Since all the shops sampled, except for Arizona Correctional Industries, operate on a 40-hour week, production potential is limited to about one-third of the actual capacity, which oftentimes results in unusually long delivery times as well as uneconomical utilization of equipment potential.

**Staffing:** At present there are 143.8 FTE's assigned to printing services of which 74 are inmates at the ACI Operations at Perryville.

**Quality of Service:** Discussions with users regarding the reasons for contracting printing services to private-sector operators revealed several factors in the service levels of State facilities:

- For jobs more complex than routine "flat-line" single color printing jobs, State printing (DOA and ACI) was in general more expensive than the private sector bidders (see Exhibit 25, Flat Line Printing Cost & Delivery Study).
- Turn-around, or delivery time was shorter for Private Sector contractors. Getting on-time delivery from DOA and ACI was seen as a major problem (see Exhibit 25, Flat Line Printing Cost & Delivery Study).
- State Facilities were unable to meet the RFP specifications in many instances.
- In the opinion of users, the State-produced work was of lesser quality, containing errors and requiring rework. This, however, relates to the occasional job, and the user did not consider this to be a factor in 95% of the work done by DOA or ACI.

The most consistent and important reasons given for utilizing private sector operators were cost, turn-around, and capability, in that order.

**Printing Plant Layout:** Except for the facility at ACI-Perryville, the shops were not assigned space that was conducive to efficient plant layout, resulting in fragmented work flows and bottlenecks, especially in bindery operations.

**Production Management:**

There was no one technique used to evaluate output. In the printing industry the normal unit of measurement is the "impression" which is defined as the number of times a piece of paper passes through a press. DES measures an impression as the number of times a piece of paper passes through a press, times the "number up," meaning that a large piece of paper with four pages printed thereon is counted as four impressions. This is a confusing practice which could seem to inflate production figures, and affect

costs. A specialized shop, such as ADOT measures its work in the number of "square feet" copied, since a large amount of its product consists of blueprints measuring (for example) 20x30 inches. Other shops such as DOA and DOE measure impressions in the standard fashion. Quick copy is measured in the number of copies produced (two-sided is counted as two copies).

DOA has a computer software program which they employ to produce estimates, calculate materials needed and track job progress, as well as allocate costs. This program would be a valuable adjunct to the pricing, estimating and production control function of all print shops.

Quick Copy: Many of the departments possess large Xerox copy machines capable of rapid printing and binding. In some cases, these machines are used in lieu of a duplicator or offset press. Except for DOA, and ACI, these machines are utilized for smaller in-house jobs, the larger and multi-color jobs being let out to bid. There are approximately 21 such machines within the State organization.

Work Breakdown: A study of the various generic kinds of printing jobs in the various print shops is included in Exhibit 26, Job Breakdowns. As can be seen, this closely parallels work done in large commercial print shops.

### Impact

- The printing resources owned by the State are scattered among the several departments. As a result, there are many printing jobs that cannot be done by any one shop
- Production, accounting, and measurement procedures vary widely between shops
- The production potential of any one shop is limited by its hours of operation, generally a 40-hour week
- Space is inadequate to provide for an efficient work process, resulting in inefficiency, and producing bottlenecks, especially in the Bindery operation
- Expressed customer dissatisfaction with cost, timeliness, and quality is evident, resulting in their use of private sector services whenever possible
- "Markups" in DOA and ACI differ widely, thus affecting the cost to the user.

## Recommendations

- Initially combine staff and equipment from DES, DOA, Department of Commerce, ACI, and Registrar of Contractors into two printing facilities. Coordinate production capacity with DOE to determine total State requirements. Review the possibility of consolidating DOE with the centralized unit at a later date. Locate one facility in the Capitol Mall area, and the ACI facility remains as is at the Perryville Correctional Facility location. Leave Quick Copy Centers as is. Place the management of the consolidated Print shop under DOA in place
- Select or build a facility that will permit an effective and efficient plant layout for the Capitol Mall operation. Vacant or nearly vacant State-owned buildings such as 1300 W. Washington could be evaluated as appropriate for this purpose
- Establish at the outset, a two-shift operation with normal two-three day turnaround, and improved equipment utilization
- Because the identified problems in quality, reliability pricing and timeliness point toward management problems, the State must be sure that a strong proven management staff is selected to operate the consolidated facility. The State may consider the concept of contracting for this service at the outset of the program, phasing into a management team hired on the State payroll
- Standardize procedures, costing methods, and measurement techniques throughout all state printing facilities
- Establish standards for quality and service
- Establish the program on a "Cost Recovery Only" Revolving Fund basis with no pricing markups
- Establish and conduct a Publicity/Information campaign to inform departments and employees of available services
- Conduct routine comparative cost studies (at least quarterly) to remain competitive assuring lower cost printing services.

## **Benefits**

- A full-service publishing activity will be established that can meet the needs of 90% of the State printing requirements
- Establishing a consolidated printing activity will provide faster, more efficient and higher quality services with less overall cost.
- A savings of 13%\* on 90% of current "outside" expenditures can be realized at a total dollar savings of \$234,000, by using State facilities on a cost-recovery basis

\* Average Private Sector Markup, Source: Franklin's Estimating Systems

- A reduction of approximately 12 positions if the consolidated print shop is operated on two shifts

- The following is a breakdown of staffing and savings potential:

-- Current assigned, DOA, DOE, DES, ROC	47
-- Proposed Staffing for Consolidated Print Shop (see Exhibit 27, Proposed Organization)	35
-- Position savings	12
-- Dollar Value*	\$240,000
-- (Median Salary of \$16,000 and 25% ERE)	

- Note that the facility at ACI will remain as is with five FTEs and 74 inmate employees.

## **Implementation**

- Confirm current equipment inventory at private shops to be consolidated
- Assess current condition of equipment
- Configure consolidated print shop
- Research and acquire facility for shop

- **Contract for relocation**
- **Relocate**
- **Establish quality and service objectives, general privacy specifications and promotional materials for distribution.**

STATEWIDE PRINTING  
CURRENT ANNUAL PRODUCTION

EXHIBIT 22

DEPARTMENT	CURRENT ANNUAL PRODUCTION		
DES	62	Million	*
DOA	26	Million	*
ACI	26	Million	
ADOE	21	Million	
Registrar of Contractors	7	Million	
State Comp Fund	7	Million	
G & F	4.5	Million	
ADOT	45	Million	**
DPS	6	Million	

\* Measured in "impressions" NOTE: Figures are not reliable due to differences in work measurement techniques.

\*\* Unique to ADOT.

**Survey of Expenditures for "Outside" Printing Services**

**EXHIBIT 23**

7/1/91 through 4/30/92

As of: 5/1/92

<u>Agency</u>	<u>Amount</u>	
Department of Economic Security	407,044	
Department of Revenue	596,116	
Department of Health Services	216,721	
AHCCCS	155,107	
Department of Commerce	158,873	
Department of Environmental Quality	15,000	
Game and Fish Department	125,923	
		<u>Annualized</u>
10 Month TOTAL - Commercial Vendors	1,647,784	\$ 1,977,340
10 Month TOTAL - Statewide *	5,153,745	\$ 6,184,449

\* Includes all State agencies - for all printing services provided by internal or external resources.

Printing Resources

EXHIBIT 24

ORGANIZATION	DOA	ACI	DES	DOE	ADOT	SCF	DPS	ROC	G & F	AHCCCS	TOTAL
STAFF (FTE)	20	5	12	13	14	4	2.5	2	2	4	78.5
<b>A. Presses:</b>											
High Speed Roll-fed		3									3
Cut Sheet Fed		4	2	1		1			1		9
<b>B. Offset Duplications</b>											
	6	5	3	4	5	3	2	1	1		30
<b>C. Quick Copy</b>											
	2	3	4	3	2		1				15
<b>D. Bindery Equipment</b>											
Cutter	2	2	2	2	1	2	1	1	1		14
Collater	4	2	1	2	1	1	1	1	1		14
Jogger	3	3	2	1		1					10
Drill	3	2	2	2	2	2	1				14
Stitcher	2	6	2	1	3		1	1			16
Folder	3	3	1	4	2		2	1	1		17
Spiral Punch/Binder	2	1		4			1				8
Velo Binder	2						1				3
"Perfect" Binder	1								1		2
Shrink Wrapper	1	1					1				3
Padder-Fan Apart	2	1			1	1	1				6
Pad Gluer	1						1				2
Perforator		1		1							2
Stapler	1					1					2

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ACI STAFF 5 State Employees  
74 Inmates (varies)

## FLAT LINE PRINTING COST & DELIVERY STUDY

EXHIBIT 25

Vendor	Delivery Turnaround	8.5 X 11 14 Sheets Collated 2-Sided, Stapled 300 Copies	8.5 X 11 18 Sheets, Collated 1 Side, Stapled 1,000 Copies	8.5 X 11 Forms 1 Side 800 Copies	8.5 X 11 Continuous Forms 3 Part Carbonless 5,000 Copies
Affiliated Lithographers	7 days *	N/A	\$ 1,049.00	N/A	\$ 850.00
Alphagraphics	7 days *	285.00	2,200.00	128.00	No Bid
Century Graphics	4 days *	317.00	1,219.00	299.00	No Bid
Quick Copy Inc.	2-3 days *	267.00	1,210.00	48.00	No Bid
Signal Graphics	7 days *	370.00	1,100.00	48.00	No Bid
DOA Printing (IAP)	7-10 days	235.00	821.00	38.00	No Bid
ACI Printing	7-14 days	255.00	910.00	46.00	392.00
Moore Business Forms	7 days *			57.00	525.00
Kinko Copies				48.00	No Bid
MR Printer		337.00	845.00		

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\* Surcharge for "priority" service

\*\* ADOT cost only - funded through appropriated funds

NOTE: Prices do not include sales tax where applicable

# JOB BREAKDOWN (APPROXIMATE)

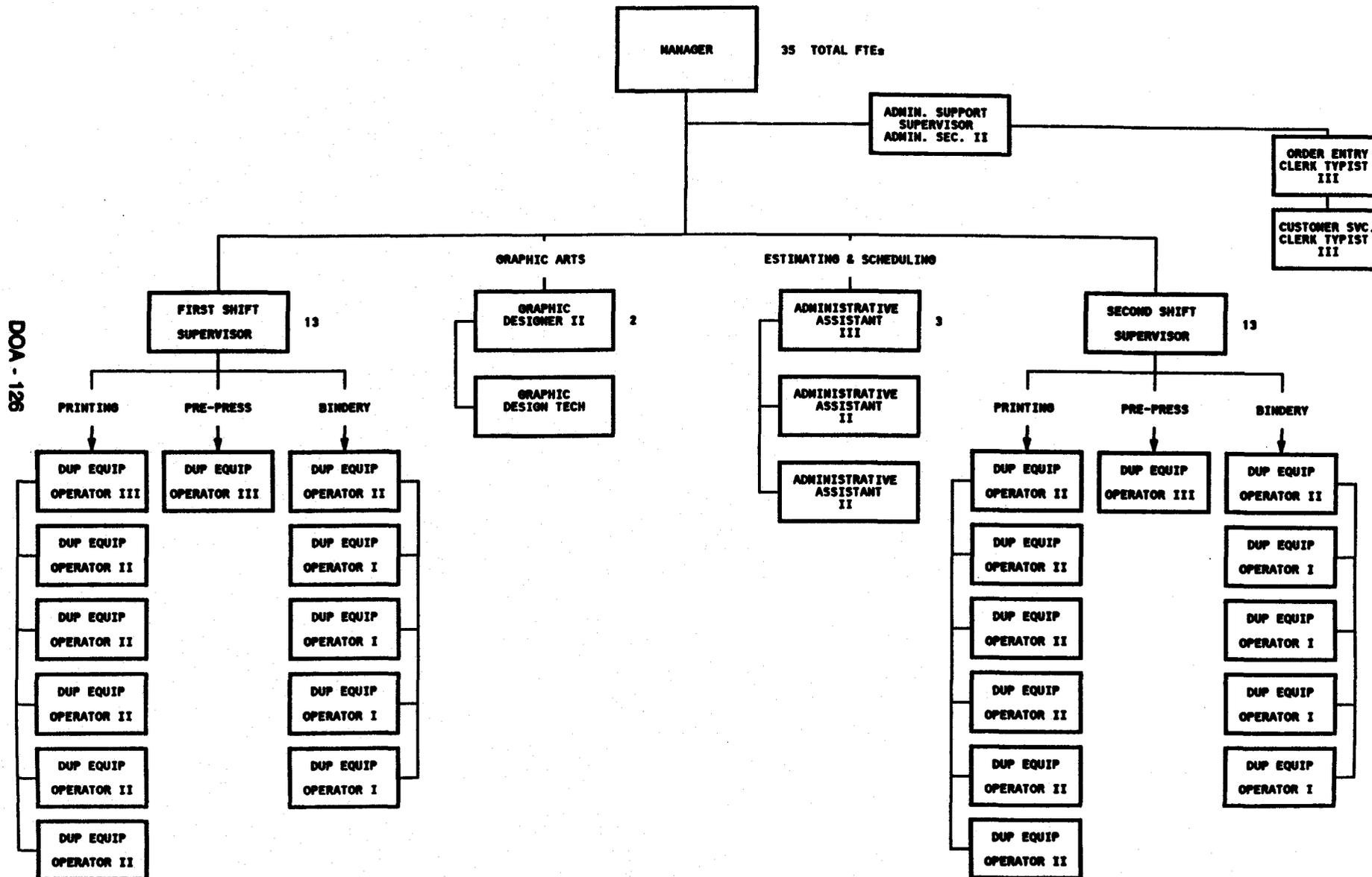
EXHIBIT 26

	Other	ACI	DOA	DES	DOE
Flat Work 1 Color, 1 Side	70% *	20%	60% *	25%	60% *
Flat Work 1 Color, 2 Sides	incl.	13%	incl.	incl.	incl.
Flat Work 2 Color, 1 or 2 Sides	8%	5%	13%	5%	15%
Booklets, Manuals, Reports	20%	5%	10%	35%	20%
Four Color Process	1%	5%	2%	NR	NR
Carbonless Forms, Cut Sheets	1%	50%	incl.	35%	5%
Continuous Forms (NCR & Single Part)	-	2%	N/A	N/A	N/A
Business Cards, Envelopes, Misc.	-	-	1500%		N/A

\* Includes Quick Copy

DEPARTMENT OF ADMINISTRATION  
 CONSOLIDATED PRINTSHOP  
 PROPOSED ORGANIZATIONAL STRUCTURE

EXHIBIT 27



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## **CENTRALIZATION OF STATEWIDE LEASING**

### **Current Situation**

Section 41-792 of the Arizona Revised Statutes requires that all leases proposed by state agencies for privately owned office space must be approved by the Director of the Department of Administration. This approval process has been delegated to the Facilities Management Division.

As of April 1, 1992 there were 272 state agency private sector office leases totaling 1,956,644 square feet with a total annual lease value of \$21,710,778.

Agencies wishing to enter into a lease for privately owned office space, currently:

- Determine the need and specifications for the space
- Negotiate the terms and conditions of the lease
- Draft the lease document and obtain the appropriate agency level approvals
- Submit the lease to DOA Facilities Management Division for approval.

The Fiscal/Lease Management unit of the Facilities Management Division and the office of the Attorney General reviews each lease prior to submission to the DOA Director for approval. The review encompasses the following areas:

- Terms and conditions of the lease
- Use of standard verbiage of the lease
- Verification that the maximum square footage per employee is not surpassed
- The reasonableness of any escalation clauses that may be included in the lease terms
- A determination whether tenant improvements are in excess of normal "Building Standard Tenant Improvements."

- A determination whether the cost per square foot is in line with the rate established by the lease cost review board
- A determination whether the rate established is in line with other leases in the same geographic area and for the type of lease being entered into.

The Administrative Services Offices in charge of the Fiscal/Lease Management unit of Facilities Management reported that approximately 30% of the leases submitted require follow-up with the agency for additional information, questions regarding cost, square footage, and justification for the space. Examples of problems uncovered during the review are as follows:

- Rates per square foot that are in excess of both the average rate as determined by the Lease Cost Review Board and the current market rate for the geographic area and type of lease
- Square Footage per employee in excess of the recommended 217 square feet per employee
- Tenant improvements that have been negotiated with the lessor that are in excess of "Building Standards Tenant Improvements." These costs are initially paid for by the lessor and amortized over the life of the lease and included as part of the square foot cost. Examples of these unnecessary improvements are:
  - Upgraded partitions
  - Upgraded flooring and carpeting
  - Inclusion of wall and window coverings as tenant improvements
  - Inclusion of work stations and other furniture as tenant improvements
- First year free rent used to reduce the cost per square foot to stay within the recommended rate or market rate

- The inclusion of square footage provided free of charge to the lessee for a certain number of days a month, that has been included in the cost per square foot in order to reduce the cost to within the recommended rate or current market rate

### **Impact**

The review of leases performed by the Facilities Division is a review solely of the lease document itself. The Division is not involved in negotiations with lessors/brokers and therefore cannot be aware of all the "unfavorable" negotiated terms of the lease based on a review of the lease document alone. The Fiscal/Lease Management Supervisor responsible for the review of the leases stated that because they are not involved with negotiations there are leases that are entered into that are higher cost than necessary, more square footage than necessary, or both. It was estimated that both the square feet leased and cost per square foot is on average five percent higher than needed.

### **Recommendation**

We recommend that the leasing of state agency office leases be centralized under the Facilities Management Division of the Department of Administration. We recommend that a "Leasing Unit" be created as part of the Facilities Management Division. This unit would be comprised of existing state employees with real estate knowledge and backgrounds that are currently involved in leasing activities for various state agencies. In addition, these state employees would utilize the expertise and local market knowledge of several Commercial Real Estate Brokers that are selected via RFP.

The process for agencies to request additional office space, (both leased and state owned) should be formalized as follows:

- A standardized request form should be used by agencies to request office space. The form should contain the following information:
  - Reason and justification for additional space
  - Location needed, and reason for location restrictions if any
  - Specifications for the space needed
  - Number of square feet
  - Number of FTEs that would occupy the space

The request form should be approved by the appropriate agency personnel and forwarded to the DOA Facilities Management Division Planning unit.

- The DOA Facilities Management Division Planning unit should then:
  - Review and analyze the request
  - Determine if the number of square feet requested is appropriate based on the proposed use of the space, and if the square footage falls within the guideline of 217 square feet per FTE.
  - Determine if there is potentially suitable office space available in DOA state office buildings and the reasonableness of the agencies location restrictions if applicable

If the Planning unit determines that there is not suitable space available in DOA state office buildings the request should be forwarded to the proposed "Leasing Unit" in order to find suitable private space to lease for the agency

- The proposed Leasing Unit will work with the agency and real estate brokers as necessary in order to find suitable space at the most reasonable rate.

In addition, we recommend that service and performance measurement standards be developed to ensure that prompt turnaround time and agency satisfaction are achieved for all requests for space by agencies.

#### **Benefit**

Centralization of leasing of private office space will provide the following benefits:

- Eliminate the need for renegotiations and follow-up thus providing faster service to the agencies
- Provide a central core of real estate expertise from which all state agencies can benefit
- Centrally control all requests for space in order to:

- Place agencies in state owned buildings when feasible, in order to eliminate private lease payments
- Combine agencies in larger leased offices where feasible, in order to negotiate a lower rate per square foot
- Reduce cost per square foot by controlling excessive tenant improvements through up front involvement in negotiations
- Reduce the number of employees involved statewide in leasing activities

Based on an estimated five percent reduction in both cost per square foot and the number of square feet leased the estimated savings from centralization of leasing activities is:

- 5% reduction in square feet leased -- \$1,086,000
  - Based on current total square footage of 1,956,644, and a resulting 5% reduction of 97,832 square feet and a lease rate of \$11.10 per foot
- 5% reduction in cost per square foot -- \$1,022,000
  - Based on a 5% reduction in the current average rate of \$11.10 per foot, or \$.55 per foot times 1,858,812 square feet (1,956,644 - 97,832)
- Total annual savings should approximate \$2,108,000.

### Implementation

The following represents key implementation steps:

- Conduct an analysis of the number of employees needed to perform the centralized function for DOA
- Perform an analysis of the number of FTE involved in leasing statewide

- **Identify and transfer the employees to be used for the centralized function**
- **Develop formal policies and procedures for the centralized leasing function**
- **Select the real estate brokers to be used through the RFP process**
- **Eliminate unnecessary positions currently involved in leasing.**

## **BUILDING INSPECTIONS**

### **Current Situation**

The Facilities Management Division is responsible for inspecting all buildings (or structures) in the DOA "building system" once every three years. These inspections are required by State law (section 41-793.01) and are performed by the Statutory unit of the Facilities Division. According to the 1990-1991 Inventory of State-Owned Buildings there are 3,187 buildings in the DOA building system.

The building inspectors complete a Building Maintenance Inspection Commentary form which is a checklist for the various components of a building that are to be inspected. Each component receives a good, fair, or poor rating by the inspector depending on the amount of maintenance or repairs that are required. Copies of the Building Maintenance Inspection Commentary form for each inspection performed are supplied to:

- Local maintenance personnel
- The agency facilities coordinator
- The Risk Management Division

In addition, one copy is filed at the Facilities Division. However the only follow-up performed by the Building Inspectors to ensure that the problems noted during the inspections are corrected by the agency is done at the next inspection which can be as much as three years later.

Building inspections are also performed by the Repair and Maintenance crews of agencies occupying or maintaining state owned buildings and structures outside the Capitol Mall. These inspections are conducted more frequently than the ones performed by Facilities Management. The results of these inspections are used in part to generate the annual building renewal requests. As an example, ADOT, DPS, DES, ADC, YTR, Parks, and Game and Fish utilize 2,650 (or 83%) of the 3,187 buildings in the DOA building system and perform inspections of their own. The Building Maintenance Office of the General Services Division of DOA performs inspections of buildings that they maintain in the Capitol Mall in Phoenix.

The Loss Control Unit of the Risk Management Division receives a copy of each Building Maintenance Inspection Commentary form. The unit is concerned primarily with safety issues that may be noted on the forms. A follow-up is performed by Loss Control only if the unit performs a "Loss Control Program Management Evaluation" of a State Agency. The evaluation deals primarily with safety and industrial hygiene

issues at the agency rather than facilities issues. Loss Control management reported that the safety issues are reviewed during their evaluations whether or not there are any noted by Facilities Management during their inspections.

#### **Impact**

There is a duplication of the inspection efforts made by the Statutory unit of the Facilities Management Division. In addition, the fact that the only follow-up by Facilities Management on the problems noted may not occur for up to three years undermines the purpose of the inspections and reduces their usefulness. Currently there are three State Building Inspectors performing these inspections in addition to other duties such as inspection of construction projects. Of these three Building Inspectors one FTE performs these building inspections.

#### **Recommendation**

We recommend that the building inspections performed by the Facilities Management Division be eliminated. These inspections although statutorily required are duplicated by personnel responsible for the maintenance of the building or structure. In cases where there is no such inspection performed, a periodic inspection of the premises should be performed by the maintenance personnel. To provide assurance that inspections are being performed, a statement should be included with the budget submission of the buildings that have been inspected.

#### **Benefits**

Implementation of this recommendation allows for the elimination of one State Building Inspector position for a savings of \$31,550 in salaries and ERE.

#### **Implementation**

- Amend A.R.S. 41-703.01 to eliminate the requirement to perform the inspections.
- Notify all agencies regarding the change to the statute and the new procedure to be followed during the annual budget cycle.

## Telecommunications Charges

### Current Situation

DOA through the Telecommunications Section of the Data Management Division provides telecommunications services to state agencies. DOA offers both PB and Centron service to agencies in the metropolitan Phoenix and Tucson areas. A PB is a private branch exchange having its own wiring and switching system. The Phoenix PB connects State office buildings on the capitol mall through wiring and equipment installed and maintained by DOA. A Centron system use lines and equipment supplied by public utilities to connect scattered offices to a common central exchange and switch. Both the PB and Centron systems can in turn be connected to long distance services.

DOA operates an in-state long distance network known as the Inter-Agency Telecommunications Network (ITN). This network provides unlimited toll free calling service to State agencies for a flat monthly rate.

Monthly line and equipment charges depend on the type of service and equipment provided. In addition to the basic service charges, DOA assesses a five dollar per line per month administrative fee on both PB and Centron service. DOA has also established a policy that all PB lines must subscribe and pay for ITN service. This was done to provide a large enough user base to support the service.

For PB subscribers the following charges in addition to basic service charges are applicable:

- Equipment rental
- Special features
  - Speed call
  - Call forwarding
  - Voice mail
- Toll charges

- Long distance
- Directory assistance

Centron subscriber charges are based on rates established by the public utility. Each Centron line is charged the following costs:

- Main station line charge
- Customer access line charge
- Network access channel charge
- Mileage between location and main station
- Equipment
- Special features
- Toll charges
- DOA common cost allocation of \$11.00 per month per line.

#### Assessment of Telephone Charges and Usage

A detailed assessment of telephone charges at the Department of Economic Security (DES) was performed by the DES SLIM Project Team. The purpose of the assessment was to determine the costs of the various types of service and equipment being used, and to identify patterns and provide specific examples. The information was also reviewed by:

- The DES Telecommunications Manager to gain his perspective on opportunities for cost reduction
- A retired telephone company executive with over 20 years of experience and knowledgeable in the government sector

- He estimated that a savings of 20% was easily achievable through better management of telephone services
- DOA Telecommunications staff for all discrepancies noted and conclusions that have been reached based on information supplied by DOA.

The following DOA documents and reports were reviewed:

- The March 1992 DOA telephone bill for DES
- DOA inventory of services and charges to the Agency

The review of these records revealed the following problems;

- Billing errors and inconsistencies
  - Different amounts charged for the same services and equipment
  - Billing for another agency's service
  - Charges for ITN service on lines listed as inactive by DES
  - Inconsistent line charges for Tucson PB and Centron
- Long Distance
  - Excessive long distance charges
  - Inconsistent charges for calls placed to the same number
  - Overlapping charges for calls placed to the same number
  - Longer calls to the same exchange costs less than a shorter one
  - Double billing of toll charges

- **Other Errors**
  - **Collect calls not correctly identified**
  - **Toll calls to 900 numbers**
  - **Inbound WATS line service not identified**
- **In WATS operator assisted charges of \$11,256**
  - **No detail provided to substantiate charges, eg. number of calls**
  - **Phoenix Centron Equipment charges with no supporting documentation**
- **Potential credit card misuse**
  - **One card showed 644 calls with charges of over \$425 for the billing period**
  - **Nine calls exceeded one hour in duration**
  - **The person listed on the card has not used it in over four years**
  - **Credit card with 905 calls and \$1,300 in charges**
- **Administrative charges**
  - **\$5.00 per line per month in addition to line and equipment charges**
  - **Administrative charges not consistently applied**
  - **Administrative charges not itemized on bills**
- **Variations in network access charges**

- DOA equipment rental charges
  - Not proportionate to the cost of the equipment

The above listing of problems revealed during the analysis was reviewed by an accountant in the DOA Finance Division who is responsible for the accounting for DOA telecommunications. He noted that the same problems are experienced by many agencies and he receives frequent complaints each month regarding these problems.

#### **Impact**

The cost of the voice telephone service supplied by DOA is excessive. Problems which were readily discernable from a single month review are not being identified or acted upon. Agencies are paying for ITN service they do not use. Costly toll services are used instead of lower cost ITN. Security and accountability for telephone credit cards is lacking. Agencies do not consistently or systematically scrutinize bills received.

#### **Recommendation**

We recommend that a comprehensive program be developed to decrease telephone charges statewide. This program should be a joint effort of both DOA Telecommunications and the agencies using DOA services. Key components of the program are as follows:

- Determining which services are needed at each location
- Selecting the most cost effective means of providing necessary services
- Auditing DOA services being used and billed
- Revise billing procedures to allow for the transfer of detail information to agencies via tape or disk
- Security and cost control through:

- Limiting access to nationwide and world wide calling
- Limit the number of ITN access lines
- Recover cost of unauthorized calls
- Establish control, security and monitoring for telephone credit cards
- Train employees in proper procedures
  - New employee orientation
  - Attach dialing instructions to phone sets
  - Include dialing instructions on flyers, and employee newspapers and newsletters
- Provide ITN access in locations with high instate toll charges
- Purchase or lease equipment as needed
  - Align monthly rates charged for DOA equipment with cost.

**Benefit**

Knowledgeable individuals in the telecommunications field who are familiar with the types of services provided and the capabilities of DOA have provided estimates of the potential savings. These estimates range from 20 percent to 50 percent. Based on DOA Telecommunications year to date revenue as of March 31, 1992 of \$9,123,060, annualized to \$12,164,000 and an estimated 30% savings, the total savings to the state would be approximately \$3.6 million. Approximately \$800,000 of this amount could be realized in DES and has been referenced in the DES report. The savings in addition to DES would be approximately \$2.8 million.

### **Implementation**

- **Develop a cost reduction program**
- **Develop training materials**
- **Develop audit programs**
- **Develop revised billing procedures**
- **Develop guidelines for determining the type of equipment needed by different employees**
- **Train employees in proper procedures**

## **DMD SUPPORT CENTER**

### **Current Situation**

The DMD Support Center provides the following functions to DOA Data Center (DOADC) customers:

- Training in Mainframe, Mini, and Microcomputer subjects
- Customer service and assistance
- Data system planning
- Forms and procedures design.

The Customer Service unit is responsible for:

- Providing planning assistance to smaller departments in developing three-year automation plans
- Coordinating interfaces between agencies
- Assisting in the development of cost-effective solutions to information systems problems
- Conducting a state-wide study of imaging standards
- Assisting agencies to define common needs
- Acting as a liaison between the Data Center and its customers.

This unit generally works with the agencies' executive and upper-level management personnel. One major project currently active is the development of a three-year automation plan for the State Department of Agriculture. There are currently six positions authorized with three vacancies.

The Systems Planning unit consists of one EDP Planning Analyst I and is responsible for:

- Phase I Approvals of departmental requests for hardware and software
- Assisting with the DOADC Automation plans
- Writing RFP's for major items of equipment
- Developing the Divisional Strategic plan.

The External Training unit contracts for and administers all training conducted by outside contractors, checks and verifies billing, conducts public information projects, and establishes training requirements and needs for Customer Training. Emphasis in this section is on Microcomputer Training. There are currently three positions authorized. Training is usually scheduled quarterly and provides 40 hours of scheduled training per week.

The Internal Training unit designs, develops, evaluates, and conducts training on state systems associated with mainframes. The unit is currently conducting statewide training on HRMS and AFIS II. This unit conducts the training using assigned personnel as trainers. The unit is running a full training schedule of 30 hours per week with allowance for instructor preparation, etc. There are currently three Training Officers and two Training Specialists (see Exhibit 28, DMD Support Center -- Present Organizational Structure).

### **Impact**

The DMD Support Center has widely diversified missions that do not coincide with its major mission of providing training support to its customers. In addition, there is one EDP project Leader assigned and funded by the Customer Service Unit that is on loan to the Business/Finance section and who is not listed on the organization chart.

### **Recommendations**

- Eliminate three vacant programmer/analyst III positions due to non utilization
- Reassign the "Customer Service Unit" to report directly to the DOADC Manager because the unit deals with relatively higher levels in agencies, and directly represents DMD administration

- Reassign the EDP Planning Analyst I position to report to the Executive Assistant, as functions belong to that level of administration
- Combine Internal and External training functions into one unit
- Eliminate the EDP Systems Programming Manager I and EDP Systems Project Manager and replace with Training Officer III
- Reassign Forms and Procedures Analyst III position to Systems and Programming Unit as functions are more appropriate to that section
- Formally create a "Training Center" with remaining personnel (see Exhibit 29, DMD Training Center – Proposed Organizational Structure).

#### **Benefits**

Implementation of this recommendation will result in:

- Cost avoidance of \$114,000 by elimination of three vacant Programmer Analyst III positions
- Cost reduction of \$112,000 by elimination of the Systems/Program Manager I and EDP Systems Project Management positions
- More effective utilization of personnel at appropriate staff levels.

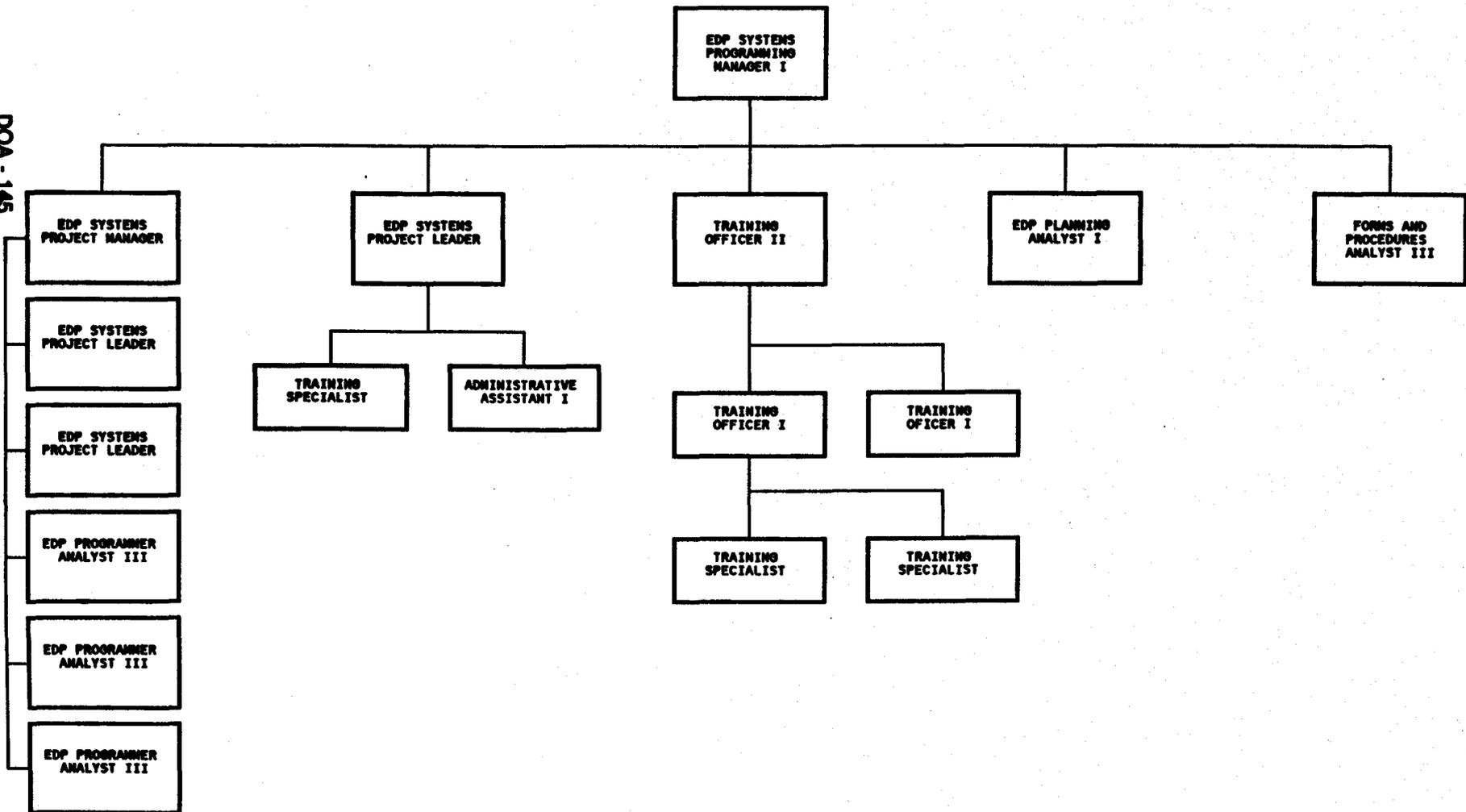
#### **Implementation**

- Write job descriptions for re-assigned personnel
- Reassign personnel as recommended.

**DATA MANAGEMENT DIVISION  
SUPPORT CENTER  
PRESENT ORGANIZATIONAL STRUCTURE**

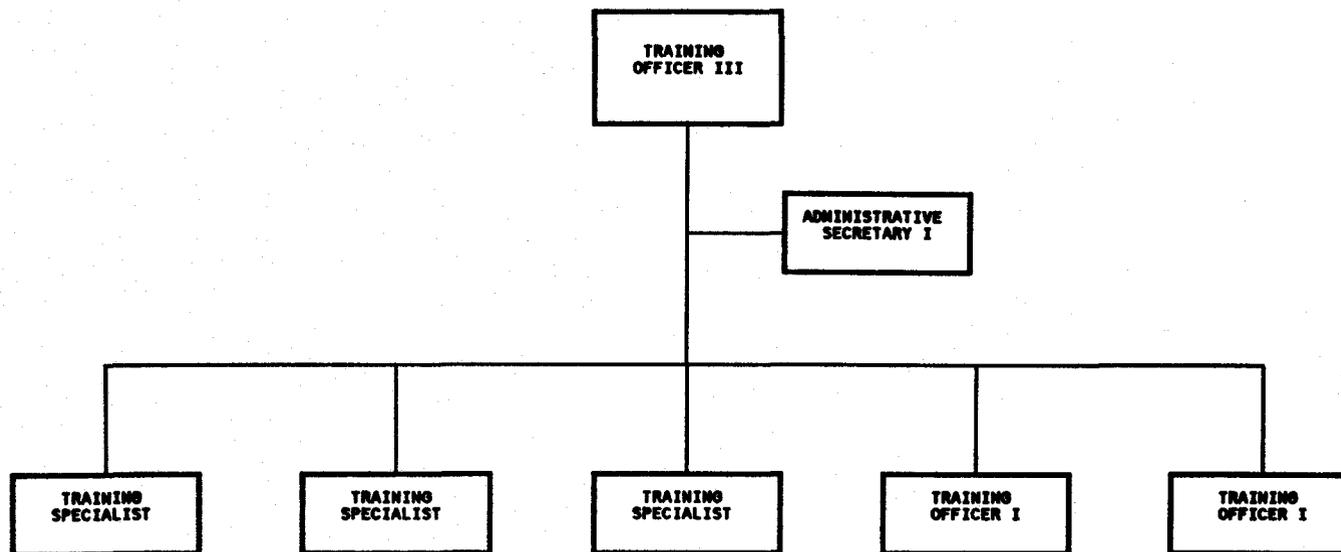
**EXHIBIT 28**

DOA - 145



**DATA MANAGEMENT DIVISION  
TRAINING CENTER  
PROPOSED ORGANIZATIONAL STRUCTURE**

**EXHIBIT 29**



DOA - 146

## **COMPUTER PROJECT DEVELOPMENT MODEL**

### **Current Situation**

Programmer/analysts engaged in System Development projects develop their own protocol for the programming/development processes according to planned "due-out" dates without a uniform system/procedure being established by Management for these activities.

### **Impact**

The assessment of individual and/or team progress and continuity is rendered difficult because of a lack of uniformity in the programming activity/process. In case of personnel turnover much time is liable to be spent establishing where the development process lies, along with the extent of its competition. Additionally, standards for evaluating performance and productivity vary between working groups.

### **Recommendations**

DOADC should establish a simple, cost effective program tracking methodology. Complex processes, such as CASE Tools, which are costly, complex, and add personnel and paperwork, should be avoided.

Each project should contain a thorough cost-benefit analysis as a part of its structure.

### **Benefits**

Implementing this recommendation would provide a universal project management system that would give management the necessary tool to manage and evaluate progress and assure efficiency. It also would improve on-time delivery rates, increasing customer satisfaction and service levels.

In addition, this would provide the virtual elimination of lost time that may occur in projects due to management's enhanced ability to assess progress and continuity of projects. Development time could be reduced as much as 10%, as productivity would be increased. Staff performance could also be evaluated more equitably, providing concrete morale and productivity improvements.

**Implementation**

- **Develop procedures for System Development projects**
- **Time frame - approximately 6 months.**

## EQUIPMENT/SOFTWARE ACQUISITION SYSTEM

### Current Situation

In accordance with DOA Rules all state agencies wishing to purchase computer hardware and software must go through DOA DMD to get approval to purchase. This takes place even though the equipment services and software requested are on the agency's approved 3 year Data Processing plan. This process can take up to one month, even though price approval has been secured through the approved agency plan.

### Impact

This procedure is redundant and time consuming. During the period January 1, 1990 - May 1, 1991, a study was made of the review requests submitted to DMD. The following outcomes were noted:

AMOUNT OF REQUEST	NUMBER	% OF TOTAL
LESS THAN \$10,000	539	67
\$10,000 - 25,000	125	16
\$25,000 - 50,000	58	7
\$50,000 - 100,000	37	5
OVER 100,000	44	5

Of the total dollar value of the approval requests (\$25,335,527) those requests of less than \$25,000 were 17% of the total dollar amount, but account for 83% of the requests.

Since the requests are already in the approved three year plans submitted by the agencies, this approval process is unnecessary. The process requires an average of 3.5 hours per request, or 2,880 hours for the 803 requests. This workload is was split between two people, but is handled by only one person as of March 1992. Approximately .5 FTE was dedicated to the reviews of requests of \$25,000 and under.

### **Recommendations**

We recommend the elimination of the review process for purchases that have been included on the agencies approved three year plan and are \$25,000 or less.

### **Benefits**

Permits the individual(s) now working on this process to devote their time to statewide planning, RFP's and other duties. More importantly, overall purchasing processing time would be reduced by one to three weeks per request, resulting in increased administrative responsiveness.

### **Implementation**

- Change DOA Rule R2-1-505 to reflect the change in the approval process
- Communicate the rule change and revised procedure to all agencies.

## **DATA MANAGEMENT ORGANIZATION**

### **Current Situation**

The Data Management Division is funded through the Automation Revolving Fund, and is fundamentally a self-contained organization that sells services to State Agencies. The current organization is essentially a Service Bureau and Telephone Company operating with a select clientele. Another Division, Information Systems and Planning (ISP) is an "appropriated fund" agency operating under the direction of the DOA Deputy Director with components regarded as duplicating those of DMD. The function of ISP is to plan, develop and support effective and efficient information systems and services for the Department Of Administration, both internal and Statewide.

Finances, billing, and customer services are contained within DMD, and no oversight activities outside of DMD are routinely involved.

### **Impact**

DMD has been given an oversight function of all statewide data processing and management activities through DOA Rule R2-1-504, and implements this through the use of the Level 1 approval process. The Division also provides data processing services to a number of smaller agencies by the use of large mainframe computers connected to these agencies. In this role, it operates much as a private-sector corporation in that it sets rates, collects revenues, borrows money and generally performs all the functions of a public utility, when one considers the telephone services provided by the agency. Its activities are not subject to any routine oversight, except for an occasional audit.

### **Recommendation**

The Data Management Division should be reorganized in order to eliminate these duplicative functions by creating three major sections within the Data Services Mission. The DOA Data Center should become a section which concerns itself only with the processing of data. ISP should be reorganized to take over all those functions which plan, develop and support data systems for their customers. The third section should be involved with application support and customer service related activities. The financial activities currently within DMD should be reassigned to the DOA Finance Division in order to provide an "Administratively Remote" finance and accounting system, that is subject to regular audit along with other programs in the Finance Division.

### **Benefits**

The reorganization would provide a structure directly based on function. Duplication between DMD and ISP would be eliminated and processes of communication, management, and control would be more simple and direct. Projects could move through the system in a more rapid manner, with less duplicative effort, while meeting the requirement of law (see Exhibits 16 and 17, Data Management Division -- Present and Proposed Organizations).

### **Implementation**

- Prepare separate mission statements for each division
- Reassign duties as recommended
- Prepare position descriptions
- Execute Division split.

## **DOA MISSION**

### **Current Situation**

The Department of Administration is unique among the state agencies due to the diversity of its many divisions. They are:

- Data Management
- Finance
- Risk Management
- General Services
- State Procurement Office
- Personnel
- Facilities Management
- Capitol Police
- Information Systems and Planning

The dilemma facing this department is broken down into four issues. These are listed in no particular order and all have equal value.

First, a dichotomy exists between the need for service and the need for control in dealing with other state agencies. Should the department set the standards and assess whether or not the other state agencies are complying or should the department strictly service these agencies or both? Currently the department is attempting to do both.

The problem is inherent when managers are asked to wear both the service and control hats. The tendency in the past has been to migrate toward the side of control rather than taking a balanced approach.

With the department statutorily responsible and accountable for a vast array of duties and functions, the legislature may summon managers into legislative hearing rooms to explain their actions or in some cases inactions. Because of this fact many managers use a central control mechanism over agencies to limit potential legislative ramifications.

The second issue is that of planning for the future versus the carrying out the operational needs of the present. The department focuses on the operational needs of and day-to-day routine actions of state government without much thought given to opportunities which may be beneficial to the state as a whole. With this lack of strategic planning and policy setting the department cannot show whether or not the state is moving in a direction which is both consistent with the executive branch and in a more focused sense, if the daily routines are consistent with short term plans, in the present situation those plans being the budget. We raise the question if there are performance measures in place other than the budget vehicle.

The third issue is should the state take a centralized approach to providing DOA services or should it empower the agencies to fulfill their own service needs? Should the DOA set the standards and guidelines for the agencies to operate under and allow the agencies the flexibility to accomplish their own mission as efficiently and effectively as possible with accountability back to the DOA?

The final issue is the question of how fast to induce change to the DOA: evolution or revolution. Is it in the state's best interest to introduce change building on the current structure of the DOA using TQM methodology and re-focusing management direction, or does the state need a more radical approach for change, seeking breakthroughs in the short term and then applying TQM techniques for long term improvement.

### Impact

With the current situation, the state is not realizing a number of potential savings or increases in productivity. Opportunities are missed annually because the state lacks strategic direction from the DOA due to the present needs of the agencies which consume all available resources for operational tasks. And if any planning entities exist they are usually the first to be cut in tight budget times.

Under the present organizational structure of the DOA, each division chief is responsible for the strategy and planning of its own division, while trying to be a tactical and operational manager at the same time. This situation has led to an operational agency where the only control over the agencies is mainly

for routine tasks. The DOA lacks a strategic planning element to position the state to take advantage of opportunities.

### **Recommendation**

Subsequent to the complete implementation of the SLIM Recommendations, the structure of the Agency should be reviewed with a bias to reshaping it into three functional areas. The first is an area charged with the responsibility of setting standards and guidelines for the administrative aspects of the state. This area will focus on the strategic and tactical issues.

The second area is a service bureau established for those agencies that do not have the economies of scale as the larger ones, as well as for any agency that so chooses to use the services. This bureau will have to conform to the guidelines and policies set forth by the first area.

Agencies can use any source for their needs as long as they adhere to the guidelines. The state needs to empower the agencies to assist in agency goals. However there needs to be accountability on the part of the agencies.

Which leads us to the third area, auditing and compliance. This area will meet with the agencies to assess compliance with the established guidelines. However this area will go further and attempt to determine the effectiveness of the standards and guidelines with the help of the agencies. This endeavor should help to improve the DOA on an annual basis.

### **Benefits**

By following the recommendations stated above, the state will reap the following benefits:

- Better services for the agencies
- Utilization of economies of scale on a statewide basis
- A process of continued improvement of the policies and guidelines
- A clearly defined focus for the DOA

## **TRANSFER CAPITOL POLICE TO DPS**

### **Current Situation**

The Capitol Police department is responsible for the safety of persons and security of state and personal property at the State Capitol Governmental Mall Complex in Phoenix and the State Building Complex in Tucson. This is achieved through:

- Enforcement of State laws and Department of Administration Rules
- Preventative patrol and follow-up investigations
- Stationing of security personnel
- Presentation of crime prevention programs
- Operation of electronic security/card access systems and key control.

The organization is made up of the following groups:

- Security Aides
- Certified Police Officers and Supervisors
- Dispatchers
- Support Staff.

The present organizational structure is depicted in Exhibit 30, Capitol Police – Present Organizational Structure.

The cities of Phoenix and Tucson do not provide regular Police protection on the state property. However, these departments are available for emergency response.

In addition to the Capitol Police, DPS maintains a security presence on the Capitol Mall providing security to the Governor and the legislature. DPS headquarters and district offices are located nearby the Capitol Mall complex.

**Impact**

Managing the Capitol Police under the Department of Administration results in a stand alone police and security function and a duplication of many of the functions that are also maintained by DPS as follows:

- Police and emergency response
- Communications and dispatch
- Supervision
- Equipment and supplies
- Automotive needs

The current budget totals approximately \$1.6 million, including approximately \$1.4 million in salary and employee expense. These figures are net of approximately \$187,000 funded by ADOT and the Industrial Commission for specific services provided to their offices and properties per ISA agreements and the salary and ERE of the Special Assistant assigned to supervision of the ENSCO site. The remaining \$200,000 is comprised mainly of:

- Vehicle Costs - \$52,400
- Communications - \$50,000
- ENSCO Site Security - \$60,500
- Other Operating Expenses - \$37,100

The ENSCO site security expense of \$60,500 represents salaries of caretakers living on the premises. We have recommended that responsibility be transferred to the Building Management group of DOA General Services (See recommendation "Capital Police Staff Functions - Special Assistant).

## **Recommendations**

We recommend the Capitol Police be transferred to the Department of Public Safety under the direction of the Bureau of Support. As part of the transfer of the Capitol Police the following changes in the organization should be made:

- Eliminate eight police officers, four police supervisors, and the police administrator. The remaining 11 officers, 1 supervisor and 26 guards will transfer to DPS as a unit. This group will be managed by DPS staff in the Support Bureau. This move is made possible through improved managing and re-direction of Capitol Police activities during Phase II of this project
- Eliminate the six Dispatchers and the Dispatch Supervisors. These functions can be absorbed by DPS
- Eliminate the Administrative Secretary II and the Clerk Typist III positions. The new organization can rely on the one Administrative Assistant being transferred from Capitol Police and the proposed Bureau of Support staff for administrative needs
- Eliminate the Electronic Tech II position that currently services electronic and communications equipment for the Capitol Police. These functions can be performed by existing DPS personnel
- Eliminate the six vacant security aide positions.

A proposed organizational structure is shown in Exhibit 31, Capitol Police – Proposed Organizational Structure.

We also recommend that other non-personnel related expenses be reduced as well as follows:

- Vehicle Expense – reduce the number of vehicles from 15 to 7. The unneeded vehicles should be turned back to the DOA motor pool

- **Telecommunications Expense** - this will be reduced through the elimination of support staff and office personnel
- **Other Operating Expenses** will be reduced based solely on the reduced staffing of the Department.

**Benefits**

Transferring the Capitol Police to DPS will result in the following personnel savings:

- Cost Reduction --	\$981,000
- Cost Avoidance --	\$119,000
- Application of 11 DPS officers II	(478,200)
- Addition of one DPS Lieutenant	<u>( 64,300)</u>
<b>Total Personnel Related Savings</b>	<b><u>\$557,500</u></b>

Details of these savings are shown in Exhibit 32, Capitol Police -- Summary of Savings. In addition, we would anticipate that other expenses will also be reduced based on the reduced size of the Capitol Police staff as follows:

• Vehicle Costs	-- \$31,000
• Telephone Expenses	-- \$30,000
• Other	-- \$17,000

Total anticipated savings will be \$635,500.

**Implementation**

Our Proposed Organization, staffing levels, and savings are based on the transfer of certain functions from one agency to another, and the elimination of other functions. We understand that A.R.S. §41-783.14 which deals with such transfers will apply in this case, and that the affected employees may have certain rights to the transferred positions as well as their reduction in force rights.

The first step in implementation should be to determine the most effective way to transfer the Capitol Police function from DOA to DPS in order to maximize savings to the State while protecting employee rights.

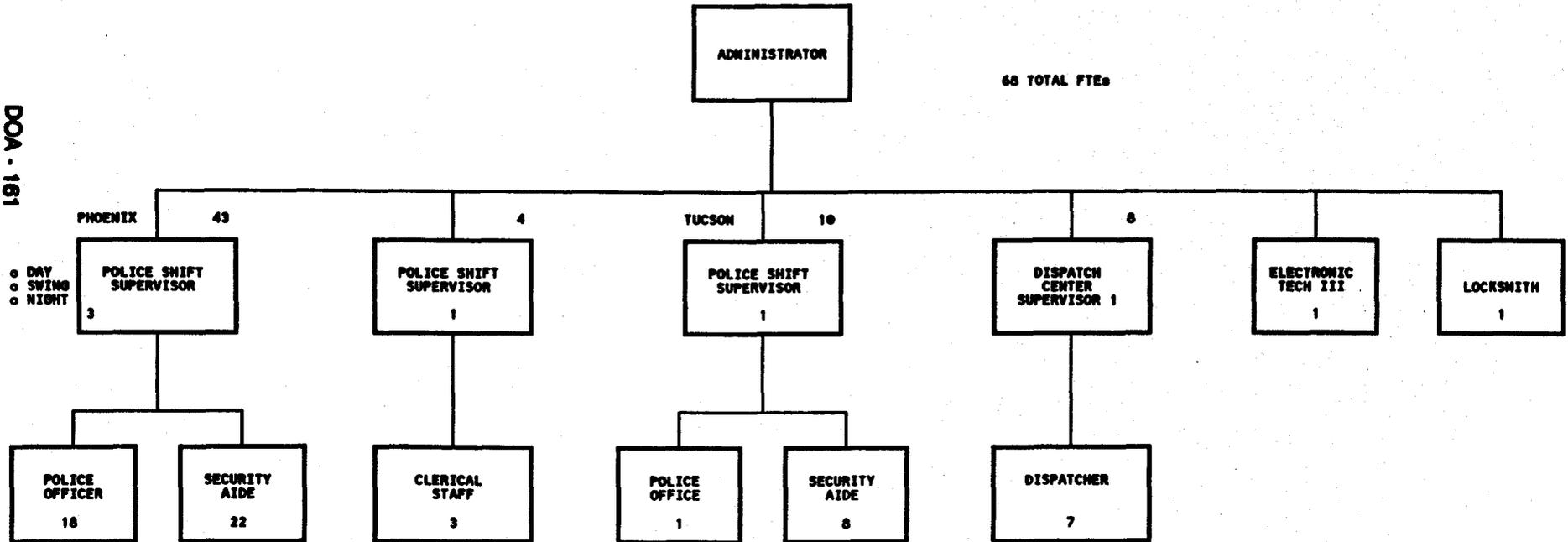
- Other key implementation steps include:
  - Develop an Inter-governmental Service Agreement between DOA and DPS to allow the transfer of the Capitol Police functions to DPS, prior to the amendment of A.R.S. §41-794 and §41-795
  - Amend A.R.S. §41-794 and §41-795 in fiscal 1992-1993, and transfer necessary funding from DOA to DPS in the 1994 budget.

**DEPARTMENT OF ADMINISTRATION  
CAPITOL POLICE  
PRESENT ORGANIZATIONAL STRUCTURE**

**EXHIBIT 30**

**66 TOTAL FTEs**

**DOA - 161**

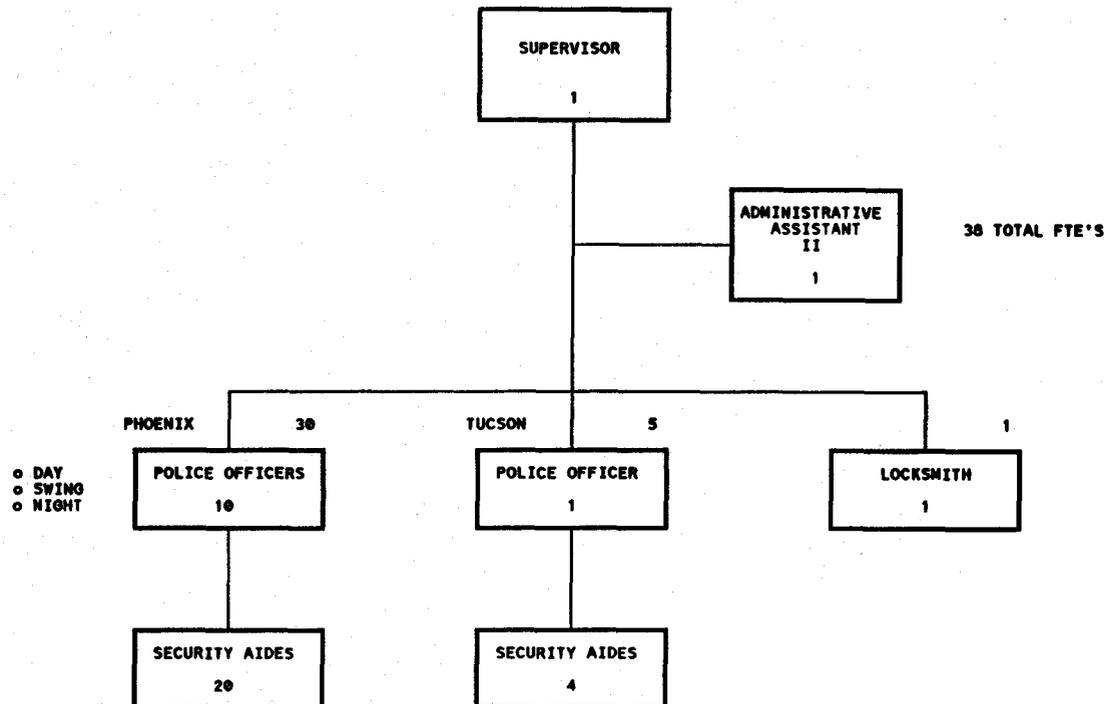


- DAY
- SWING
- NIGHT

DEPARTMENT OF PUBLIC SAFETY  
 SUPPORT BUREAU  
 CAPITOL POLICE  
 PROPOSED ORGANIZATIONAL STRUCTURE

EXHIBIT 31

DOA - 162



Capital Police  
 Summary of Savings – Personnel Reductions

EXHIBIT 32

Position Title	Grade	--- Current ---		--- Proposed ---		--- Savings ---	
		# of FTE	Total \$	# of FTE	Total \$	# of FTE	Total \$
Security Aide	10	31	\$474.9	24	\$367.7	7	\$107.2
Police Officer	14	19	382.7	11	221.6	8	161.1
Police Supervisor	16	5	122.4	1	24.5	4	97.9
Police Administrator	21	1	46.7	0	0	1	46.7
Dispatcher	12	6	105.6	0	0	6	105.6
Admin. Secr'y II	13	1	18.7	0	0	1	18.7
Admin. Assist II	15	1	18.6	1	18.6	0	0.0
Locksmith	14	1	18.1	1	18.1	0	0.0
Clerk Typist III	11	1	14.5	0	0	1	14.5
Electronic Tech II	16	1	19.9	0	0	1	19.9
Dispatch Supervisor	16	1	19.9	0	0	1	19.9
		68	\$1,242.0	38	\$650.5	30	\$591.5
Add ERE @32%			397.0		208.2		188.8
<b>Total Personnel Savings</b>		<b>68</b>	<b>\$1,639.0</b>	<b>38</b>	<b>\$858.7</b>	<b>30</b>	<b>\$780.3</b>

DOA - 163

## **CAPITOL POLICE STAFF – SPECIAL ASSISTANT**

### **Current Situation**

One Grade 20 employee is performing duties assigned by senior staff of the Department of Administration. While this individual is on the Capitol Police payroll, assignment of duties are made by the senior DOA staff. The current responsibilities are:

- **Ensco Site** - Site management includes supervision of caretaker employees (one full time and one part time). This activity includes visiting the site about three times per week. Since the State took control of the property last summer, there have not been any intrusions, disturbances or attempts to vandalize the property. The main duty of the caretakers is to maintain the security by having someone on site to show a presence. At times, minor property maintenance is performed by the caretakers. The Special Assistant has been "called out" to the site two times
  
- The Special Assistant arranged for contract employees to provide caretaking services until they were replaced by two payroll employees (one full time and one part time)
  
- **Other Functions** - Special duties assigned by senior DOA staff members including:
  - Designed a magnetic organization chart for the department
  
  - Responsible for preliminary analysis of written employee suggestions
  
  - The Tucson Travel Reduction Program Implementation.

### **Impact**

The individual's salary is \$42,500 plus 23% for employee related expenses for a total of \$52,275. Additional overhead expenses including office space, facilities, supplies and an assigned vehicle have not been calculated.

### **Recommendations**

- **Eliminate this position**
- **Assign Ensco site caretaking duties and services to Building Management group of the DOA General Services Department**
- **Assign employee suggestions activities to Human Resources or DOA staff.**

**We do not anticipate that the reassignment of these duties will create additional staffing needs.**

### **Benefits**

**Savings of \$52,275 plus office and automobile overheads will be a direct result of elimination of this position. Building Management already provides caretaking and maintenance functions, therefore, the Ensco caretaking function would easily fit into this organization.**

### **Implementation**

**Make revised assignments of duties and disband this position immediately.**

## **DIRECTOR'S OFFICE – PROGRAM/PROJECT SPECIALIST**

### **Current Situation**

One Grade 18 employee is performing duties assigned by the senior staff of the Department of Administration. The current responsibilities of this position are:

- Coordinate US Savings Bond Drive (includes hosting poster drawing contest for Elementary Grades 4-8), percentage of time 6.5
  - Blood Drive Coordinator for Capitol Mall Area, percentage of time 5.7
  - Clean Air Campaign coordinator for DOA, percentage of time 3.1
  - State Employee's Charitable Campaign team member, percentage of time 23.0
  - Special Events Coordinator
    - Answers numerous inquiries from the public about the mall area
    - Booking of events in Capitol Mall area Includes Wesley Bolin Plaza but does not include Legislative Areas
      - Maintains calendar of events
      - Issues applications for reserving space for events (Note: Does not approve applications. Approval is granted by supervisor)
      - Arranges for event set-up
      - Ensures appropriate clean-up
    - Percentage of time 35.3
  - Arts Panel member (Capitol West Wing Displays).
    - Assists in establishing criteria for displays
    - Reviews applications for art displays, percentage of time 11.8
- 
- DOA Liaison to Affirmative Action Office, percentage of time 1.6

- Writes speeches for DOA Director, percentage of time 5.2
- Handles special projects as assigned by the Director, percentage of time 7.8

**Note:** With the exception of the Special Events Coordinator activities, the responsibilities are not on going or continuous in nature. These functions occur periodically such as involving an annual drive.

**Impact**

The individuals salary is \$28,100 plus 23% for employee related expenses for a total of \$34,563. Additional overhead expenses including office space, facilities and supplies have not been calculated.

**Recommendations**

- Eliminate this position
- Assign all duties currently performed by this person to other existing individuals and/or groups.  
Potential assignments are:

<b><u>FUNCTION</u></b>	<b><u>POTENTIAL ASSIGNMENT</u></b>
US Savings Bond Drive	Volunteer Employee or Team Appointed by the DOA Director
Blood Drive Coordinator	Volunteer Employee or Team Appointed by the DOA Director
Clean Air Campaign Coordinator	Volunteer Employee or Team Appointed by the DOA Director
State Employees Charitable	Volunteer Employee or Team Appointed by the DOA Director
Arts Panel	Facilities
Liaison to Affirmative Action	Human Resources Manager
Directors Speech Writer	DOA Executive Staff Members

**Benefits**

Savings of \$34,563 plus office overhead will be a direct result of elimination of this position. Several of the functions would be handled by those offices or groups more closely aligned with the activity. These include Clean Air Campaign, Special Events, Arts Panel and Affirmative Action.

**Implementation**

Make revised assignments of duties and disband this position immediately.

## **SPECIAL ASSISTANT TO THE DIRECTOR**

### **Current Situation**

The Department of Administration - Special Assistant to the Director, Grade 22, is responsible for the following functions:

- **Capitol Police and Security Group**
- **One grade 20 Special Assistant mainly responsible for supervising the ENSCO Site caretakers and for special duties as assigned by senior staff members**
- **One grade 18 Program - Project Specialist responsible for a number of functions including:**
  - **Coordinating Wesley Bolin Plaza activities**
  - **Annual U.S. Savings Bond Drive**
  - **Art displays in the Capitol West Wing**
  - **Annual Blood Bank Drive**
- **Additional functions assigned by the DOA Director and Deputy Director.**

### **Impact**

Each of the above functions has been reviewed by the SLIM process and recommendations have been made as follows:

- **Capitol Police and Security Group - Transfer the entire group to the Department of Public Safety**
- **Special Assistant to the Director - Transfer the ENSCO caretaker supervision to D.O.A. Building Management. Distribute other functions such as handling employee suggestions to Human Resources or other D.O.A. staff members**

- Program - Project Specialist - Assign all duties currently performed by this person to other existing individuals and/or groups.

#### Recommendations

With the three major functions transferred or eliminated there is no significant supervisory or work function for this position. Therefore this position should be eliminated. The individual's salary is \$50,000 plus 23% for employee related expenses for a total of \$61,500. Additional overhead expenses including office space, facilities and supplies have not been calculated.

#### Benefits

Savings of \$61,500 plus office overhead will be a direct result of the elimination of this position.

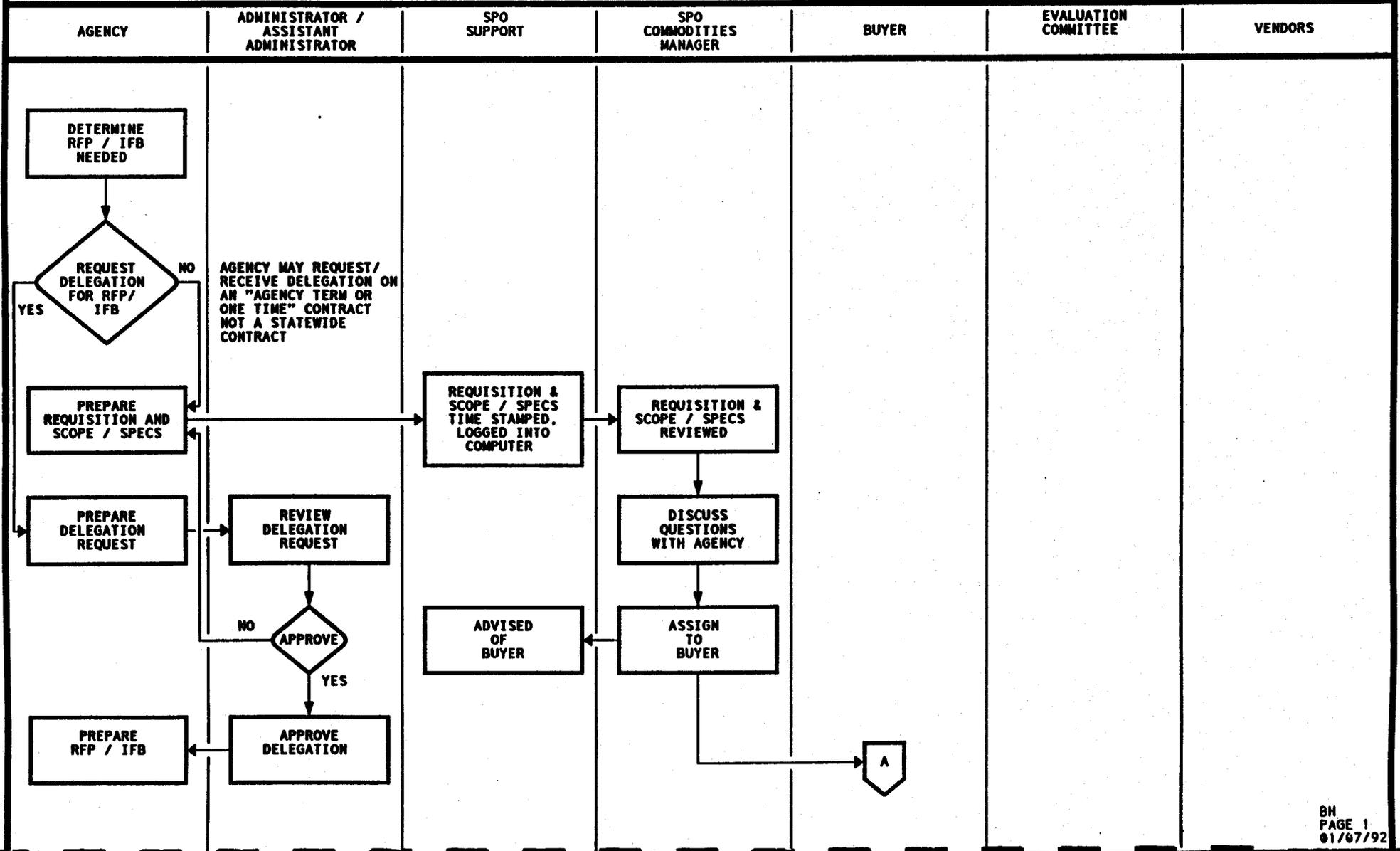
#### Implementation

Make revised assignments of duties and disband this position immediately.

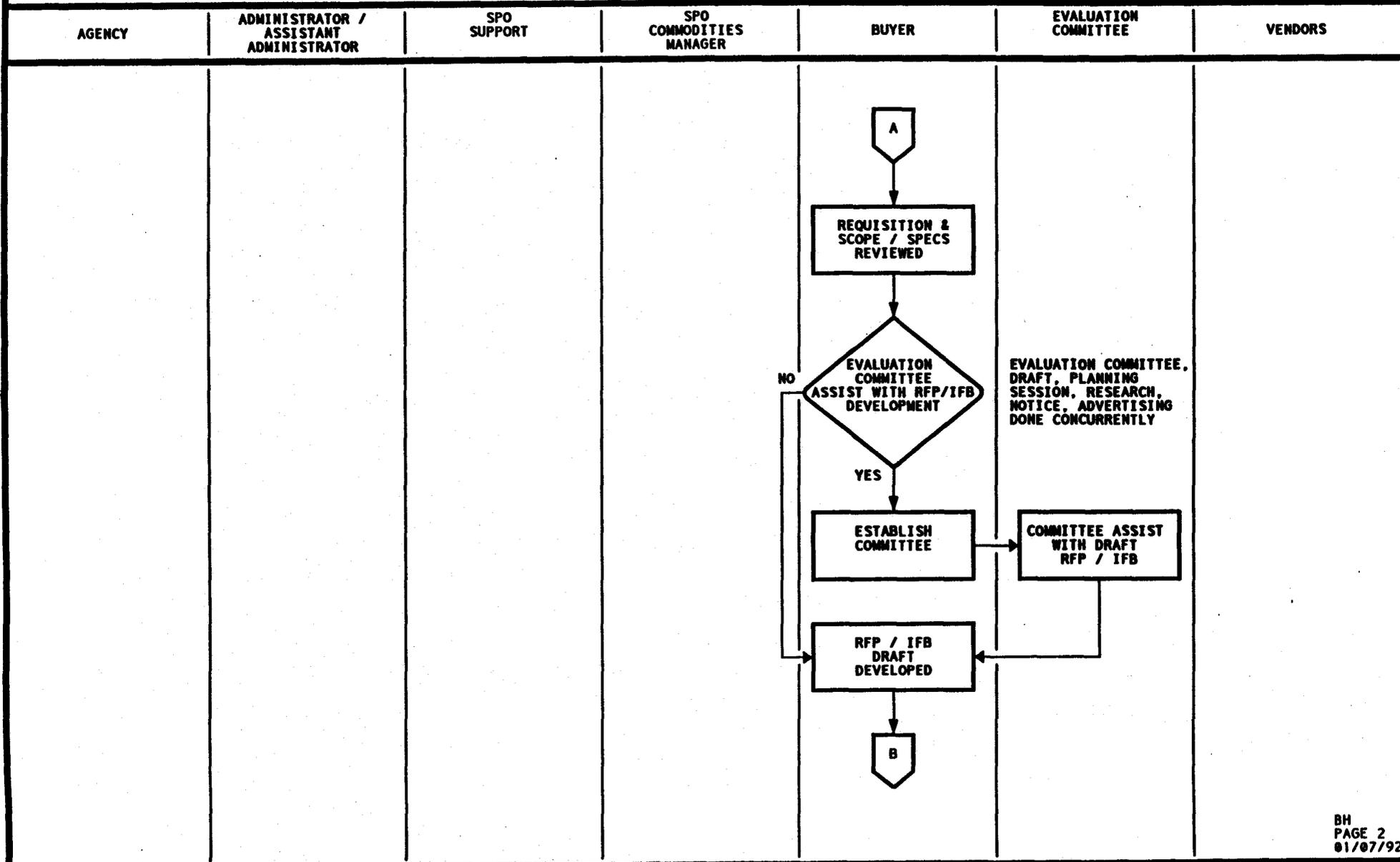
**APPENDIX**

## COMMODITIES REQUEST FOR PROPOSAL (RFP) / INVITATION FOR BID (IFB) PROCESS

DOA - 172

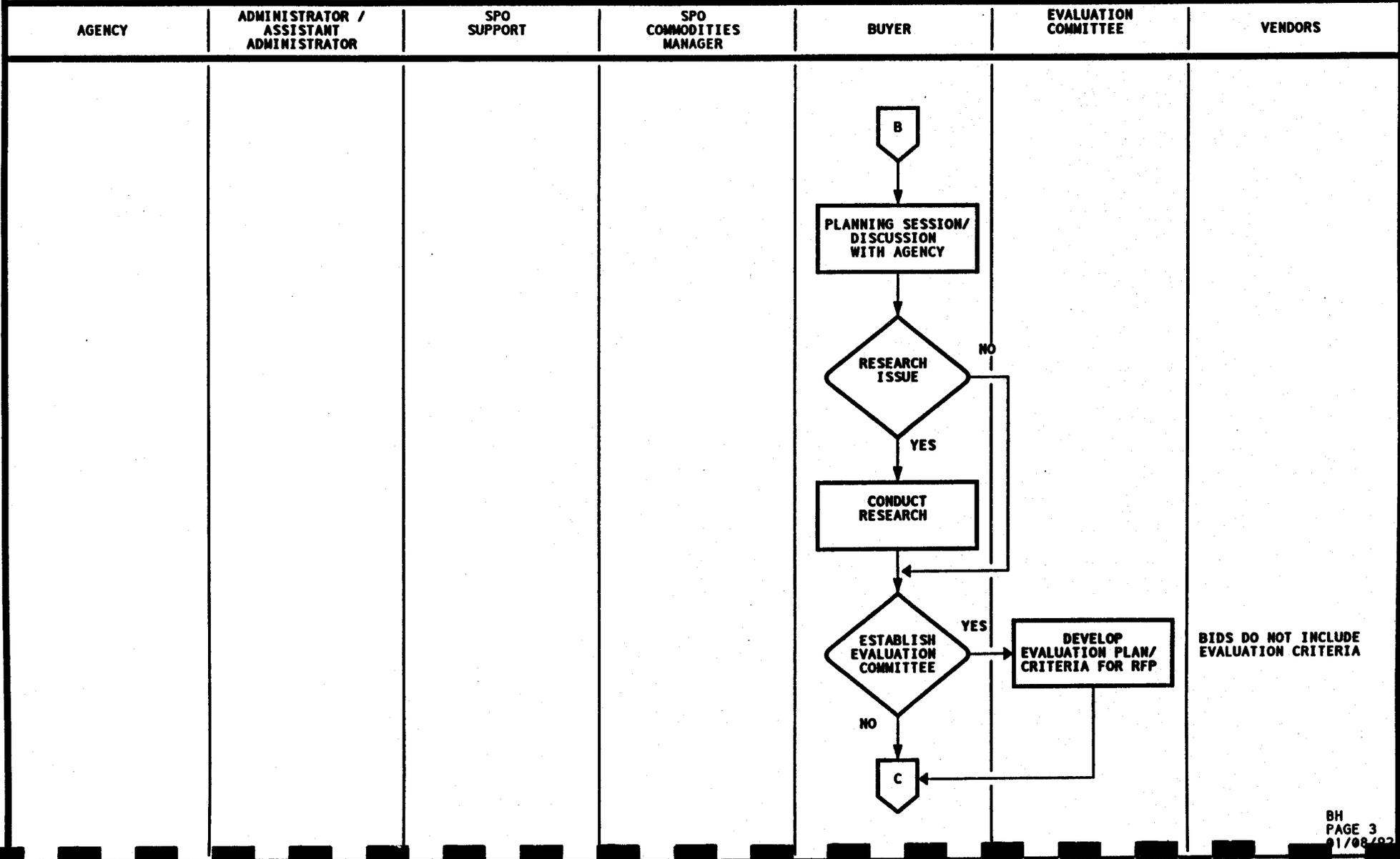


COMMODITIES REQUEST FOR PROPOSAL (RFP) / INVITATION FOR BID (IFB) PROCESS



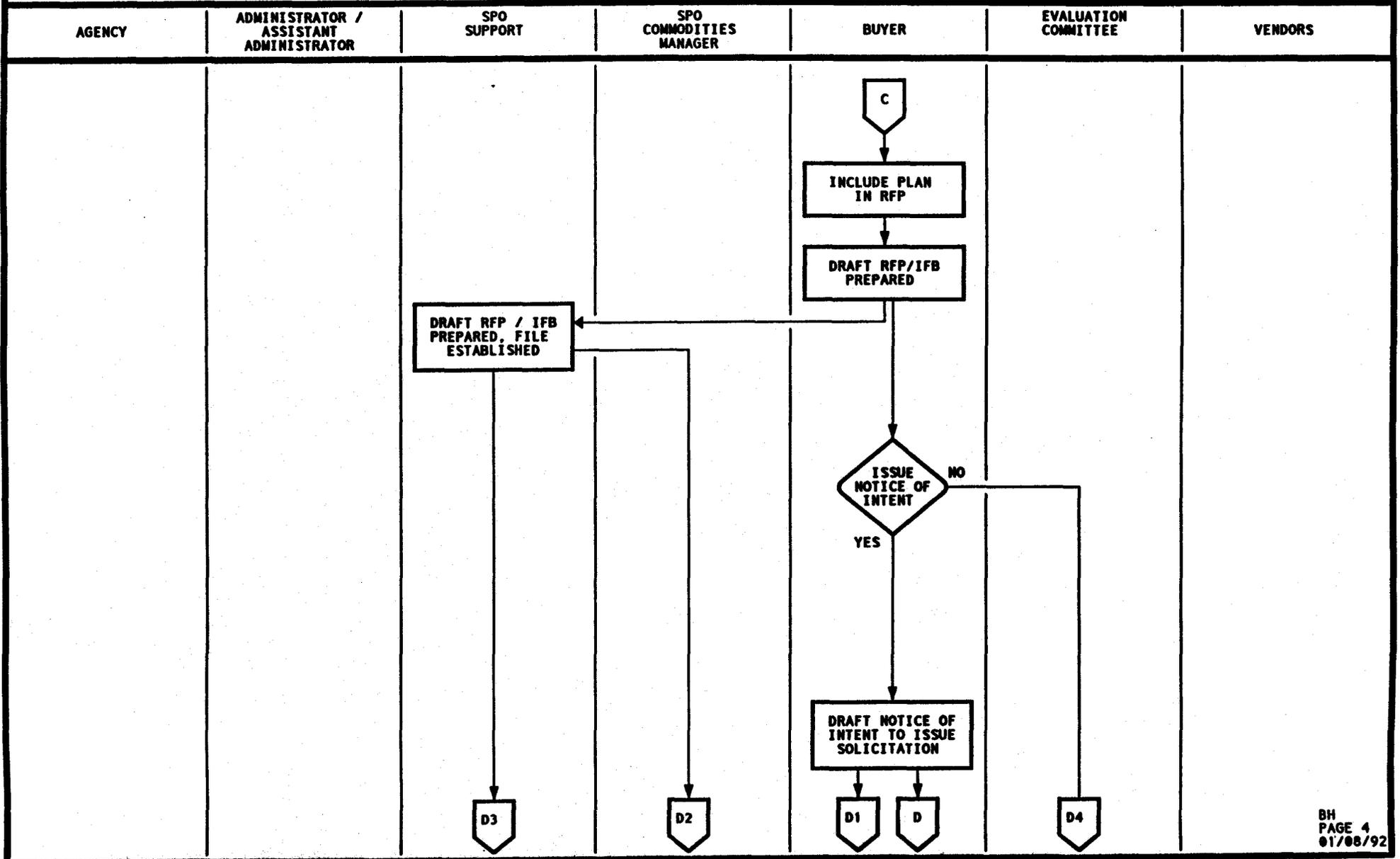
DOA - 173

COMMODITIES REQUEST FOR PROPOSAL (RFP) / INVITATION FOR BID (IFB) PROCESS



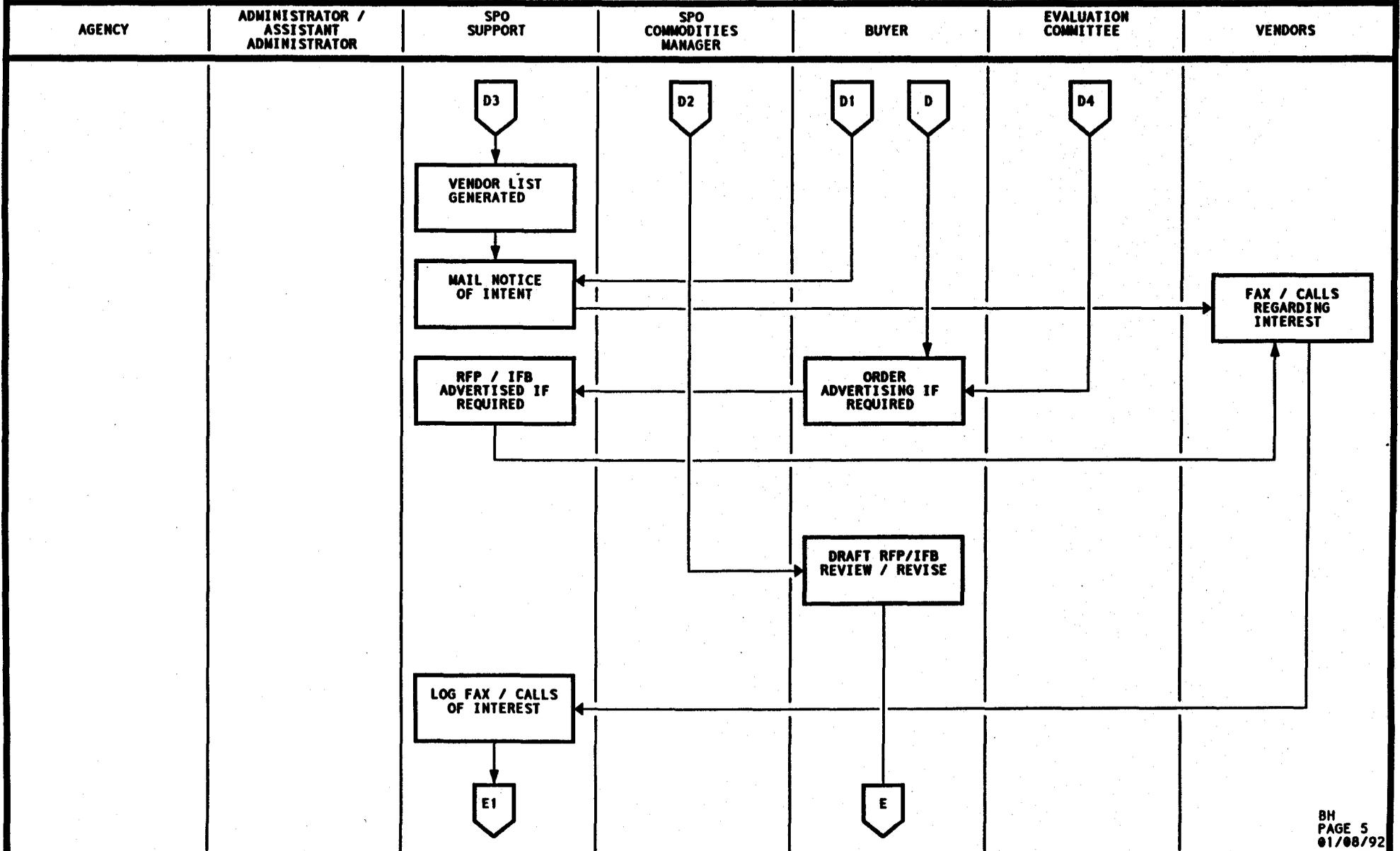
DOA - 174

COMMODITIES REQUEST FOR PROPOSAL (RFP) / INVITATION FOR BID (IFB) PROCESS



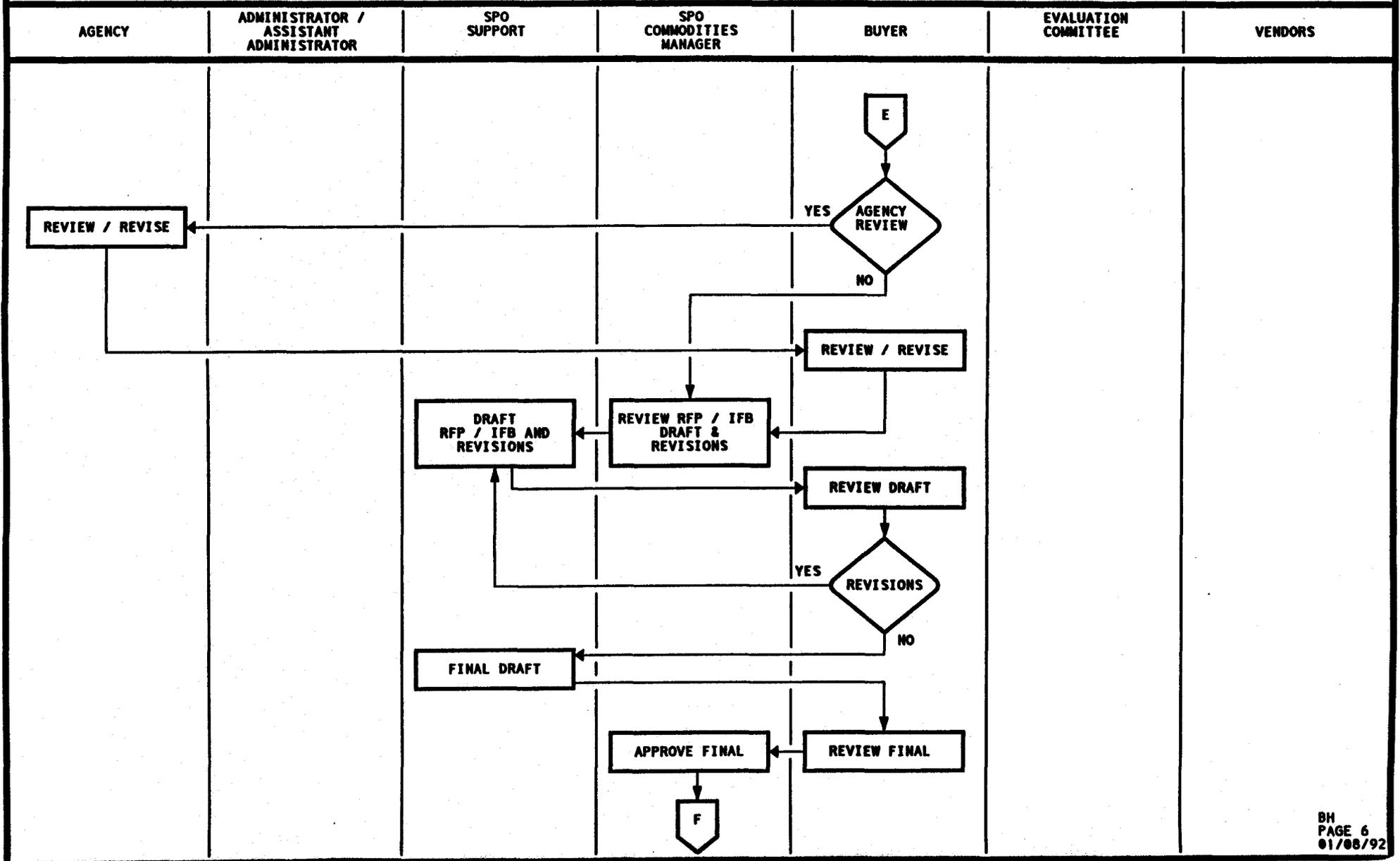
DOA - 175

COMMODITIES REQUEST FOR PROPOSAL (RFP) / INVITATION FOR BID (IFB) PROCESS



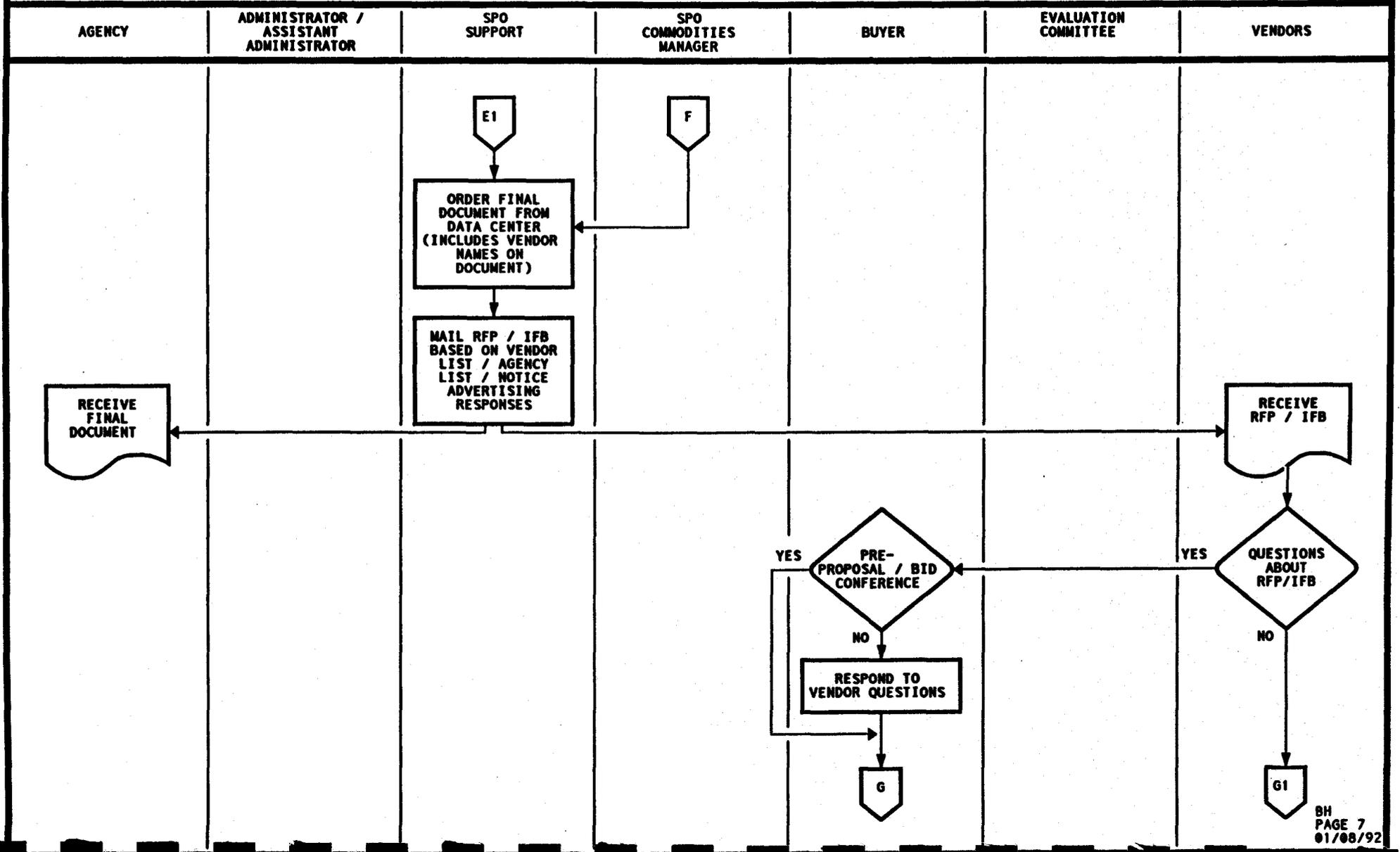
DOA - 176

COMMODITIES REQUEST FOR PROPOSAL (RFP) / INVITATION FOR BID (IFB) PROCESS



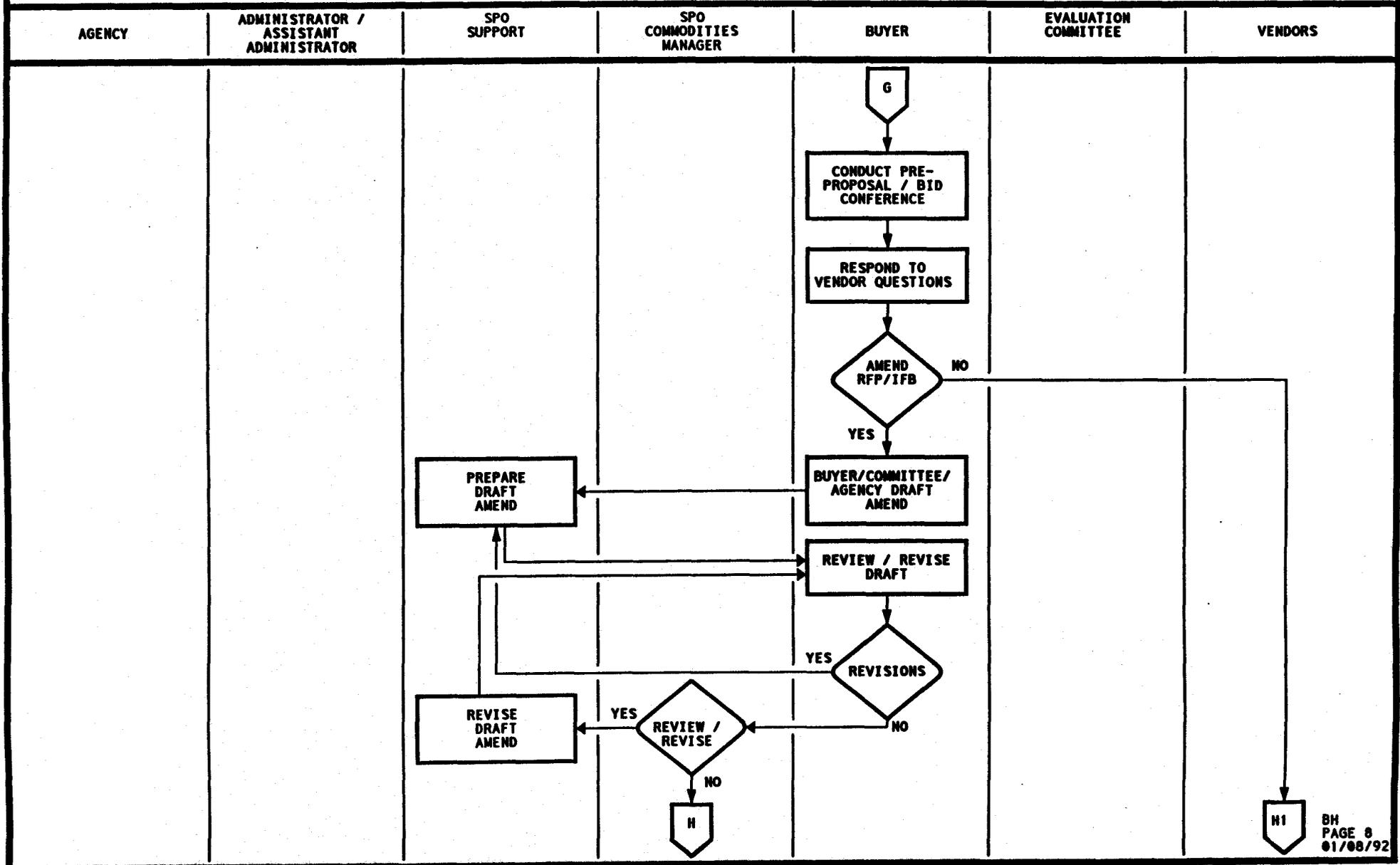
DOA - 177

COMMODITIES REQUEST FOR PROPOSAL (RFP) / INVITATION FOR BID (IFB) PROCESS



DOA - 178

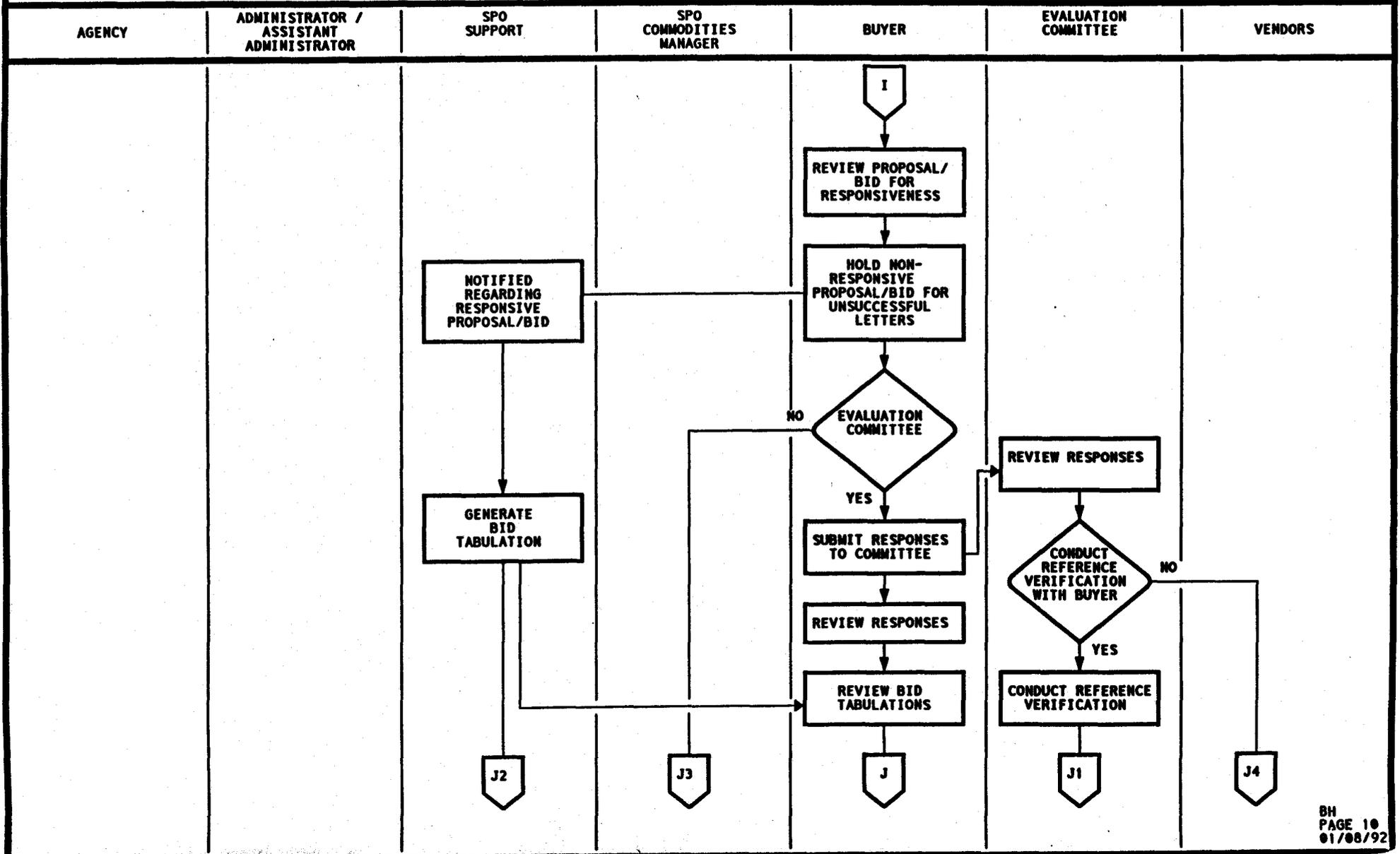
COMMODITIES REQUEST FOR PROPOSAL (RFP) / INVITATION FOR BID (IFB) PROCESS



DOA - 179

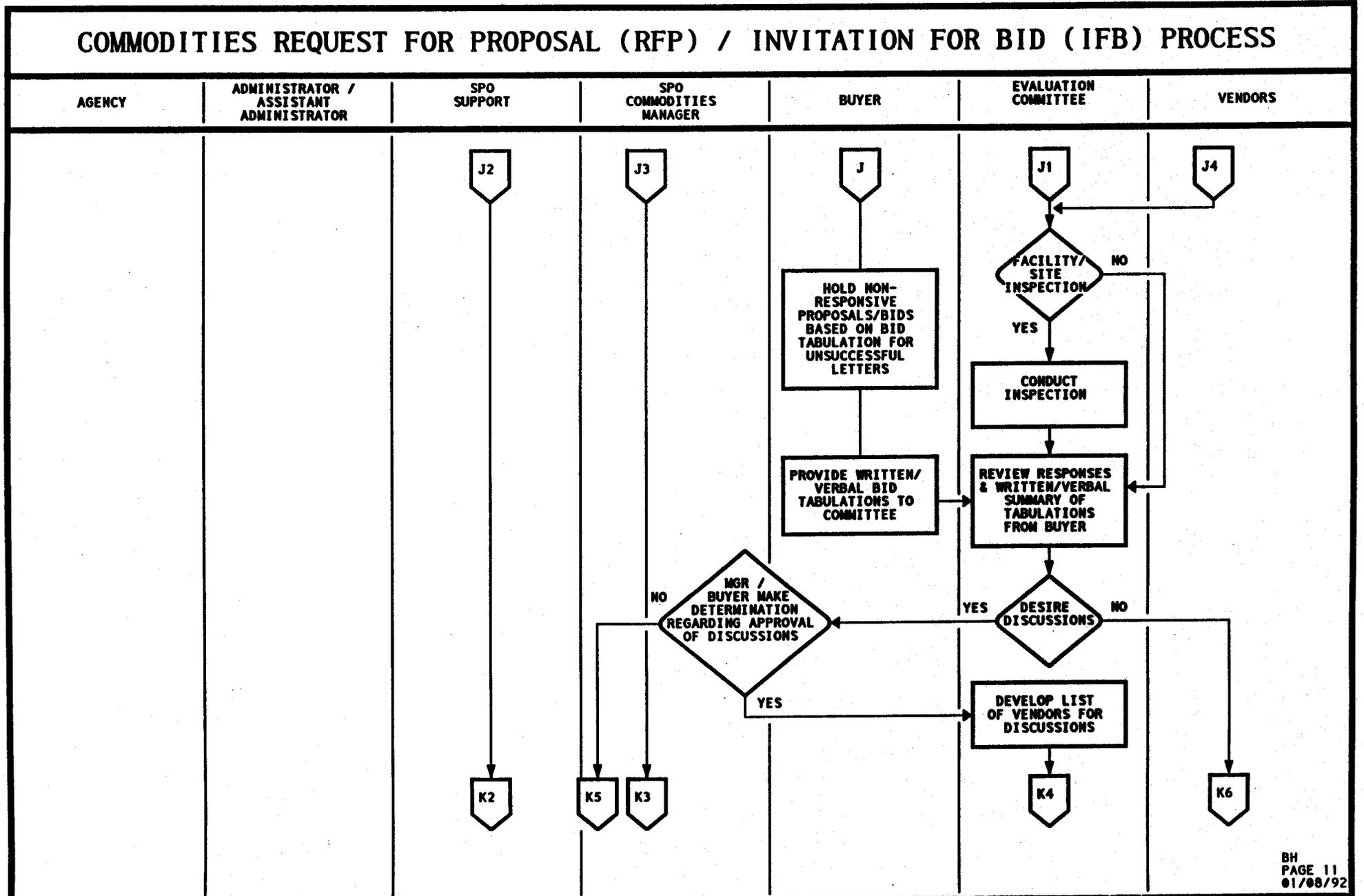


COMMODITIES REQUEST FOR PROPOSAL (RFP) / INVITATION FOR BID (IFB) PROCESS



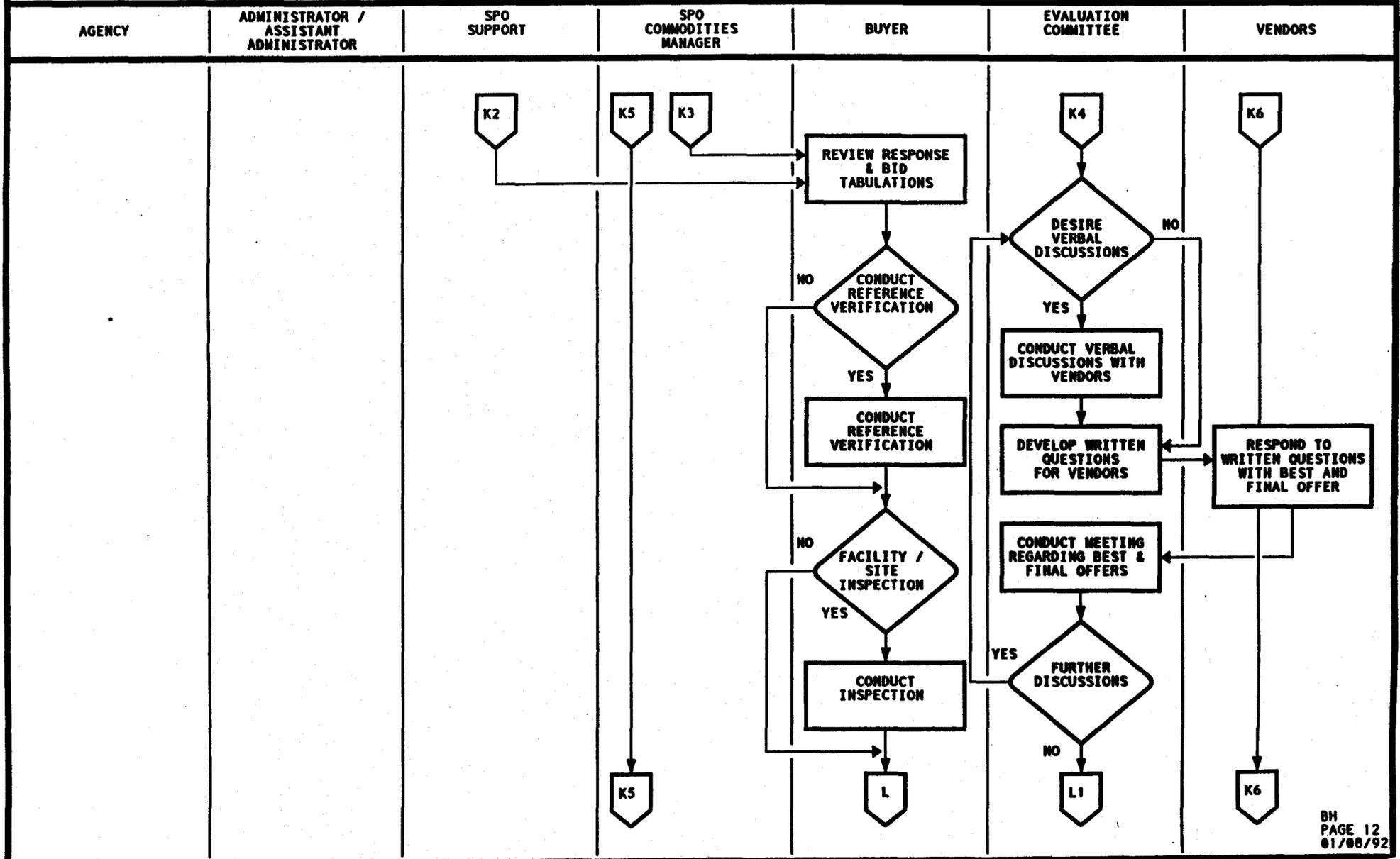
DOA - 181

COMMODITIES REQUEST FOR PROPOSAL (RFP) / INVITATION FOR BID (IFB) PROCESS



DOA - 182

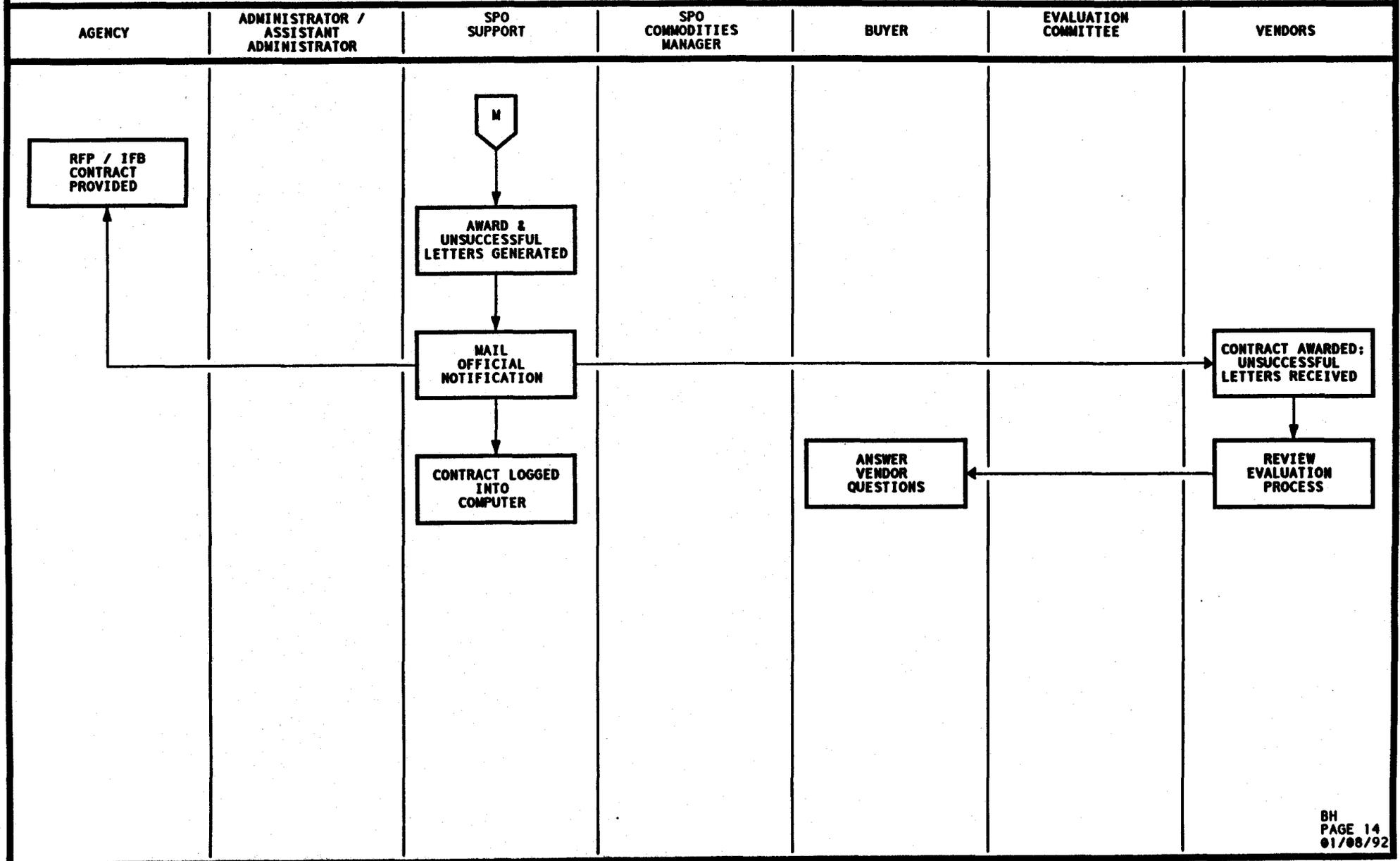
COMMODITIES REQUEST FOR PROPOSAL (RFP) / INVITATION FOR BID (IFB) PROCESS



DOA - 183

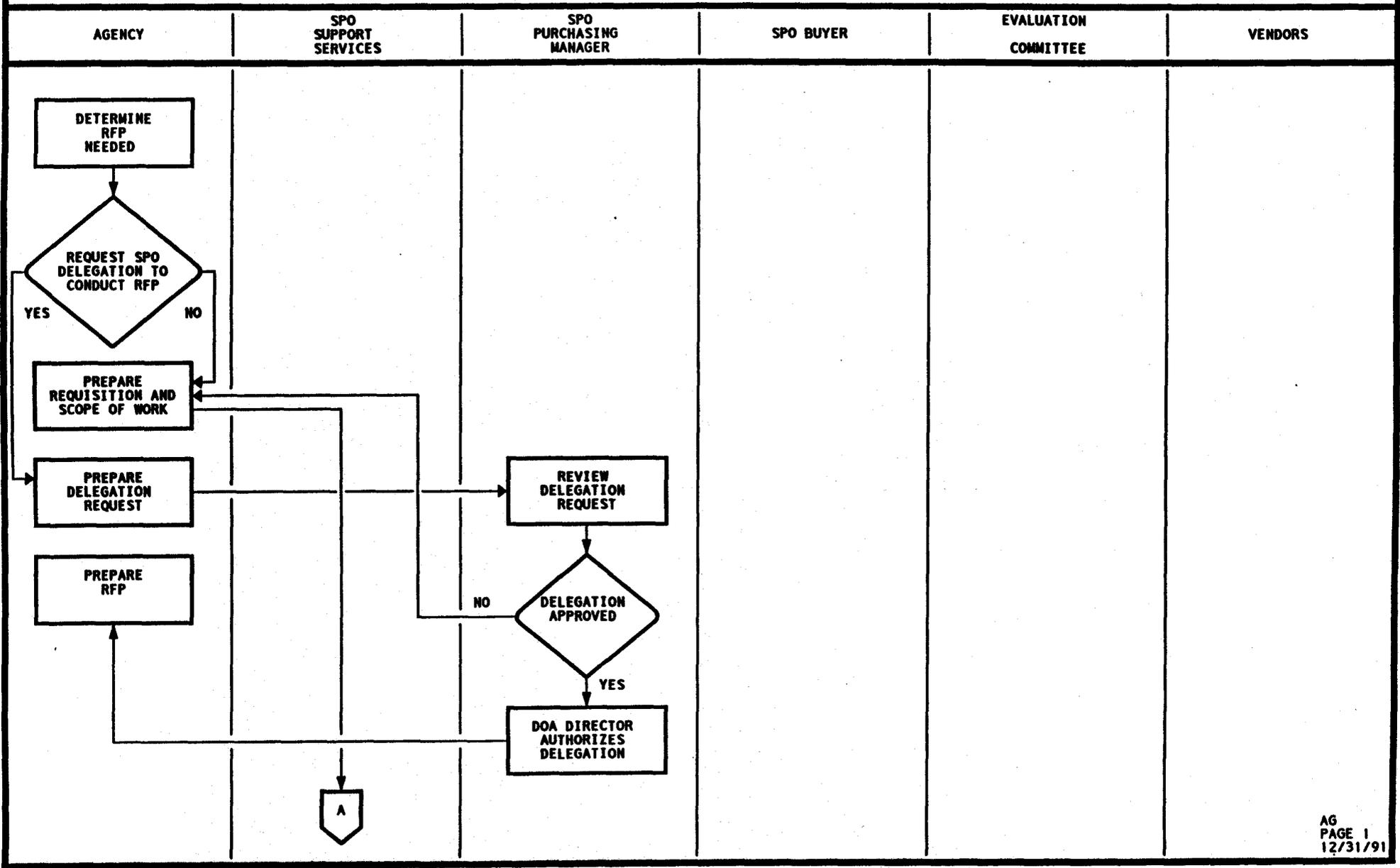


COMMODITIES REQUEST FOR PROPOSAL (RFP) / INVITATION FOR BID (IFB) PROCESS



DOA - 185

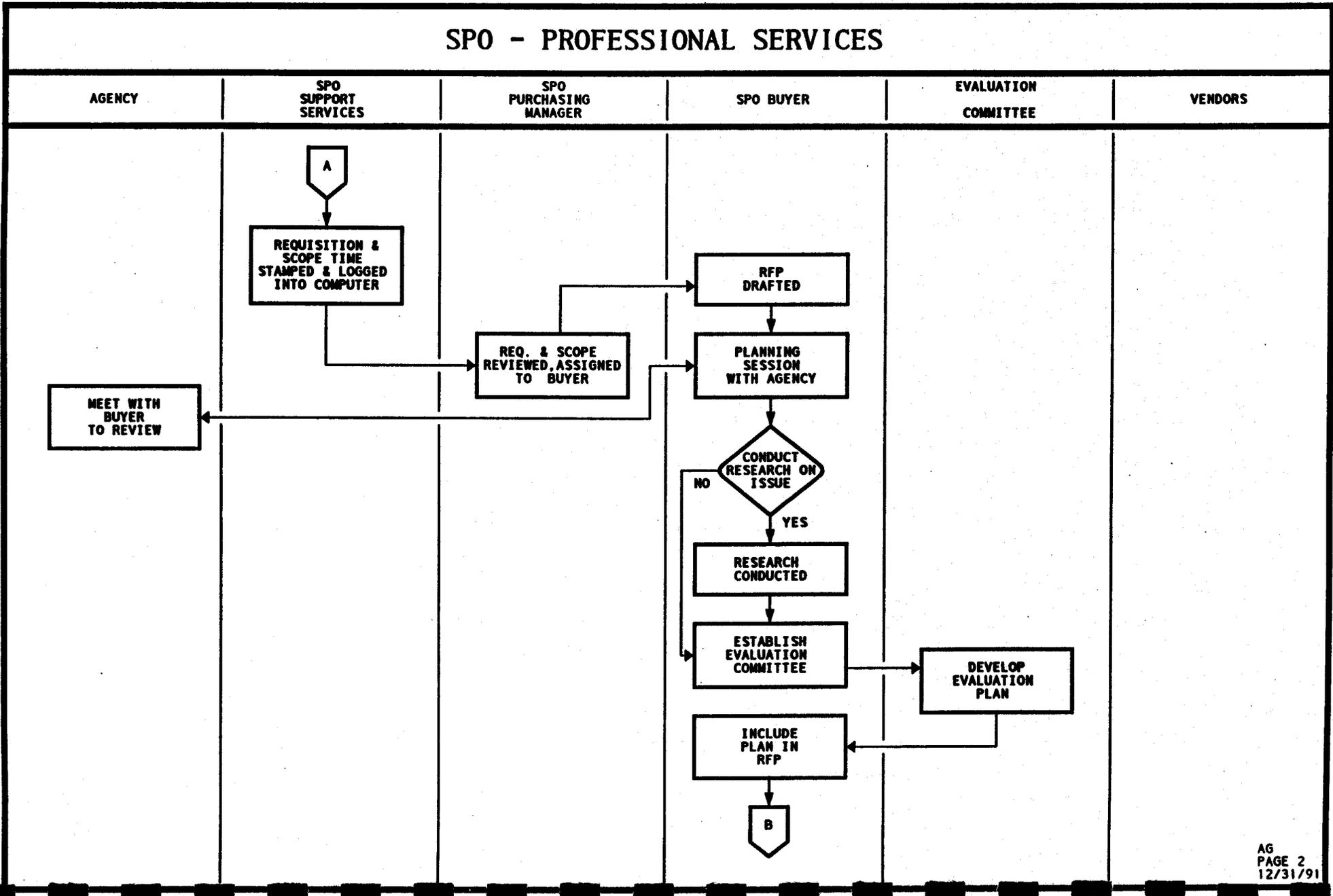
SPO - PROFESSIONAL SERVICES



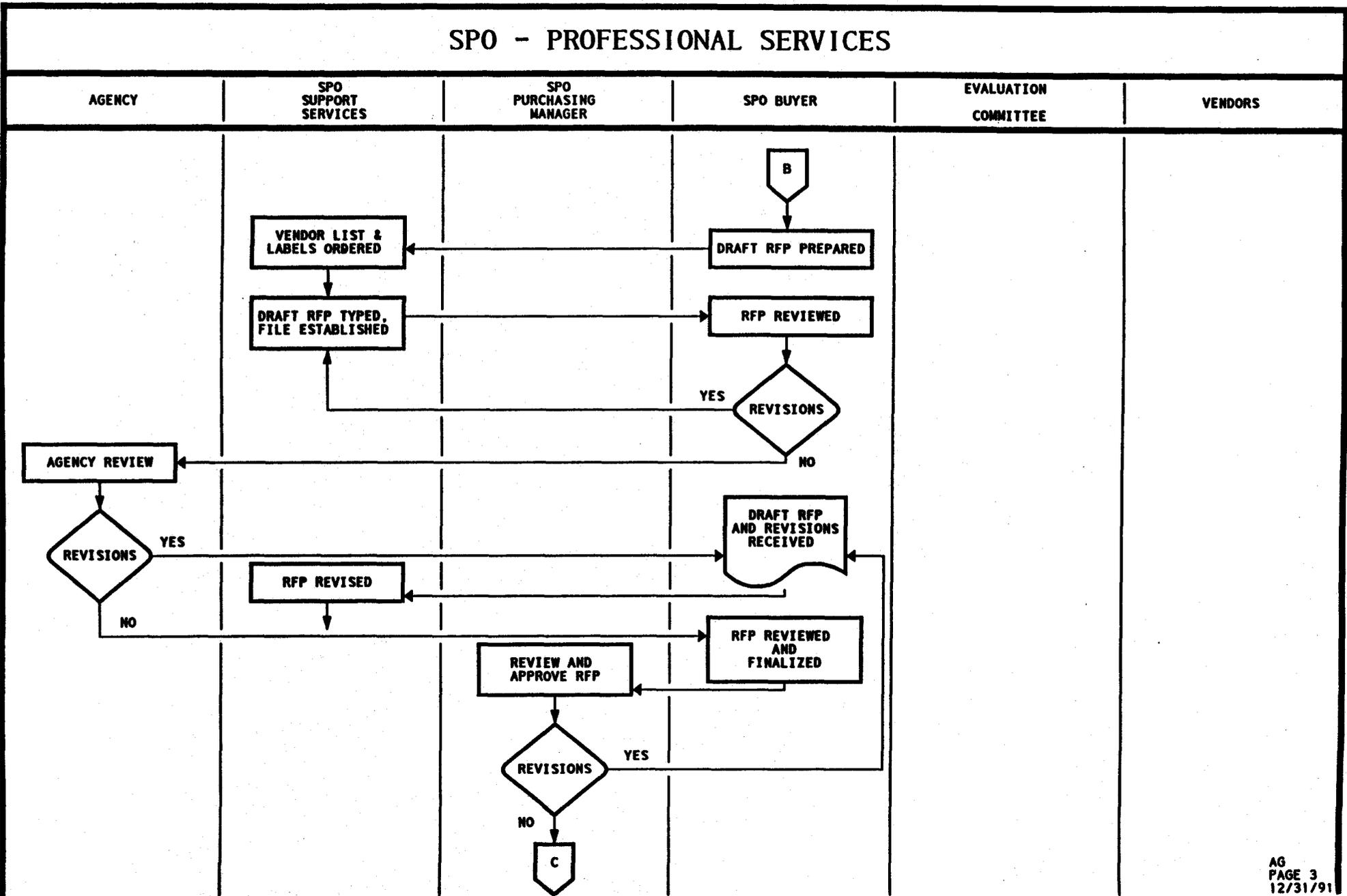
DOA - 186

SPO - PROFESSIONAL SERVICES

DOA - 187



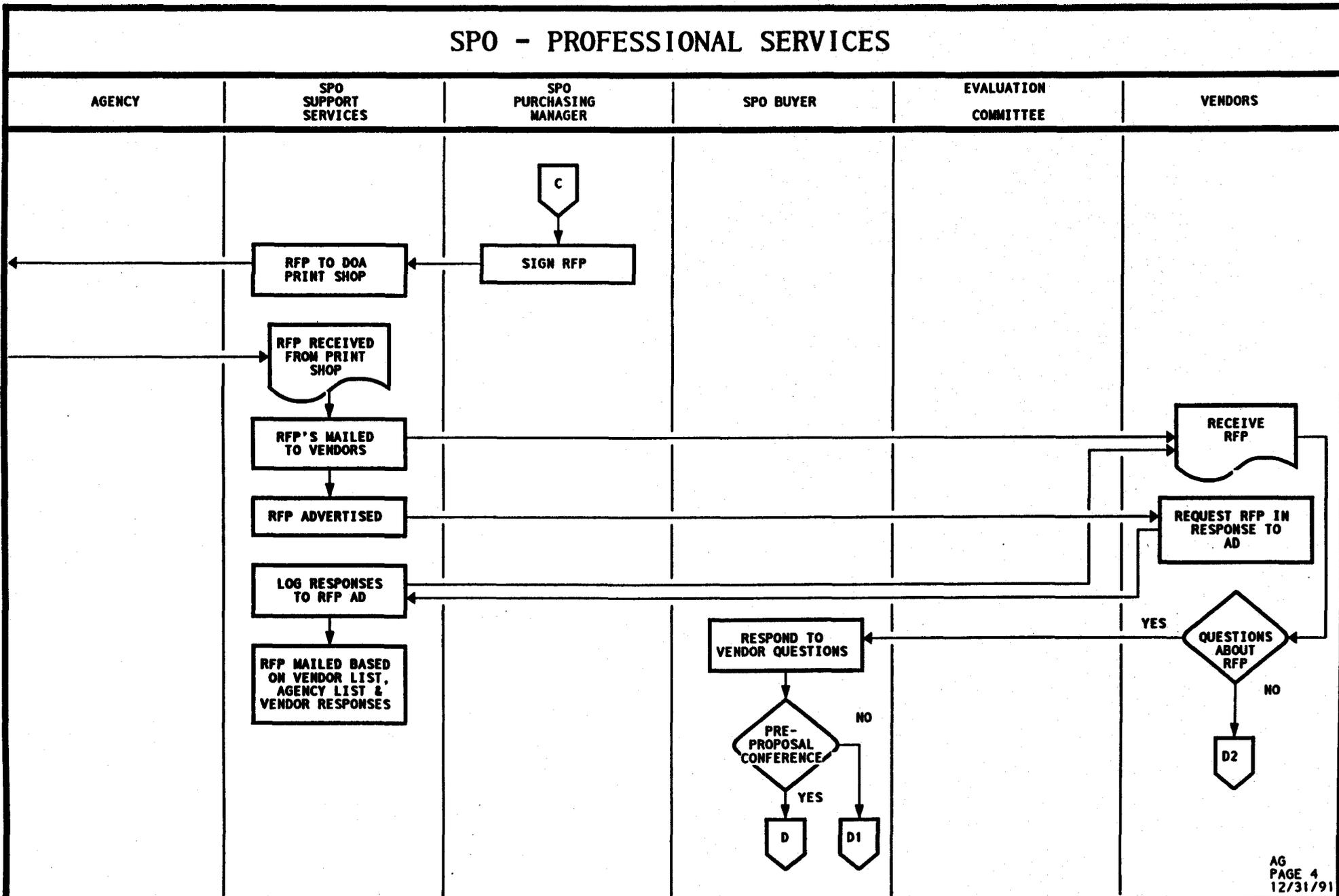
SPO - PROFESSIONAL SERVICES



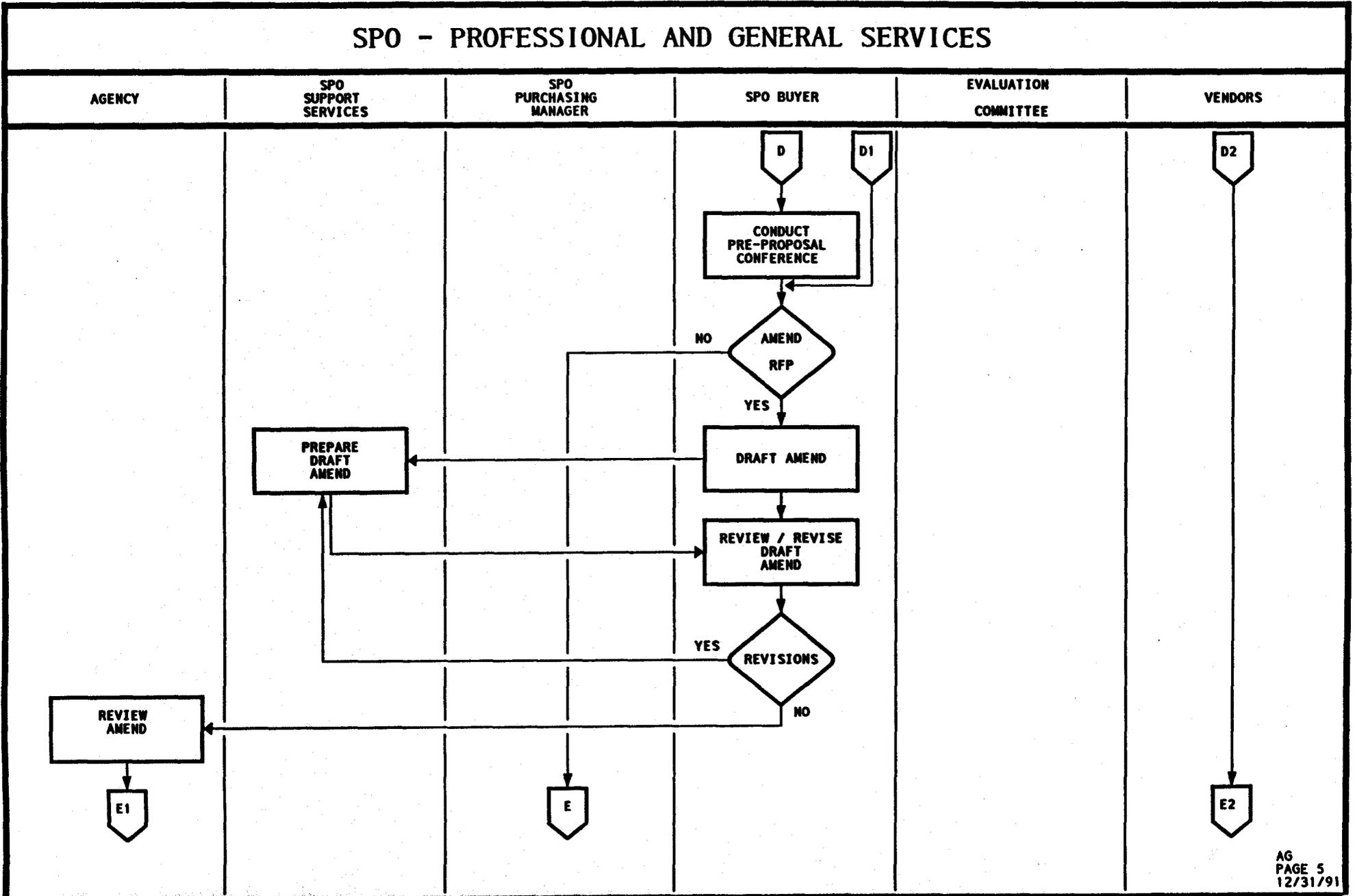
DOA - 188

SPO - PROFESSIONAL SERVICES

DOA - 189

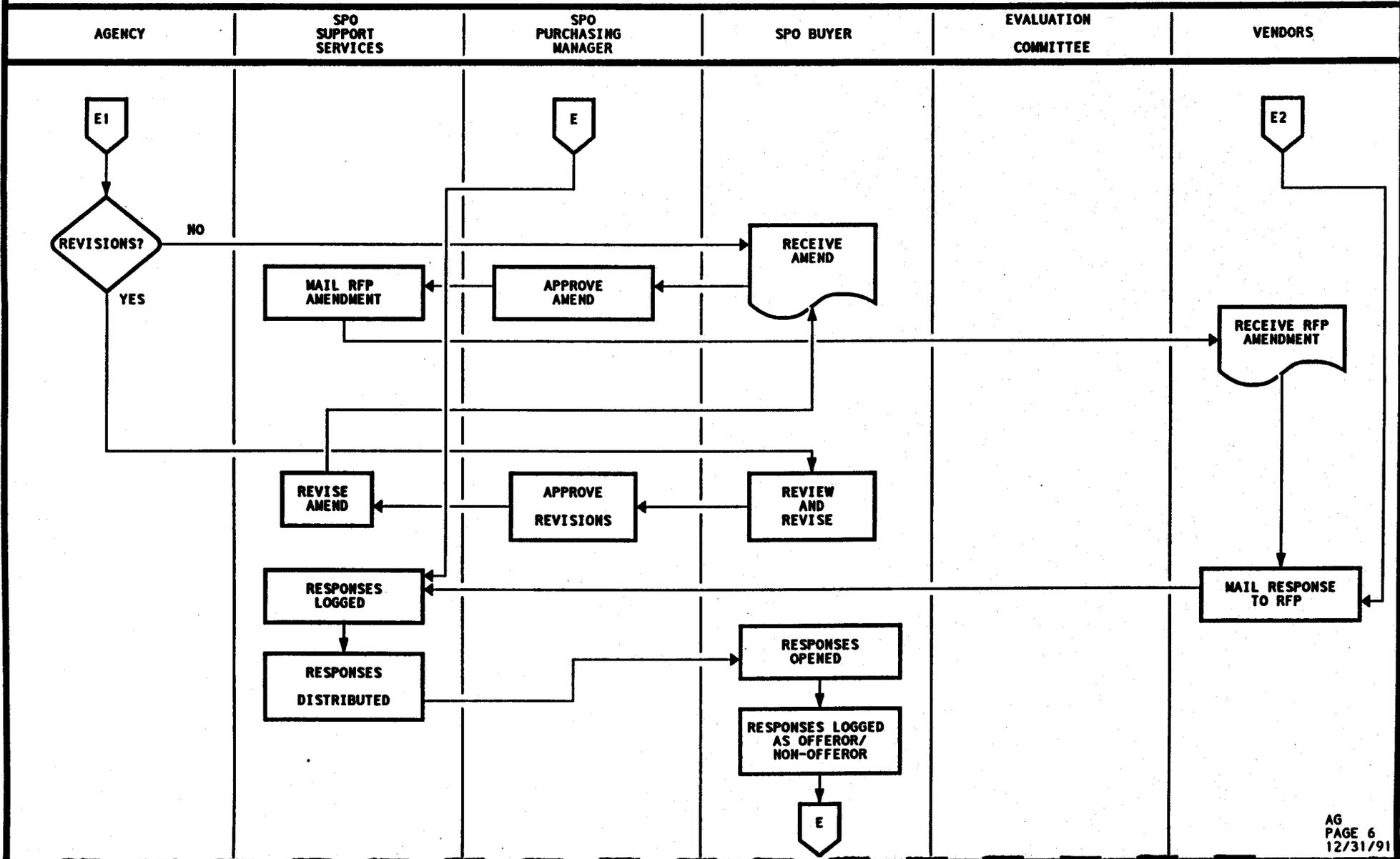


SPO - PROFESSIONAL AND GENERAL SERVICES



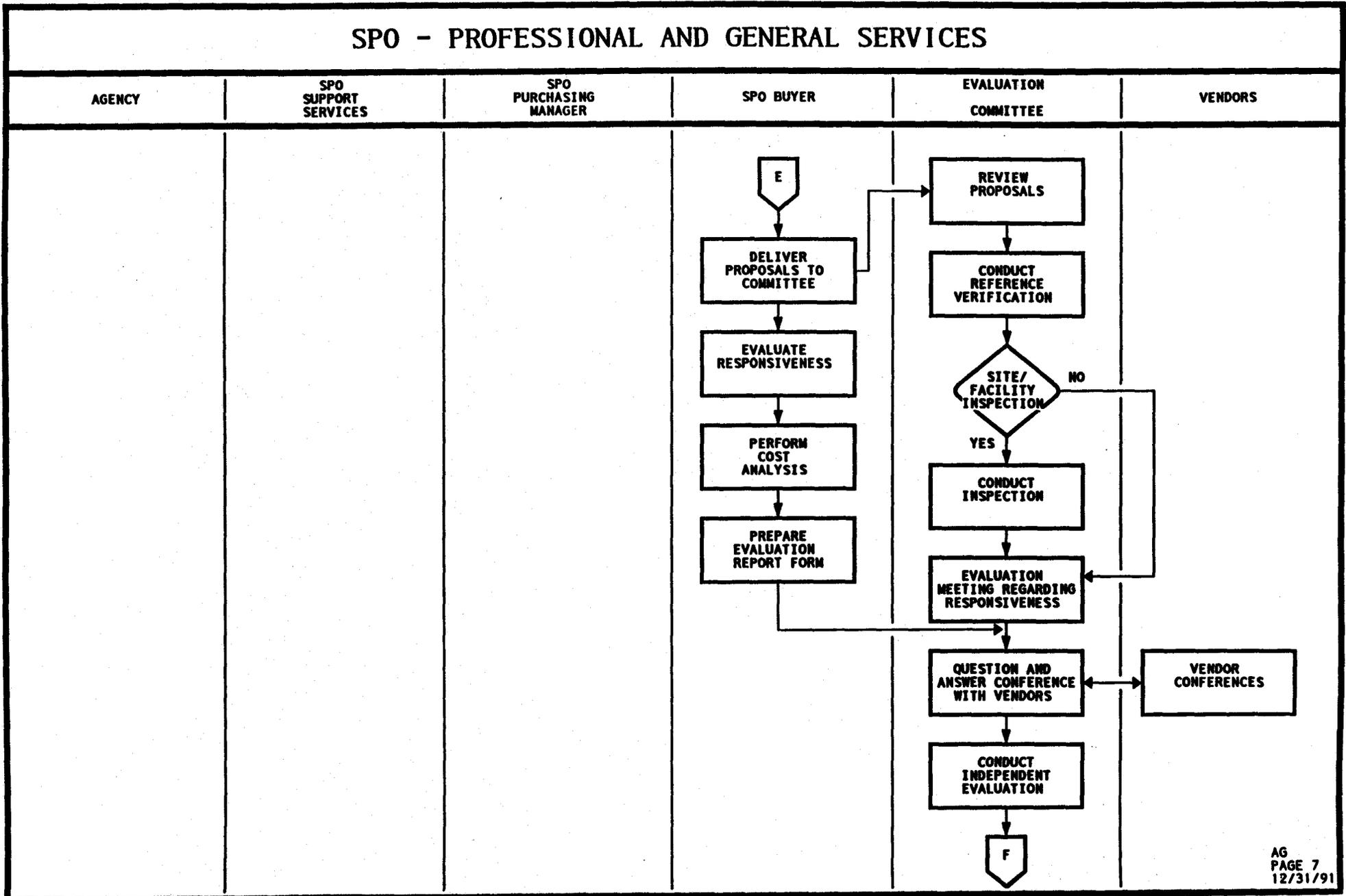
DOA - 180

SPO - PROFESSIONAL AND GENERAL SERVICES



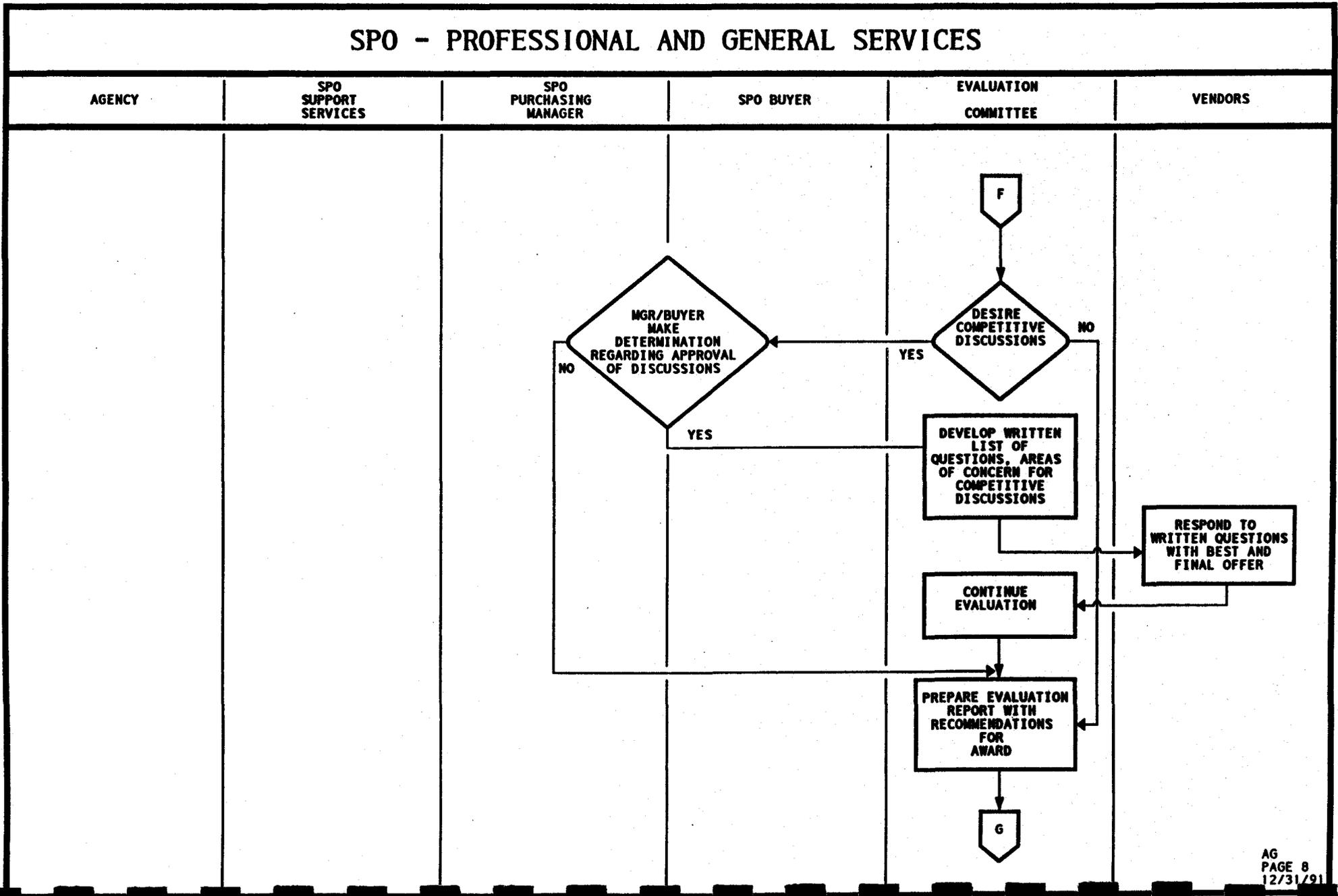
DOA - 191

SPO - PROFESSIONAL AND GENERAL SERVICES



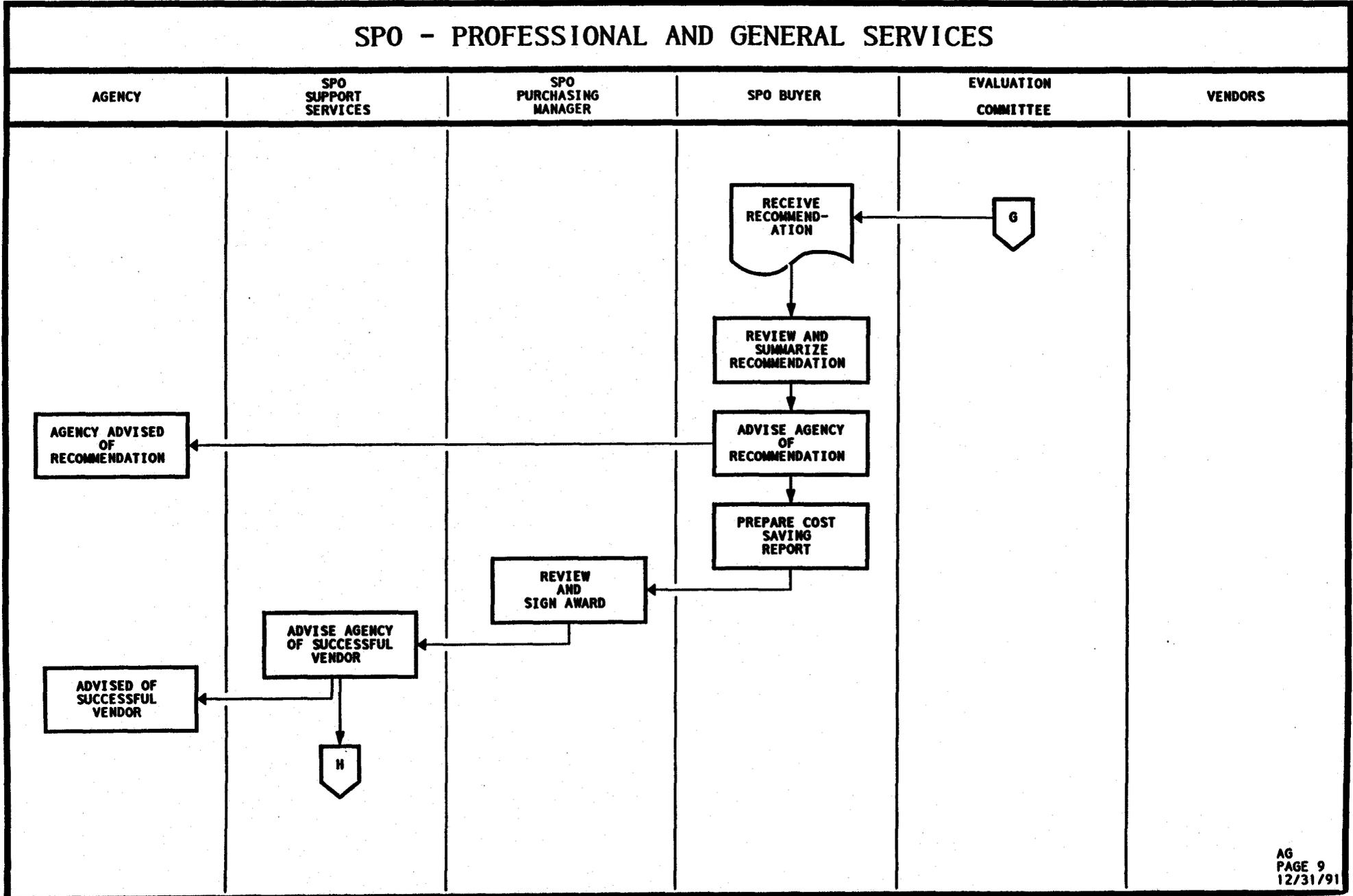
DOA - 182

SPO - PROFESSIONAL AND GENERAL SERVICES



DOA - 183

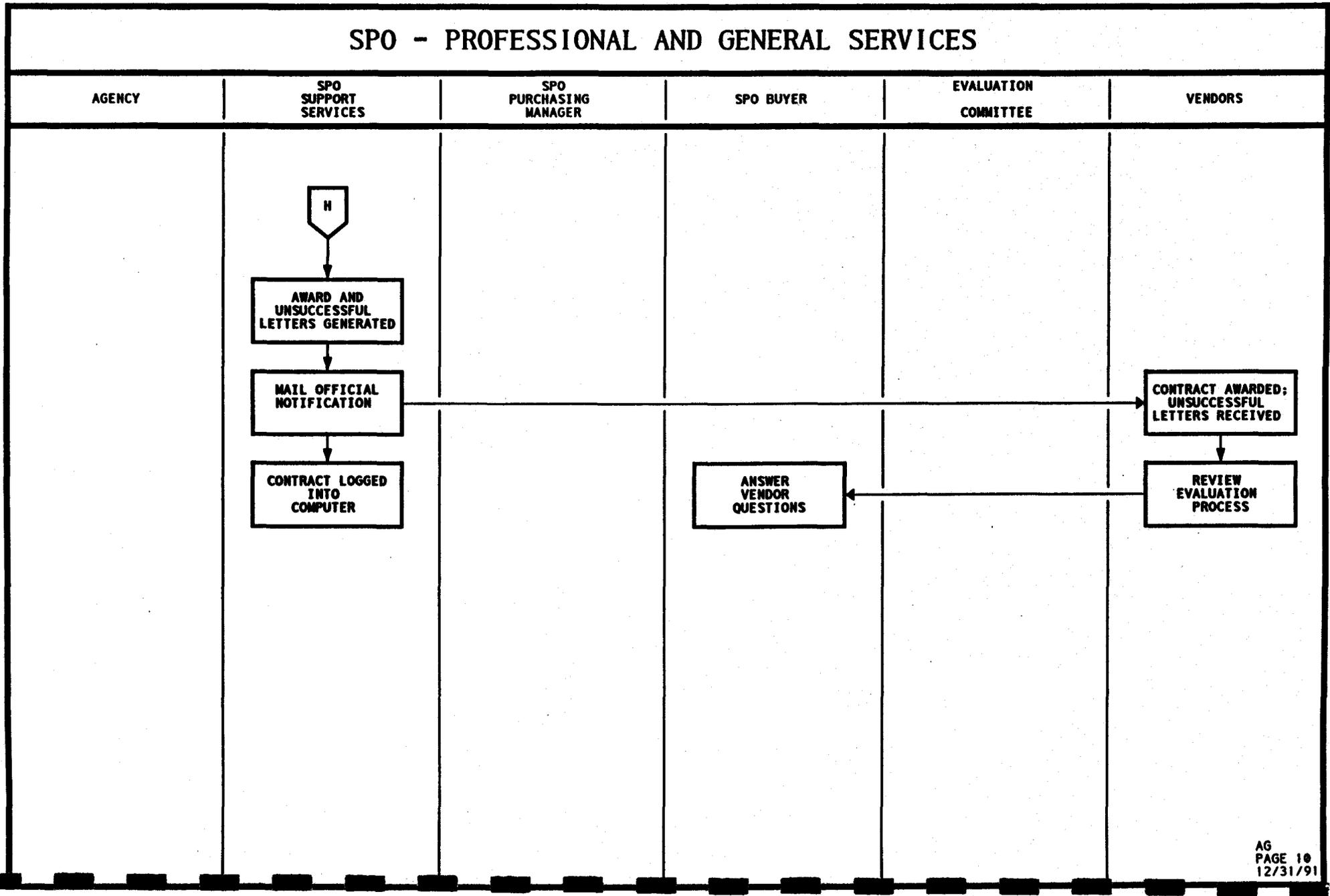
SPO - PROFESSIONAL AND GENERAL SERVICES



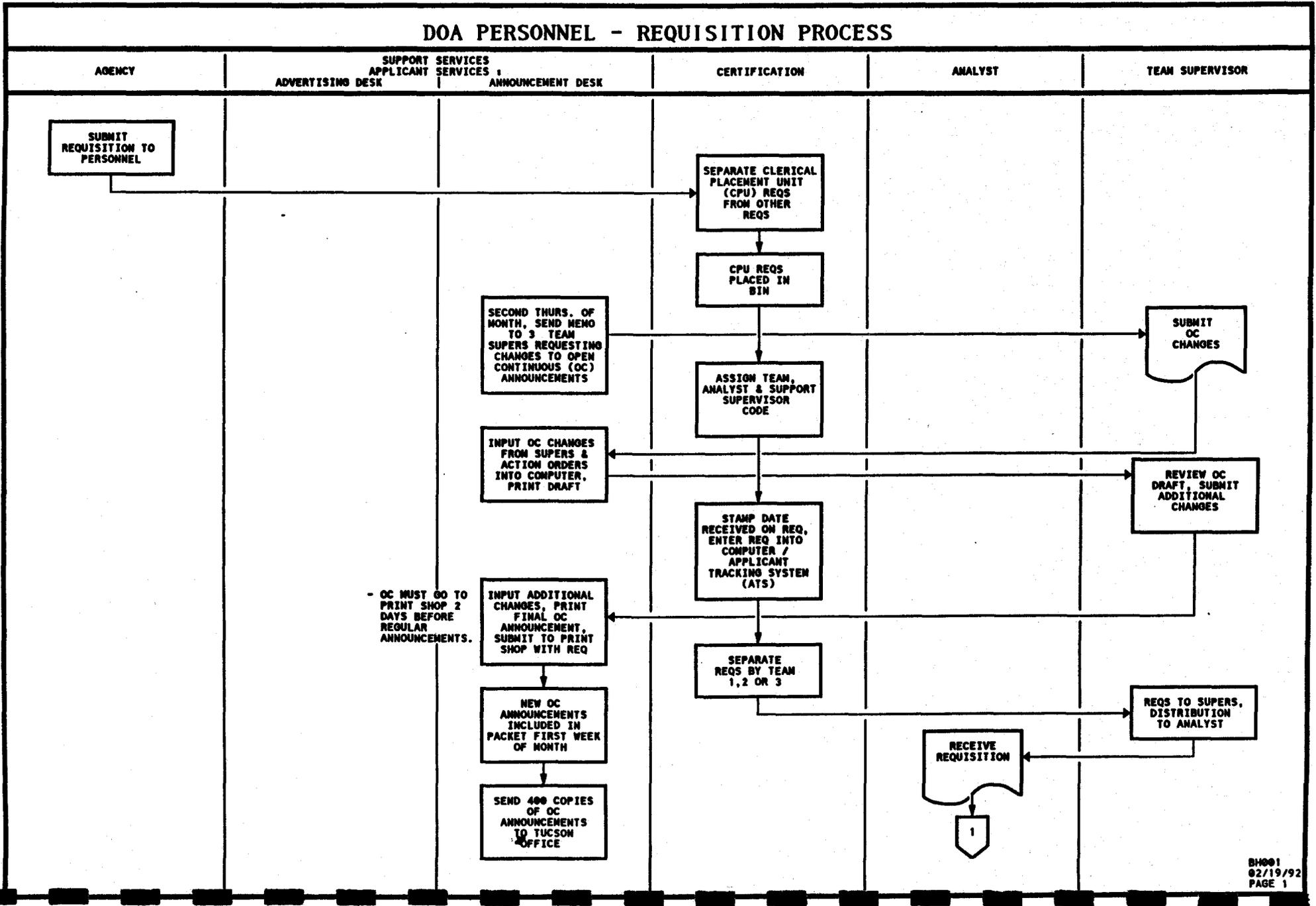
DOA - 184

SPO - PROFESSIONAL AND GENERAL SERVICES

DOA - 185

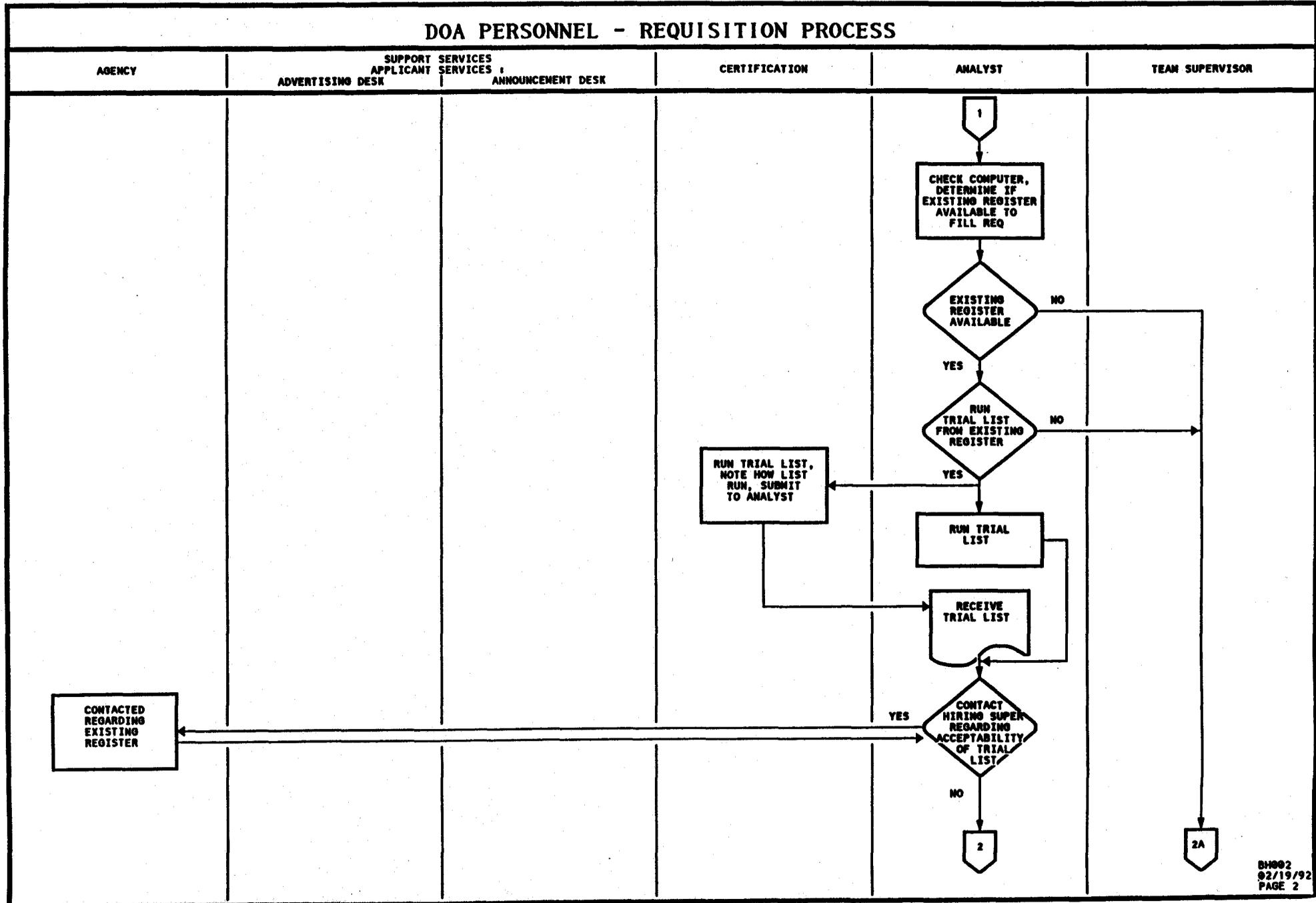


DOA PERSONNEL - REQUISITION PROCESS



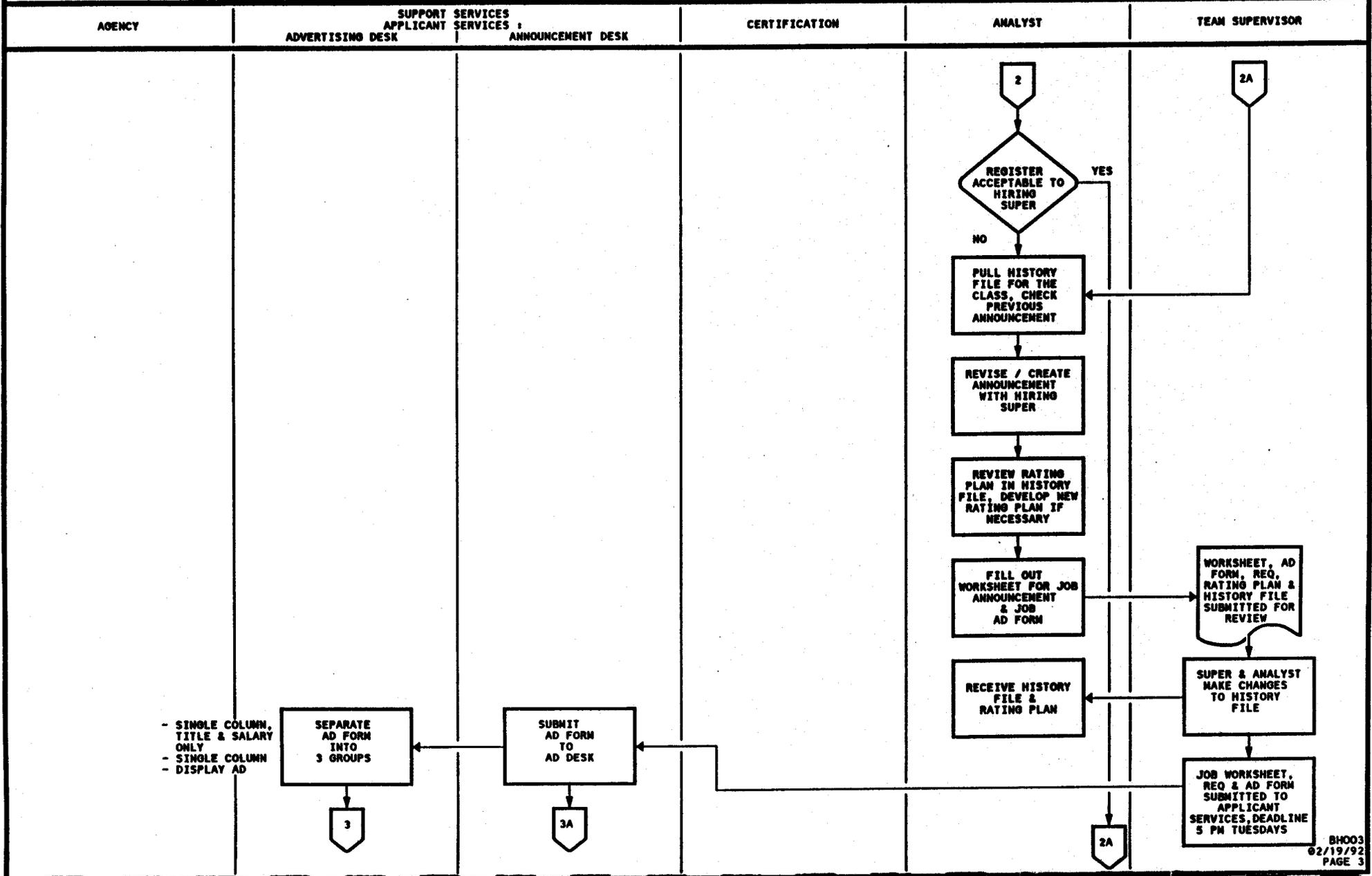
DOA - 188

DOA PERSONNEL - REQUISITION PROCESS



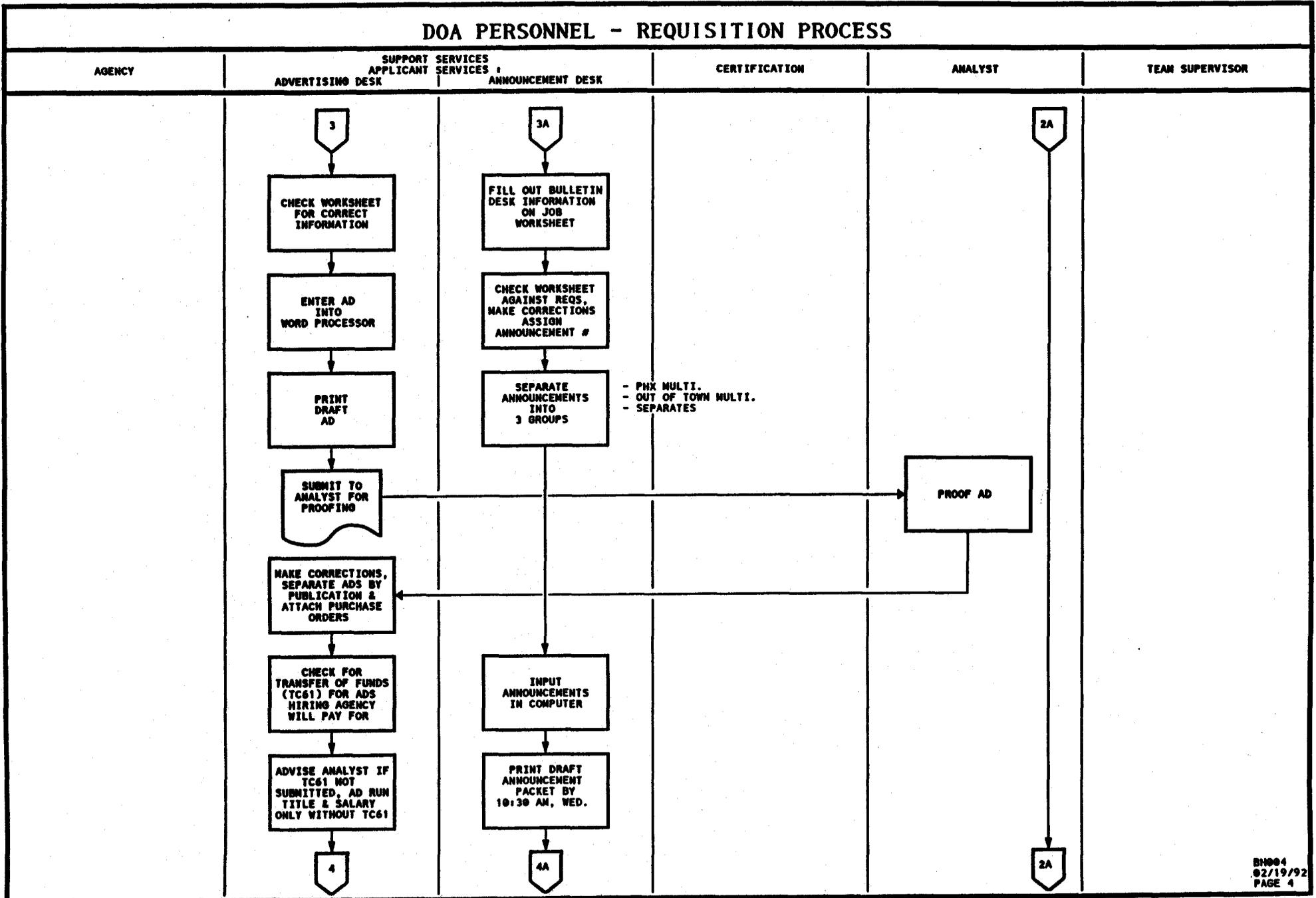
DOA - 197

DOA PERSONNEL - REQUISITION PROCESS



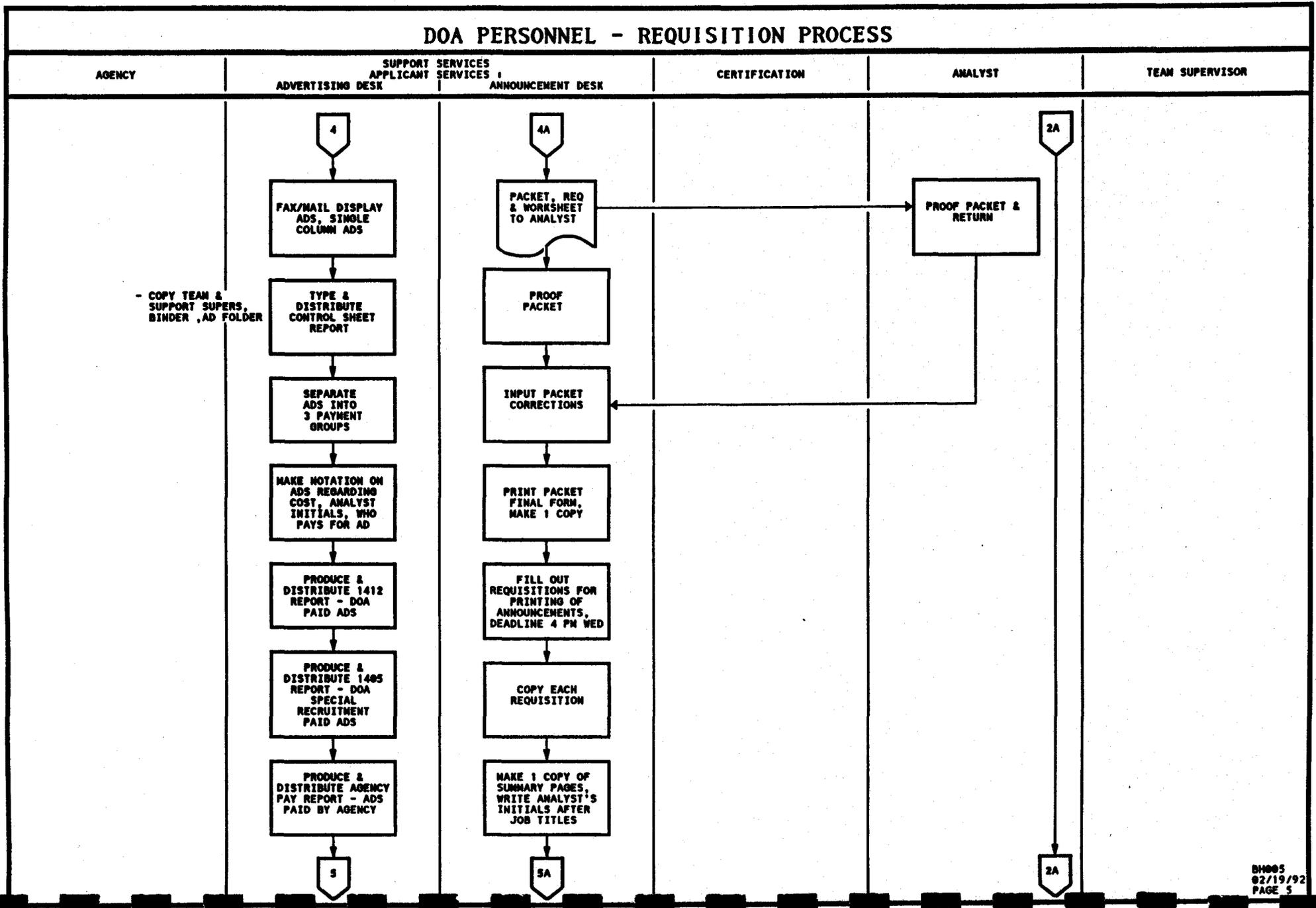
DOA - 198

DOA PERSONNEL - REQUISITION PROCESS

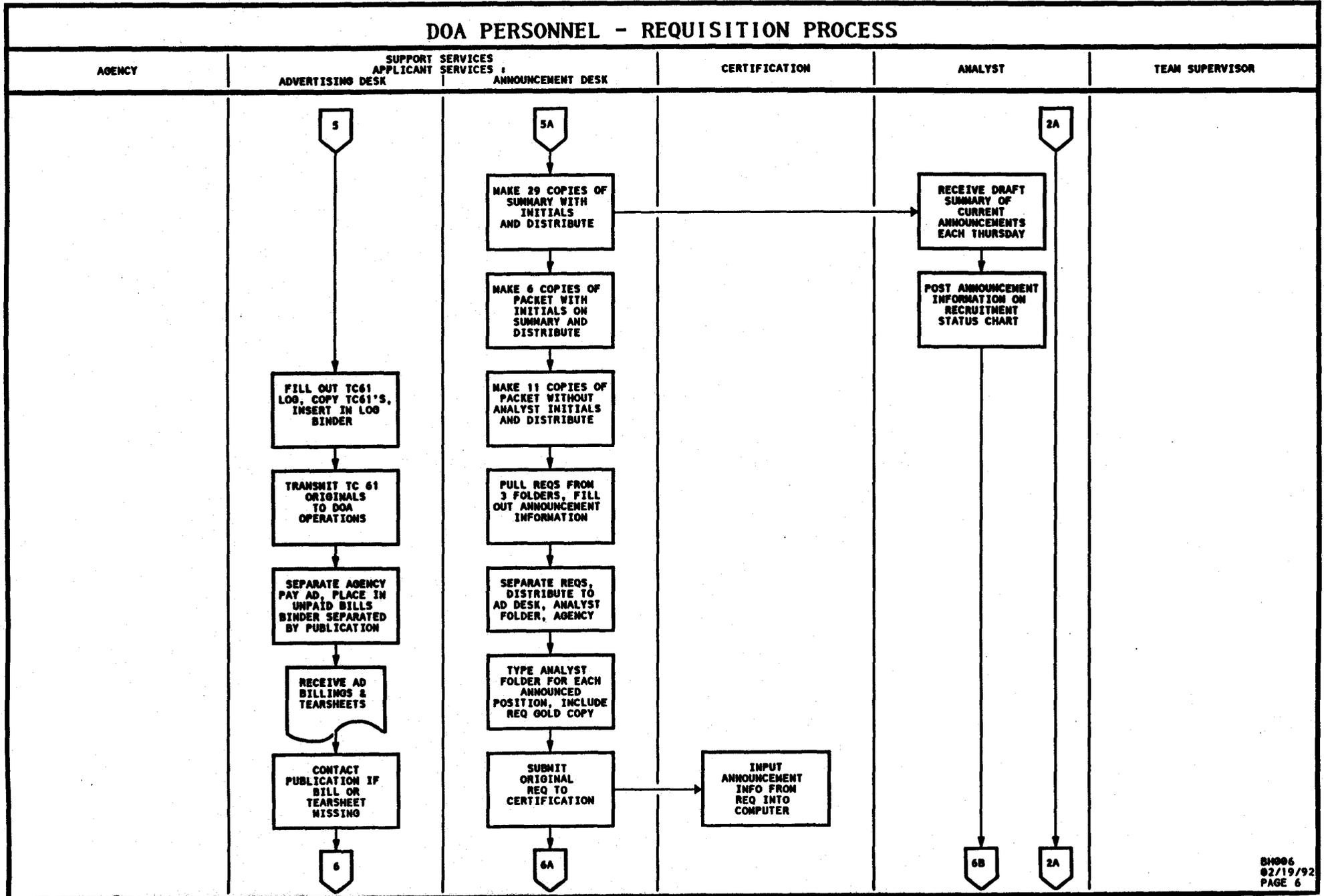


DOA - 189

DOA PERSONNEL - REQUISITION PROCESS

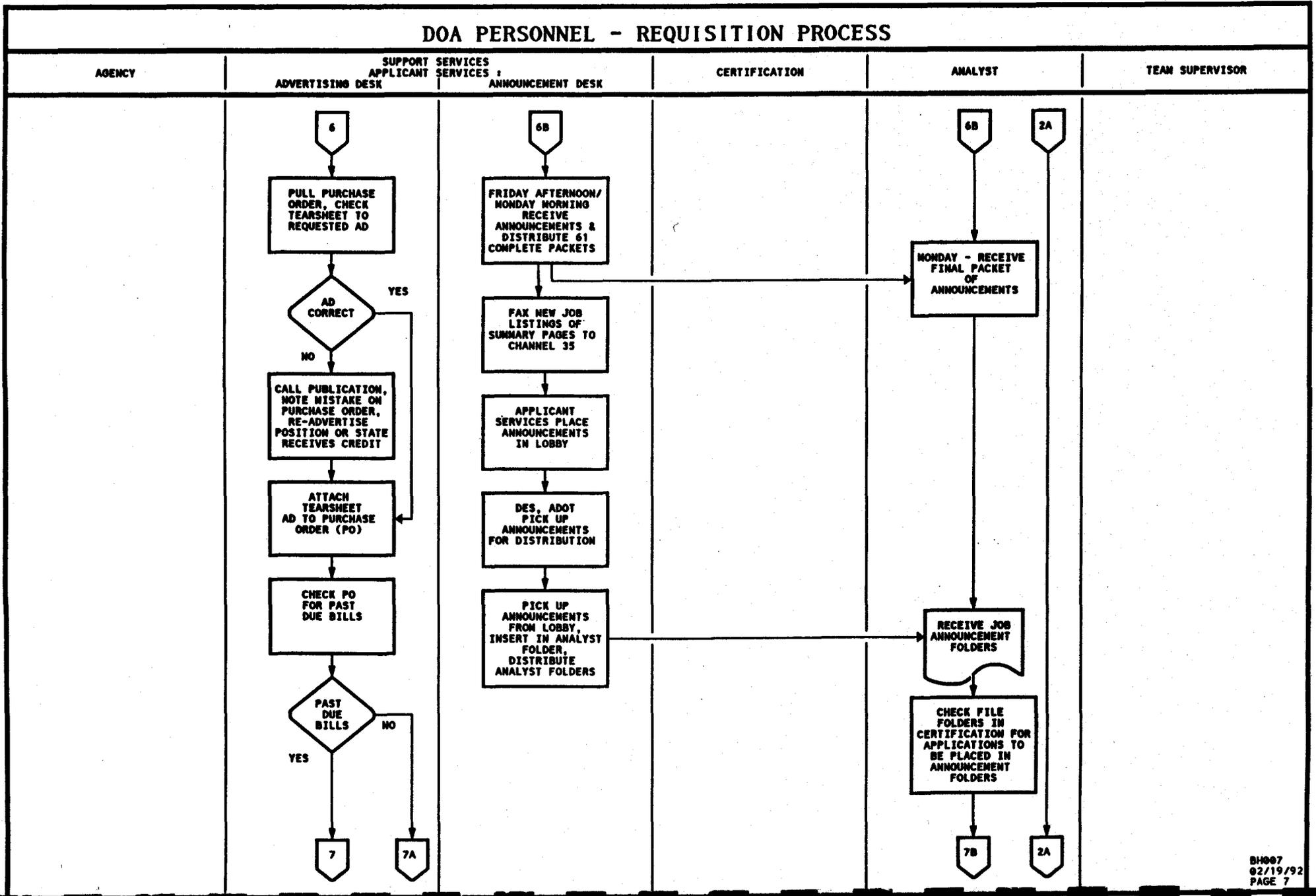


DOA PERSONNEL - REQUISITION PROCESS



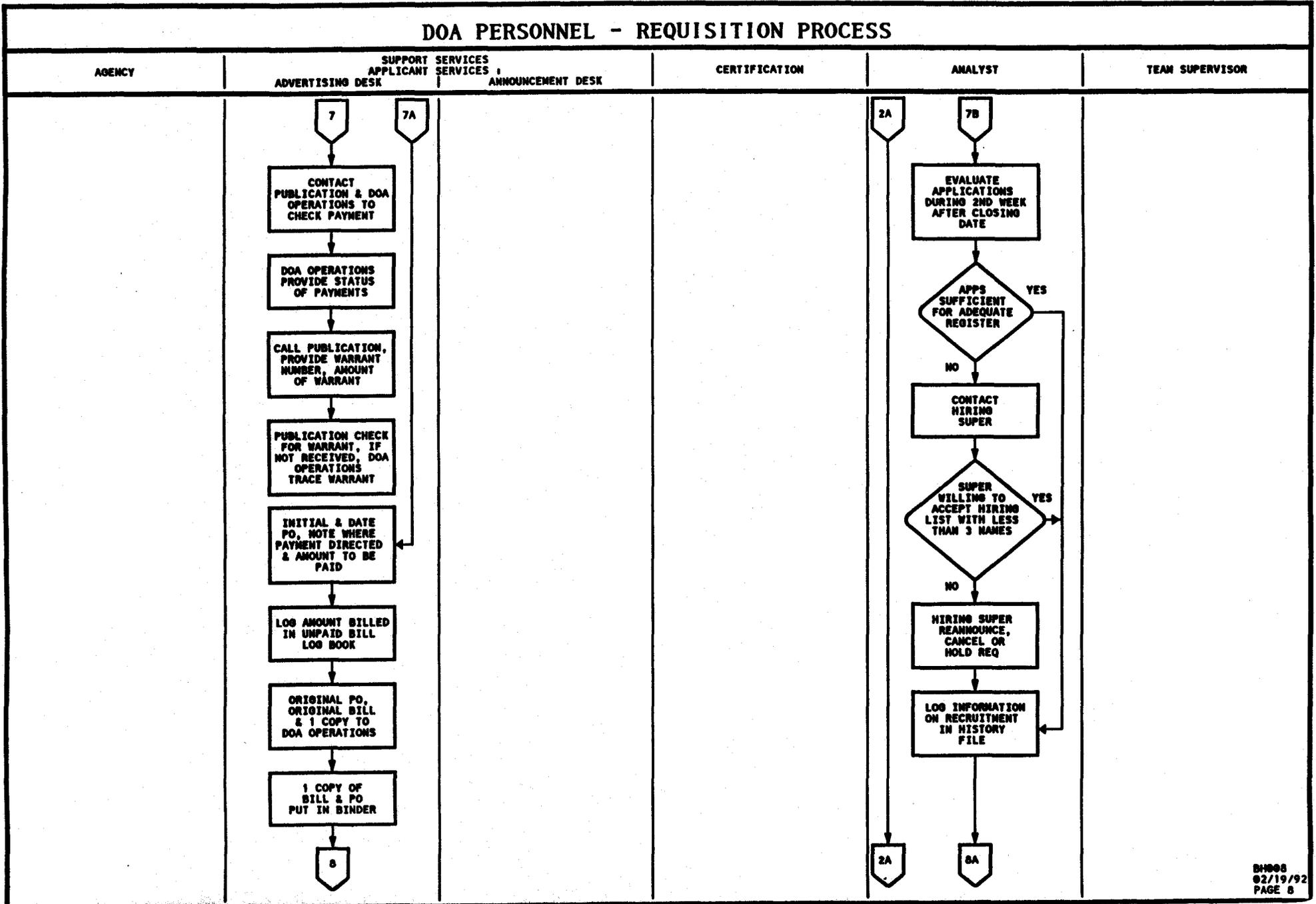
DOA - 201

DOA PERSONNEL - REQUISITION PROCESS



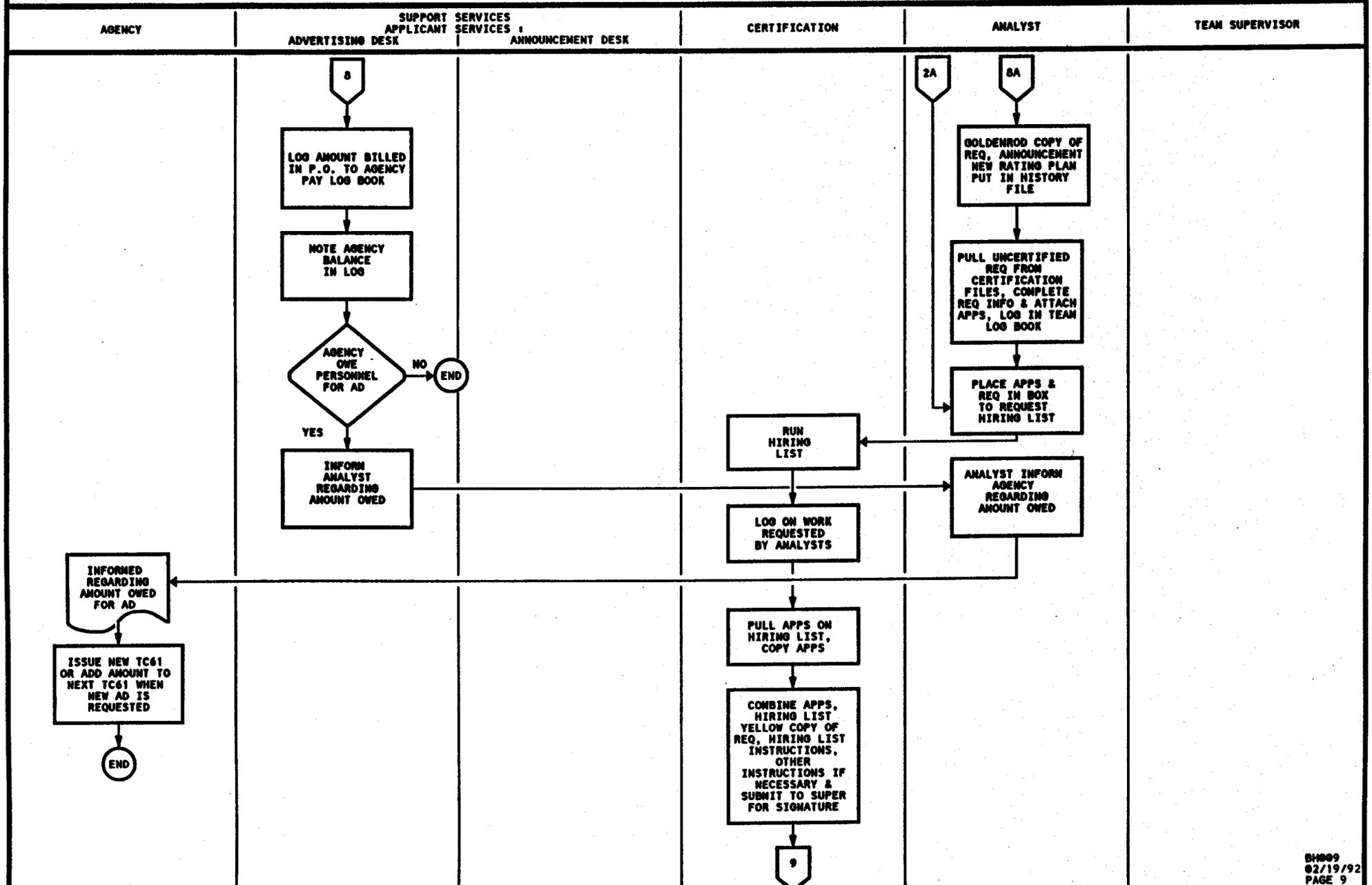
DOA - 202

DOA PERSONNEL - REQUISITION PROCESS



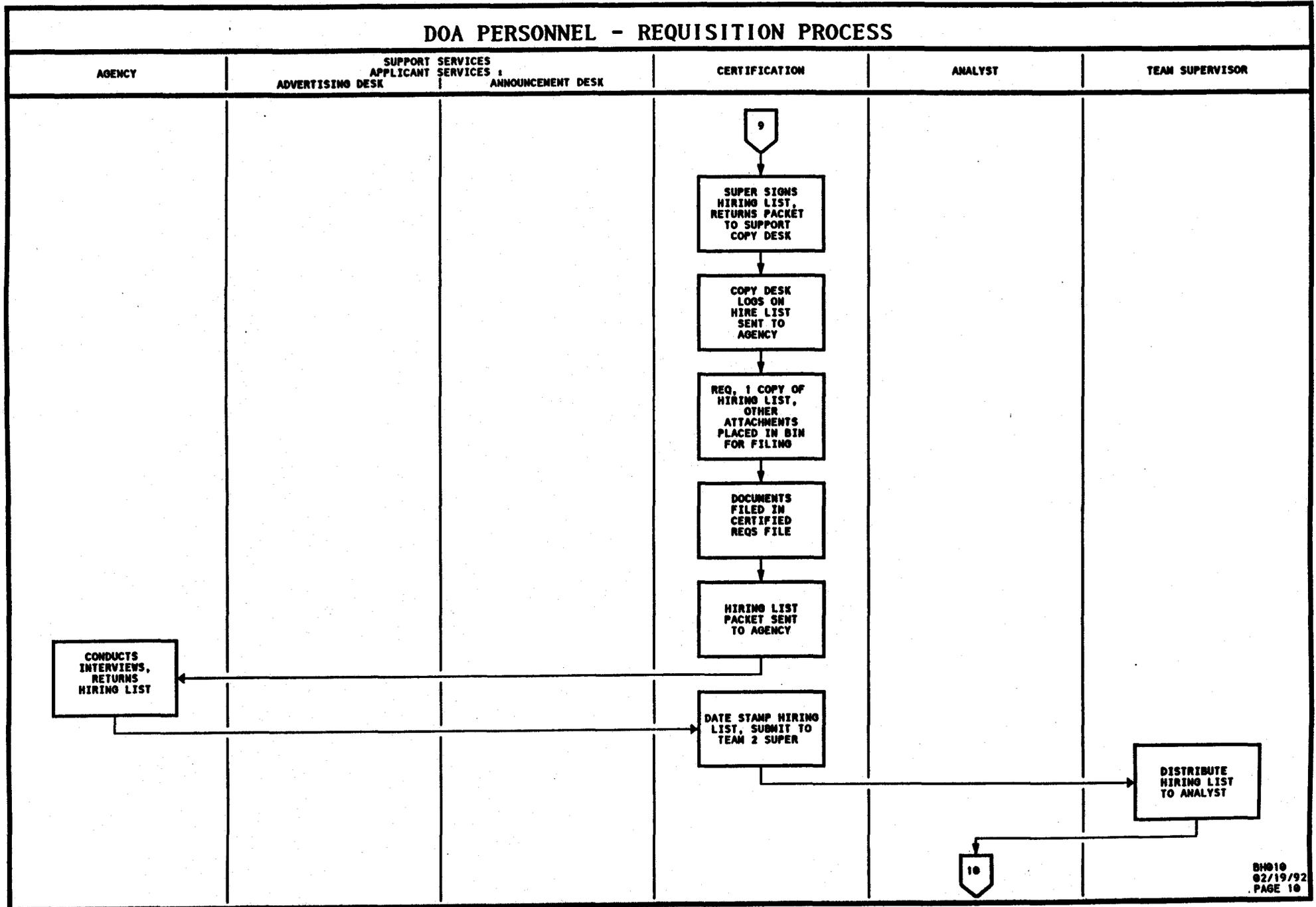
DOA - 203

DOA PERSONNEL - REQUISITION PROCESS



DOA - 204

DOA PERSONNEL - REQUISITION PROCESS



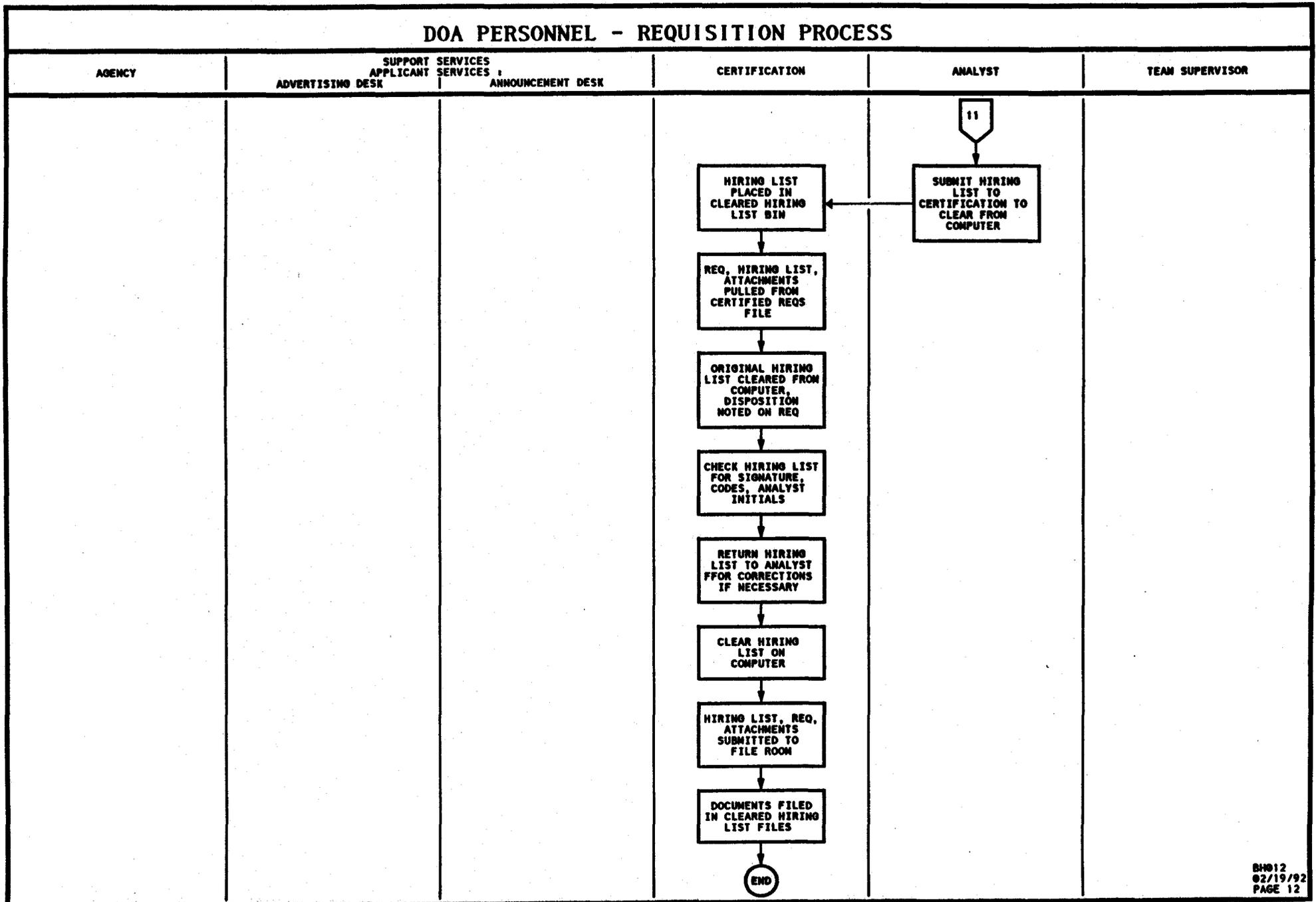
DOA - 205

DOA PERSONNEL - REQUISITION PROCESS

AGENCY	SUPPORT SERVICES APPLICANT SERVICES ADVERTISING DESK	ANNOUNCEMENT DESK	CERTIFICATION	ANALYST	TEAM SUPERVISOR
				<pre> graph TD     10[10] --&gt; A[REVIEW HIRING LIST, ASSURE HIRE IN COMPLIANCE]     A --&gt; B{HIRE IN COMPLIANCE}     B -- YES --&gt; D[SIGN OFF ON HIRING LIST]     B -- NO --&gt; C[CONTACT APNS / HIRING SUPER, DISCUSS NONCOMPLIANCE]     C --&gt; E[RETURN HIRING LIST FOR PROPER COMPLETION OR COMPLETE FORM ACCURATELY]     E --&gt; F[IF ILLEGAL HIRE, MAY REQUIRE ADDITIONAL INTERVIEWS, NULLIFY HIRE]     F --&gt; D     D --&gt; 11[11]             </pre>	

DOA - 206

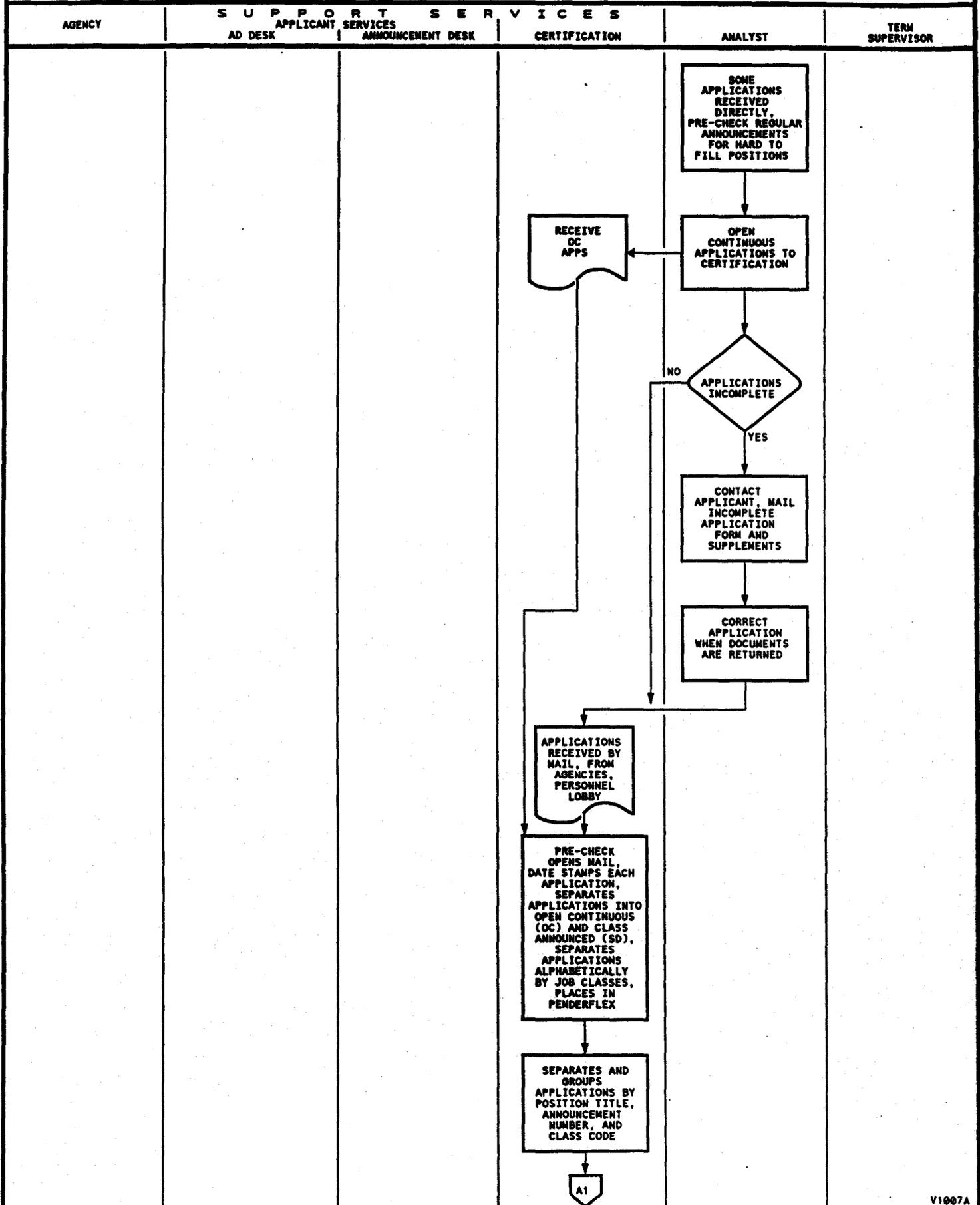
DOA PERSONNEL - REQUISITION PROCESS



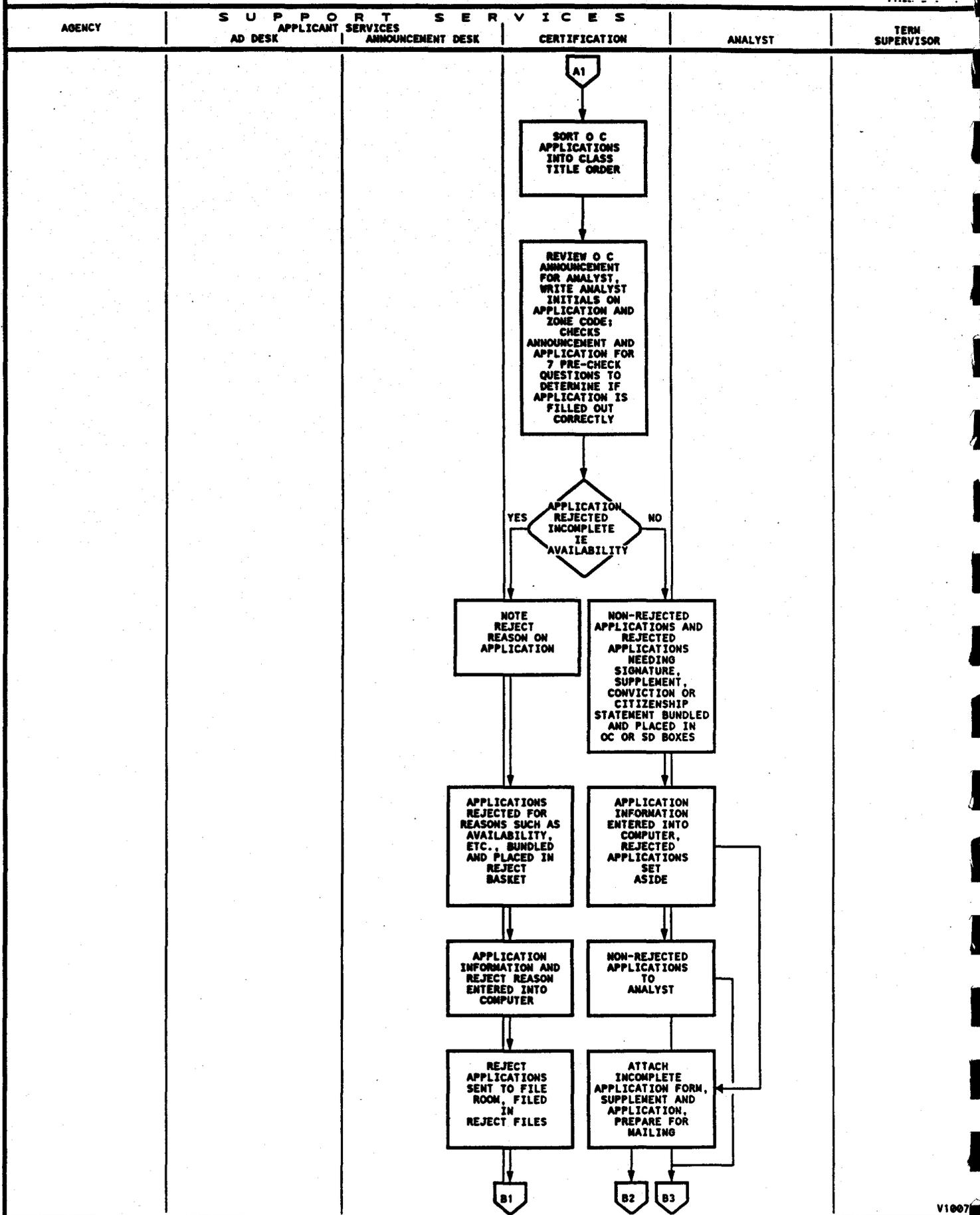
DOA - 207

DOA PERSONNEL  
APPLICATION PROCESS

APPENDIX D  
1 OF 6 PAGES

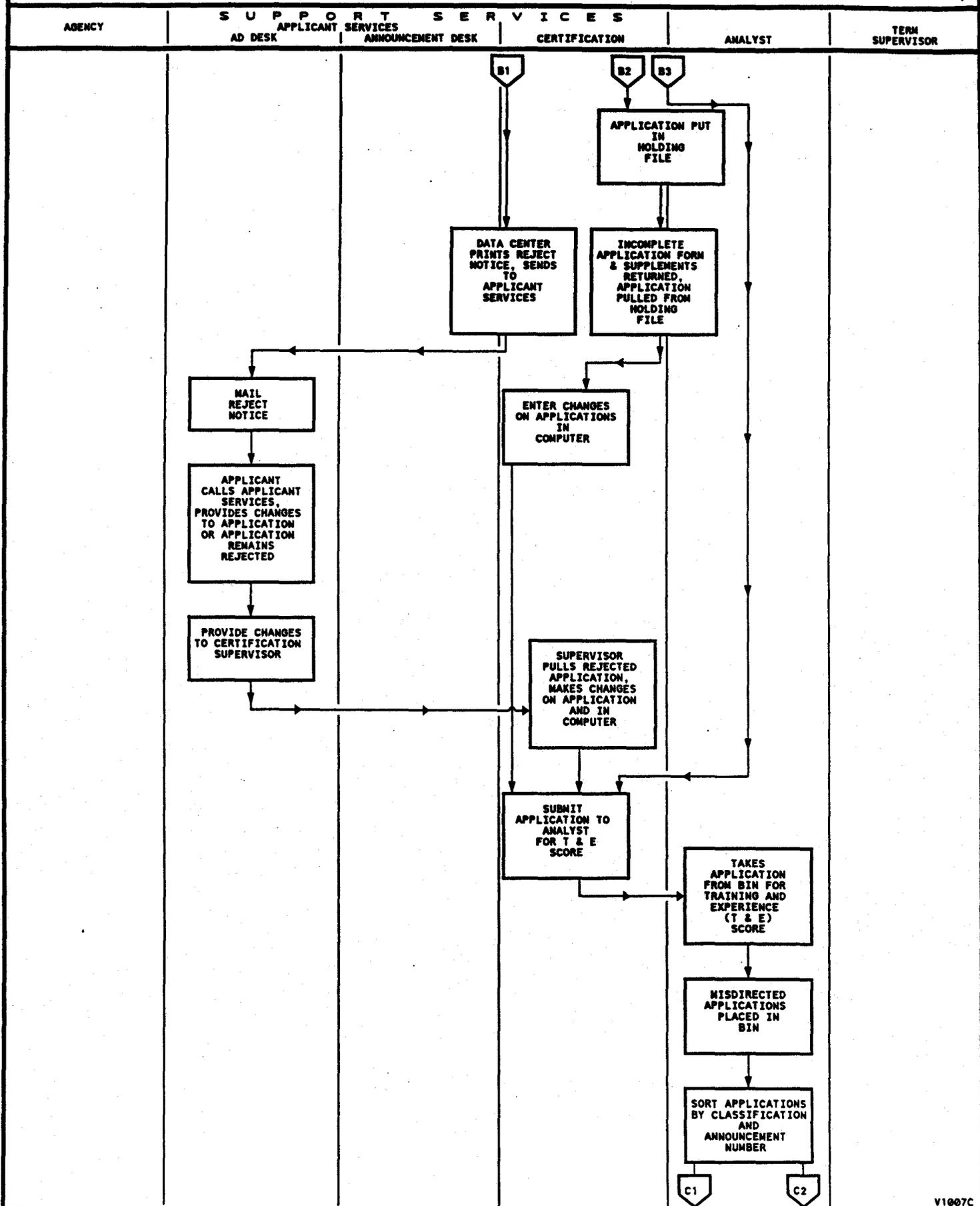


DOA PERSONNEL  
APPLICATION PROCESS



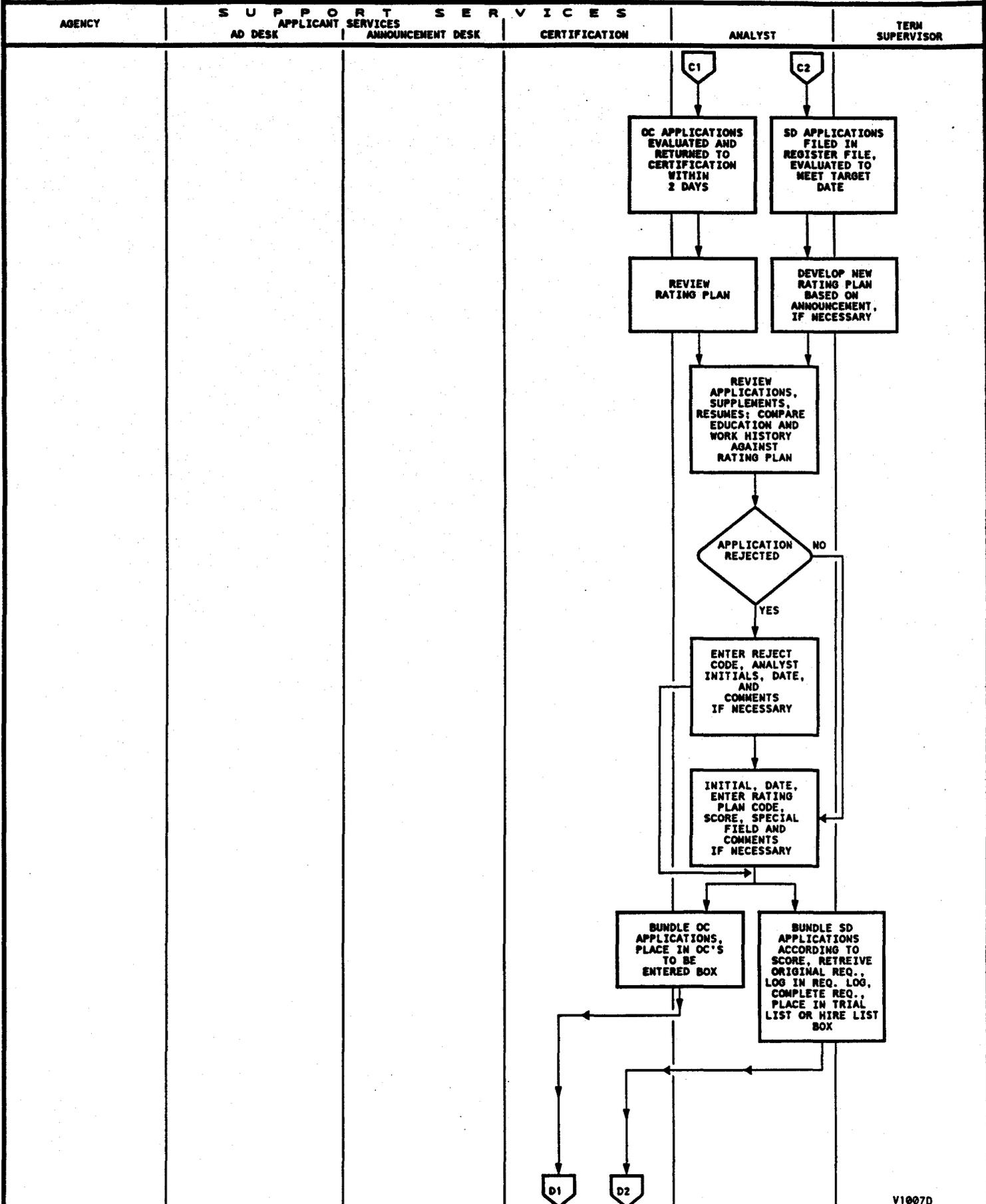
# DOA PERSONNEL APPLICATION PROCESS

APPENDIX D  
3 OF 6 PAGES



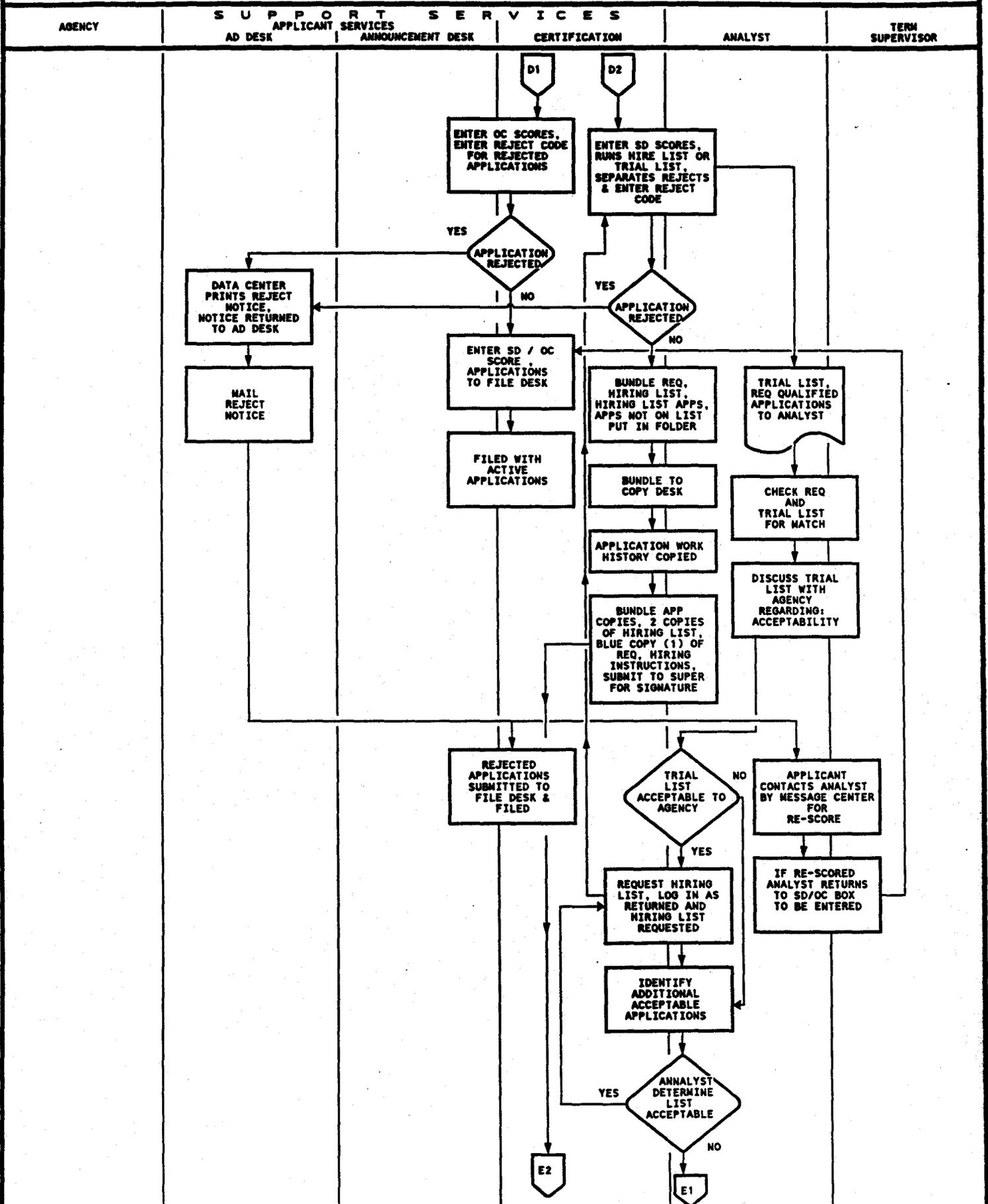
DOA PERSONNEL  
APPLICATION PROCESS

APPENDIX D  
4 OF 6 PAGES



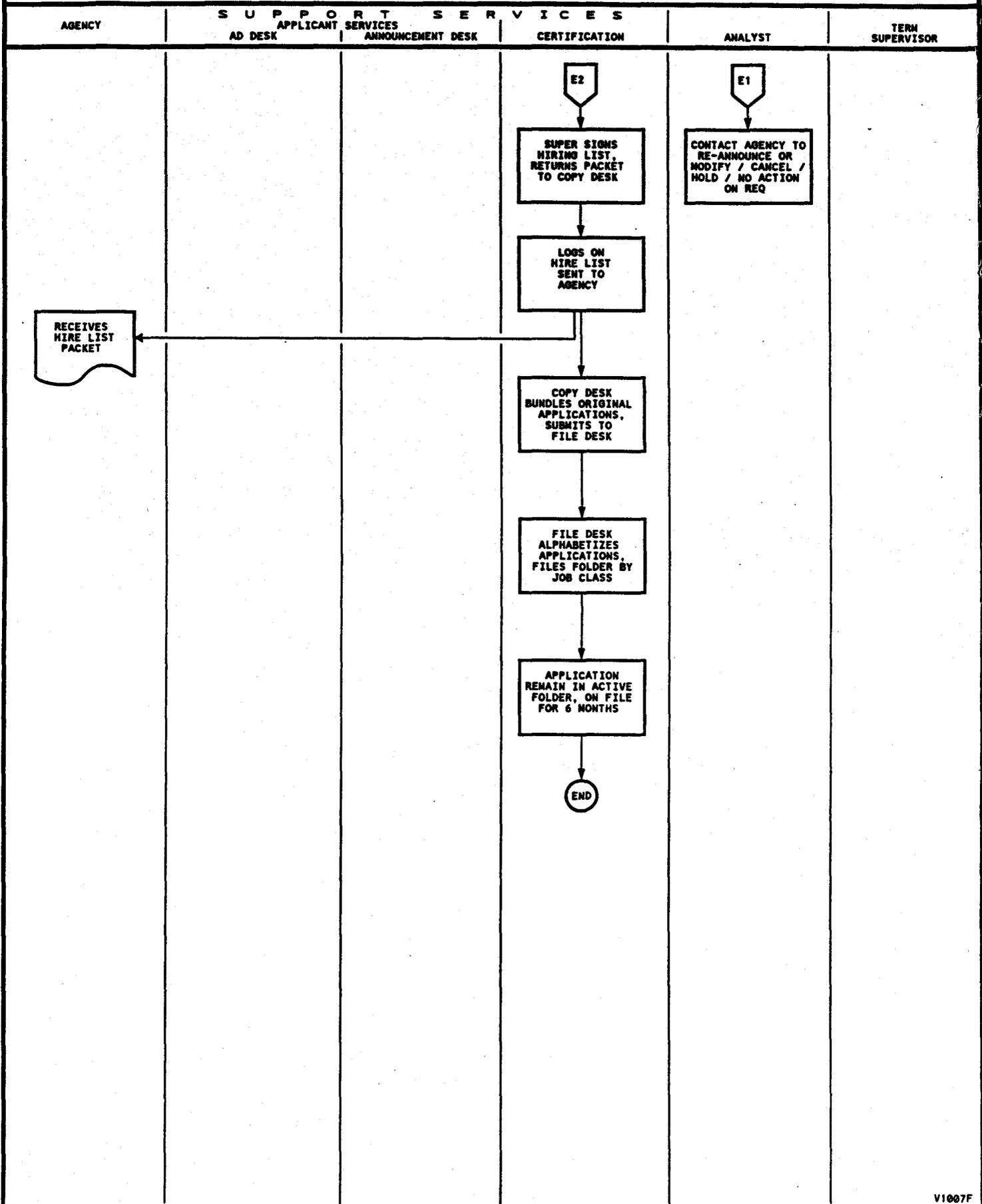
# DOA PERSONNEL APPLICATION PROCESS

APPENDIX D  
5 OF 6 PAGES



DOA PERSONNEL  
APPLICATION PROCESS

APPENDIX D  
6 OF 6 PAGES



DATE IN <u>11/6/91</u>	YEAR <u>1980</u>	MAKE <u>AMC</u>	CLASS <u>Concord</u>	ODOMETER <u>48937</u>	LICENSE NO. <u>SA-DME-198</u>	APPENDIX E 1 OF 42 PAGES
TIME <u>2039H</u>	VEHICLE OPERATOR <u>DON L. STRAASS Inv Superv</u>			PHONE <u>255-0098</u>		
TAXI <u>070370-1</u>	WORK CLASSIFICATION <input type="checkbox"/> PMA <input type="checkbox"/> PMB <input type="checkbox"/> PMC <input type="checkbox"/> UNSCH.				SUBLET	

WORK REQUIRED	INVOICE NO.	RC	PRICE
"A" MAINT <input checked="" type="checkbox"/> Power Steering leak			
PLEASE CHECK FRONT END FOR REPAIR OR REPLACEMENT.			
<input checked="" type="checkbox"/> Front Seat Belt			
HEATER NOT WORKING <i>HUBBARD</i>			
LR BRAKE GRABS <i>ALIGN</i>	<u>47622</u>		<u>2450</u>

WORK PERFORMED OK TO PAY 2591 - DATE 2-5-92 TOTAL SUBLET COST

LABOR PERFORMED - DESCRIPTION	RC	MC	HOURS
L.O.F		4	4
Brake Insp. - Clean + Adjust Rear Brakes		4	4
Replace upper Bushings & 1 Ball joint		11	3.5
Replace lower Bushings		11	2.0
install new front shocks		11	6
2.3L Steering Box Noise, replace pitman arm		11	3.0
Replace P/S pressure & return hoses		11	5
Repl water pump & upper hose		11	2.0
Replace Heater Control valve		11	3

PART NO.	QTY.	UNIT PRICE	PARTS DESCRIPTION	BE	EXTENDED PRICE
314	5qt.		Oil	✓	3.15
PH-24	1		Oil Filter	✓	1.82
AF-184	1		Air Filter	✓	2.14
CHM-13	1		Brake Cleaner	✓	1.30
15-5282	1		Heater Control valve	✓	28.16
8521	1		Reset kit	✓	15.89
71139	1		P/S Pressure Hose	✓	13.54
123137	2		Bushings	✓	24.77
12245	2		Bushings	✓	11.99
10229	1		Upper Ball Joint	✓	10.85
18655N	1		Pitman Arm	✓	16.76
18794	1		Idler Arm	✓	33.75
FP1613	1		water pump	✓	28.43
316	1		coolant	✓	3.79
5809	2		Front shocks	✓	40.24
J3735033	1		Belt (242)	✓	52.34

VEHICLE RELEASED BY: <u>[Signature]</u>	REMIT PAYMENT TO: 1700 W. Washington Phoenix, Arizona 85007 Phone 542-1593 Attn: Sheila	TOTAL SUBLET COST <u>24.50</u>
DATE: <u>2/5/92</u> TIME: <u>9:30 AM</u>		TOTAL LABOR COSTS <u>338.21</u>
VEHICLE PICKED UP BY: <u>[Signature]</u>		@ HOUR \$ <u>294.88</u>
DATE: <u>2/15/92</u> TIME: <u>9:30 AM</u>		TOTAL PARTS COSTS <u>294.88</u>
		AMOUNT DUE \$ <u>657.59</u>

DOA/GSD FLEET MANAGEMENT OFFICE WORK ORDER / INVOICE

NO 13634

DATE IN 10-10-91

YEAR MAKE CLASS ODOMETER LICENSE NO.

1980 AMC Concord 47633 26 DME 198

APPENDIX E

TIME

TAXI EXT

VEHICLE OPERATOR

PHONE

DON L. STRAASS Inv Superv 255-0098 X33

2 OF 42 PAGES

046397

WORK CLASSIFICATION  PMA  PMB  PMC  UNSCH.

SUBLET

WORK REQUIRED

INVOICE NO. RC PRICE

"B" MAINT

Brakes - Front Pads needed esp. RT. Side ✓  
Squeal all the time - hear brake slave cyl. leaking ✓  
readiff. cover leaks, front U-joints ✓

WORK PERFORMED OK TO PAY

DATE

TOTAL SUBLET COST

LABOR PERFORMED - DESCRIPTION

RC MC HOURS

L.O.F. A.F. F.F.		6		.6
Brake Insp. see above		6		.4
Front brake job complete w/ new rotors		2		1.7
rebuild both rear wheel cylinders		2		1.3
bleed brake system		2		.5
remove & resal differential cover		2		1.2
remove & inspect driveshaft & u-joints - NTF		2		.3
test drive & PM-B check		2		.3

TOTAL LABOR TIME

PART NO. QTY. UNIT PRICE PARTS DESCRIPTION RC EXTENDED PRICE

AF184	1		Air Filter	✓	2.14
PH-24	1		Oil Filter	✓	1.92
314	5		Oil	✓	3.15
CHM-13	1		Brake Cleaner	✓	1.64
CHM-3	1		Battery cleaner	✓	2.44
G472	1		Fuel Filter	✓	2.59
D91	1		brake pads	✓	18.91
46130	2		front seals	✓	6.55
<del>2009</del>	1		<del>thrust</del>		<del>3.26</del>
CHM-B	1		brake cleaner	✓	2.36
170	2		wheel cylinder kits	✓	15.54
41191	2		rotors	✓	71.01

TOTAL PARTS COSTS

VEHICLE RELEASED BY: *[Signature]*

DATE: 10/24/91 TIME: 3:00

VEHICLE PICKED UP BY: *[Signature]*

DATE: 10/25/91 TIME: 9:30A

REMIT PAYMENT TO:  
1700 W. Washington  
Phoenix, Arizona 85007  
Phone 542-1593  
Attn: Sheila

TOTAL SUBLET COST  
TOTAL LABOR COSTS  
@ HOUR \$  
TOTAL PARTS COSTS

135.02  
167.42  
296.44

AMOUNT DUE \$

DOA - 215



103

N-4

DOA/GSD FLEET MANAGEMENT OFFICE WORK ORDER / INVOICE

No 20959

DATE IN 1/22/91	YEAR 1980	MAKE AMC	CLASS Concord	ODOMETER 42896	PHONE 255-0098	AGENCY DIVISION
TIME 8:00	VEHICLE OPERATOR DON L. STRAASS Inv Superv			LICNESE NO. DME 198		APPENDIX E
TAXI EXT	WORK CLASSIFICATION <input type="checkbox"/> PMA <input type="checkbox"/> PMB <input type="checkbox"/> PMC <input checked="" type="checkbox"/> UNSCH.			4 OF 42 PAGES		

043176

WORK REQUIRED	INVOICE NO.	RC	PRICE
"A" MATRX			
DOES NOT WARM UP CHECK THERMOSTAT			
DONE 12-12-90 42638 MILES			

LABOR PERFORMED - DESCRIPTION	MC	HOURS
CHECK COOLANT TEMP RER GAUGES & SENSOR	2	1.6
RER FUEL GAUGE	2	1
ROAD TEST	2	2
CHECK & REPLACE THERMOSTAT	2	6
TOTAL LABOR TIME		

PART NO.	QTY.	UNIT PRICE	PARTS DESCRIPTION	EXTENDED PRICE
3233831	1		TEMP SENSOR	11.60
8128863	1		FUEL GAUGE	42.41
5812836	1		TEMP GAUGE	42.41
131-3	1		THERMOSTAT	2.53
TOTAL PARTS COSTS				

Called  
1-4-91  
12:30

VEHICLE RELEASED BY: <i>[Signature]</i>	REMIT PAYMENT TO: 1700 W. Washington, Rm 210 Phoenix, Arizona 85007 Phone 542-1593 Attn: General Services Acct.	TOTAL SUBLET COST
DATE: 2/5/91 TIME: 8:49A		TOTAL LABOR COSTS 69.18
VEHICLE PICKED UP BY: <i>[Signature]</i>		@ HOUR \$ 2.7 98.95
DATE: TIME:		TOTAL PARTS COSTS
		AMOUNT DUE \$ 168.13

DOA/GSD FLEET MANAGEMENT OFFICE WORK ORDER / INVOICE

No 20956

N. 2

DATE INCL <u>2/3/90</u>	YEAR <u>1980</u>	MAKE <u>AMC</u>	CLASS <u>Concord</u>	ODOMETER	PHONE <u>255-0098</u>	AGENCY DIVISION
TAXI <u>042739</u> EXT	VEHICLE OPERATOR <u>DON L. STRAASS Inv Superv</u>			LICENSE NO. <u>DME 198</u>		APPENDIX E
	WORK CLASSIFICATION <input type="checkbox"/> PMA <input type="checkbox"/> PMB <input type="checkbox"/> PMC <input checked="" type="checkbox"/> UNSCH.			SUBLET		

5 OF 42 PAGES I  
BILL TO: [unclear]

WORK REQUIRED	INVOICE NO.	RC	PRICE
"A" MAINT			
VEHICLE IS OVERHEATING PLEASE CHECK			
Needs Smog Pump. THERMOSTADLY Needs Power Steering Pump			
PLEASE INSPECT THE BRAKES Needs Rear Brake			
POWER STEERING LEAK FRONT PASSENGER SEAT BELT FIXED			
WORK PERFORMED OK TO PAY X DATE	TOTAL SUBLET COST		

LABOR PERFORMED - DESCRIPTION	MC	HOURS
<u>LOT</u>	<u>9</u>	<u>5</u>
<u>Brake Ch. N.R.</u>	<u>9</u>	<u>6</u>
<u>R+E Smog Pump, P/S Pump, fan clutch</u>	<u>8</u>	<u>2.0</u>
<u>R+A Rear brake shoes &amp; Turns Drum</u>	<u>8</u>	<u>1.0</u>
<u>R+E SEAT BELT</u>	<u>8</u>	<u>4</u>
TOTAL LABOR TIME		

PART NO.	QTY.	UNIT PRICE	PARTS DESCRIPTION	EXTENDED PRICE
<u>A.P. 184</u>	<u>1</u>		<u>AIR FILTER</u>	<u>✓ 1.89</u>
<u>F. 24</u>	<u>1</u>		<u>OIL FILTER</u>	<u>✓ 1.77</u>
<u>3/4</u>	<u>3</u>		<u>AIR</u>	<u>✓ 3.50</u>
<u>Cam-13</u>	<u>1</u>		<u>BRAKE CLEANER</u>	<u>✓ 1.68</u>
<u>Cam-3</u>	<u>1</u>		<u>BATT CLEANER</u>	<u>✓ 1.59</u>
<u>7718</u>	<u>1</u>		<u>FAN CLUTCH</u>	<u>✓ 31.46</u>
<u>6301</u>	<u>1</u>		<u>P/S PUMP</u>	<u>✓ 67.75</u>
<u>32-212</u>	<u>1</u>		<u>SMOG PUMP</u>	<u>✓ 32.28</u>
<u>114RP</u>	<u>1</u>		<u>BRAKE SHOES</u>	<u>✓ 8.54</u>
<u>35001</u>	<u>1</u>		<u>HOSE</u>	<u>✓ .79</u>
<u>CLAMP</u>	<u>2</u>		<u>CLAMP</u>	<u>✓ .19</u>
<u>SEAT</u>	<u>1</u>		<u>SEAT BELT</u>	<u>✓ 26.68</u>
TOTAL PARTS COSTS				

VEHICLE RELEASED BY: <u>[Signature]</u> DATE: <u>2/3/90</u> TIME: <u>11:35</u> VEHICLE PICKED UP BY: <u>[Signature]</u> DATE: <u>12/31/90</u> TIME: <u>1247</u>	RENT PAYMENT TO: 1700 W. Washington, Rm 210 Phoenix, Arizona 85007 Phone 542-1593 Attn: General Services Acct.	TOTAL SUBLET COST _____ TOTAL LABOR COSTS <u>178.32</u> @ HOUR \$ _____ TOTAL PARTS COSTS <u>112.73</u> AMOUNT DUE \$ <u>291.05</u>
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26

DOA/GSD FLEET MANAGEMENT OFFICE WORK ORDER / INVOICE

APPENDIX E -4-

DATE IN 8/15/90 YEAR 6 MAKE AMC CLASS CONCORD ODOMETER            LICENSE NO. 7 OF 42 PAGES  
 TIME 11:00 1980 AMC Concord            EX DME198 DES/DMR/OSI  
 TAXI            EXT            VEHICLE OPERATOR DON L. STRAASS PHONE 255-0098 X33 EE852 064C  
 DON L. STRAASS Inv Superv BILL TO:  YES  NO

041426

WORK CLASSIFICATION  PMA  PMB  LPMC  UNSCH. SUBLET

WORK REQUIRED	INVOICE NO.	RC	PRICE
<input checked="" type="checkbox"/> MAINT			
<input checked="" type="checkbox"/> A/C IS OUT			
PLEASE CHECK TIRES (Repl as necessary)			
REPL BRAKE PEDAL <i>Bishop, Rich 10/11/00851</i>			
REPAIR FT WINDSHIELD			

WORK PERFORMED OK TO PAY  DATE            TOTAL SUBLET COST           

LABOR PERFORMED - DESCRIPTION	RC	MC	HOURS
P.M. CHECK "C"		1	4
Scope engine - TUNE AS NEEDED (R&R #4 SPARK PLUG)		1	7
REPAIR A/C - RECONNECT WIRE TO AK CLARK R&R Blower switch		1	7
ROTATE TIRES		1	3
R&R FRONT SHOCKS		1	6
LOF AP FP		1	3
Brake INSP OK		1	3
TRANS Service <i>+1 Belt</i>		1	4
TOTAL LABOR			4

PART NO.	QTY.	UNIT PRICE	PARTS DESCRIPTION	RC	EXTENDED PRICE
AGSP54	1		SPARK PLUG	✓	.96
5809	2		SHOCKS	✓	36.83
3369311	1		Blower switch	✓	14.45
PH 24	1		OIL Filter	✓	1.77
3-14	50TS		OIL	✓	2.75
AF 184	1		AIR Filter	✓	1.89
G 472	1		Fuel Filter	✓	2.59
3-15	50TS		ATF	✓	3.05
T-614	1		TRANS F/K	✓	2.75
CHM 13	1		Brake C	✓	1.78
13251	1		Belt	✓	3.13
TOTAL PARTS COSTS					

VEHICLE RELEASED BY: <u>[Signature]</u> DATE: <u>9-6-90</u> TIME: <u>11:30</u> VEHICLE PICKED UP BY: <u>[Signature]</u> DATE: <u>9/6/90</u> TIME: <u>3:05</u>	REMT PAYMENT TO: 1700 W. Washington Phoenix, Arizona 85007 Phone 542-1593 Attn: Sheila	TOTAL SUBLET COST <u>          </u> TOTAL LABOR COSTS <u>94.80</u> @ HOUR \$ <u>3.7</u> TOTAL PARTS COSTS <u>72.67</u>
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DOA - 220 AMOUNT DUE \$ 167.47

DOA/GSD FLEET MANAGEMENT OFFICE WORK ORDER / INVOICE No 11679 APPENDIX E

Page 1 of 2

DATE IN 8/9/89	YEAR 1980	MAKE AMC	CLASS	ODOMETER 31773	LICENSE NO. DM198
TIME 1:00	VEHICLE OPERATOR DON L. STRAASS Inv Supery			PHONE 0098	255-5202 x 33
TAXI 049623 043690	WORK CLASSIFICATION <input type="checkbox"/> PMA <input type="checkbox"/> PMB <input type="checkbox"/> PMC <input checked="" type="checkbox"/> UNSCH.			SUBLET	

8 OF 42 PAGES  
 DES/DIR/USA  
 EE852 064C  
 BILL TO  YES  NO

WORK REQUIRED	INVOICE NO.	RC	PRICE
"C" MAINT / TRANSMISSION LEAKS / GAS GAUGE NEEDS REPAIR / FRONT END ALIGNMENT / CHECK A/S / REPLACE TIRES WHERE NEEDED / TUNE-UP.			
<i>Needs Front &amp; Rear Brake work</i>			

WORK PERFORMED OK TO PAY X DATE TOTAL SUBLET COST

LABOR PERFORMED - DESCRIPTION	RC	MC	HOURS
LOF, AF, FF		10	.7
Brake inspection		10	.3
TRANS SERVICE		10	.3
Mounted & Balanced		10	.5
REL FRONT & REAR BRAKES TURN DRUMS & ROTAS P/B	2	2	2.0
REPAIR STEERING COLUMN	2	2	1.3
TUNE ENGINE	2	2	.8
CHECK GAS GAUGE DRAIN TANK CHECK indicator (OK)	2	2	.6
SERVICE MC	2	2	.3
ROAD TEST	2	2	.4
TOTAL LABOR TIME			4

PART NO.	QTY.	UNIT PRICE	PARTS DESCRIPTION	RC	EXTENDED PRICE
PH 24	1		OIL Filter		1.69
3.14	5QT	49	OIL		2.45
3.15	4QT	56	ATF		2.24
<del>A</del>	<del>1</del>	<del></del>	<del>Oil Filter</del>	<del></del>	<del></del>
G 19	1		Fuel Filter		2.34
T 614	1		TRANS Filter KIT		2.73
CLAMP	1		CLAMP		.18
P205/75D14	4		GOOD YEAR P/S		149.64
27003	1/FT		Fuel Hose		.47
CHM13	1		Brake K		2.77
R433	1		SHOES		10.12
7027	1		Pads		17.93
F3052	1		CAP		5.60
F430	1		ROTOR		.71
318	1		FREON		1.96
AGSP54	6		Plugs		5.52
TOTAL PARTS COSTS					

VEHICLE RELEASED BY: <i>[Signature]</i>	RENT PAYMENT TO: 1700 W. Washington Phoenix, Arizona 85007 Phone 542-1593 Attn: Sheila	TOTAL SUBLET COST
DATE: 9/14/89 TIME: 3:45		TOTAL LABOR COSTS 176.79
VEHICLE PICKED UP BY: <i>[Signature]</i>		@ HOUR \$
DATE: TIME:		TOTAL PARTS COSTS 206.35
DOA - 221		AMOUNT DUE \$ 382.14



DOA/GSD FLEET MANAGEMENT OFFICE WORK ORDER / INVOICE

APPENDIX E

10 OF 42 PAGES  
DES/DNR/OSZ 1342

DATE IN 5-4-92 YEAR 1980 MAKE AMC CLASS Conv d ODOMETER 5036 PHONE 255-0098422  
 TIME \_\_\_\_\_  
 TAXI \_\_\_\_\_ EXT \_\_\_\_\_  
 VEHICLE OPERATOR Sharon Curfure - Sup. LICENSE NO. DME 198  
 WORK CLASSIFICATION  PMA  PMB  PMC  UNSCH.

041881-R

BILL TO  YES  NO

WORK REQUIRED	INVOICE NO.	RC	PRICE
Exhaust fumes in car. Rattle under car - loose exhaust pipe, muffler, etc			

WORK PERFORMED OK TO PAY X _____ DATE _____	TOTAL SUBLET COST
LABOR PERFORMED - DESCRIPTION	MC HOURS
Reposition Exhaust pipe away from frame	11 .5
Reseal valve cover	11 3.0
Replace Heater Hose	11 .2

TOTAL LABOR TIME

PART NO.	QTY.	UNIT PRICE	PARTS DESCRIPTION	EXTENDED PRICE
<del>V539695</del>	<del>1</del>	<del>12.31</del>	<del>Water pump gasket</del>	<del>12.31</del>
V539695	1		gasket	4.55
314	1		oil	.63
Clamp	1		Clamp	.20
65026	2		Heater Hose	1.5

TOTAL PARTS COSTS

VEHICLE RELEASED BY: <u>[Signature]</u> DATE: <u>5/12/92</u> TIME: _____ VEHICLE PICKED UP BY: <u>[Signature]</u> DATE: _____ TIME: _____	REMIT PAYMENT TO: 1700 W. Washington, Rm 210 Phoenix, Arizona 85007 Phone 542-1593 Attn: General Services Acct.	TOTAL SUBLET COST _____ TOTAL LABOR COSTS <u>94.80</u> @ HOUR \$ _____ TOTAL PARTS COSTS <u>6.53</u> <b>AMOUNT DUE \$ <u>101.33</u></b>
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DOA/GSD FLEET MANAGEMENT OFFICE WORK ORDER / INVOICE 05466

25

DATE IN 3/10/89	YEAR 1980	MAKE AMC	CLASS	ODOMETER 25096	LICENSE NO. DMEL98	AGENCY/DIVISION APPENDIX E
TIME 8:00	VEHICLE OPERATOR DON L. STRAASS			PHONE 255-5201		11 OF 42 PAGES
TAXI EXT 04811P	WORK CLASSIFICATION <input type="checkbox"/> PMA <input type="checkbox"/> PMB <input checked="" type="checkbox"/> PMC <input checked="" type="checkbox"/> UNSCH.			SUBLET		BILL TO: ADITED UNIT

041591-K WORK REQUIRED

\*C\* MAINT VEHICLE ASSIGNED TO DES/TUCSON

REQUEST ANY AND ALL NECESSARY REPLACEMENTS TO AVOID REPAIR WORK IN TUCSON. ~~REPHLESTER P/JOINT~~ - 4281 U 10000

PLEASE NOTE: GAS/TEMP GUAGE - FRONT END - BRAKES -

~~TRANS MOUNT - U JOINT~~ TIRES - HOSES - BELTS - etc

WORK PERFORMED OK TO PAY X ~~DATE 3-20-89~~ DATE 3-20-89 TOTAL SUBLET COST

LABOR PERFORMED / DESCRIPTION	RC	MC	HOURS
L.O.F.	0	8	.3
Brake check OK	B	8	.3
Service trans filter, fluid, gear oil	X	8	.7
SERVICE AIR	A	2	.3
REP. ALL BELT CR. AFT	C	2	.5
REP TRANS MOUNT	X	2	.6
REP SEAT		2	.6
Check front end OK		2	.2

TOTAL LABOR TIME

PART NO.	QTY.	UNIT PRICE	PARTS DESCRIPTION	RC	EXTENDED PRICE
D4-24	1		Oil Filter	-	1.69
3-14	5		Oil Bulk	-	2.55
T614	1		TRAN FILTER	-	2.65
315	4		ATF	-	2.28
918	2		FROWN	-	2.40
9570	1		BELT 03N	-	5.41
83169	1		TRANS MOUNT 15D	-	10.10
7295	1		BELT 03N	-	2.91
28411	4		HOSE 5/8 03E	-	1.11
28412	4		HOSE 3/4 03E	-	1.48
6492	1		FUEL FILTER	-	2.59
AGRP54	6		<del>ROCKERS</del> PLUGS	-	5.52
316	1		COOLANT	-	8.16
F3052	1		DIST CAP	-	6.59
A410	1		POTOD	-	1.20
20030	5		U JOINTS	-	13.15

TOTAL PARTS COSTS

VEHICLE RELEASED BY: <i>[Signature]</i>	REMIT PAYMENT TO:	TOTAL SUBLET COST	100.00
DATE: 3-20-89 TIME: 1:15	GSD/FMO - Accounting	TOTAL LABOR COSTS	174.23
VEHICLE PICKED UP BY: <i>[Signature]</i>	1805 W Madison	@ HOUR \$	
DATE: 3/24/89 TIME: 2:12	Phoenix, AZ 85007	TOTAL PARTS COSTS	71.03
	Phone 255-1593		
	DOA - 224 MOUNT DUE \$		345.26

DATE IN: **1/19/88** Year: **80** Make: **AMC** Model: **CONCORD** Quarter: **11999** APPENDIX E  
 TIME IN: \_\_\_\_\_ Mileage: \_\_\_\_\_ Agency/Div: \_\_\_\_\_ 12 OF 42 PAGES  
 Operator: **DON STRASS** Tele: **255-5301** Agency/Div: **DES/OMR/021**

WORK REQUESTED	SUBLET		
	Vendor Name	Inv. No.	Amount
<b>B MAINT</b>			
REPLACE FRONT CARPETING			
DEAD BATTERY X			
	Waldon's upholstery	20275	2 60.00
TOTAL SUBLET COST:			

WORK PERFORMED - DESCRIPTION	MECH.	HOURS	4 HRS.
Up.F. Check Oil	8		3
Check brakes OK	8		3
Battery load test OK. Chargin system OK	8		2
T.M. Check "B"	1		2
Check engine	1		2
Test drive	1		1
TOTAL LABOR HOURS:			13

ART NO.	QTY.	UNIT PRICE	PARTS USED - DESCRIPTION	EXTENDED PRICE
1.13	1		Air filter	1.75
2.03	1		Oil filter	1.69
3.14	5		Oil bulbs	2.50
	1		Head light adjuster	1.04
TOTAL PARTS COST:				

Issued By: *[Signature]* Invoice No. \_\_\_\_\_ Date: **1-22-88**

Vehicle Picked Up By: \_\_\_\_\_

Please Remit Payment to:  
 GSA/IMP - ACCOUNTING  
 1805 W. Madison  
 Phoenix, Arizona 85007  
 Phone: 255-1593

Total Sublet Cost:	<b>60.00</b>
Total Labor Cost at <b>23.00/Hour</b> :	<b>29.90</b>
Total Parts Cost:	<b>7.02</b>
<b>AMOUNT DUE:</b>	<b>96.92</b>

APPENDIX E  
13 OF 42 PAGES

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667.59 +

296.44 +

40.54 +

1 9.15 +

2 1.05 +

2.45 +

1 7.47 +

3 3.14 +

65.07 +

111.33 +

347.26 +

96.02 +

012

2 667.19 +

213/7R15  
N-24

DOA/GSD FLEET MANAGEMENT OFFICE WORK ORDER / INVOICE

No 20954

DATE IN 10/10  
TIME  
TAXI EXT  
046-388

YEAR	MAKE	CLASS	ODOMETER	PHONE
1982	Chrys	Cordoba		229-2758
VEHICLE OPERATOR Art Rittereiser, Inv. <del>XXXXXXXXXXXX</del> Supervisor			LICENSE NO. DKT-300	
WORK CLASSIFICATION <input type="checkbox"/> PMA <input checked="" type="checkbox"/> PMB <input type="checkbox"/> PMC <input type="checkbox"/> UNSCH.			SUBLET	

APPENDIX E  
14 OF 42 PAGES

WORK REQUIRED	INVOICE NO.	RC	PRICE
"A" Maint. & "B" Maint.			
Chk Steering - makes noise when making turns			
Engine continues to run after turning the ignition off			

WORK PERFORMED OK TO PAY X DATE \_\_\_\_\_ TOTAL SUBLET COST \_\_\_\_\_

LABOR PERFORMED - DESCRIPTION	MC	HOURS
L.O.F.	4	.6
Brake Insp.	4	.3
test drive & PM-B check	2	.3
R & L starter	2	.6
R & L both battery cables clean & service battery	2	.8
replace oil pressure switch	2	.3
remove steering wheel, lube & repair T/S switch	2	.9
replace horn contact switch	2	.2
adjust idle speeds and A/F mixture to spec	2	.8
alignment		
TOTAL LABOR TIME		1.5

PART NO.	QTY.	UNIT PRICE	PARTS DESCRIPTION	EXTENDED PRICE
314	5/8		Oil	3.15
PH-8A	1		Dil Filter	1.82
AF-4	1		Air Filter	1.94
G-474	1		Fuel Filter	2.37
CHM-13	1		Brake Cleaner	1.84
714816	1		battery cable	12.75
711914	1		battery cable	7.92
<del>1008988</del>	<del>1</del>		<del>O.P. switch (A1804)</del>	<del>2.12</del>
323-313	1		starter assembly	40.78
FH6358	1		Fuse holder	5.79
4221120	1		horn switch	13.19
4186352	1		oil sand	6.19
TOTAL PARTS COSTS				

VEHICLE RELEASED BY: [Signature]  
 DATE: 10/23/91 TIME: 9:40  
 VEHICLE PICKED UP BY: [Signature]  
 DATE: 10/25/91 TIME: 9:30

REMIT PAYMENT TO:  
 1700 W. Washington, Rm 210  
 Phoenix, Arizona 85007  
 Phone 542-1593  
 Attn: General Services Acct.

TOTAL SUBLET COST \_\_\_\_\_  
 TOTAL LABOR COSTS 161.47  
 @ HOUR \$ \_\_\_\_\_  
 TOTAL PARTS COSTS 99.89  
 AMOUNT DUE \$ 261.31

DOA/GSD FLEET MANAGEMENT OFFICE WORK ORDER / INVOICE

CL  
NO 23478

DATE IN TIME TAXI EXT	YEAR 82	MAKE Chrysler	CLASS Mopar	ODOMETER 85590	PHONE 229-2762	APPENDIX E 15 OF 42 PAGES
044869	VEHICLE SPONSOR John Stewart			LICENSE NO. DKT 300		
WORK CLASSIFICATION <input type="checkbox"/> PMA <input type="checkbox"/> PMB <input type="checkbox"/> PMC <input type="checkbox"/> UNSCH.					SUBLET	

WORK PERFORMED	INVOICE NO.	RC	PRICE
FAN CLUTCH REPL BOLTS IN SHROUD			

WORK PERFORMED OK TO PAY X	DATE	TOTAL SUBLET COST
LABOR PERFORMED - DESCRIPTION		
INSTALLED NEW FAN CLUTCH - REPLACED MISSING BOLTS IN FAN SHROUD		

PART NO.	QTY.	UNIT PRICE	PARTS DESCRIPTION	EXTENDED PRICE
36958	1		FAN CLUTCH	40.73
<p>called 7-1-91</p>				

VEHICLE RELEASED BY: <i>[Signature]</i> DATE: 7-1-91 TIME: VEHICLE PICKED UP BY: <i>[Signature]</i> DATE: TIME:	REMIT PAYMENT TO: 1700 W. Washington, Rm 210 Phoenix, Arizona 85007 Phone 542-1503 Attn: General Services Acct.	TOTAL SUBLET COST _____ TOTAL LABOR COSTS 7.70 @ HOUR \$ 1.5 TOTAL PARTS COSTS 40.73 AMOUNT DUE \$ 48.43
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DOA/GSD FLEET MANAGEMENT OFFICE WORK ORDER / INVOICE

DATE IN <u>1/18</u>	YEAR <u>1991</u>	MAKE <u>CHRYSLER</u>	CLASS <u>Cordoba</u>	ODOMETER <u>81360</u>	PHONE <u>255-0098</u>	AGENCY/DIVISION <u>DES/DMR/IAO</u>
TIME	VEHICLE OPERATOR <u>Art Rittereiser, Supv.</u>			LICNESE NO. <u>DRI-300</u>		ED840 - 064C
TAXI EXT <u>043136-A</u>	WORK CLASSIFICATION <input type="checkbox"/> PMA <input type="checkbox"/> PMB <input type="checkbox"/> PMC <input checked="" type="checkbox"/> UNSCH.			BILL TO: <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO		

WORK REQUIRED	INVOICE NO.	RC	PRICE
Replace front rt. headlight			
Replace spare tire w/radial - Replace tires as needed			
<del>WORK</del> Check wiring may have short/Lt. signal light stays on when lights are on.			

LABOR PERFORMED - DESCRIPTION	MC	HOURS
REPLACED R/SIDE HEADLIGHT	3	.3
REPAIR R/SIDE PARKING LIGHT	3	.2
MOUNT + BALANCE 3 TIRES	3	.9
TOTAL LABOR TIME		

PART NO.	QTY.	UNIT PRICE	PARTS DESCRIPTION	EXTENDED PRICE
6052	1		SEAL BEARY ✓	7.02
1157A	1		BULB ✓	.95
215-75R-15	2		TIRES ✓	75.41
<p><i>Call 1-911 1-21-91 9:30</i></p>				

VEHICLE RELEASED BY: <u>[Signature]</u> DATE: <u>1-21-91</u> TIME: <u>9:00</u> VEHICLE PICKED UP BY: <u>[Signature]</u> DATE: <u>1/21/91</u> TIME: <u>11:00</u>	REMIT PAYMENT TO: 1700 W. Washington, Rm 210 Phoenix, Arizona 85007 Phone 542-1593 Attn: General Services Acct.	TOTAL SUBLET COST _____ TOTAL LABOR COSTS <u>35.87</u> @ HOUR \$ <u>1.4</u> TOTAL PARTS COSTS <u>83.39</u> <b>AMOUNT DUE \$ <u>119.26</u></b>
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DOA/GSD FLEET MANAGEMENT OFFICE WORK ORDER / INVOICE

DATE IN <u>9/27/90</u>	YEAR <u>1982</u>	MAKE <u>CHRYSLER</u>	CLASS <u>Cordob</u>	ODOMETER <u>77788</u>	PHONE <u>255-0098</u>	AGENCY/DIVISION
TIME <u>10:00</u>	VEHICLE OPERATOR <u>DON L. STRAASS</u>			LICENSE NO. <u>DKT-300</u>		DES/DMR/OST <u>EE852 064C</u>
TAXI <u>041904</u> EXT <u>041904</u>	Inv Supery			BILL TO: <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO		
WORK CLASSIFICATION <input type="checkbox"/> PMA <input type="checkbox"/> PMB <input type="checkbox"/> PMC <input checked="" type="checkbox"/> UNSCH.				SUBLET		

WORK REQUIRED	INVOICE NO.	RC	PRICE
"B" MAINT			
POSSIBLE LEAK IN RADITOR HOSE			
<del>Front + Rear Main Seals leaking</del>			
Thermostat Housing leaking - (Ordered)			
REMOVE DRIVERS SEAT TRIM FIT	9502		220.00
WORK PERFORMED OK TO PAY <u>10/1/90</u>	DATE <u>10/1/90</u> TOTAL SUBLET COST		

LABOR PERFORMED - DESCRIPTION	MC	HOURS
PRESSURE TEST SYSTEM TIGHTEN HOSE	2	.4
L.O.F.	4	.6
Brake Insp	4	.3
R&R THERMOSTAT HOUSING	2	.5
PM CHECK B	2	.2
ROAD TEST	2	.3
R&R FRONT SEATS	1	.8
TOTAL LABOR TIME		

PART NO.	QTY.	UNIT PRICE	PARTS DESCRIPTION	EXTENDED PRICE
314	6 qts		Oil	3.54
PA-8A	1		Oil Filter	1.78
AF-4	1		Air Filter	1.91
G-474	1		Fuel Filter	2.45
CHM-13	1		Brake Cleaner	1.78
15-1283	1		THERMOSTAT HOUSING	3.02
TOTAL PARTS COSTS				

VEHICLE RELEASED BY: <u>[Signature]</u>	REMIT PAYMENT TO:	TOTAL SUBLET COST <u>220.00</u>
DATE: <u>10-9-90</u> TIME: <u>4:05</u>	1700 W. Washington, Rm 210	TOTAL LABOR COSTS <u>53.81</u>
VEHICLE PICKED UP BY: <u>[Signature]</u>	Phoenix, Arizona 85007	@ HOUR \$ <u>2.1</u>
DATE: <u>10-15-90</u> TIME: <u>7:42 AM</u>	Phone 542-1593	TOTAL PARTS COSTS <u>14.99</u>
	Mbr. General Services Acct.	AMOUNT DUE \$ <u>208.30</u>

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DOA/GSD FLEET MANAGEMENT OFFICE WORK ORDER / INVOICE

DATE IN <u>8-10-90</u>	YEAR <u>1982</u>	MAKE <u>Chrysler</u>	CLASS <u>MIRADA</u>	ODOMETER <u>76517</u>	PHONE <u>255-0098</u>	AGENCY/DIVISION <u>DES D.M.R.</u>
TIME _____	VEHICLE OPERATOR <u>John Stewart</u>			LICENSE NO. <u>AKT 300</u>		BILL TO: <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
TAXI _____ EXT _____	WORK CLASSIFICATION <input type="checkbox"/> PMA <input type="checkbox"/> PMB <input type="checkbox"/> PMC <input type="checkbox"/> UNSCH.					SUBLET

041378-K

WORK REQUIRED	INVOICE NO.	RC	PRICE
<u>Repl. lower Rad HOSE</u>			
<u>OK COOLING SYSTEM</u>			

WORK PERFORMED OK TO PAY <u>X</u>	DATE _____	TOTAL SUBLET COST _____
-----------------------------------	------------	-------------------------

LABOR PERFORMED - DESCRIPTION	MC	HOURS
<u>3' Pressure Test cooling system - R&amp;R upper &amp; lower rad hoses &amp; thermostat - add coolant</u>	<u>1</u>	<u>1.0</u>
<u>Test drive</u>	<u>1</u>	<u>.2</u>

TOTAL LABOR TIME

PART NO.	QTY.	UNIT PRICE	PARTS DESCRIPTION	EXTENDED PRICE
<u>60929</u>	<u>1</u>		<u>Rad Hose</u>	<u>5.11</u>
<u>CLAMP</u>	<u>2</u>		<u>HOSE CLAMPS</u>	<u>.38</u>
<u>316</u>	<u>1</u>		<u>ANTIFREEZE</u>	<u>4.53</u>
<u>S335180</u>	<u>1</u>		<u>THERMOSTAT</u>	<u>3.00</u>
<u>61156</u>	<u>1</u>		<u>Rad. Hose</u>	<u>6.08</u>

TOTAL PARTS COSTS

VEHICLE RELEASED BY: <u>[Signature]</u>	REMIT PAYMENT TO:	TOTAL SUBLET COST _____
DATE: <u>8/16/90</u> TIME: <u>10:30</u>	1700 W. Washington, Rm 210	TOTAL LABOR COSTS <u>30.75</u>
VEHICLE PICKED UP BY: <u>[Signature]</u>	Phoenix, Arizona 85007	@ HOUR \$ _____
DATE: _____ TIME: _____	Phone 542-1593	TOTAL PARTS COSTS <u>19.10</u>
	Attn: General Services Acct.	AMOUNT DUE \$ <u>49.85</u>

DOA/GSD FLEET MANAGEMENT OFFICE WORK ORDER / INVOICE

No 13975

DATE IN <u>4/17/90</u>	YEAR <u>1982</u>	MAKE <u>CHRYSLER</u>	CLASS <u>Cordoba</u>	ODOMETER	LICENSE NO. <u>SA-DKT300</u>	APPENDIX E 21 OF 42 PAGES
TIME	VEHICLE OPERATOR <u>DOB L. STRAUSS Inv Superv</u>			PHONE <u>255-0098 X33</u>		
TAXI ___ EXT ___	WORK CLASSIFICATION <input type="checkbox"/> PMA <input type="checkbox"/> PMB <input type="checkbox"/> PMC <input checked="" type="checkbox"/> UNSCH.			SUBLET		

040017

WORK REQUIRED	INVOICE NO.	RC	PRICE
"A" MAINT			
REPAIR GLOVE BOX X			
CHANGE AIR CONDITIONER X			
REMOVE FILM ON DRIVERS WINDOW X			
DRIVELINE "U" JOINT X			

LABOR PERFORMED - DESCRIPTION	RC	MC	HOURS
DETAIL INSIDE & OUT		0	6
L.O.F.		3	4
INSP. BRAKES		3	3
REPAIR R/SIDE TURN SIGNAL + LIC. PLATE LIGHT		3	3
SERVICE A/C - Good to 40°		1	3
R & L FR & REAR U-JOINTS		1	1.0
REMOVE SUN SCREEN FILM FROM DRIVERS WINDOW		1	2
R & L Glove Box latch & lock		1	4

TOTAL LABOR TIME

PART NO.	QTY.	UNIT PRICE	PARTS DESCRIPTION	RC	EXTENDED PRICE
PH-8A	1		OIL FILTER	✓	1.79
314	5 QTS		OIL	✓	2.70
1157A	1		BULB	✓	.74
CH-13	1		BRAKE CLEANER	✓	2.51
194	1		MINI BULB	✓	.26
318	1		FREON	✓	3.49
20030	2		U JOINTS	✓	13.81
0350886	1		Glove box latch	✓	11.13
4054081	1		Lock cylinder	✓	14.06
<del>1157</del>	2		<del>BULBS</del>		

Called  
9-25-90 11:15  
Don

TOTAL PARTS COSTS

VEHICLE RELEASED BY: <u>[Signature]</u>	REMIT PAYMENT TO: 1700 W. Washington Phoenix, Arizona 85007 Phone 542-1593 Attn: Sheila	TOTAL SUBLET COST _____
DATE: <u>4-25-90</u> TIME: <u>11:00</u>		TOTAL LABOR COSTS <u>89.67</u>
VEHICLE PICKED UP BY: <u>[Signature]</u>		@ HOUR \$ <u>35</u>
DATE: _____ TIME: _____		TOTAL PARTS COSTS <u>50.50</u>
DOA - 234		AMOUNT DUE \$ <u>140.17</u>





DOA/GSD FLEET MANAGEMENT OFFICE WORK ORDER / INVOICE No 11680

DATE IN 8/15/89	YEAR 1982	MAKE CHRYSLER	CLASS	ODOMETER 68961	LICENSE NO. AZ DKT300	APPENDIX E 24 OF 42 PAGES
TIME 12:00	VEHICLE OPERATOR DON L. STRAASS Inv Superv			PHONE 255-5201		
TAXI EXT 043753	WORK CLASSIFICATION <input type="checkbox"/> PMA <input type="checkbox"/> PMB <input type="checkbox"/> PMC <input checked="" type="checkbox"/> UNSCH.			SUBLET		

WORK REQUIRED	INVOICE NO.	RC	PRICE
DEAD BATTERY			
<i>BATT REPLACED 8/10/89 68855</i>			

WORK PERFORMED OK TO PAY X DATE TOTAL SUBLET COST

LABOR PERFORMED - DESCRIPTION	RC	MC	HOURS
CHARGE BATTERY - load test - shows good	1		3
check chng. syst. - OK - shows AN extremely heavy load when A/C is on - Test switch, clutch, & blower motor - <del>Blower motor</del>	1		2
for blower motor - load is now 10 amps less still slightly discharging at idle	1		6
check for static load on batt. - FOUND NONE	1		1
TOTAL LABOR TIME			

PART NO.	QTY.	UNIT PRICE	PARTS DESCRIPTION	RC	EXTENDED PRICE
208985	1		Blower motor		36.76
TOTAL PARTS COSTS					

VEHICLE RELEASED BY: <i>[Signature]</i>	REMT PAYMENT TO:	TOTAL SUBLET COST
DATE: 8/17/89 TIME: 9:30	1700 W. Washington	TOTAL LABOR COSTS 30.75
VEHICLE PICKED UP BY: <i>[Signature]</i>	Phoenix, Arizona 85007	@ HOUR \$
DATE: 8/17/89 TIME:	Phone 542-1593	TOTAL PARTS COSTS 36.76
	Attn: Sheila	AMOUNT DUE \$ 67.51



DOA/GSD FLEET MANAGEMENT OFFICE WORK ORDER / INVOICE

No 16786

237  
01

DATE IN <u>2-6-90</u>	YEAR <u>82</u>	MAKE <u>CHR. CONDOBA</u>	CLASS	ODOMETER <u>71540</u>	LICENSE NO. <u>SA-DK3-300</u>	AGENCY/DIVISION
TIME	VEHICLE OPERATOR <u>med smith</u>		PHONE <u>926-0949</u>		APPENDIX E	
TAXI EXT	WORK CLASSIFICATION <input type="checkbox"/> PMA <input type="checkbox"/> PMB <input type="checkbox"/> PMC <input type="checkbox"/> UNSCH.				SUBLET	

26 OF 42 PAGES

WORK REQUIRED	INVOICE NO.	RC	PRICE
<u>102 N Gilbert Road approx from town hall in Gilbert</u>			
<u>LEAKING WATER</u>			
<u>WATER PUMP?</u>			

WORK PERFORMED OK TO PAY X DATE \_\_\_\_\_ TOTAL SUBLET COST \_\_\_\_\_

LABOR PERFORMED - DESCRIPTION	RC	MC	HOURS
<u>7H S/C - TOW TO SHOP</u>		1	1.5
<u>PRESSURE TEST COOLING SYSTEM - NO LEAKS FOUND</u>		1	3
<u>STARTED ENGINE - CHECK FOR LEAKS - NONE FOUND BUT WATER PUMP BRG. WAS VERY NOISY &amp; LOOSE</u>		1	3
<u>3B R&amp;R WATER PUMP</u>		1	2.5

TOTAL LABOR TIME

PART NO.	QTY.	UNIT PRICE	PARTS DESCRIPTION	RC	EXTENDED PRICE
			<u>Basic Hook up</u>		<u>20.00</u>
<u>CHM13</u>	<u>1</u>		<u>BRAKE CLEANER</u>	<input checked="" type="checkbox"/>	<u>2.24</u>
<u>316</u>	<u>2</u>		<u>ANTIFREEZE</u>	<input checked="" type="checkbox"/>	<u>14.22</u>
<u>CLAMP</u>	<u>1</u>		<u>CLAMP</u>	<input checked="" type="checkbox"/>	<u>.19</u>
<u>251-306</u>	<u>1</u>		<u>WATER PUMP</u>	<input checked="" type="checkbox"/>	<u>23.94</u>

TOTAL PARTS COSTS

VEHICLE RELEASED BY: <u>[Signature]</u> DATE: <u>2/6/90</u> TIME: <u>4:50</u> VEHICLE PICKED UP BY: <u>[Signature]</u> DATE: <u>2/23/90</u> TIME: <u>11:00 A.</u>	REMIT PAYMENT TO: 1700 W. Washington Phoenix, Arizona 85007 Phone 542-1593 Attn: Sheila	TOTAL SUBLET COST _____ TOTAL LABOR COSTS _____ @ HOUR \$ _____ TOTAL PARTS COSTS _____ <u>117.86</u> <u>60.59</u> <u>178.45</u>
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DOA - 239

AMOUNT DUE \$

178.45









DATE IN 3/14/89	YEAR 1982	MAKE CHRYSLER	CLASS Cordob	ODOMETER 66268	LICENSE NO. <del>XX</del> DKT300
TIME 3:30	VEHICLE OPERATOR DON L. STRAASS			PHONE 255-5201	
TAXI EXT 041595	WORK CLASSIFICATION <input type="checkbox"/> PMA <input type="checkbox"/> PMB <input type="checkbox"/> PMC <input checked="" type="checkbox"/> UNSCH.			SUBLET	

DES/DMR/OSI  
BILL TO:  YES  NO

WORK REQUIRED	INVOICE NO.	RC	PRICE
1) REQUEST FRONT END INSPECTION (BAD SHIMMY)			
Needs idler ARM - Pitman ARM +			
Torsion bar mount Bushings			
STRG. GEAR BOX A little loose			
WORK PERFORMED OK TO PAY <input checked="" type="checkbox"/> DATE _____ TOTAL SUBLET COST _____			
LABOR PERFORMED - DESCRIPTION	RC	MC	HOURS
R & R STEERING GEAR BOX		1	3.5
R & R PITMAN + IDLER ARMS		1	.6
R & R TORSION BARS - Replace Torsion BAR PIVOT Bushings & END BUSHINGS		1	2.0
R & R STABILIZER (sway bar bushings)		1	.5
R & R STEERING coupler & Flex shaft & seal		1	1.5
ROTATE & BALANCE TIRES		1	.5
1) Alignment		1	1.0
TOTAL LABOR TIME			9.6

PART NO.	QTY.	UNIT PRICE	PARTS DESCRIPTION	RC	EXTENDED PRICE
6542	1		STRG. Gearbox		127.51
12372A	1		Bushing		16.57
14806	1		ARM ASM		30.56
1579.5	1		ARM ASM		14.64
K7057	1		Bushing		4.84
K7057	1		Bushing		4.84
K7108	1		Bushing		4.94
12372A	1		Bushing		16.57
4156828	2		PIVOT Bushings		19.21
3748310	1		Coupling		4.42
<del>401</del> 401 4278	1		seal		2.40
4019262	1		shaft		20.81
2530538	1		cover (shaft)		1.48
TOTAL PARTS COSTS					

VEHICLE RELEASED BY: <i>[Signature]</i>	REMIT PAYMENT TO:	TOTAL SUBLET COST
DATE: 3/14/89 TIME: 3:00	GSD/FMO - Accounting	TOTAL LABOR COSTS 245.97
VEHICLE PICKED UP BY: <i>[Signature]</i>	1805 W Madison	@ HOUR \$
DATE: _____ TIME: _____	Phoenix, AZ 85007	TOTAL PARTS COSTS 266.38
	Phone 255-1593	
DOA - 244		AMOUNT DUE \$ 512.35









DOA MOTOR POOL WORK ORDER/INVOICE FOR "CONTRACT VEHICLES

APPENDIX E

DATE IN: 10-16-87	Year	Make	Class	Odometer	35 OF 42 PAGES
	82	2 HAYS		54887	PKT 300
TIME IN: 7:30	Veh. Operator		Tele #	Agency/Div.	
	DIN STRASS		255-5201	DES/PMR/osi	

WORK REQUESTED	SUBLET		
	Vendor Name	Inv. No.	Amount
RT WHEEL RIGHT SIDE			
WHEN TURNING ARRAYS			
A THUMPING NOISE			
A.B.S. MOBIL BRAKE TORN ROTORS	17196	B	15.00
TOTAL SUBLET COST:			15.00

WORK PERFORMED - DESCRIPTION	MECH.	HOURS	AMOUNT
RCT lower control arm & bushing	5	2	0
Alignment	5	1	0
RCT brakes front rotors turned replaced front calipers	5	1	5
RCT suspension seal & bleed	5	1	0
Delat. Brakes	5	7	
RCT rear brakes	2		5
TOTAL LABOR HOURS:			67

PART NO.	QTY.	UNIT PRICE	PARTS USED - DESCRIPTION	EXTENDED PRICE
6032423	1		Bolt	1.87
807-12365	1		Lower A frame bushings	19.04
1AM164715	2		REBUILT CALIPERS	34.04
BHAP054	1		Brake line	11.19
3603	1		Brakes	9.85
04	1		Brake Clean	1.69
351	1		Brakes	11.77
4176794	1		Repartitions Have	44.75
TOTAL PARTS COST:				

Released By: <i>[Signature]</i>	Invoice No.	Date 10-21-87
Vehicle Picked Up By:	Please Remit Payment to:	
	GSA/IMP - ACCOUNTING 1805 W. Madison Phoenix, Arizona 85007	
Date:	Time:	Phone: 255-1593
Total Sublet Cost:		15.00
Total Labor Cost at 23.00 / Hour:		154.00
Total Parts Cost:		134.15
AMOUNT DUE:		303.25

GSA IMP-5A (4-85)



DATE IN: 7-1-87 Year: 82 Make: CLAS, Class: CONDORA Odometer: 53297  
 TIME IN: 7:50  
 Veh. Operator: O. STRAAS Tele: 255-5201 Agency/Div: DES/DMR/osi

37 OF 42 PAGES - DKT 300

WORK REQUESTED	SUBLET		
	Vendor Name	Inv. No.	Amount
"C" scheduled maint.			
Radio & A/C - Hook up to correct side of ignition (it is NOT all the time now)			
Fill w/w bottle after C schedule is done			
TOTAL SUBLET COST:			

WORK PERFORMED - DESCRIPTION	MECH.	HOURS	1/2 HRS.
L-O-F & air filter	6		2
R. side Check - OK	6		1
R&R Trans. filter	6		5
Repaired w/w bottle	6		1
TUNE ENGINE R&R SPARK PLUGS + ROTOR	2		7
R&R FUEL FILTER	2		7
SCOPE & ADJ	2		4
ROAD TEST	2		3
TOTAL LABOR HOURS:			26

PART NO.	QTY.	UNIT PRICE	PARTS USED - DESCRIPTION	EXTENDED PRICE
113	1		Air filter	1.79
201	1		Oil filter	1.78
314	5		Oil bulk	2.25
58	1		Silicone	3.36
515	1		TRANS. - Filter	2.57
315	4		TRANS. Fluid	2.72
1605	8		Spark plugs	6.72
909	1		ROTOR	1.89
306	1		Fuel filter	2.33
TOTAL PARTS COST:				

Released By:	Invoice No.	Date	Total Sublet Cost:
Vehicle Picked Up By:	Please Remit Payment to:		Total Labor Cost at 23.00/Hour: 598.00
Date:	DOA/OPERATIONS, Attn: Angie 1700 W. Washington, Room 800 Phoenix, AZ 85007		Total Parts Cost: 25.91
Time:			AMOUNT DUE: 85.71



DC

D FLEET MANAGEMENT OFFICE WORK ORDER / INVOICE 0650

APPENDIX E

39 OF 42 PAGES

DATE IN 5/5/88  
 TIME 8:00  
 TAXI EXT

YEAR	MAKE	CLASS	ODOMETER	LICENSE NO.
1982	Chrysler		59956	DKT-300
VEHICLE OPERATOR			PHONE	
DON L. STRAASS			255-5201	

DES/DMR/OSI

BILL TO:  YES  NO

CONTR.

WORK CLASSIFICATION  PMA  PMB  PMC  UNSCH.

SUBLET

WORK REQUIRED

INVOICE NO. RC PRICE

Panel under dash keeps falling down - Central panel on steering wheel falls off - Right turn light stays on when headlights are on - Turn signals do not turn off automatically when wheel is straight - NEEDS REUPHOLSTERING. 2006 Z 15500

"C" MAINT -

WORK PERFORMED OK TO PAY John Mora DATE 5/17/88 TOTAL SUBLET COST

LABOR PERFORMED - DESCRIPTION	RC	MC	HOURS
L.O.F. Air filter		8	.2
Brake check OK		8	.3
Service trans filter - fluid - gasket		8	.8
FM CHECK		2	.2
TUNEUP ENGINE R&R SPARK PLUGS + ROTOR		2	.7
R&R CARB REPLACE CHOKE PULL OFF & VACUUM LINE		2	1.0
R&R HEATER HOSES		2	.5
R&R TURN SIGNAL SWITCH		2	1.0
ROAD TEST		2	.3
TOTAL LABOR TIME			5.0

PART NO.	QTY.	UNIT PRICE	PARTS DESCRIPTION	RC	EXTENDED PRICE
1.13	1		Air filter		1.79
2.07	1		Oil filter		1.69
<del>3.14 5 Oil bulk 2.50</del>					
3.14	5		Oil bulk		2.50
3.15	4		ATF		2.70
.04	1		Brake cleaner		2.04
T614	1		TRAN FILTER 727		2.57
901	1		Rotor		.89
PH 3613478			SPARK PLUGS		6.81
202858	1		CHOKE PULL OFF		4.12
8128	3		HEATER HOSE 1/2"		.72
8127	2		VACUUM HOSE 3/8"		3.68
8129	7		HEATER HOSE 5/8"		2.24
52791	1		TURN SIG. SWITCH		35.35
TOTAL PARTS COSTS					

VEHICLE RELEASED BY: John Mora  
 DATE: 5/17/88 TIME: 10:45  
 VEHICLE PICKED UP BY: U.T. Chau  
 DATE: 5/17/88 TIME: \_\_\_\_\_

REMIT PAYMENT TO:  
 GSD/FMO - Accounting  
 1805 W Madison  
 Phoenix, AZ 85007  
 Phone 255-1593  
 DOA - 253

TOTAL SUBLET COST	155.00
TOTAL LABOR COSTS @ HOUR \$1300	115.00
TOTAL PARTS COSTS	67.10
<b>AMOUNT DUE \$</b>	<b>337.10</b>

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DOA MOTOR POOL WORK ORDER/INVOICE FOR "CONTRACT VEHICLES

APPENDIX E

DATE IN: 11-25-87	Year	Make	Class	Odometer	40 OF 42 PAGES
TIME IN: 7:45	82	CHRYSLER	condoba	55864	DKT300
Operator	Tele #	Agency/Div.			
Don STRASS	255-5201	NES/DMR/osi			

WORK REQUESTED	SUBLET		
	Vendor Name	Inv. No.	Amount
NO HORN WHEN BRAKES GET HOT THEY "SUZZEN" WHEN YOU TRY TO STOP. VACUUM HOSE MAY BE DISCONNECTED. ENGINE NOT RUNNING RIGHT - REPLACE FT	A.B.S. MOBIL BRAKE	18187	800
TOTAL SUBLET COST:			

WORK PERFORMED - DESCRIPTION	MECH.	HOURS	1/2 HRS.
AC & by hand hoses	5		10
AC & Alternator	5		8
TOTAL LABOR HOURS:			14

PART NO.	QTY.	UNIT PRICE	PARTS USED - DESCRIPTION	EXTENDED PRICE
14.08	1		ALTERNATOR	21.37
OR) 46458	1		SPRING K1	5.64
3510	1		BRAKES	11.77
TOTAL PARTS COST:				38.78

Released By: <i>[Signature]</i>	Invoice No.	Date: 12-1-87
Vehicle Picked Up By:	Please Remit Payment to: GSA/IMP -ACCOUNTING 1805 W. Madison Phoenix, Arizona 85007  Phone: 255-1593	Total Sublet Cost: 800
		Total Labor Cost at 23.21/Hour: 322.14
		Total Parts Cost: 38.78
Date: Time:		AMOUNT DUE: 789.82



STATE OF ARIZONA

Arizona Department of Environmental Quality

PURCHASE ORDER

SHOW THIS NUMBER ON ALL PAPERS AND PACKAGING.

NO. YL0509

REQUISITION NO.	AZ CONTRACT NO.	VENDOR NO.	ORD CODE	DATE
01226 PERRY/ANDERSON			1	09-30-91

VENDOR

SHIP TO

GMC TRUCK COUNTRY  
104 N. DYSART ROAD  
AVONDALE AZ 85323  
ATTN: RON STUPKA

AZ DEPT OF ENVIRONMENTAL QLTY  
2655 E MAGNOLIA  
PHOENIX AZ 85034

LINE NO.	QTY.	UNIT	COMMODITY NO.	DESCRIPTION	UNIT PRICE	EXTENDED PRICE
01	1	EA	2320-001-0000	1991 S-15 PICKUP EXTENDED CAB, 4X4, COLOR, WHEAT TIRE FUND #VIN549667		15,782.00
02						5.00

*To Be delivered  
10/2/91*

*56516*

*1GTOT19Z5<sup>M</sup>8549667*

BILL TO: AZ DEPT OF ENVIRONMENTAL QLTY  ATTN: PROCUREMENT RM 603A 2005 NORTH CENTRAL AVE PHOENIX AZ 85004	DELIVERY REQUIRED	10/1/91	SUB TOTAL	15,787.
	TERMS	N 30	TAX	1,104.
	F.O.B.	DEST	FREIGHT	
			TOTAL	16,891.

ENCUMBRANCE DISTRIBUTION

ENC. NO.	ORG. CODE	ACCT. CODE	TASK CODE	OPT. CODE	ACTIVITY CODE	AMOUNT
YL0509	01	2299	8433		GYL110	16,891.74
DOA - 256						3-6-2-1

BROUGHT FORWARD

TOTAL

16,891.74

RATCH NO. 70-093091-YL0399

*ok*

STATE OF ARIZONA  
Arizona Department of Environmental Quality

APPENDIX F  
2 OF 2 PAGES

PURCHASE ORDER	
SHOW THIS NUMBER ON ALL PAPERS AND PACKAGING.	
NO.	YL0510
REQ. NO.	DATE
01229	09-30-91
AL BROWN	

REQUISITION NO.	AZ CONTRACT NO.	VENDOR NO.	ORD. CODE	DATE
01229			1	09-30-91
AL BROWN				

VENDOR

SHIP TO

LOU GRUBB CHEVROLET INC.  
P.O. BOX 11409  
PHOENIX AZ 85061  
ATTN: NICK GAYLES

AZ DEPT OF ENVIRONMENTAL QLTY  
2005 NORTH CENTRAL AVE  
PHOENIX AZ 85004

LINE NO.	QTY.	UNIT	COMMODITY NO.	DESCRIPTION	UNIT PRICE	EXTENDED PRICE
01	1	EA	2310-005-0000	CHEVROLET SILVERADO SUBURBAN-1/2 TON VEHICLE SR. # 1GNEV16K9MF147675 STOCK #49074 350 V8, 9 PASSENGER		24,570.54
<i>Delivered 10/1/91</i>						

BILL TO:  
AZ DEPT OF ENVIRONMENTAL QLTY  
ATTN: PROCUREMENT RM 603A  
2005 NORTH CENTRAL AVE  
PHOENIX AZ 85004

DELIVERY REQUIRED 10-1-91

TERMS N 30

FOB DEST

SUB TOTAL	24,570.54
TAX	
FREIGHT	
TOTAL	24,570.54

AUTHORIZED AGENT SIGNATURE AND DATE

ENCUMBRANCE DISTRIBUTION

ENC. NO.	ORG. CODE	ACCT. CODE	TASK CODE	OPT. CODE	ACTIVITY CODE	AMOUNT	
P.O. NO.	LN.						
YL0510	01	2299	8449		GYL110	24,570.54	3-6-2-1
BROUGHT FORWARD							
TOTAL						24,570.54	BATCH NO. 70-093091-YL0399