

EXHIBIT 6

DATE 1/13/05

HB _____

General Services Division

**Marvin Eicholtz, Administrator
Budget Presentation
2007 Biennium
January, 2005
LFD A-193 - A-213**

General Services

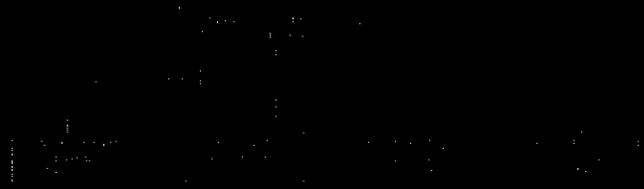
General Services Division

Mission Statement:

Our mission is to deliver superior and responsive internal services to government agencies and the public while maximizing effectiveness and minimizing costs in the areas of facilities management, public procurement, printing, mailing, and surplus property management.

General Services Administration

Supply Management Division



Total 945
FTE

Supply Management Division

- **Procures or supervises the procurement of all supplies and services**
- **Procurement includes:**
 - Specification development
 - Bid or RFP solicitation
 - Bid or RFP evaluation
 - Contract negotiations
 - Contract monitoring
- **Provides technical assistance and training**
- **Ensures Compliance with the MT Procurement Act**
- **Manages procurement protests**

Summary

Bureau Programs:

- **Energy Procurement**

Consolidates the purchase of natural gas

- **Public Vehicle Fueling**

Provides fueling in the private sector while maintaining the our tax-exempt status

Program supported by contractor fee rebate on sales

- **Procurement Card**

Reduces costs on small purchases

Program supported by contractor rebate based on sales

Summary

Funding

General Fund except for:

- **Public Vehicle Fueling**

Fund type - Proprietary

Rate request: 45 day working capital

- **Procurement Card**

Fund type - Proprietary

Rate request: 45 day working capital

Print and Mail Services Bureau

- **Bureau services include:**

- Print procurement
- Print to Post coordination
- Prepress
- Duplicating & binding
- Mail preparation
- Mail processing/barcode for postal savings
- Inter-agency mail
- Quick copy centers
- Photocopy pool
- Capitol post office

Office of Services

Print and Mail Services Bureau

Fund type: Proprietary

- **Rate Request:**

- 60 days working capital
- Inter-agency mail: cost allocation

Property & Supply Bureau

Central Stores

Decision to privatize stores program

Preparing privatization plan as required by 2-8-302 MCA

Decision factors:

- Our vision for an efficient internet ordering technology for commonly used supplies
- The future investment needed in current program to update equipment and technology
- Central Stores Business Case Analysis favors the outsource model with internet ordering technology and desktop delivery considering above factors

Central Services

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Property & Supply Bureau

Supply contract management

Retaining 2 FTE to manage supply contract and provide administrative support for the surplus program

Fund type: Proprietary

Supply contract management supported by contractor fee rebate on sales

Rate Request: 45 day working capital

Need non-appropriation clause for lease

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SUPPLY CONTRACT MANAGEMENT PROJECTED EXPENDITURES		
<i>Description</i>	FY2006	FY2007
PERSONAL SERVICES		
<i>1.5 FTE</i>	67,455.00	71,280.00
<i>GSD Administrative Overhead</i>	11,784.00	12,407.00
OPERATING EXPENSES		
<i>Other Services:</i>		
<i>Warrant Writing, Payroll Service, Audit</i>	1,105.00	1,105.00
<i>SABHRS</i>	635.00	635.00
<i>Data Network Sevices</i>	2,615.00	2,615.00
<i>Records Storage</i>	400.00	400.00
<i>Printing and Copying</i>	500.00	500.00
<i>Supplies and Materials</i>	3,350.00	350.00
<i>Communications</i>		
<i>Postage</i>	500.00	500.00
<i>Telephone</i>	650.00	650.00
<i>Training</i>	6,000.00	6,000.00
<i>Travel</i>	1,000.00	1,000.00
<i>Rent</i>	1,989.00	2,004.00
<i>Other Expenses</i>		
<i>Indirect/Admin costs</i>	1,670.00	1,670.00
<i>SWCAP</i>	310.00	310.00
<i>SFCAP</i>	470.00	470.00
TOTAL	100,433.00	101,896.00

Non-appropriation language for the Central Stores Building Lease

If the Central Stores program as currently defined in the Executive Budget is eliminated, the State of Montana Legislature hereby does not appropriate funds for Lease #6010, located at 930 Lyndale Avenue, Helena, MT pursuant to 18-4-313, MCA.

- **Lease services – statewide**

- Provide lease negotiation

- Attempt to co-locate agencies when possible

- Average statewide lease cost: \$9.63

- Average lease cost – Helena: \$10.47

- Average lease increase: Approx. \$1/sq ft

- **Responsible for space allocation in state buildings in Helena**

- **Fund type: Proprietary**

- **Rate requests:**

- FY 06: \$6.613/sq ft/office space

- FY07: \$6.680/sq ft/office space

- Warehouse rent: FY06 - \$3,901/sq ft; FY07- \$3,969/sq ft

- Project management fee: 5%

- Handyman fee: 15%

Facilities Management

- **Rate Comparison with previous years:**

FY 2002 - \$4.77

FY 2003 - \$4.88

FY 2004 - \$5.99

FY 2005 - \$6.23

FY 2006 - \$6.613 requested

FY 2007 - \$6.680 requested

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State Program of Human Resources

- **DP 604 - 1 FTE for additional contracts officer**

- Current contracts officers are overloaded
- Workload increases for professional services
- Contracts increasing in value and complexity
- Staff has remained constant for the last 15 years
- 1999 Interim committee on contracting recommended 4 additional FTE

- **Fund type: General Fund**

\$110,505 for the biennium

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General Services Administration

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