

# Capitol Square Review and Advisory Board

**House Higher Education Subcommittee**

*Brian D. Hoffmeister, Budget Analyst  
Legislative Service Commission*

*March 29, 2007*

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# LSC Redbook

## for the

### Capitol Square Review and Advisory Board

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*March 29, 2007*

# Capitol Square Review and Advisory Board

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- The total appropriation for each of FYs 2008 and 2009 is \$6.3 million
- The agency's request for GRF funding is approximately 96% funded for the FY 2008-2009 biennium

## OVERVIEW

The Capitol Square Review and Advisory Board (CSRAB) provides all educational, maintenance, support, and security services for the Capitol Square Complex, the Statehouse, and its grounds. The agency also operates a museum shop, maintains the underground public parking garage, and provides public tours of the Statehouse through a cooperative agreement with the Ohio Historical Society.

There are 13 board members, including two from the House, two from the Senate, a former Speaker of the House appointed by the current Speaker, a former Senate President appointed by the current President, the clerks of the Senate and the House of Representatives, and five persons appointed by the Governor representing the State Architect, the Ohio Building Authority, the Ohio Arts Council, the Ohio Historical Society, and the public at large. An executive director handles the day-to-day operations of the agency. The Board currently employs approximately 71 employees.

The executive's recommended funding is \$6,315,314 in FY 2008, a decrease of 2% compared to estimated spending of \$6,444,512 in FY 2007. The recommended amount for FY 2009 is \$6,310,314.

## Summary of FYs 2008-2009 Budget Issues

### Operational Changes in the Current Biennium

In the current biennium, CSRAB has implemented a number of modifications to its operations in an effort to reduce costs and improve service. These include changing custodial hours from 3:00 p.m. - 11:30 p.m. to 10:00 p.m. - 6:30 a.m. in order not to interfere with daily building functions and improve efficiency, the purchase of green products whenever possible, a change in the recycling contractor to increase revenue on the sale of paper, and changing restroom paper products for savings in both product and labor costs. CSRAB also purchased natural gas on their own contract, saving approximately \$98,000 for the 2005-2006 heating and cooling season. Other cost savings were realized through using CSRAB staff instead of outsourcing for re-striping the underground parking garage, as well as changing building hours and closing one entrance to save on security costs. CSRAB also increased parking rates in October 2005 to increase revenue.

### Capital Appropriations

Under the most recent capital appropriations bill, Am. Sub. H.B. 699 of the 126th General Assembly, the Board received appropriations totaling \$1,097,000 for the following projects:

**Capitol Square Security.** The capital budget appropriated \$350,000 to CSRAB for several security upgrades on the Capitol Square site. This appropriation funds the placement of a State Highway Patrol workstation in the Statehouse rotunda to impose a visible security presence, the installation of bollards on the first level of the underground parking garage to prevent vehicles from smashing through the sliding doors, the installation of emergency call buttons in the garage and on the grounds, the purchase of portable metal detectors and wands to be used at strategic entrances during security concerns, and the replacement of the pan-tilt-zoom (PTZ) security cameras overlooking the grounds with new ones.

**Visitors' Center.** CSRAB received a \$747,000 capital appropriation to be used towards a significant upgrade of the exhibit space located in the Statehouse Crypt. The total estimated cost of the project is \$2.75 million, the majority of which will be funded through private donations, pledges, and other non-state funds. The state funds will be used for infrastructure changes, including relocating the Travel and Tourism Office and the Ohio Government Telecommunications Office and installing a permanent Constitution and Legislature exhibit. Other upgrades will include the relocation of the Museum Shop to the Education Center, installation of several new interactive permanent exhibits, and creating space for future rotating temporary exhibits.

### **Other Projects**

In addition to the projects already funded or underway via capital appropriations, CSRAB works as half of a public-private partnership with the Capitol Square Foundation to maintain the historic Statehouse building and grounds through donations from private individuals and businesses. The Foundation is conducting the \$2.75 million campaign for the Visitors' Center and underground exhibition area and is also engaged in other projects. One such major project is the restoration of the Ladies' Gallery in the Statehouse, which will honor Ohio's women legislators. The George Washington Williams Room will commemorate Ohio's first African-American legislator. The Cleisthenes Project, led by the Greek-American community, is working to repair and replace busts around the Statehouse.

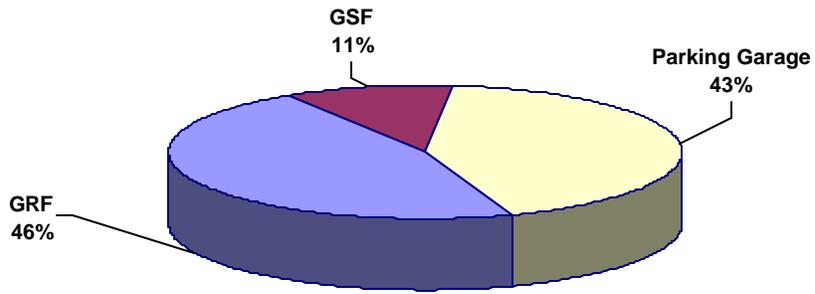
CSRAB is also responsible for regular maintenance of the Statehouse and the capitol grounds. The priority for the coming biennium is to focus on preventive maintenance rather than large overhauls in order to keep costs down over time. Upcoming maintenance projects include the painting of the ceiling and stairs in the Senate Building, several office renovations, and the replacement of a failing switchgear in the parking garage's electrical generator.

### **Summary of Executive Recommendations for FYs 2008-2009**

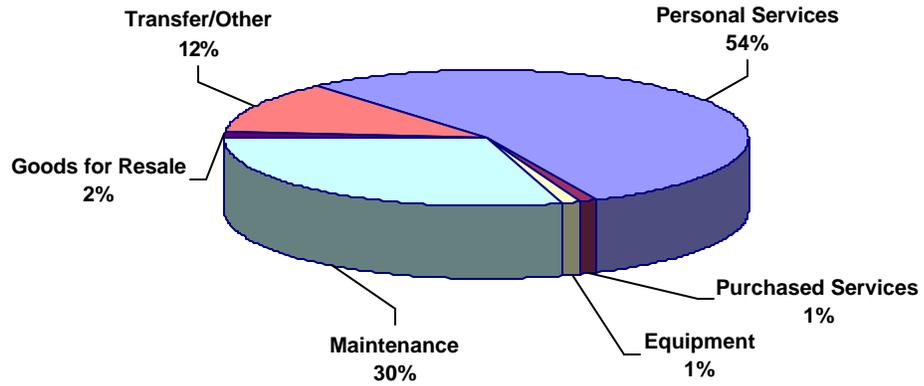
As illustrated in following charts, the Capitol Square Review and Advisory Board receives the bulk of its appropriations from the General Revenue Fund and through income from the Statehouse underground parking garage. These two funding sources support the majority of CSRAB's work in maintaining the Statehouse, the Capitol Square grounds, and the parking garage. The remainder of CSRAB's budget comes from the General Services Fund and is used for education and art projects and the operation of the Statehouse Museum Shop and special events. The primary objects of expense are Personal Services and Maintenance, owing to CSRAB's use of its own staff to carry out the everyday administration and maintenance functions of Capitol Square and the parking garage.

To summarize again, the total appropriation for CSRAB in FY 2008 is \$6,315,314, a decrease of 2% from estimated FY 2007 spending. The FY 2009 appropriation is \$6,310,314, 0.1% below the FY 2008 appropriation level.

**Total Budget by Fund Group, FYs 2008-2009**



**Total Budget by Object Code, FYs 2008-2009**



## Staffing Levels

The table below shows CSRAB's staffing levels, including part-time employees. In FY 2007, all garage employees are now categorized in Buildings and Grounds, and Museum Shop employees are categorized in Communications and Education. CSRAB uses its own maintenance and custodial staff for everyday work on the Capitol Square complex. Only a few specialized tasks are contracted out, such as maintenance for elevators and parking garage equipment.

For FYs 2008 and 2009, CSRAB hopes to add a historical maintenance position, which would allow for an individual on staff who specializes in painting, repairs, and other maintenance specific to a facility with the historic nature of the Statehouse.

<b>Capitol Square Review and Advisory Board Staffing Levels</b>						
<b>Division</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>Estimated</b>	
					<b>2008</b>	<b>2009</b>
Executive Staff	2	2	2	3	3	3
Administration	30	30	28	8	8	8
Buildings and Grounds	35	35	33	47	47	47
Communications and Education	5	5	5	13	13	13
<b>Totals</b>	<b>72</b>	<b>72</b>	<b>68</b>	<b>71</b>	<b>71</b>	<b>71</b>

## ANALYSIS OF EXECUTIVE PROPOSAL

### Single Program Series

### Capitol Square Buildings and Grounds Oversight

**Purpose:** This program series supports the educational, security, and maintenance services for Capitol Square buildings and grounds.

The following table shows the line items that are used to fund the Capitol Square Buildings and Grounds Oversight program series, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2008	FY 2009
<b>General Revenue Fund</b>				
GRF	874-100	Personal Services	\$1,957,000	\$1,957,000
GRF	874-320	Maintenance and Equipment	\$985,837	\$980,837
<b>General Revenue Fund Subtotal</b>			<b>\$2,942,837</b>	<b>\$2,937,837</b>
<b>General Services Fund</b>				
4G5	874-603	Capitol Square Maintenance and Expenses	\$15,000	\$15,000
4S7	874-602	Statehouse Gift Shop / Events	\$650,484	\$650,484
<b>General Services Fund Subtotal</b>			<b>\$665,484</b>	<b>\$665,484</b>
<b>Underground Parking Garage Fund</b>				
208	874-601	Underground Parking Garage Operating	\$2,706,993	\$2,706,993
<b>Underground Parking Garage Fund Subtotal</b>			<b>\$2,706,993</b>	<b>\$2,706,993</b>
<b>Total Funding: Capitol Square Buildings and Grounds Oversight</b>			<b>\$6,315,314</b>	<b>\$6,310,314</b>

The Capitol Square Buildings and Grounds Oversight series includes the following:

- **Program 01.01: Primary Oversight Function and Maintenance**
- **Program 01.02: Statehouse Underground Parking Garage**
- **Program 01.03: Statehouse Goods and Services**

### Primary Oversight Function and Maintenance

**Program Description:** The program provides funding to maintain the Statehouse buildings and grounds as a workplace for the Ohio state government and a museum and educational center for Ohio's citizens. This includes the operation of the Statehouse Café and providing informational, educational, and marketing materials to the public. The Board's GRF funding is primarily directed toward payroll expenses, grounds maintenance and custodial services, utility costs, and communications and supplies.

**Funding Source:** General Revenue Fund

**Line Items:** 874-100, Personal Services and 874-320, Maintenance and Equipment

**Implication of Executive Recommendation:** The Board's requests for the items under this program are fully funded for FYs 2008 and 2009. Funds will support wages and benefits for 35 administrative and custodial employees; fund printed informational, educational, and marketing materials for visitors to Capitol Square; allow for the operation of the Statehouse Café; and provide maintenance for the Statehouse, Atrium, Senate Building, and the public grounds on Capitol Square.

## Statehouse Underground Parking Garage

**Program Description:** This program is responsible for the care and maintenance of the 1,200-space Statehouse underground parking garage. The garage is funded entirely by its own parking fee revenue, which in turn supports wages and benefits for cashiers, fiscal staff, and maintenance workers, as well as utility costs and general maintenance and upkeep for the garage. Funds from the garage are also used for an annual bond payment of approximately \$750,000 used for debt service on a portion of the Statehouse restoration costs.

**Funding Source:** Revenues from parking fees in the Statehouse underground garage

**Line Items:** 874-601, Underground Parking Garage Operating

**Implication of Executive Recommendation:** The executive recommendation for each fiscal year is \$2,706,993, or \$252,728 below CSRAB's request of \$2,959,721 in each fiscal year. The recommendation will fund approximately 27 employees associated with garage operations, the annual bond payment, and maintenance and upkeep expenditures. In recent years as GRF appropriations to the agency have decreased, revenue from the garage has been directed toward operating expenses for the Capitol Square and grounds, in addition to supporting garage employees, maintenance expenses, and an annual bond payment. In FY 2006, for example, \$700,000 from the garage fund has been used for other operating expenses of the agency. Since FY 2003, approximately \$1,707,000 has been redirected to Statehouse operating funds. As a result, priority projects for the garage that would be funded out of its normal operating dollars have been delayed.

## Statehouse Goods and Services

**Program Description:** This program is responsible for the operation of the Statehouse Museum Shop and the coordination of special events, such as legislative receptions held at the Statehouse. The program also provides for the purchase and restoration of art and artifacts, special room dedications, and educational projects in conjunction with the Statehouse Education Center, which is a program of the Ohio Historical Society.

The Statehouse Museum Shop offers a selection of merchandise relevant to Ohio heritage and the history of the Statehouse, including exclusive items such as the McCoy Collection Statehouse Bank. CSRAB anticipates that if their goal of selling 10,000 banks is met, it will increase income by \$125,000 in the next two years.

Capitol Square also hosts some 600 special events annually, roughly half of which involve catered food service. Permits are required of every person or group who gathers (or demonstrates) on Statehouse grounds. (Governmental entities do not pay for these permits as a standard courtesy.) By design, all charges assessed to a permit holder are intended to cover only what it costs the Board to host an event. Recently CSRAB announced that the Statehouse will begin hosting weddings. Income from hosting special events is approximately \$200,000 to \$225,000 annually.

**Funding Source:** Merchandise sales revenue from the Statehouse Museum Shop, rental and permit fees associated with Statehouse special events, and gifts and donations

**Line Items:** 874-602, Statehouse Gift Shop/Events; 874-603, Capitol Square Maintenance Expenses

***Implication of Executive Recommendation:*** The Executive Recommendations for Statehouse Goods and Services are \$40,000 below CSRAB's request for each fiscal year. Funds will support the wages and benefits of up to nine employees of the Statehouse Museum Shop, allow for renovations of specified rooms and educational programs through donations, and the purchasing of items for resale in the Museum Shop. At the time of this writing, it is not known how the reduction in funding will specifically affect other operations associated with this program.

## REQUESTS NOT FUNDED

The following table provides information about the agency's original request for appropriations to its two GRF line items: 874-601, Underground Parking Garage Operating, and 874-602, Statehouse Gift Shop/Events.

<b>Statehouse Underground Parking Garage</b>						
<b>Fund Line Item</b>	<b>FY 2008 Requested</b>	<b>FY 2008 Recommended</b>	<b>Difference</b>	<b>FY 2009 Requested</b>	<b>FY 2009 Recommended</b>	<b>Difference</b>
874-601	\$2,959,721	\$2,706,993	(\$252,728)	\$2,959,721	\$2,706,993	(\$252,728)
<b>Statehouse Goods and Services</b>						
874-602	\$690,484	\$650,484	(\$40,000)	\$690,484	\$650,484	(\$40,000)
<b>TOTALS</b>	<b>\$3,650,205</b>	<b>\$3,357,477</b>	<b>(\$292,728)</b>	<b>\$3,650,205</b>	<b>\$3,357,477</b>	<b>(\$292,728)</b>

It is anticipated that the reduction in funding for line item 874-601 will affect plans for continuing non-capital maintenance and renovation work, as well as possibly reduce the portion of garage funds that have gone towards other CSRAB operating expenses. At this time, it is not clear how, or to what extent, the reduced levels of funding for line item 874-602 recommended by the Executive will affect operations in the Statehouse Goods and Services program.

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## General Revenue Fund

### GRF 874-100 Personal Services

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$1,841,351	\$1,902,800	\$1,881,326	\$1,900,000	<b>\$1,957,000</b>	<b>\$1,957,000</b>
	3.3%	-1.1%	1.0%	<b>3.0%</b>	<b>0.0%</b>

**Source:** GRF

**Legal Basis:** ORC 105.41

**Purpose:** This line item is used to fund payroll expenses for the staff of the Capitol Square Review and Advisory Board. The Board provides all educational, maintenance, support, and security services for the Capitol Square Complex, the Statehouse, and its grounds. Prior to FY 2004, these funds were provided through line item 874-321, Operating Expenses.

### GRF 874-320 Maintenance and Equipment

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$1,119,881	\$966,286	\$956,860	\$952,269	<b>\$985,837</b>	<b>\$980,837</b>
	-13.7%	-1.0%	-0.5%	<b>3.5%</b>	<b>-0.5%</b>

**Source:** GRF

**Legal Basis:** ORC 105.41

**Purpose:** This line item is used to fund maintenance and equipment expenses of the Capitol Square Review and Advisory Board. The Board provides all educational, maintenance, support, and security services for the Capitol Square Complex, the Statehouse, and its grounds. Prior to FY 2004, these funds were provided through line item 874-321, Operating Expenses.

## General Services Fund Group

### 4G5 874-603 Capitol Square Education Center and Arts

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$33,538	\$6,075	\$17,556	\$10,000	<b>\$15,000</b>	<b>\$15,000</b>
	-81.9%	189.0%	-43.0%	<b>50.0%</b>	<b>0.0%</b>

**Source:** GSF: Donations received for the Capitol Square Renovation Project and the Capitol Square Foundation from non-governmental parties

**Legal Basis:** ORC 105.41

**Purpose:** The line item is used to support the education center, including the production of educational programming and videos. It is also used to fund the acquisition of art, antiques, and artifacts relevant to Ohio history and to the Statehouse for display at the Capitol Square. Under ORC 105.41, this fund is referred to as the Capitol Square Renovation Gift Fund.

**4S7 874-602 Statehouse Gift Shop/Events**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$747,804	\$601,300	\$706,308	\$622,522	<b>\$650,484</b>	<b>\$650,484</b>
	-19.6%	17.5%	-11.9%	4.5%	0.0%

**Source:** GSF: Fees, receipts, and revenues received from the sale of merchandise in the Statehouse gift shop and from special events held at the Statehouse

**Legal Basis:** ORC 105.41

**Purpose:** Moneys in this fund pay for inventories, services, and maintenance costs related to the Statehouse gift shop and the 600 plus special events that occur on Statehouse grounds annually.

## Underground Parking Garage Fund

**208 874-601 Underground Parking Garage Operations**

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$2,473,563	\$2,916,563	\$3,317,101	\$2,959,721	<b>\$2,706,993</b>	<b>\$2,706,993</b>
	17.9%	13.7%	-10.8%	-8.5%	0.0%

**Source:** UPG: All fees, receipts, and revenues received by the Capitol Square Review and Advisory Board from the state underground parking garage

**Legal Basis:** ORC 105.41 (originally established by Sub. H.B. 715 of the 120th G.A.)

**Purpose:** This line item houses revenue obtained by the Capitol Square Review and Advisory Board from the Statehouse parking garage. It is directed toward the operation and maintenance of the garage itself, toward various Statehouse operating expenses, and toward repayment of bond obligations issued for the Board during the restoration of the Statehouse. Debt payments will continue until the year 2015 and total approximately \$750,000 annually.

## LSC Budget Spreadsheet by Line Item, FY 2008 - FY 2009

Fund	ALI	ALI Title	2006	Estimated 2007	Executive 2008	% Change 2007 to 2008	Executive 2009	% Change 2008 to 2009
<b>CSR Capitol Square Review and Advisory Board</b>								
GRF	874-100	Personal Services	\$ 1,881,326	\$1,900,000	\$ 1,957,000	3.0%	\$ 1,957,000	0.0%
GRF	874-320	Maintenance and Equipment	\$ 956,860	\$952,269	\$ 985,837	3.5%	\$ 980,837	-0.5%
<b>General Revenue Fund Total</b>			<b>\$ 2,838,186</b>	<b>\$ 2,852,269</b>	<b>\$ 2,942,837</b>	<b>3.2%</b>	<b>\$ 2,937,837</b>	<b>-0.2%</b>
4G5	874-603	Capitol Square Education Center and Arts	\$ 17,556	\$10,000	\$ 15,000	50.0%	\$ 15,000	0.0%
4S7	874-602	Statehouse Gift Shop/Events	\$ 706,308	\$622,522	\$ 650,484	4.5%	\$ 650,484	0.0%
<b>General Services Fund Group Total</b>			<b>\$ 723,864</b>	<b>\$ 632,522</b>	<b>\$ 665,484</b>	<b>5.2%</b>	<b>\$ 665,484</b>	<b>0.0%</b>
208	874-601	Underground Parking Garage Operations	\$ 3,317,101	\$2,959,721	\$ 2,706,993	-8.5%	\$ 2,706,993	0.0%
<b>Underground Parking Garage Fund Total</b>			<b>\$ 3,317,101</b>	<b>\$ 2,959,721</b>	<b>\$ 2,706,993</b>	<b>-8.5%</b>	<b>\$ 2,706,993</b>	<b>0.0%</b>
<b>Total All Budget Fund Groups</b>			<b>\$ 6,879,151</b>	<b>\$ 6,444,512</b>	<b>\$ 6,315,314</b>	<b>-2.0%</b>	<b>\$ 6,310,314</b>	<b>-0.1%</b>