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REPORT ON DEPARTMENT OF PUBLIC HEALTH

ESTIMATED COST OF MOVING

April 1973

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In response to a legislative request, we have obtained from the Department of Public Health their estimate of the out-of-pocket costs to the state associated with the pending move of the Department of Public Health personnel from Berkeley to Sacramento. These moves are planned in connection with the formation of the new Department of Health.

SOURCE OF FUNDS

The out-of-pocket cost of the transfers is estimated by the Department of Public Health to be \$429,030 as detailed in the schedule attached to this report. Of the \$429,030, the department plans to fund \$266,652 from their 1973-74 budget for departmental travel expenses. The remaining \$162,378, according to the department, will be funded from the 1972-73 support appropriation and according to departmental personnel, is available from the following sources:

1. Funds budgeted for moving expenses	\$ 27,020
2. Excess of budgeted over actual funds for operating expenses and equipment	126,748
3. Direct travel expenses (the estimated per diem and mileage allowances of 15 employees who are working in both Berkeley and Sacramento in preparation for the move.)	<u>8,610</u>
Total	<u>\$162,378</u>

BASIS OF ESTIMATES

The Department of Public Health estimated the cost of movement of household effects and employees' relocation allowances on the following basis:

Moving Expenses

- 1) An \$800 average for each employee. This is based on the department's cost of moving two years ago plus a 5 percent per year price increase.
- 2) Maximum weight limitation of 11,000 pounds per employee in accordance with Board of Control Rule No. 735 and Section 3821 of the State Administrative Manual.

Relocation Allowances

- 1) Payment of per diem to each employee for a maximum of 30 days within which to establish residence of a permanent nature in accordance with Board of Control Rule No. 737 and Section 3829 of the State Administrative Manual. An average expenditure of \$500 per employee moved is estimated.

SCHEDULED RELOCATION OF DEPARTMENT PERSONNEL

It is anticipated by the department that a total of 317 Department of Public Health employees will be moved from Berkeley to Sacramento. Of 423 filled positions, the department estimates that 106 will decline to move leaving 317 that will move. Of this number it is planned that 166 employees

will be working in Sacramento by June 30, 1973. Only 83 of these employees are to be moved by this date. The remaining 85 employees are planned for relocation subsequent to July 1, 1973 to allow for the end of school sessions in mid and late June. The remaining 151 employees are planned for relocation early in the 1973-74 fiscal year.



Walter J. Quinn
Acting Deputy Auditor General

May 2, 1973

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SCHEDULE

Department of Public Health
 Moving and Relocation Expenses
For Fiscal Years 1972-73 and 1973-74

	<u>Total</u>	<u>1972-73</u>	<u>1973-74</u>
<u>Number of employees relocating:</u>			
Number of positions scheduled to move	520	273	247
Less unfilled positions	<u>97</u>	<u>51</u>	<u>46</u>
Number of occupied positions	423	222	201
Less number of employees declining to move on the basis of responses received by the department	<u>106</u>	<u>56</u>	<u>50</u>
Total	<u>317</u>	<u>166</u>	<u>151</u>
<u>Estimated Costs:</u>			
Average moving expenses of household goods at \$800 per employee	\$253,600	\$132,800	\$120,800
Average relocation allowance at \$500 per employee	158,500	83,000	75,500
Freight on departmental furniture and equipment	8,320	4,368	3,952
1972-73 moving expenses to be paid in 1973-74	<u>-</u>	<u>(66,400)</u>	<u>66,400</u>
	\$420,420	\$153,768	\$266,652
Add - Estimated per diem and mileage of 15 employees now working in Sacramento and Berkeley, who are on per diem and mileage allowances	<u>8,610</u>	<u>8,610</u>	<u>-</u>
Total estimated moving and relocation expenses	<u>\$429,030</u>	<u>\$162,378</u>	<u>\$266,652</u>

Source: Estimates prepared by the Department
of Public Health