

StateLine

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MAKING STATE GOVERNMENT MORE EFFICIENT FOR YOU

BY BILL RITTER, JR.

One of my goals as governor is to ensure that Coloradans get the highest value for every State tax dollar and that the state workforce delivers the most efficient services possible for our customers – you and your fellow taxpaying citizens.

To that end, I recently presented the comprehensive Government Efficiency and Management (GEM) Performance Review. After a year of analysis, the GEM review offered more than 90 recommendations that will be leveraged into \$205 million worth of cost-savings, customer-service efficiencies and other benefits over the next five years. As every state employee knows, in an already-lean budget, that's quite an accomplishment.

These recommendations will have a positive, concrete impact on our operations over the next five years and beyond. They are not abstract or wishful thinking; they are the result of an interactive process that involved hundreds of state employees who do the work and deliver services every day. It's gratifying to see your input result in action, and I hope that those of you that participated in the GEM's survey process take a moment to appreciate the role you and your fellow employees have played in this important initiative.

This is not the first Colorado government efficiency report. In 1976, Gov. Lamm reorganized departments to improve efficiency. In the 1980s, Gov. Romer directed state government to run more like a

business. And in 2000, Gov. Owens looked to technology solutions to help solve some of state government's challenges.

The 2008 GEM Review builds on all of those efforts. The recommendations and cost-saving potential are real because we are fundamentally changing the way state government operates. Many of the GEM recommendations involve 21st century technology to make Colorado government work smarter and better. A few of the recommendations will result in big-dollar savings – what I call the “home runs.” Many others offer modest, common-sense solutions that add up to a create a critical mass of savings and improvements – the “base hits.” A few examples of both:

The Department of Revenue is setting up a Fraud Detection Fellowship to teach local law officers how to stop identity theft. As a bonus, the department will be able to work down a backlog of fraud investigation cases at very low cost. Different parts of government working together can create a win-win solution.

Sophisticated software is being applied to reduce Medicaid fraud and save millions of dollars.

Best practices and lessons learned from other states will be applied to how we consolidate data centers and better coordinate job training with cash assistance for needy families.

Old fashioned business reorganization should yield better customer service and some savings in the Department of Agriculture.

One of the most productive aspect of the GEM Review process was that we let smart and dedicated state employees drive the solutions. One of the

12,000 state employees responding to the statewide GEM survey suggested that the state team up with the U.S. Postal Service to improve the state's massive address database. This fiscal year, Colorado will be the first state to utilize Postal Service software to receive postage discounts and avoid penalties that come with undeliverable mail.

Likewise, Colorado Department of Transportation employees suggested that sometimes a state engineer can do the job cheaper and better than an outside consultant. In any organization, improving processes and saving money ultimately depends on the people on the front lines. The GEM survey tapped the reserves of our most valuable asset, state employees and their institutional knowledge to find many of the efficiencies proposed by the

report. These are concrete, specific and achievable recommendations. Like any large business, issues facing state operations are complex. Abstract directions will not result in change. The GEM process, led by state employees, carefully looked at specific processes at a granular level.

The savings that will come from the implementation of these recommendations are not the end of the story. The GEM report is a great start – and improving the way we operate state government will be an ongoing priority. Thank you for all the hard work you do for our state. I look forward to continuing to work together to move forward with GEM proposals and maintaining Colorado's reputation as a trend-setter in good government.

WELCOME TO THE NEW STATELINE

Welcome to Stateline's new look and new commitment to providing State workers with important information about employment with the State of Colorado. Beginning with this August 1 edition, Stateline will be your monthly electronic news magazine containing information from various departments of State government, as well as updates from the Governor's office and activities in the legislature.

"The electronic format of Stateline helps us share information with employees in a more timely, efficient and complete manner," says DPA Director Rich Gonzales. "The electronic distribution method also reinforces Governor Ritter's greening of government initiative by reducing the use of paper to distribute news to employees in all four corners of the state."

Stateline will continue to be your source for up-to-date news on salary, benefits, employee wellness, and all matters of importance to workers across Colorado. Stateline is

always looking for good news stories about extraordinary employee accomplishments, division or department milestones, and news that impacts the more than 60,000 employees who keep our colleges, agencies and departments operating across Colorado. If you have a story idea contact your Department's public information officer. Unfortunately we can't review direct submissions.

Stateline will be distributed to you via email link on the first working day of each month; employees should look for a statewide email on that day. It will also be available on the DPA homepage: www.colorado.gov/dpa/. If you or a co-worker wishes to receive Stateline in your in box and do not receive the link email, please contact your human resources office and have your email address either entered or corrected in the CPPS payroll system.



MUCH ACCOMPLISHED IN FY 2007-08

By RICH GONZALES
EXECUTIVE DIRECTOR, DPA



With the beginning of a new fiscal I would like to take a moment to look back at some of the accomplishments of this past fiscal year brought the state workforce: the publication of the GEM report, full funding of the FY08-09 Total Compensation Package, creation of a State Ombuds program and expansion of the C-SEAP program. Each of these accomplishments has a direct affect on you as a member of the state workforce.

The GEM report is the culmination of a highly interactive process that allowed state employees to propose ways the state could increase efficiency while continuing to provide or improve quality customer service. Numerous employees participated in the survey process, allowing the Governor's Office to identify more than \$200 million in possible savings that could be realized over the next five years.

In my role as the State Personnel Director I realized that we were in need of a resource to provide employees with expertise on the State Classified system in a non-formal, confidential manner. Thus the State Ombuds Program was created to provide you with a safe avenue to learn about your rights within the system, or voice workplace concerns in a neutral environment. When an employee or work group meets with the State Ombud, Karen Scheafer, no records are kept and no formal proceeds are begun. It is simply an alternative communication tool that provides for education or conflict resolution at a primary level. The Ombud is a designated neutral voice that represents no specific party, but rather serves as a method to resolve conflicts or provide education to classified employees on the options available to them within the classified personnel system. If you would like to learn more about the Ombuds Program please go to www.colorado.gov/dpa/ombuds/index.htm.



Another important employee oriented program is C-SEAP, which has been around for years providing State employees with confidential counseling on workplace or personal issues; work group, manager and supervisory consultation; conflict resolution; and food or emergency funds when needed. This program has helped countless employees maintain or regain their equilibrium when dealing with difficult workplace or personal issues that may have affected their work performance. While productivity is important, more importantly C-SEAP provides a valuable service to employees as human beings that may need a little help when getting through one of life's rough patches. I mention C-SEAP as one of the past fiscal year's accomplishments because we are expanding the program and hiring more qualified counselors to provide more frequent service to employees located in the more rural areas of the state. To learn more about the services C-SEAP provides please go to www.colorado.gov/dpa/eo/eap/.

Additionally, the annual Credit Union of Colorado's golf tournament raised \$11,000 in donations for the C-SEAP emergency fund program and enjoyed tremendous generosity from a number of sponsors. Please see the related story on pg. six.

While all of Colorado is struggling with high fuel costs and record numbers of foreclosures, the Governor and General Assembly showed that they support the state workforce and fully funded their total compensation package. The State's contribution to healthcare benefits is up to 90% of the average employer contribution in the current market, an impressive feat when you consider that just a few short years ago we were at an abysmal 70% of the market. Additionally, the long bill provided more than \$81 million to fund salary survey adjustments and achievement raises for all employees that received a "proficient" or above performance rating.

Now that we have taken a moment to look back, lets look forward to DPA's Total Compensation Recommendation for FY09-10. On August 1 of each year, DPA submits our recommendation to the Governor and the JBC and updates that recom-

mendation on December 31. This year we are recommending \$102,074,950 be provided for total compensation of the state workforce. As Colorado is facing difficult financial times, that downturn is reflected in the salary survey results for the various occupational groups. You can determine our current survey recommendation for your occupational group using the table below.

We are also asking for a total of \$85,507,171 to fund the salary adjustments (salary survey/performance pay) and \$16,567,779 to maintain the State's contribution to healthcare benefits at 90% of the market. However, in response to repeated requests that we make achievement pay more meaningful we are introducing a new mechanism to provide top achievers with spot awards for doing a great job or

completing a project or difficult task. This allows state managers and supervisors the ability to reward peak performers throughout the year for a job well done. The specifics have not yet been formalized for this process, but rest assured we will keep you informed of the progress of this new aspect of the performance pay matrix.

I mentioned earlier, the recommended salary survey adjustments are reflected in the table below, but be aware a lot can happen in the next five months when we make an updated recommendation on December 31, 2008.

Occupational Groups (# of employees)	Market Salary Increase %	Base Achievement Pay %	Total Base Pay Adjustment⁰%
Enforcement & Protective Service (5,631)	3.14%	1%	4.17%
Troopers* (731)			6.91%
Health Care Services (3,018)	2.95%		3.98%
Labor, Trades, and Crafts (1,044)	2.76%		3.79%
Administrative Support & Related (2,195)	2.60%		3.63%
Professional Services (7,062)**	2.05%		3.07%
Physical Services & Engineering (946)	2.26%		3.28%
Appropriated Non-Classified (4,879)	2.50%		3.53%
Statewide average (25,506)	2.50%		3.53%
Non-Base Building Lump-sum Achievement Payment for 'Exceptional' Performers 2.00%			

Notes:

- The 'Market Salary Increase %' is the market adjustment by occupational group as indicated in the survey and recommended by the State Personnel Director. The average adjustment is 2.5%
 - The 'Base Achievement Pay %' is the base-building achievement pay component recommended by the State Personnel Director for all 'successful' and 'exceptional' performers.
 - The 'Total Base Pay Adjustment %' shows the final combined base adjustment to eligible employees' salaries.
 - 'Special Recognition' includes non-base cash and non-cash rewards awarded throughout the year, periodically or immediately following the event, action, or contribution, for which all employees are eligible.
- * Per C.R.S. 24-50-104(1)(a)(III)(A), salary adjustments are determined based on Trooper's defined market; the market structure increase is 3.59% and actual salary increase 5.85% after SAED.
- **Financial Services will be consolidated with the Professional Services group effective 7/1/09.



GREENING COLORADO'S FLEET

BY KERRY WHITE

DCS COMMUNICATIONS COORDINATOR, DPA

State Fleet Management continues to receive many questions about its efforts to green Colorado's fleet. One of the most oft-asked questions is "What is 25-in-5?" Simply put, this is a reference to Governor Ritter's "Greening Government" initiative, which includes the goal of reducing petroleum use by 25% in five years, or by June 30, 2012. By replacing petroleum with domestically produced renewable fuels where possible, Colorado hopes to lower costs, reduce air pollution and smog, and support the state's economy.

Working closely with Motor Vehicle Advisory Committee representatives, the Governor's Biofuel Coalition, and the Governor's Energy Office, among many others, State Fleet Management has developed five main strategies to assist drivers and their departments in reducing petroleum use. These include: purchasing high-technology vehicles, reducing the number of miles driven, increasing the frequency of vehicle maintenance, using alternative fuels where possible, and looking for ways to improve driving habits.

Colorado's departments and agencies, such as the Department of Health who has the greatest number of Hybrid Electric Vehicles, are increasingly adding high-technology vehicles to their operations. With

approximately 6,000 vehicles in the State Fleet Management program, currently 687 are Flex Fuel vehicles; 75 are Hybrid Electric, and over 200 are Diesel. State Fleet Management expects to add 300 Flex Fuel vehicles and 200 Hybrid Electric vehicles to the program in FY 2009, and is proposing to increase those numbers by at least 5% each year.

These high-technology vehicles not only offer better mileage and reduced emissions, but also an opportunity to use alternative fuels. Flex Fuel vehicles are so-called because they are flexible and can operate using either E-85 or gas. E-85 is made of 85% Ethanol (currently a corn by-product) and 15% petroleum, versus unleaded gas, which is typically 90% to 100% petroleum. Diesel vehicles can use "Biodiesel" fuel, commonly called B20, which is a blend of 20% biodiesel and 80% petroleum. Alternative fuels are attractive because they contain less petroleum and are considered "clean burning."

For drivers looking for ways to help cut petroleum use, State Fleet Management's website lists a number of resources at www.colorado.gov/dpa/dcs/fleet/index.htm.

Call State Fleet Management at 303-866-5222 if you would like to arrange an independent assessment and report on how your agency or drivers can improve their habits or help with establishing an agreement with your local government agency to allow shared fuel resources.



1 JULY 1, 2008 AN HISTORIC DAY FOR INFORMATION TECHNOLOGY

BY JILL ELGGREN

OIT COMMUNICATIONS OFFICER

Tuesday 1 July 2008 was an historic day for information technology (IT) in the state of Colorado. Senate Bill 08-155 went into effect marking the beginning of the consolidation of information technology services and functions across the Executive Branch.

Historically, IT services have been provided on an agency-by-agency basis despite having many common needs. This has resulted in fragmented services, use of disparate applications and significantly reduced purchasing power. In addition, an independent study cited this decentralized approach as a contributing factor to failed projects. With the implementation of SB08-155, the management, budget oversight and purchasing authority of IT in the Executive Branch now reside in the Governor's Office of Information Technology (OIT).

On July 1, 2008, approximately 1,100 IT professionals across 15 departments became employees of OIT. To mark the occasion, Mike Locatis, State Chief Information Officer, and John Conley, Deputy State CIO sponsored a welcome event in the Old Supreme Court Chambers at the State Capitol on 1 July 2008. Speakers included two of the 80 Bill sponsors, Representatives Andy Kerr

and Bernie Buescher, and former Senator Ron May. In speaking about the history of SB08-155, Senator Buescher noted "This is the way to improve the quality of IT and transparency in government and substantially the interface with citizens." All speakers acknowledged there was a lot of hard work yet to be done but expressed the utmost confidence in Mr. Locatis and his leadership team to not just get it done but to do it extremely well. Not only is the state fortunate to have such a strong and dedicated leadership team, we are fortunate to have an exceptional IT staff. As Deputy State CIO John Conley stated "The raw material to implement Senate Bill 155 is sitting here in the chairs and listening on the web."

Please be sure to visit www.colorado.gov/oit for more detailed information regarding the consolidation plan. If you would like to review a copy of the legislation, visit <http://www.leg.state.co.us/>



Flanked by Bill Sponsors and OIT Staff, Governor Ritter signs Senate Bill 08-155 into law



ANNUAL C-SEAP GOLF TOURNAMENT ANOTHER SUCCESS

This past June, the Credit Union of Colorado (formerly the Colorado State Employee's Credit Union), held its seventeenth annual Charity Golf Tournament to benefit the Colorado State Employees Assistance Program (C-SEAP). This year's participants enjoyed a great day of golf at the Meadows Golf Club in Littleton and helped the credit union raise \$11,000 for the C-SEAP Emergency Assistance Fund.

This fund allows C-SEAP to help state employees and their families facing financial hardships with short-term monetary grants to contribute to every day living expenses such as groceries and utility bills. With the sharp increases in fuel costs this tournament could not have come at a better time.

"When an employee is forced to choose between medical care, food for their children or gasoline to get to work it is always gratifying to be able to help by stepping and taking some of the financial pressure off," said Randi Wood, Director of the C-SEAP program. "While, information regarding grant recipients is confidential, I often wish our tournament sponsors and participants could see what a tremendous difference their donations can make in the life of a state employee."

The tournament was such a success due to the support and generosity of the participants and sponsors. We would like to thank the credit union, the participants and the following sponsors for their support of the tournament:

- 3SI Security Systems
- Auto Trek
- Automotive Avenues
- Credit Union Service Network
- Credit Union Strategic Partners
- CUNA Mutual Group
- Diebold, Inc
- Elavon Financial Institution Solutions
- Enterprise Car Sales
- Executive Compensation Solutions and SunCorp
- Fidelity National Information Services
- Fritts Insurance Agency
- H.M. Brown
- Happel & Associates
- Harland Clarke
- IC Group
- IMAC
- Integrated Media Source, Inc.
- LPL Financial
- Morgan Keegan
- Red Hawk, A UTC Fire & Security Company
- SunCorp
- Support Financial Resources
- Symitar
- Van Wagenen Financial Services



Randi Wood, C-SEAP Director, accepts check from Terry Leis, Credit Union of Colorado President/CEO.

