

2019-2020 Progress Crosswalks

Executive Office

1. The Executive Office is the central administrative body of the organization, responsible for the overall management and coordination of all activities.

2. The Executive Office is headed by the Chief Executive Officer (CEO) and supported by a number of senior executives.

3. The Executive Office is responsible for the development and implementation of the organization's strategic plan.

4. The Executive Office is responsible for the management of the organization's financial resources.

5. The Executive Office is responsible for the management of the organization's human resources.

6. The Executive Office is responsible for the management of the organization's information resources.

7. The Executive Office is responsible for the management of the organization's legal and compliance resources.

8. The Executive Office is responsible for the management of the organization's public relations and communications resources.

9. The Executive Office is responsible for the management of the organization's risk management resources.

10. The Executive Office is responsible for the management of the organization's sustainability resources.

Program Crosswalk

Program Title: Executive Office

Line Items:

Personal Services
Operating Expenses
Test Facility Lease
Employment Security Contract Payment
Employees Emeritus Retirement
HIPAA Security Remediation
All Departmental Central Appropriations and POTS line items

Change Requests:

Federal/State Statutory Authority:

Title 24 of the Colorado Revised Statutes and Section 13 of the Colorado State Constitution delineate the statutory authority for the Department of Personnel

Program Description:

Executive Office – Overview

The Department of Personnel & Administration is the State agency that is tasked with providing the essential business infrastructure necessary for the efficient and effective operation of all State government agencies and programs. Our constant focus is on achieving this mission by maintaining and delivering the highest levels of service and providing the best value possible to each of our customers, while adhering diligently to stringent professional, ethical and service delivery standards.

The Department of Personnel & Administration (DPA) provides the human capital, information, tools, resources and materials needed for Colorado State government to serve the public. The programs and functions of DPA are not generally those that are highly visible or easily recognized by citizens. Nevertheless, the programs and functions provided by DPA are vitally important to the efficient and effective operation of State government. In essence, DPA manages the business systems and processes that support State government and is the business infrastructure for the State.

DPA's mission is not limited to only one department or even one branch of government. DPA serves the entire State and all of State government in various ways. DPA provides a multitude of support services including, but not limited to, management of the State's human resource services, State financial and purchasing oversight, management of State buildings and real estate services, management and administration of the State's automotive fleet, operation of the State's printing center and mail services, maintenance

of State buildings, facilities and grounds, management of the State's technology infrastructure, and hearing legal administrative appeals.

The personnel of DPA are the subject matter experts tasked with facilitating and managing State resources and the business systems and processes of State government. Their roles include planning, coordinating, integrating, monitoring and reporting about these business systems and processes. They are responsible for developing, selecting, protecting and distributing the State's business assets and resources in support of statewide public policies, priorities and initiatives.

The Executive Office has several areas of functional responsibility, including general governance, financial accountability, internal human resources functionality, internal payroll processing functionality, budgeting, contracting, departmental information technology functionality, legislative affairs, and internal and external communication. Further, the Executive Office provides the Department with operational management direction, policy formulation, leadership and guidance. One of the main areas of focus within the Executive Office in the past two fiscal years has been improving the management of internal operations.

Programs/Work Units:

The Executive Director (with the assistance of his appointed Deputy and executive assistant) is the Executive Branch Cabinet officer that provides policy formulation and direction to the Department and its divisions. This office provides the departmental management leadership and direction for human resources, communications and legislative affairs, financial services and other department-wide operational matters.

The Financial Services Unit is responsible for providing a central source for accountability, coordination and sound fiscal management in areas related to budgeting, accounting and contract management functions. In addition, the Unit is tasked with departmental financial oversight, internal payroll processing, analysis of the fiscal impact of legislation, and communications with and deliverables to the Joint Budget Committee, the Office of State Planning and Budgeting, and Legislative Council.

The Information Technology Unit (ITU), budgetarily located within the Division of Information Technology, Technology Management Unit, develops applications and information systems and provides desktop support for the internal business units of DPA under the direction of the Department CIO who resides in the Executive Office.

The Human Resources Unit (HRU) administers the Department's internal personnel functions by providing human resources support and services, including job evaluation, compensation, employee relations, orientation, and training coordination. The HRU assists appointing authorities in operating effectively within the civil service system, and facilitates consistency across the Department in the handling of internal personnel related issues.

The Government and Public Relations Unit is responsible for Department communications and the Department's relationship with the General Assembly. The unit director serves as both the Department's Public Information Officer (PIO) and Legislative Liaison. This unit communicates relevant information to all State employees through the publication of *Stateline*, communicates Department-specific issues in a monthly departmental newsletter, oversees publication of DPA's various division newsletters and other external program communication, is the main point of contact for all open records requests, and responds to all local and national media inquiries.

As the cabinet department responsible for all of the State's centralized business services, including the State Personnel System, it is imperative for DPA to maintain a strong relationship with the General Assembly. The Department's legislative program includes: preparing and proposing legislation, identifying affected departmental interests on various pieces of legislation, developing testimony for committee hearings, lobbying for or against prospective legislation, and assisting legislators with constituent requests. Along with working closely with legislators, the Legislative Liaison coordinates with the Governor's legislative staff to implement State policy and works with other State agencies, employee organizations and legislative groups in developing coalitions on issues of mutual concern.

Objectives:

The Executive Office is an integral part of the majority of departmental goals and objectives, as reflected in the Department's FY 2006-07 Strategic Plan. While the Executive Office may be very involved in many issues/objectives, it is necessary for the purpose of this Program Crosswalk to address certain specific goals and objectives:

Identify and Implement Process Reform:

- Implement an internal auditing function to proactively address performance issues that impact the effectiveness and integrity of operations.
- Facilitate continuous improvement of the structures, systems and processes currently in place by enhancing the quality and timeliness of work products, services, and information delivered to customers and other external partners.

Identify and Implement Financial Reform:

- Continue with efforts to revise and improve the fiscal management and reporting structure for internal department operations and statewide common policies, to provide central oversight and consistency in process for the budget, contracting, finance and accounting functions. The Department seeks to integrate financial processes, which will combine existing separate processes into one efficient and consistent process.

Maintain Truth-in-Rates Philosophy Departmentwide:

- Annually review and analyze all rates in coordination with applicable division management, Department Controller, CFO and Budget Director.
- Revisit and revise any outdated or inefficient rate setting and cost allocation methodologies proactively.
- Develop models to support and justify the appropriate targeted fund balance for all cash funds and implement methods necessary to maintain the fund balance(s) on an ongoing basis.

Enhance the Ability of the State to Recruit and Retain an Effective Workforce:

- Develop relationships with stakeholders (i.e. Budget Officers, HR Directors, employee associations, OSPB and the General Assembly) that will close the funding gap between actual and prevailing contribution levels in employee benefits.
- The Department will work to develop processes to help State agencies begin to identify and plan for the succession of key positions. The Department, along with feedback from stakeholders, will seek to assess needs, prioritize objectives and develop succession planning tools.

Create and Enhance Stakeholder Relationships:

- Facilitate and coordinate statewide and common policy related change requests and legislation that affects multiple stakeholders and State departments.

Play a Central Role in Using Information Technology to Streamline Government:

- Continue to maximize network and computer infrastructure priorities to generate optimal capacity and efficiencies in costs.
- Lead efforts to ensure that statewide information technology infrastructure projects, applications and enhancements are acquired and deployed in a manner that optimally integrates concepts with the existing infrastructure, and provides maximum efficiencies and return on investment.

Establish and Implement Department Culture and Operational Framework:

- The Executive Office will play a key role in central financial oversight and approval processes (including rates) in order to bring consistency to the disparate operations of multiple divisions with different focus, customers and services.
- Continue to centralize administrative functions, to the extent possible, to allow divisions to focus on program priorities and operations.

Relevant Stakeholders:

Stakeholders	Requirements of the Unit
State Agencies & Employees	Provide essential business infrastructure necessary for the efficient and effective operation of all State government agencies and programs.
DPA Employees	Provide internal infrastructure for efficient and effective operation of the Department.

Resources

Program Crosswalk

Program Title: Division of Human Resources (DHR) - Director's Office

Line Items:

- (A) Human Resource Services
 - (1) State Agency Services
 - Personal Services
 - Operating Expenses

Change Request(s):

Federal/State Statutory and Other Authority:

Article XII, Sections 13, 14 and 15 of the State Constitution, CRS 24-50 Parts 1, 2, 3, 5, 6 and 7 CRS 10-8 Part 2; and CRS 24-30 Parts 1 and 15 provide the constitutional and statutory authorization for the Division.

Program Description

The DHR Director's Office oversees the activities of the Division, provides expert interpretation of applicable rules and laws, tracks and handles appeals and disputes to the Director, and provides the "infrastructure" to the rest of the Division, including accounting support, State Auditor's Office audit follow-up, legislative tracking and coordination with the remainder of the Department.

The DHR Director's Office also is responsible for overall communications to the State workforce, employee outreach, development of an employee relations and communications strategy and operation of the employee mediation program.

Prioritized Objectives and Performance Measures

FY 2004-05 Objectives and Workload Measures

Objective #05.1

Support the implementation of any changes in law resulting from the Governor's Commission on Civil Service Reform.

Critical Performance Measure:

- 5.1.1 By 6/30/05, work with the State Personnel Board on rulemaking to implement any civil service reform mandated by changes to constitution and statutes.

- 5.1.2 By 6/30/05, complete actions necessary to implement any revisions to process and policy mandated by constitutional and statutory changes associated with Civil Service Reform.

Accomplishments:

Civil Service Reform (HCR04-1005) was defeated at the November 2004 general election. The Division and the State Personnel Board collaborated to comprehensively update the state personnel system rules within constitutional and statutory limits. New rules were adopted to: (1) implement those portions of HB 04-1373 that went into effect independent of the election results; (2) effectuate changes identified prior to Civil Service Reform but held in suspense to avoid confusion; (3) comply with revisions to federal FLSA overtime regulations; and (4) reorganize the rules to a more user-friendly format. All of these new rules became effective July 1, 2005.

Objective #05.10

Convene an interdepartmental working group to assess the efficacy of cooperatively building enhancements and improvements to automated human resources systems.

Critical Performance Measure:

- 5.10.1 Finalize the major components of the migration of the EMPL employee database system to the Integral module of the Colorado Payroll and Personnel System (CPPS) by 3/31/05.
- 5.10.2 Once the migration addressed in 5.11.1 above is completed, establish and coordinate a working group of State agency staff to address major HR systems existing both statewide and within State agencies; identify systems that could be shared by all agencies in order to improve consistency and maximize efficiencies; identify major systems that need modification; and establish a timetable for addressing needed enhancements to those systems. These tasks will be completed by 6/30/05.

Accomplishments:

- 5.10.1 The system design work for the EMPL conversion is in the final stages and testing of functionality began in February 2005. User documentation and training plans are being developed. Beginning in November 2004, an *EMPL Retirement Newsletter* has been published on a monthly basis. The Newsletter provides information to all State agencies on the EMPL conversion and data warehouse projects. Migration to CPPS is planned for October 2005.
- 5.10.2 State agency staff representing classified, non-classified, and judicial users have been involved in the EMPL conversion project in both the system design and testing areas. Because system conversion has been delayed, this group has not had the opportunity to address other HR systems.

FY 2005-06 Objectives and Workload Measures

Objective #06.5

Continue to enhance the effectiveness of communications through development and implementation of a comprehensive new strategic communications plan, including both coordinated publications and employee relations components.

Critical Performance Measures:

- 6.5.1 By January 1, 2006, develop and begin implementation of communication plan.
- 6.5.2 By June 30, 2006, obtain feedback from stakeholders/customers to assess the extent to which the Division effectively communicated essential information proactively.

Objective #6.7

Convene an interdepartmental working group to assess the efficacy of cooperatively building enhancements and improvements to automated human resources systems.

Critical Performance Measure:

- 6.7.1 Implement the system conversion of the EMPL employee database to the HR module of the Colorado Payroll and Personnel System (CPPS) including documentation, training, and security.

Objective #6.8

Support the implementation of revised state personnel system rules effective July 1, 2005, including comprehensive revisions to technical assistance and direct linkage between rules and associated technical assistance via the internet for increased ease of use.

Critical Performance Measures:

- 6.8.1 Complete publication of all new technical guidance by December 1, 2005.
- 6.8.2 Incorporate new rules and technical assistance into training courses on state personnel system rules by December 1, 2005.
- 6.8.3 Continuously assess effectiveness of technical assistance, including regular interaction with the existing statewide network of department and institution HR directors (HR Network), and identify any necessary revisions.

Objective #6.9

By 6/30/06 complete update of Risk Management and State Claims Board rules.

Critical Performance Measure:

6.9.1 By 6/30/06, complete rulemaking with a view toward those rules becoming effective in FY07.

FY 2006-07 Objectives and Workload Measures

Objective #7.6

Convene an interdepartmental working group to assess the efficacy of cooperatively building enhancements and improvements to automated human resources systems.

Critical Performance Measure:

7.6.1 Following successful conversion from EMPL to CPPS (including documentation, training and security), but no later than 6/30/07, establish and coordinate a working group of State agency staff to address major HR systems existing both statewide and within State agencies; identify systems that could be shared by all agencies in order to improve consistency and maximize efficiencies; identify major systems that need modification; and establish a timetable for addressing needed enhancements to those systems.

Objective #7.7

Continue to enhance effectiveness of communications through appropriate revisions to the strategic communications plan implemented in FY 2005-06 based on stakeholder/customer feedback.

Critical Performance Measure:

7.7.1 By June 30, 2007, obtain feedback from customers (managers and other employees) to assess the extent to which the Division effectively communicated essential information proactively.

Relevant Stakeholders

Stakeholders	Requirement of the Unit
DHR Employees	Oversight, clear delineation of priorities, workload assignments
State Agencies & Employees	Coordinated development and delivery of services; guidance and advice

Program Crosswalk

Program Title: Total Compensation

Line Items:

(A) Human Resource Services

(1) State Agency Services

Personal Services

Operating Expenses

Human Resource Services

(B) Employee Benefit Services

○ Personal Services

○ Operating Expenses

○ Utilization Review

○ Deferred Compensation Plans

○ Defined Contribution Plans

○ Indirect Cost Assessment

Change Request(s):

Federal/State Statutory and Other Authority:

Article XII, Sections 13 and 14 of the State Constitution, CRS 24-50 Parts 1, 2, 3 and 5 provide the constitutional and statutory authorization for this section of the Division.

CRS 24-50-601, et seq., provides the statutory authorization for the Employee Benefits Unit of the Division.

CRS 24-52-101, et seq., provides the statutory authorization for the State of Colorado 457 Deferred Compensation Plan.

CRS 24-52-201, et seq., provides the statutory authorization for the Public Officials' and Employees' Defined Contribution Plans

Program Description

The *Total Compensation* section consists of two work units, *Compensation* and *Employee Benefits*, each of which is described below.

Compensation

This unit consists of several functions: job evaluation and maintenance, pay, personal services contract review, leave, and work-life programs.

The unit is responsible, by statute, for maintaining the State's job evaluation and compensation systems, including establishing job classes and setting pay. A "job evaluation system" is a method of grouping individual job assignments into different job categories (called "classes") based on the nature of the work in order to provide an efficient way for the State to organize its approximately 31,500 different individual position assignments and ensure the equitable pay of employees performing similar work. A job class is a broad description of an occupation that covers many individual assignments. As of July 1, 2005, 528 job classes exist in the State system.

By statute, the State strives "to provide prevailing total compensation to officers and employees in the state personnel system" [CRS 24-50-104 (1)(a)(I)]. The unit meets that statutory obligation by determining the appropriate methodology and data sources to be used as it establishes the compensation levels for all State job classes, and by conducting the annual compensation survey that is used to make recommendations on adjustments to salary and contributions to group benefits. The unit also designs appropriate pay premiums and pay-related procedures, such as promotions, hires, demotions, transfers, shift differentials, and leave and work-life programs. Because the world of work is continuously evolving, systems must also be re-evaluated, streamlined and adjusted to meet changing business needs. The unit performs such maintenance, provides technical assistance and consultation regarding job evaluation and pay-related laws, rules, trends, and practices to various stakeholders, and develops statewide standards to minimize exposure to legal liability.

The unit provides a review and approval function, as required by statute, of all personal services contracts entered into by the State in order to preserve the merit system and employee protections under the Colorado Constitution.

Employee Benefits

The Employee Benefits unit administers the employee group benefits plans, the State of Colorado Deferred Compensation Plan, and the State of Colorado Defined Contribution Plan. The unit provides the initial design of the employee benefit programs as well as the subsequent contractual, administrative and financial management of these benefits programs. The Employee Benefits unit consists of the following functions:

- *Group Benefits Plans*
Administers the State's employee benefit programs, including five self-funded medical plans, one of which is qualified for the Health Savings Account offered through the Third Party Administrator, two Health Maintenance Organization (HMO) medical plans, three self-funded dental plans, basic and optional life insurance plans (including accidental death and dismemberment), short-term and optional long-term disability, Section 125 pretax premiums and two flexible spending accounts (dependent and health care).

- *Deferred Compensation Plan*
Administers the State employee 457 Deferred Compensation Plan, which is a 100% employee-funded supplemental retirement fund.
- *Defined Contribution Retirement Plan*
Administers the 401(a) Public Officials and Employees Defined Contribution Retirement Plan for members of the General Assembly and other staff of the General Assembly, the Governor's Office, and the Cabinet, who are outside the state personnel system. In accordance with statute, employer contributions to this alternative retirement fund are the same as those sent to PERA for PERA-covered employees. Pursuant to SB 04-257, this Plan is available as an alternative to PERA for all new hires on or after January 1, 2006. As referenced in statute, a single committee administers both Deferred Compensation and Defined Contribution plans. Staffing for these programs is based on the staff initially assigned only to the Deferred Compensation program.

Group benefit plans are available to all state personnel system employees, as well as all judicial, legislative, some higher education, and other State employees (approximately 36,000 eligibles), including full-time and permanent part-time employees (regardless of hours worked). Temporary employees and retirees are not eligible for benefits; however, these employees may contribute to the voluntary State of Colorado Deferred Compensation (457) Plan. The major group of employees that is excluded from these benefit programs is the faculty and non-classified staff of the colleges and universities, which are covered by programs operated and administered by the individual institutions of higher education.

Prioritized Objectives and Performance Measures

FY 2004-05 Objectives and Workload Measures

Objective #05.2

In an effort to restructure health care programs, determine and begin implementation of all necessary steps to move into a self-funded or partially self-funded environment, potentially as early as 7/1/05.

Critical Performance Measures:

- 5.2.1 By 11/04, evaluate self-funded and fully-insured proposals to determine whether to self fund all, or a portion, of health care programs.
- 5.2.2 By 1/1/05, begin communication and education of the workforce in preparation for self funding. Develop system and revise plan documents for self-funding.

- 5.2.3 By 2/1/05, determine actuarially sound reserve balances and the methodology for accruing the funds required in a self-funded environment with, proper financial strategies and safeguards.

Accomplishments:

- 5.2.1 Completed the analysis and procurement process, which validated that self-funding was feasible and saved money over fully insured products. Self-funded medical and dental plans were implemented on July 1, 2005, along with the change to a fiscal year benefit plan cycle. In addition, an analysis of Health Savings Accounts (HSA), in part to report to the General Assembly as required by SB04-94, resulted in a high deductible health plan (HDHP) that is HSA-qualified. Finally through an arrangement between the Third Party Administrator and a financial institution sponsoring an HSA, the State was also able to offer an affordable HSA along with the HDHP for July 1, 2005.
- 5.2.2 Began an extensive communication program in late 2004, with the decision to change to a fiscal year cycle and pursue self-funding, that continued through open enrollment. In addition to issues of *Healthline*, informational sessions were conducted and weekly communications were sent to agency HR and benefits administrators and payroll technicians to familiarize them with the changes to the program and new plans so they were prepared to assist their employees.
- 5.2.3 Accomplished by the independent consulting actuary as part of the feasibility assessment and evaluation of proposals. The independent consulting actuary will continue to determine the appropriate reserve balance, and staff will monitor balances on an ongoing basis.

Objective #5.3

Continue to develop the framework for strategic, flexible, and streamlined total compensation systems that are equitable and competitive, both internally and externally, and evaluate the effectiveness of changes in methodologies and programs.

Critical Performance Measures:

- 5.3.1 By 3/31/05, finish conducting an assessment of employees regarding relative importance or priority of compensation components and analyze results to determine the effectiveness of changes in total compensation methods, and how managers' increased responsibilities for managing their employees' pay impact the workforce. Include conclusions in the annual Total Compensation Report released 8/1/05.
- 5.3.2 By 4/30/05, participate in field-testing of the exit interview process and online system, and analyze the results of the exit interview process for impact of total compensation on recruitment and retention. Include conclusions in the annual Total Compensation Report released 8/1/05.

5.3.3 By 6/30/05, re-evaluate the State's philosophy regarding pay ranges in order to improve the State's performance pay system.

5.3.4 By 9/30/04, complete training and implementation of new FLSA regulations.

Accomplishments:

5.3.1 Designed and tested an online survey tool to assess the relative importance or priority of the major components of total compensation. Actual conduct of the survey has been delayed until it can be placed on the web, which is scheduled to occur in July 2005.

5.3.2 Analysis for results from the exit interview process delayed until the online system can be placed on the web. Thus, this is an objective for FY 05-06.

5.3.3 Began research on pay range structure and movements. Completion of analysis and policy development on pay ranges continues in early FY 2006.

5.3.4 Completed through several group training sessions and ongoing technical assistance to agencies. Also part of the rulemaking process that is effective July 1, 2005.

Objective #5.4

Develop communication strategy for the expanded Elected Officials Plan.

Critical Performance Measures:

5.4.1 By 08/01/04, meet with PERA to discuss SB 04-257.

5.4.2 By 11/01/04, develop a communication plan that discusses all the pension options available to new hires effective January 1, 2006, per SB 04-257.

5.4.3 By 02/01/05, develop communication materials used for new hires.

5.4.4 By 05/01/05, discuss communication strategy with three new bundled providers for the State of Colorado Elected Officials Plan.

5.4.5 By 06/30/05, develop plan to train HR professionals and Administrators, and Payroll and Benefits Administrators.

Accomplishments:

5.4.1 Began meeting with PERA in July 2004. The initial meeting identified tasks and issues to be addressed and meetings are ongoing.

- 5.4.2 Began developing a communication plan but delayed while PERA develops its plan and staff completed the procurement process for the three new bundled providers for the State of Colorado Elected Officials Plan.
- 5.4.3 Identified some materials to be developed such as one page marketing flyers from each provider. Awaiting development of PERA's plan and completion of the procurement process for the three new bundled providers.
- 5.4.4 Discussions have begun with the three new bundled providers as part of the contract implementation plan.
- 5.4.5 Developed a plan to train HR and benefits administrations and payroll technicians throughout the first half of FY 05-06 that includes at least four group sessions (July, August, September, and October) and inclusion in ongoing technical guidance emailed to benefits and payroll staff.

Objective #05.7

Continue evaluating program processes to further streamline and improve personal services contracting.

Critical Performance Measures:

- 5.7.1 By 11/30/04, complete the evaluation of the statewide blanket waiver pilot, determine whether to make the process permanent, and implement the decision.
- 5.7.2 By 1/1/05, evaluate the effectiveness of the integrated audit pilot and implement the process for efficient and effective co-audits on a permanent basis.
- 5.7.3 If HCR 04-1005 and HB 04-1373 on Civil Service Reform are successful, create the processes, database, written guidelines, and revised rules on personal services contracting to implement the changes.

Accomplishments:

- 5.7.1 Completed the evaluation of the pilot and implemented the statewide blanket waiver process on an ongoing basis.
- 5.7.2 Completed the evaluation of the integrated audit pilot and in the process of integrating it into the Division's ongoing auditing function performed by the Consulting Services unit in the Workforce Planning and Development program.
- 5.7.3 The Referendum was not successful, therefore so the legislation pertaining to personal services contracts did not become effective. However, improvements in the process identified prior to Civil Service Reform that did not require constitutional or statutory change were incorporated into new rules adopted in

May 2005. These changes were part of the formal rulemaking process and are effective on July 1, 2005.

FY 2005-06 Objectives and Workload Measures

Objective #6.1:

Continue to develop the framework for strategic, flexible, and streamlined total compensation systems that are equitable and competitive, both internally and externally, and evaluate the effectiveness of changes in methodologies and programs.

Critical Performance Measures:

- 6.1.1 By 6/30/06, conduct and analyze results of the workforce assessments regarding relative importance or priority of compensation components in order to identify, recommend, and implement the needed changes to the total compensation system components.
- 6.1.2 By 6/30/06, analyze the results of the exit interview process to identify trends and recommend changes to total compensation system components to address any issues with turnover.
- 6.1.3 By 6/30/06, conduct an in-depth critical assessment of the 5-year total compensation strategy and identify deviations and/or modifications needed to keep the strategy on track to the extent possible. This in-depth assessment should include, but not be limited to, the impact of economic trends, workforce availability, availability of funds and compensation priorities, and changes in State government functions requiring differing competencies.
- 6.1.4 By 6/30/06, continue evaluating and recommending the most effective strategy to secure adequate funding for performance pay and the movement of employees through pay ranges, including examining pay range structures.

Objective #6.2

Continue to restructure the health care program to provide a complete portfolio of benefits, including evaluation of utilization and the effectiveness of plans.

Critical Performance Measures:

- 6.2.1 By 6/30/06, continue to close the gap between the State and market employers' contributions to group insurance plans.
- 6.2.2 By 6/30/06, implement performance and utilization metrics to assess the impact on plan designs and premiums.

- 6.2.3 By 6/30/06, determine the appropriate eligibility (employee and dependents) and contributions for July 1, 2006, group health plans, including evaluation and a recommendation regarding HB05-1101.
- 6.2.4 By 12/31/05, hire a financial and utilization analyst for the self-funded program.
- 6.2.5 By 12/31/05, continue communication and training to implement the expanded Elected Officials Plan for new employees on 1/1/06 and in June begin an evaluation of enrollment changes in the plan to determine any adjustments to communication and marketing materials.

FY 2006-07 Objectives and Workload Measures

Objective #7.1

Continue to develop the framework for strategic, flexible, and streamlined total compensation systems that are equitable and competitive, both internally and externally, and evaluate the effectiveness of changes in methodologies and programs.

Critical Performance Measures:

- 7.1.1 By 6/30/07, continue to monitor and recommend adequate funding for performance awards as part of competitive total compensation.
- 7.1.2 By 6/30/07, reduce the number of occupational groups to more efficiently manage the survey process.
- 7.1.3 By 6/30/07, begin implementation of a valuation model by defining "value" and a measurement methodology, and applying it to the cost of benefits.

Objective #7.2

Continue to restructure the health care program to provide a complete portfolio of benefits, including evaluation of utilization and the effectiveness of plans.

Critical Performance Measures:

- 7.2.1 By 6/30/07, continue to close the gap between the State and market employers' contributions to group insurance plans.
- 7.2.2 By 6/30/07, continue to evaluate utilization data to assess the impact on plan designs and premiums, ensure adequate reserves, and communicate resulting adjustments.
- 7.2.3 By 6/30/07, complete an eligibility audit and recommend changes in policy and process to ensure integrity of eligibility and enrollment going forward.

7.2.4 By 6/30/07, analyze utilization and performance data to assess the effectiveness of disease management measures and implement additional disease management alternatives and wellness incentives.

Relevant Stakeholders

Stakeholders	Requirements of the Unit
State Agencies & Employees	Coordinated development and delivery of services; guidance and advice

Program Crosswalk

Program Title: Workforce Planning and Development

Line Items:

(A) Human Resource Services

(1) State Agency Services
 Personal Services
 Operating Expenses

(2) Training Services
 Personal Services
 Operating Expenses
 Indirect Cost Assessment

Change Request(s): None

Federal/State Statutory and Other Authority:

Article XII, Sections 13 and 14 of the State Constitution, CRS 24-50 Parts 1,2, 3 & 5; CRS 10-8 Part 2; and CRS 24-30-1510.7(4) provide the constitutional and statutory authorization for this section of the Division.

Program Description

The *Workforce Planning & Development* section consists of two work units, *Workforce Planning & Systems* and *Consulting Services*, described below.

Workforce Planning & Systems

This work unit develops, implements and maintains the systems that enable the State to recruit, retain, and develop an effective workforce. The three primary functions are selection, workforce planning and development, and automated systems.

The unit develops, implements, and maintains the State's merit-based statewide selection system, including process guidelines and design, development and maintenance of the automated Applicant Data System (ADS) and the automated online Job Announcement system to support the selection process. Services include: consultation with agencies about exam planning and development; development of written multiple-choice tests for statewide use; development of selection devices for specific agency use; storage and loan of test materials; development and maintenance of minimum qualifications (MQs) for the State Personnel System; and veteran's preference points updates. The unit supports the statutory requirement that "appointments and promotions to positions shall be based on job-related knowledge, skills, abilities, competencies, behaviors and qualities of

performance as demonstrated by fair and open competitive examination” [CRS 24-50-112.5 (1)(b)].

The unit develops strategies to assess the training and career development needs of State employees; develops and implements a training model to economically and effectively meet the broad training needs of the State workforce; develops a workforce planning model and produces the Annual Workforce Report.

The unit provides technical support for the agency HR users of the Employee Data System (EMPL). This system is used by all State agencies as the employee database for the State. The unit offers technical training and support to State agency users and tests computer programs before they are placed into production. The unit is also responsible for security administration for the three main systems that the Department operates: the Applicant Data System (ADS), the Colorado Central Payroll & Personnel System (CPPS), and the Employee Data System (EMPL).

Consulting Services

The Consulting Services unit provides comprehensive statewide human resource program management reviews and measurements to assist State agencies and institutions of higher education in eliminating problems, improving management and performance, identifying and implementing “best practices,” and complying with State and federal laws and regulations. This is accomplished through a variety of periodic or focused HR audits of each State agency and institution of higher education and meetings with each agency’s professional human resources staff.

The unit also provides a range of professional human resource services, including oversight of the performance management system and personal services activity in concert with the Division of Finance & Procurement and the State Controller’s Office; job evaluation and selection assistance and technical training for non-decentralized State agencies; and updating and maintaining delegation agreements between the Department of Personnel and Administration and State agencies and institutions of higher education.

The non-decentralized agencies are listed below with the level of service provided next to that agency.

NON-DECENTRALIZED AGENCIES SERVED BY CONSULTING SERVICES UNIT

Agency	Services
Dept. of Treasury	Job Evaluation, Selection
Western State College	Job Evaluation
Adams State College	Job Evaluation
Fort Lewis College	Job Evaluation

Prioritized Objectives and Performance Measures

FY 2004-05 Objectives and Workload Measures

Objective #05.5

Continue to improve program processes and oversight of the personnel system by incorporating best practices and standards, providing consultation and technical HR development, implementation of a training broker model to expand workforce development, and monitoring and evaluating standards in order to fulfill statutory requirements and provide leadership in strategic human resources.

Critical Performance Measures:

- 5.5.1 Establish service agreements with each agency.
- 5.5.2 Complete the comprehensive HR audit on job evaluation and selection and begin conducting a comprehensive HR audit on the performance pay system by 6/30/05.
- 5.5.3 By 6/30/05, develop a method to summarize progress and the status of functions previously audited. Implement a best practice resource tool that is available for statewide use.
- 5.5.4 Begin research on evaluating human resource systems through a scorecard model.
- 5.5.5 By 6/30/05, develop an online turnover/cost per hire calculator.
- 5.5.6 By 6/30/05, implement a workforce and succession planning model for use by the HR community.
- 5.5.7 By 1/1/05, revise current PCP training modules to address technical and professional application and technology solutions. By 6/30/05, deliver at least one professional and one technical-level course, and evaluate the effectiveness of the new process.
- 5.5.8 By 6/30/05, collect baseline measurement data of current selection practices (cost, time, effectiveness).
- 5.5.9 Expand the use of assessment tools beyond traditional written and oral examinations.
- 5.5.10 By 6/30/05, provide a minimum of 10,000 hours of training and maintain an average cost-per-employee of \$20.00 per student contact hour.

Accomplishments:

- 5.5.1 With the reorganization of DHR to form the new Workforce Planning and Development Section and major changes in staffing, this performance measure was delayed and is being reconsidered.
- 5.5.2 The Job Evaluation and Selection audit was not begun due to workload issues and the delayed completion of the Total Compensation and Records Management audit. The Total Compensation and Records Management audit is near completion. As of July 1, all departments and institutions of higher education have been field audited. Final audit reports have been issued to 14 agencies, 18 draft reports have been issued, and the remaining eight reports are being written. A comprehensive audit of each agency's performance pay program was completed in February 2005 to assure compliance with all statutory and rule driven requirements of agency performance pay programs.
- 5.5.3 A database has been developed that contains findings from previously audited functions, agency responses to findings, and follow-up activity completed by staff. Model practices have been identified from the Total Compensation and Records Management audit and a web page is being developed to make the information available.
- 5.5.4 This has been delayed awaiting completion of the State Auditor's performance audit of the program, and staff participation in training on current latest best practices in the development of effective HR metrics.
- 5.5.5 An online turnover/cost per hire calculator has been developed. The division is awaiting assistance and consultation from the Technology Management Unit before the calculator can be placed online.
- 5.5.6 Staff reduction and reassignment has limited the progress on implementation of a workforce and succession-planning model. A task force has been meeting to identify and define the parameters and tools that would best meet the planning and succession needs of State agencies. The annual workforce report, along with monthly updates, has been expanded to include agency-specific data and was published and distributed to agencies. An online employee exit survey has been developed for agency use.
- 5.5.7 Changes in delivery of training have been implemented for the Selection Certification Program. Beginning in July 2005, agencies have the option of attending training seminars that compliment the current self-study format to achieve certification more quickly. Technical training modules have been designed and delivered for the automated data systems.
- 5.5.8 Baseline data from ADS data was analyzed to determine average number of vacancies filled by agencies including type of positions and time to fill. Work has begun to design a more streamlined method of collecting and reporting data.

- 5.5.9 Personnel rules were modified effective 7/1/05 to encourage the use of appropriate assessment tools other than written and oral exams where such tools may be more effective approaches to merit-based selection. Consulting, network meetings and HR forums have been established to provide information and examples of the variety of assessment tools available.
- 5.5.10 During FY 2005, the Professional Development Center provided 8,500 student contact hours of training for an average cost of \$13 per hour.

FY 2005-06 Objectives and Workload Measures

Objective #06.3

Continue to improve program processes and oversight of the personnel system by incorporating best practices and standards, providing consultation and technical HR development, and monitoring and evaluating standards in order to fulfill statutory requirements and provide leadership in strategic human resources.

Critical Performance Measures:

- 6.3.1 By 1/06, research alternative methods and develop a multi-faceted approach to audits that includes timeframes for completion of various audit stages. Develop an audit plan for core HR functions using new methodology and apply to the selection function at a representative sample of agencies.
- 6.3.2 By 6/30/06, evaluate the efficacy of the new partnership with Colorado State University for delivery of training to State employees by assessing course quality and cost-effectiveness and identifying any necessary improvements.
- 6.3.3 By 6/30/06, conduct a comprehensive gap analysis of job requirements and employee skills across the HR community. This includes defining the Division's role in providing training for the HR community and developing a comprehensive plan to identify and meet needs.
- 6.3.4 By 6/30/06 develop a reliable method for tracking time to fill vacancies and establish general timelines for key steps in the hiring process; develop tools for pre-employment criminal background checks; and improve the State of Colorado job announcement process and job vacancy website.
- 6.3.5 By 6/30/06, implement a workforce and succession planning tool for use by the HR community.

FY 2006-07 Objectives and Workload Measures

Objective #07.3

Continue to improve program processes and oversight of the personnel system by incorporating best practices and standards, providing consultation and technical HR development, and monitoring and evaluating standards in order to fulfill statutory requirements and provide leadership in strategic human resources.

Critical Performance Measures:

- 7.3.1 By 6/30/07, complete the next audit cycle of core HR functions. Use data from the HR Data Warehouse to identify issues ripe for audit.
- 7.3.2 By 6/30/07, implement and evaluate the effectiveness of the applicant tracking system. Continue to make improvements to the State's selection system.
- 7.3.3 By 6/30/07, expand workforce and succession-planning tools available for use by the HR community.
- 7.3.4 Meet with the leadership of each State department to assess the effectiveness of State employee training delivered by CSU in FY 2005-06 and develop a strategic plan to provide for future training, organizational development and performance support. Expand the number of training programs and student contact hours provided through the partnership by 10%.

Relevant Stakeholders

Stakeholders	Requirements of the Unit
State Agencies & Employees	Coordinated development and delivery of services; guidance and advice

Program Crosswalk

Program Title: Business Risk & Loss Control

(C) Risk Management Services

- Personal Services
- Operating Expenses
- Legal Services
- Liability Premiums
- Property Premiums
- Workers' Compensation Premiums
- Indirect Cost Assessment

(A) Human Resource Services

(3) Colorado State Employees Assistance Program

- Personal Services
- Operating Expenses
- Indirect Cost Assessment

Change Request(s)

None

Federal/State Statutory and Other Authority:

CRS 24-30-1501 provides the statutory authorization for the Risk Management Unit of the Division.

CRS 24-50-604 provides the statutory authorization for the Colorado State Employees Assistance Program.

Program Description

The *Business Risk & Loss Control* section consists of two work units, *Risk Management* and the *Colorado State Employee Assistance Program (CSEAP)*, each of which is described below.

Risk Management Program

The Risk Management unit consists of the following service areas:

- *Workers' Compensation Fund*
This activity provides the workers' compensation coverage for State employees. Workers' compensation is self-funded and claims are administered by a third party administrator (TPA), Pinnacol Assurance.

- *The Liability Fund*
This activity provides self-funded general liability coverage for State departments, institutions of higher education, and State employees for tort and federal claims.
- *Property Fund*
This activity provides property casualty loss coverage for State assets, including 9,000 State vehicles and 5,000 State buildings. Coverage is provided through a commercial casualty insurance policy.
- *Loss Control*
This activity provides loss prevention training and related services to State departments and institutions of higher education in all three-fund areas (workers' compensation, liability and property).

The Risk Management unit protects the State's human resource and property assets through the administration of liability, property, workers' compensation and loss control programs. Services provided include (but are not limited to) accident investigation, legal defense, safety training, hazard mitigation, building inspections, contract review, insurance procurement, property valuation, risk financing, claim evaluation, seminar presentation, workers' compensation medical management, statistical analysis, data collection and premium assessment. The Risk Management Program serves all State agencies, schools and employees (except the Colorado University system and, effective in FY 2004-05 pursuant to HB 04-1009: CSU for all three programs and FY 06 UNC property).

Liability claims and lawsuits arise from allegations of State negligence related to such things as auto accidents, employment discrimination, and road maintenance. Most of the 2,200 liability claims presented against the State each year are denied, as they are subject to protection found in the Colorado Governmental Immunity Act (CGIA). Most of the payment dollars are related to federal law, where the focus is on civil rights and employment. Workers' compensation benefits for State employees (over 5,000 claims per year) are administered on a self-funded basis.

The costs in the self-funded liability and workers' compensation programs are allocated to State agencies based on pro-rata claims history.

Property exposures (e.g., floods, wind, fires, theft) are covered by commercial casualty insurance with broad all-risk coverage. The Risk Management unit administers large policy deductibles, and State agencies pay up to the first \$1,000 per claim. Policy premiums are allocated to State departments based on pro-rata building and contents values.

Risk Management has three safety and loss control staff members whose responsibilities include, but are not limited to, loss history analysis, ergonomic evaluations, indoor air quality review and medical case management. The services provided by these staff members are available to State agencies without charge.

Colorado State Employee Assistance Program (C-SEAP)

C-SEAP is a resource available to all state employees. The services can be described by three separate functions: organizational development, individual counseling and training. At the organizational level, C-SEAP is a behavioral risk management tool that allows supervisors and managers to consult with EAP specialists about workplace issues and/or to refer employees to the program. The C-SEAP staff is trained to assist managers in addressing multiple workplace issues including the following: performance improvement, absenteeism, sexual harassment, drug-free workplace, violations of the Executive Order on violence in the workplace, unresolved conflict between individual employees or groups of employees, fatigue or other physical concerns, and any emotional, mental or personal problem which may be impacting an employee's ability to function effectively at work.

At the individual level, employees may call C-SEAP directly and either talk with a C-SEAP counselor by phone or schedule an appointment to discuss his or her situation. Employees choose C-SEAP because they wish to speak with someone who understands the State system and will respect their right to privacy, as well as someone who can assist them in improving their job performance, resolving their workplace issues, or addressing personal problems before they become serious impediments to the work environment and/or require expensive treatment.

Regarding training, C-SEAP provides workshops, classes, and groups designed to address specific workplace concerns like violence prevention, dealing with difficult customers, coping with organizational change, recognizing and addressing substance abuse, communication, motivation and teambuilding. In the event of a crisis at work (e.g., homicide or suicide), C-SEAP provides timely on-site critical incident groups, grief and loss interventions, and organizational consultation.

CRS 24-50-604 provides the statutory authorization for the Colorado State Employee Assistance Program. In accordance with statute, starting in FY04 and any fiscal year thereafter, sources of funding for the program may include, but need not be limited to, the group benefit plans reserve fund, the risk management fund, and interest derived from the investment of said funds.

Prioritized Objectives and Performance Measures

FY 2004-05 Objectives and Workload Measures

Objective #5.6

By 6/30/05, in conjunction with all State departments, implement a new Risk Management Information System ("RMIS") that is more user-friendly to State agency users.

Critical Performance Measures:

5.6.1 Establish a committee consisting of agency employees responsible for risk management functions to draft the Request For Proposals by 8/1/04.

5.6.2 Publish RFP by 10/1/04.

5.6.3 Select new vendor by 4/05.

5.6.4 Implement the new RMIS and begin collecting statewide data by 6/30/05.

Accomplishments:

The decision was made not to publish a separate RFP for the RMIS but rather to extend the previous award and enter into a new contract with the current provider. This decision was based on the customization of the system provided by the current vendor and the cost-effectiveness of continuing to use this system.

Objective #05.8

By January 2005, update risk management rules and State Claims Board rules.

Critical Performance Measure:

5.8.1 Commence rulemaking process by 9/1/04.

Accomplishments:

The decision was made to roll forward to FY06, the rulemaking process for Risk Management rules and procedures. This decision was based on the expected receipt of a consultant report regarding loss control performance measures as well as an internal evaluation of how certain functions are performed within Risk Management.

The State Claims Board rules are pending final review and approval by the State Claims Board and will be included in the rulemaking process targeted for FY06.

Objective #05.9

By 6/30/05, develop a strategic plan for employment claims loss control, which (1) identifies ways to demonstrate the potential cost avoidance of CSEAP non-clinical loss control assistance to State agencies in employment matters; and (2) identifies feasible mechanisms for redirecting the avoided costs into enhanced supervisory training.

Critical Performance Measures:

05.9.1 By 12/31/04 complete strategic plan identifying pilot test opportunities.

05.9.2 By 4/30/05 design pilot test for demonstrating return on investment (ROI).

05.9.3 By 6/30/05 commence pilot test implementation.

Accomplishments:

05.9.1 The strategic plan outlining Risk Management/C-SEAP pilot test opportunities was completed in December 2004 and revised in January 2005.

05.9.2 The evaluation consultant was selected on 4/29/05, and the pilot test design for demonstrating ROI was completed by 6/30/05.

05.9.3 The pilot test is scheduled to begin early in FY 2005-06.

FY 2005-06 Objectives and Workload Measures

Objective #06.4

By 6/30/06 improve Business Risk and Loss Control's loss control measures by incorporating risk-related industry standards for public entities.

Critical Performance Measures:

6.4.1 By 10/1/05, using audit recommendations and research of best practice loss control functions from other State governments, develop a proposed business plan for improved loss control efforts, including any redeployment of resources and identification of metrics to be used in measuring the cost-effectiveness of loss-control efforts.

6.4.2 By 1/1/06, commence rollout of the new loss control measurement plan with state departments and institutions participating in the Risk Management program, including education and other groundwork necessary for effective implementation at the start of FY07.

Objective #06.6

By 6/30/06, conclude the pilot test (discussed in Objective 5.9) aimed at demonstrating potential avoided cost ROI from C-SEAP organizational loss control assistance to State agencies.

Critical Performance Measures:

6.6.1 By 08/01/05, implement Phase I of C-SEAP/Risk pilot project.

6.6.2 On a quarterly basis, assess test pilot progress and adjust as necessary.

Objective #6.9

By 6/30/06 complete update of Risk Management and State Claims Board rules.

Critical Performance Measure:

- 6.9.1 By 6/30/06, complete rulemaking with a view toward those rules becoming effective in FY07.

FY 2006-07 Objectives and Workload Measures

Objective #07.4

By 8/1/06 conduct data analysis and make a strategic decision regarding Phase II implementation date of CSEAP/Risk pilot project identified in Objective 06.6.

Critical Performance Measure:

- 7.4.1 By 9/1/06 prepare action plan regarding Phase II implementation date.

Objective #07.5

By 12/01/06 identify, develop and implement consulting services for risk management information.

Critical Performance Measures:

- 7.5.1 By 9/1/06 identify risk management best business practices and innovations.
- 7.5.2 By 10/1/06 evaluate combined Risk/Attorney General and workers' compensation TPA training and identify changes (if any) to training program as currently structured.
- 7.5.3 By 12/1/06 develop and implement targeted network group for communication outreach.

Objective #7.7

Continue to enhance effectiveness of communications through appropriate revisions to strategic communications plan implemented in FY 2005-06 based on stakeholder/customer feedback.

Critical Performance Measure:

- 7.7.1 By June 30, 2007, obtain feedback from customers (managers and other employees) to assess the extent to which the Division effectively communicated essential information proactively.

Objective #7.8

Monitor new loss control plan implemented pursuant to Objective 6.4.

Critical Performance Measures:

7.8.1 Identify any necessary adjustments to the plan.

7.8.2 By 6/30/07, establish a course of action (including data analysis) for FY08 that incorporate adjustments to the loss control plan.

Relevant Stakeholders

Stakeholders	Requirements of the Unit
State Agencies & Employees	Coordinated development and delivery of services; guidance and advice

Board

2024/03/01 10:00 AM

Meeting minutes for the Board of Directors, held on 2024/03/01 at 10:00 AM. The meeting was attended by the following members: [List of members]. The agenda items discussed were: [List of agenda items]. The meeting concluded at 11:00 AM.

Program Crosswalk

Program Title: State Personnel Board

Long Bill Line Items:

Personal Services
Operating Expense

Change Request(s):

Federal/State Statutory and Other Authority:

Colo. Const., article XII, Sections 13, 14, and 15; C.R.S. 24-50-101 (2003) *et. seq.*; C.R.S. 24-50.5-101 *et. seq.*; C.R.S. 24-4-101 *et. seq.*, and associated legal precedent.

Program Description

The State Personnel Board (“Board”) is constitutionally created and has five members, each serving a 5-year term. Three of the members are gubernatorial appointees, while State employees elect the other two members. The Board has both adjudicative and regulatory responsibilities. The Board makes rules governing the State Personnel System and hears appeals by applicants and employees in the State Personnel System. The Board’s mission is:

- To adjudicate and resolve disputes involving State employees and agencies in a manner that is fair, efficient, and understandable for all parties. This includes holding evidentiary hearings presided over by administrative law judges (ALJs), hearing appeals from decisions by the ALJs, and maintaining an active alternative dispute resolution (ADR) program;
- To establish policies and promulgate rules that protect and recognize merit and fitness as the basis for State employment while balancing management’s need for discretion and flexibility;
- To provide guidance in achieving and maintaining a sound, comprehensive, and uniform system of human resource management through rules, decisions, communication, and training conducted upon agency request.

The Board addresses a variety of issues, including discrimination, retaliation under the State Employee Protection Act, layoffs, and grievances. State employees trigger the adjudicative process by filing appeals, therefore, the Board cannot control the number of cases filed.

Board Processes and Programs

Hearings and Appeals

The State Personnel Board hears and decides appeals of state employees. Appeals may involve disciplinary actions (such as terminations, suspensions, demotions, and pay reductions), non-disciplinary actions (such as layoffs and administrative discharges), discrimination charges, whistleblower claims, appeals from final grievance decisions, and other issues. The Board can only reverse or modify an agency decision if that decision was arbitrary, capricious, or contrary to rule or law.

Colorado law applies strict deadlines to the filing of appeals. All appeals of disciplinary actions, grievances, discrimination claims, and the like must be filed within 10 days from the date of the action being appealed. The filing date of the appeal is the date it was postmarked, hand-delivered, or received by fax at the Board's office.

Colorado statutes require the Board to process cases under expedited timelines. Appeals must go to hearing within 90 days of the date the appeal was filed, unless the appeal is referred for investigation of discrimination or whistleblower claims. The Administrative Law Judges (ALJs) conduct the hearings, and their initial decisions must be issued within 45 days of the end of the hearing. If a party appeals to the Board, the Board must issue its decision within 150 days.

An investigation into a whistleblower complaint may take 45 days and cannot be waived. An investigation into a discrimination charge may take as long as 450 days, and the employee can waive that investigation.

Employees filing appeals with the Board are placed on either the mandatory hearing or discretionary hearing track. Mandatory hearings are those appeals in which an employee has lost pay, status or tenure and, under the Colorado Constitution, has a right to a hearing. Such cases are set for hearing within 90 days, unless, as set forth above, there are allegations of discrimination or whistleblower claims.

If, however, an employee does not have a right to a mandatory hearing the employee may be granted a discretionary hearing. Appeals falling within this category are set on the Board's preliminary review process. Under this process the parties submit information that is reviewed by the Board's ALJs to determine whether there are valid issues which merit granting the employee a hearing. The ALJs then make a recommendation to the Board as to the granting of a hearing. If a hearing is granted, then the matter is set, within 90 days of issuance of the Board order, for a hearing.

Initial decisions and Board orders for recent years are available on the Board's website, as are annotations of ALJ decisions.

Mediation and Settlement Program

Board rules require parties to attempt to settle their cases. The Board conducts a settlement program for parties to appeals. The parties in all cases set for hearing are contacted by Board staff and offered the Board's settlement services. If one party requests a settlement conference, the other party must either attend and make a good-faith effort to resolve the case, or file a motion explaining why settlement efforts would be futile. In addition, an ALJ may require parties involved in the discretionary hearing process to participate in mediation.

Training

In order to fulfill its mission to provide guidance in achieving and maintaining a sound, comprehensive, and uniform system of human resource management, the Board offers training seminars on the grievance, corrective, and disciplinary action process; discrimination; retaliation; practice before the Board; and other employment-related topics relevant to the Board's jurisdiction.

Prioritized Objectives and Performance Measures

OBJECTIVE 1.1: Provide reliable information to state departments regarding the nature of disciplinary appeals and petitions for hearing.					
		FY02-03	FY03-04	FY04-05	FY05-06
MEASURE 1.1.1	Target	100%	100%	100%	100%
Fully implement the Board's FY00 acquired database	Actual	100%	100%	N/A	N/A
MEASURE 1.1.2	Target	100%	100%	100%	100%
Generate and distribute reports to State departments regarding the number and nature of disciplinary appeals and discretionary hearings	Actual	100%	100%	100%	N/A
MEASURE 1.1.3	Target	N/A	100%	100%	100%
Maintain current information on ALJ initial decisions, Board orders, case annotations, and other information of interest to litigants on the Board's web site	Actual	N/A	100%	100%	N/A

Additional Information:

Measure 1.1.1: The Board accomplished performance measures 1.1.1 by acquiring a database that allows it to track information about the appeals and petitions for hearing filed by State employees, and by establishing performance objectives for staff to enter information into the database system so accurate and reliable information can be captured and analyzed. The database was installed in FY 2000-01 and has been accepting data since Fall 2001. Each individual Board employee has been trained on working with the database and is responsible for making database entries. The program assistant and legal assistant are responsible for ensuring the accuracy of the database, and that responsibility has been built into their performance plans.

Measure 1.1.2: The database includes information about the agencies involved in appeals and petitions for hearing, the types of appeals and petitions for hearing that are filed, and the resolution of those appeals and petitions. The Board has used the database to capture information about appeals and has reported the information to the Department of Personnel & Administration (DPA), to the Governor's Office, and to executive directors of departments.

Measure 1.1.3: The Board has improved and updated the information on the Board's website. The Board had included links to initial decisions and Board orders on its website. In FY 2002-03, the Board improved the website so all initial decisions and orders are now posted within a few days of their issuance. The initial decisions and orders are also identified by name and case number, rather than just case number, making it easier to find cases involving a particular employee or department. Finally, the Board had maintained case annotations in a hard copy and CD-Rom format. In FY 2002-03, the Board placed the existing annotations on its website and updated them. Each new decision is now included in the annotations within a few days of its issuance. The Board has received favorable comments from private attorneys because they now have equal access to information that formerly was available only to government attorneys. The Board also receives comments and questions from government employees and attorneys, who are using this information much more than they had before the improvements.

OBJECTIVE 2.1: Identify trends in use of the personnel dispute resolution process.				
		FY 02-03	FY 03-04	FY 04-05
MEASURE 2.1.1	Expected	323	375	308
Number of cases filed per year.	Actual	410	308	291
MEASURE 2.1.2	Expected	N/A	30	29
Number of evidentiary hearings held and decisions issued	Actual	30	29	34

OBJECTIVE 2.1: Identify trends in use of the personnel dispute resolution process.				
		FY 02-03	FY 03-04	FY 04-05
MEASURE 2.1.3	Expected	157	220	180
Number of appeals filed per year	Actual	255	180	143
MEASURE 2.1.4	Expected	166	148	121
Number of petitions for hearing filed per year	Actual	148	121	119
MEASURE 2.1.5	Expected	N/A	77	76
Number of preliminary recommendations issued	Actual	31	34	33
MEASURE 2.1.6	Expected	N/A	77	76
Number of days in evidentiary hearing	Actual	77	76	92
MEASURE 2.1.7	Target	25%	35%	45%
Percentage of cases settled per year	Actual	57%	48%	57%

Additional Information:

Measures 2.1.1 and 2.1.2: These figures represent the total number of cases opened per year (including appeals, petitions for hearing, petitions for declaratory orders, and requests for residency waivers) and the number of evidentiary hearings held and, therefore, decisions issued. In FY 2002-03, the actual number of cases filed exceeded the expected by nearly 27 percent. During the latter portion of FY 2002-03, due to the State's budgetary crisis, a number of layoffs occurred. Therefore, a greater than expected number of appeals were filed. In FY 2003-04, the actual number of cases filed was approximately 18 percent below the expected. In FY 2004-05 the actual number of cases filed was approximately 5 percent below the expected.

Over the past three fiscal years, the number of evidentiary hearings and, therefore, the number of decisions issued has remained steady, until FY 2004-05 when it increased by 17 percent.

Measure 2.1.3: This figure represents the total number of appeals filed – those cases in which the employee is entitled to a hearing. Appeals involve certified State employees whose base pay, status, or tenure was adversely affected by an agency action (discipline, layoff, etc.). As set forth above, in the Board Processes and Programs section, such cases

are placed on the mandatory hearing track. The actual number of appeals filed in FY 2002-03, exceeded expectations by some 62 percent. It is noted, as stated above that, during the latter portion of FY 2002-03, due to the State's budgetary crisis, a number of layoffs occurred. Therefore, a greater than expected number of appeals were filed. In FY 2003-04, the actual number of appeals filed was approximately 18 percent below expectations. In FY 2004-05, the actual number of appeals filed was approximately 20 percent below expectations.

Measures 2.1.4 and 2.1.5: These figures represent petitions for hearing filed, including petitions for hearing, declaratory orders, selection discrimination cases, and residency waivers and the number of preliminary recommendations issued in such cases. In FY 2002-03, FY 2003-04 and FY 2004-05, the actual number of petitions filed was 11 percent, 18 percent and 2 percent, respectively, below the level anticipated. In FY 2003-04, the number of preliminary recommendations issued increased by 9 percent and for FY2004-05, decreased by 3 percent.

Measure 2.1.6: During FY 2004-05, the number of days spent in hearing has increased by 24 percent. With regards to staffing, during FY 2001-02, the Board employed 2.1 FTE administrative law judges ("ALJs"); 1.6 FTE ALJs in FY2002-03; and 1.4 FTE ALJs in FY 2003-04 and FY 2004-05. Therefore, while there has been a decrease in staffing over the last four fiscal years, the number of hearings held and the number of decisions and preliminary recommendations issued has remained steady, even increasing in some years and the number of days spent in hearing has increased. Despite this, all decisions issued within the last three fiscal years have been issued within forty-five days of the close of a hearing record.

Measure 2.1.7: This figure represents a percentage of the total number of cases settled per year, versus cases set for hearing. By way of background, in FY 2000-01, only 33 cases settled out of the 275 opened, or 12 percent. The Board's settlement facilitator left the Board for other State employment that year. Thereafter, the Board initiated a new settlement program in which the Director, ALJs and legal assistant were assigned to facilitate settlements, rather than assigning a single staff member this duty. Over the course of FY 2001-02, the Director, ALJs and legal assistant all received basic mediation training. In addition, in an effort to capture better settlement statistics, in FY 2002-03, utilizing the case tracking system referred to above, the Board's staff began to track all cases in which settlement occurred, whether through the Board's settlement program or the sole efforts of the parties themselves. The ALJs have continued to provide settlement assistance, but the Director and the legal assistant have taken a more active role in facilitating settlement conferences and negotiations. The settlement rate rose substantially from 15% in FY 2001-02 to 57% in FY 2002-03; to 48% in FY 2003-04; and to 57% in FY 2004-05. The Board believes its settlement program will continue to achieve a rate consistent with the current year's figure. As such, the Board's target for FY 2005-06 is to settle 45% of the cases set for hearing.

To obtain a satisfactory settlement rate, the Board contacts litigants in each case to offer settlement services, and has provided training to agencies and employees on the benefits

of settlement. The Board has also revised its rules to give its administrative law judges a greater ability to encourage the parties involved to mediate issues that have given rise to petitions for discretionary hearings.

OBJECTIVE: 3.1 Improve alternative dispute resolution (ADR) processes by encouraging settlement and mediation of cases and facilitating settlement conferences.					
		FY02-03	FY03-04	FY04-05	FY05-06
MEASURE 3.1.1 Contact the parties in all cases set for hearing to offer settlement services.	Target	100%	100%	100%	100%
	Actual	100%	100%	100%	N/A
MEASURE 3.1.2 Achieve a satisfactory settlement rate in cases set for hearing	Target	25%	35%	45%	45%
	Actual	57%	48%	57%	N/A

Additional Information:

Measures 3.1.1 and 3.1.2: The Board previously consulted with the Colorado Bar Association and Department of Personnel and Administration to obtain a thorough review of the State’s employment ADR processes. The first phase of an improvement process was completed, with a draft report on areas for improvement of those services. However, due to budget constraints the Board and DPA were not able to complete the remaining two phases. Consequently, the Board’s Director and DPA staff worked together to determine methods for improving settlement services, and, in FY 2002-03, the Board obtained training for all its professional and para-professional staff in mediation techniques.

Under the Board’s settlement program, the parties to all cases set for hearing receive a letter inviting them to use the Board’s settlement services, and Board staff follow that letter up with a telephone call to one or both parties. If the parties believe it is appropriate, Board staff conduct settlement conferences. In other cases, Board staff may assist the parties in telephone negotiations, or the parties may negotiate without Board assistance. Measure 3.1.2 was exceeded, with a settlement rate of 57 percent for FY 2002-03, 48 percent in FY 2003-04, and 57 percent in FY 2004-05.

Trends, Background and Other Baseline Information

In FY 2000-01 the Board acquired a database that allows it to track information about the appeals and petitions for hearing filed by State employees. Board staff enter information into the database to ensure that accurate and reliable information can be captured and analyzed. For example, Board ALJs are required to enter each order they issue, and a program assistant and legal assistant are responsible for ensuring the accuracy of the database, with this objective built into their performance plans. The database includes information about the agencies involved in appeals and petitions for hearing, the types of appeals and petitions for hearing that are filed, and the resolution of those appeals and petitions.

The Board has used the database to capture information about appeals and has reported the information to the Department of Personnel & Administration (DPA), to the Governor's Office, and to executive directors of departments. A Board objective in a prior fiscal year was to use the information captured by the database to address the specific needs and issues of individual departments and to continue providing targeted training to the departments. This objective continues as part of the Board's operational structure in the current fiscal year.

The information obtained from the database permitted the Board to determine the agencies that were involved in most of the appeals filed before the Board and the number of appeals filed in various categories. The most recent data available is for FY 2003-04. The FY 2003-04 cases included 30 alleged violations of the State Employee Protection (Whistleblower) Act; 75 claims of age discrimination; 3 claims of discrimination based upon creed or religion; 32 claims of disability discrimination; 35 claims of sex discrimination; 100 claims of race or national origin discrimination; 16 claims of retaliation, and 47 claims of discrimination on some other basis, for a total of 308 claims of discrimination in violation of the Colorado Anti-Discrimination Act, C.R.S. §24-34-101 *et seq.* Those claims were raised in a total of 171 cases, comprised of 109 appeals and 62 petitions for discretionary hearing. Some appeals alleged more than one claim.

In FY 2002-03, the number of whistleblower claims dropped from 39 in the prior fiscal year to 30. The number of discrimination claims increased significantly, however. This enormous increase was partially attributable to the DOC layoff cases. The same law firm represented approximately 50 of those employees. The lead counsel in those cases pursued a theory that his clients were targeted for layoff based upon their seniority and/or in retaliation for disclosure of information. Therefore, most of those appeals contained allegations of age discrimination and whistleblower violations, and many contain allegations of other forms of discrimination. In FY 2003-04, the Board received 23 alleged violations of the State Employee Protection (Whistleblower) Act; 17 claims of age discrimination; 19 claims of discrimination based upon creed or religion; 23 claims of disability discrimination; 17 claims of sex discrimination; 33 claims of race or national origin discrimination; 9 claims of retaliation; and 40 claims of discrimination on some other basis, for a total of 181 discrimination claims. Those claims were raised in a total of 78 cases, comprised of 45 appeals and 33 petitions for discretionary hearing.

In FY 2003-04, the Board received 308 new cases. In comparison, 410 cases were opened in FY 2002-03, 323 cases in FY 2001-02; 284 cases were opened in FY 2000-01; and 296 cases were opened in FY 1999-00. The dramatic 27% increase in filings in FY 2002-03 over the previous fiscal year occurred because the State's revenue shortages caused a number of layoffs of State classified employees. The Department of Corrections alone issued approximately 150 layoff notices to certified employees in May 2003, and many of those employees filed appeals. The number of case filings in FY 2003-04 is more indicative of the trend historically experienced, and the Board does not expect case filings to significantly increase unless the State's revenue shortages continue or worsen.

The number of appeals and petitions for hearing alleging discrimination in violation of the Colorado Anti-Discrimination Act decreased in FY 2003-04. Last year, 45 appeals and 33 petitions for discretionary hearing included discrimination claims. By comparison, in FY 2002-03, 109 appeals and 62 petitions for discretionary hearing included discrimination claims, for a total of 171. Each case may include multiple discrimination claims (for example, one appellant could allege discrimination on the basis of race, age, and sex). This inevitably leads to more complicated cases and investigations by the Colorado Civil Rights Division (CCRD) located at the Department of Regulatory Agencies. The CCRD investigation may take as long as 450 days. While a significant number of CCRD investigations referred by the Board do not find probable cause to believe discrimination had occurred, complainants in those cases may nonetheless appeal that finding to the Board.

Three departments (Corrections, Higher Education, and Human Services) historically account for more than 60% of the cases filed before the Board. For FY 2003-04, these departments accounted for approximately 67% of the cases filed with the Board. In prior fiscal years, the Board provided training on personnel management practices, discrimination, and retaliation claims to the Departments of Corrections, Higher Education, and other departments, which accounted for nearly half of the Board's cases. The Board expects to continue to consult with these three departments and to offer additional training as needed to those departments.

In an effort to improve the quality of practice for attorneys practicing before the Board, Board staff and ALJs presented a seminar on Colorado State Personnel Board Practice and Procedure, which was held on October 10, 2002. More than 45 attorneys attended the seminar. In FY 2004-05, Board staff, ALJs, and Director collaborated with other departments and agencies for purposes of continuing legal education, mediation, and training. For the past several years, Board staff has participated in the annual Judicial Ethics Training sponsored by DOAH. In addition, the Board's Director and ALJs have presented at the ethics training, and staff has participated in the annual Employment Law Seminar sponsored by the Colorado and Denver Bar Associations.

The Board also maintains information on its public website that includes links to initial decisions and Board orders. Initial decisions and orders are posted on the website within a few days of their issuance, and are indexed/categorized by name and case

number in order to make it easier to locate information related to cases involving a particular employee or department. Another change in recent years relates to the availability of case annotations. In previous years the Board maintained case annotations in hard copy and CD-Rom format. Two years ago the existing annotations were posted on the Board's public website and all annotations are updated quarterly to add each new decision. The Board has received favorable comments from private attorneys, who feel that they now have equal access to information that formerly was available only to government attorney, and the Board consistently receives positive comments about the resources available on its website from State employees and their attorneys. In FY 2003-04 there were an average of approximately 18,000 visits to the website per month.

Similar or Cooperating Programs and Stakeholders

The Board is the only agency within State government that is responsible, pursuant to the Colorado Constitution, for the resolution of employee disputes. However, other State agencies provide hearing services, most notably the Office of Administrative Courts, which provides pre-hearing, alternate dispute resolution, hearing, and decisional services to State departments and citizens in other, substantially different, areas of law.

Customer Requirements

Customer	Requirement
State classified employees	<ul style="list-style-type: none"> Exercise of constitutional right to due process/hearing on matters involving pay, status, or tenure. Opportunity to request hearings on matters involving grievances, corrective actions, etc. Timely resolution of appeals and petitions for hearings. Participation and ability to offer feedback to Board on issues of state personnel policy. Participation in rule-making hearings. Participate in a safe environment. Access to Alternate Dispute Resolution.
Attorneys	<ul style="list-style-type: none"> Opportunity to advocate for clients (both agencies and employees) in the Board's adjudicative and rule-making processes. Administrative Law Judges who appropriately and judicially preside over administrative hearings. Participate in a safe environment. Access to Alternate Dispute Resolution.
Employee Organizations	<ul style="list-style-type: none"> Participation and ability to offer feedback to Board on issues of state personnel policy. Coordination of legislative policies regarding state personnel policy. Participation in rule-making hearings. Participate in a safe environment. Access to Alternate Dispute Resolution.
State departments	<ul style="list-style-type: none"> Data regarding types of personnel cases involving agency and the Board. Timely resolution of employee disputes. Participation and ability to offer feedback to Board on issues of state personnel policy. Participation in rule-making hearings. Participate in a safe environment. Access to Alternate Dispute Resolution.

Program Crosswalk

Program Title: Administration

Line Items

Personal Services
Operating Expense
Indirect Cost Assessment

Change Request(s):

Federal/State Statutory and Other Authority

C.R.S. 24-30-1101 through 1117

Program Description

The Division of Central Services (DCS) Administration Section provides oversight and management to each of the operational units¹ within the Division including:

- Executive Management and Leadership;
- Management analysis functions including evaluation of organizational effectiveness, staffing, rate development, and review and modification of rules to implement statute;
- Contract administration to ensure compliance with rules and procedures;
- Strategic planning and division-wide projects;
- Administration of statewide travel management;
- Other administrative and clerical services.

Trends and Other Baseline Information

- DCS Administration is appropriated 10.0 FTE in FY 2005-06 to support 181.5 FTE and several diverse operational units.

¹ The operational units in DCS are: The Integrated Document Factory (IDF), State Fleet Management (SFM), and Facilities Maintenance.

Prioritized Objectives and Performance Measures

I. Customer Satisfaction

Since 2003 the Division of Central Services (DCS) has surveyed its customers to ensure that it is providing the level of service and support its customers need and expect. Specific questions are asked each year, allowing for comparison from year to year. In a portion of the survey, which addresses each unit's performance in the "Three C's", a phrase coined by the Department, each customer is asked to rate performance in the areas of Customer Service, Credibility and Communications. Customers are also asked to rate the Division in values of responsiveness, partnership, and the value of the product/service provided.

The results have been tabulated and are displayed below.

OBJECTIVE: To conduct an annual survey to evaluate customer satisfaction with DCS in the "Three C's"-- Customers, Credibility and Communication.					
MEASURE: Percentage of Respondents who are satisfied with DCS's "Three C's" Performance	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07
Target	85% to 95%	85% to 95%	85% to 95%	85% to 95%	85% to 95%
Actual	80%	89%	88%		

OBJECTIVE: To conduct an annual survey to evaluate how well DCS responds to requests for service or questions in a timely manner					
MEASURE: Percentage of Respondents who are satisfied that DCS is RESPONSIVE.	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07
Target	85% to 95%	85% to 95%	85% to 95%	85% to 95%	85% to 95%
Actual	N/A	89%	87%		

OBJECTIVE: To conduct an annual survey to evaluate how well DCS partners with customers in developing solutions to their needs.					
MEASURE: Percentage of Respondents who are satisfied with DCS's PARTNERSHIP.	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07
Target	85% to 95%	85% to 95%	85% to 95%	85% to 95%	85% to 95%
Actual	N/A	86%	85%		

OBJECTIVE: To conduct an annual survey to evaluate the level of satisfaction with the value of service provided by DCS.					
MEASURE: Percentage of respondents who are satisfied that DCS provides a VALUABLE service.	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07
Target	85% to 95%	85% to 95%	85% to 95%	85% to 95%	85% to 95%
Actual	N/A	91%	92%		

2. Implementation of Statute

In FY 2004-05, the Division updated rules for the State Fleet Management Program to reflect maintenance practices and conform with federal Internal Revenue Service (IRS) guidelines. These rules became effective in FY 05-06.

Rules Modification		
Modify existing Rules to comply with federal guidelines		
MEASURE: Rules have been modified and applied by target date.	Target	July 1, 2005
	Actual	July 1, 2005

Program Crosswalk

Program Title: Statewide Travel Management Program (STMP)

Line Items

Allocated internally.

Change Request(s)

Federal/State Statutory and Other Authority

Sections 24-30-202, C.R.S; 24-50.3 C.R.S; 24-102-101 C.R.S.

Program Description

The Statewide Travel Management Program (STMP) negotiates and administers contracts for State agencies, institutions of higher education and numerous political subdivisions. This high-volume customer base enables the State to negotiate exceptional rates and benefits. The Program is part of the Administration Unit and is responsible for statewide management and oversight of travel.

Trends and Other Baseline Information

The Program rebid for travel agency services in FY 04-05 with the intent that consolidation would result in greater high-volume discounts and benefits to the State. Presently, contracts are awarded to only eleven travel agencies. The reduction in the number of travel agencies servicing the State is also more conducive to more effective contract compliance monitoring, high-volume discounts and benefits. As of the end of June 2005, when this data was compiled, the awards had been in place for only three months; yet the State was already benefiting from the reduction of services fees. The chart below compares service fees under the previous and current structures, as well as service fees associated with on-line bookings options made available under the consolidation. Prior to these awards, on-line booking counted for an insignificant percentage of air purchases. Now however, STMP will be promoting the use of on-line booking tools provided by the awarded vendors with the intent to migrate a higher percentage of air purchases to this cost-effective purchasing option.

Travel Agency	Previous Service Fee for Travel-Agency Assisted Bookings	Current Service Fee for Travel-Agency Assisted Bookings as of June 2005	Current Service Fee for On-line Booking Tool as of June 2005
Vendor #1	\$26	\$25	N/A
Vendor #2	\$26	\$20	\$12
Vendor #3	\$26	\$19	\$9
Vendor #4	\$26	\$20	N/A
Vendor #5	\$26	\$26	\$22

Travel Agency	Previous Service Fee for Travel-Agency Assisted Bookings	Current Service Fee for Travel-Agency Assisted Bookings as of June 2005	Current Service Fee for On-line Booking Tool as of June 2005
Vendor #6	\$26	\$25	\$25
Vendor #7	\$26	\$25	\$20
Vendor #8	\$26	\$24	\$9
Vendor #9	\$26	\$25	\$20
Vendor #10	\$26	\$26	\$23
Vendor #11	\$26	\$23	\$13

Traditional Travel Agencies Offer Lower Fares

Topaz International provides an annual comparative study of corporate travel airfares between corporate travel agency booked itineraries and various Internet sites, including Expedia, Orbitz and Travelocity. In 2004, the Topaz findings show that business travel itineraries booked by a designated corporate travel agency averaged \$80 less than the same itinerary booked on a public Internet site.

Automobile Rental Agreements

The Program negotiated automobile rental rates that include a \$600,000 liability insurance coverage for State employees on official State business. These negotiated agreements also provide for a 4% volume-based rebate that provides funding for the Program. Currently, the Program is negotiating with a new rental car vendor to incorporate into the Basic Ordering Agreements (BOA). Given the nature of the BOA's, the benefits of utilizing the competitive environment may be realized with a potential decrease in the rates.

Industry Recognition

The Program is recognized as a leader within the government travel industry. For example, the Society of Government Travel Professionals recognized STMP as the "Best 2004 Government Travel Management Program". In addition, recently the State of California sought the use of Colorado's travel agency solicitation document in order to further their own efforts to reduce the number of travel agencies serving its state.

Political Subdivisions

STMP has incorporated language into each travel vendor agreement that allows political subdivisions to participate in the travel program. The political subdivisions are able to benefit from STMP's negotiated volume discounts that they normally would be unable to attain based on their own travel volume. The program benefits from political subdivision participation as a result of the additional volume gained by their involvement. Thus, this is a "win-win" for both STMP and participating political subdivisions. Most recently, Douglas County indicated "*they are very much interested in joining*" the program. STMP extends program benefits and services to the following political subdivisions:

- City and County of Denver
- 2nd District Attorney's Office
- Aims Community College
- Boulder County Sheriff's Department
- City of Fort Collins
- Denver Health and Hospital
- Denver Housing Authority
- El Paso County Health
- El Paso County Finance
- Fire and Police Pension Association of Colorado
- Grand County
- Metro Waste Water
- Pinnacol Assurance
- University Hospital
- Urban Drainage

Total expenditures from political subdivisions for automobile rentals, lodging and airline flights have run between 2% and 6% of overall STMP expenditures for the last two fiscal years. As more political subdivisions sign on with the program, their share of total program expenditures is expected to increase.

Prioritized Objectives and Performance Measures

1. Customer Satisfaction

Since 2003 the Division of Central Services (DCS) has surveyed its customers to ensure that it is providing the level of service and support its customers need and expect. Specific questions are asked each year, allowing for comparison from year to year. In a portion of the survey which addresses a unit's performance in the "Three C's", a phrase coined by the Department, each customer is asked to rate STMP's performance in the areas of Customer Service, Credibility and Communications. The results have been tabulated and are displayed below.

OBJECTIVE: To conduct an annual survey to evaluate customer satisfaction with STMP in the "Three C's"-- Customers, Credibility and Communication.					
MEASURE: Percentage of Respondents who are satisfied with STMP's "Three C's" Performance	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07
Target	85% to 95%	85% to 95%	85% to 95%	85% to 95%	85% to 95%
Actual	84%	97%	96%		

2. STMP program specific customer survey

In FY05 approximately 28 individuals responded to the STMP survey questions. The table below tallies responses for the following questions:

- Responsiveness: Whether requesting a service or asking a question, I am responded to in a timely manner.
- Partnership: I feel that the Statewide Travel Management Program works with me in developing solutions to my needs.
- Value: The Statewide Travel Management Program provides a valuable service.
- Website: The Statewide Travel Management Program website is a valuable resource.
- TCD Forum: The Travel Compliance Designee (TCD) forums provide valuable information.
- Networking: It is important to me that networking opportunities are available at the TCD forums.

Response	Responsiveness	Partnership	Valuable Service	Website	TCD Forum	Networking
Strongly Agree	20	16	18	22	15	12
Somewhat Agree	6	9	7	5	9	10
Somewhat Disagree	2	2	2	1	2	2
Strongly Disagree	0	1	1	0	1	1
Grand Total	28	28	28	28	27	25

3. Competitive Value

A major goal of STMP is to create value for the State in terms of savings, quality, and service.

STMP's Basic Ordering Agreements for rental car services provide collision damage waiver insurance and liability insurance at no additional cost to the traveler. The following table illustrates the insurance cost savings associated with the BOA's:

Vendor	Collision Damage Waiver Average Daily Insurance Fee *	Liability Insurance	Number of Rental Days	STMP Estimate of Cost Savings for FY05
Avis Rent-a-Car	\$20.59	\$11.57	24,417	\$785,251
Budget Rent-a-Car	\$20.29	\$11.69	6,502	\$207,934
Enterprise Rent-a-Car	\$15.97	\$14.99	7,087	\$219,414
Total			38,006	\$1,212,599

* Collision Damage Waiver benefit is part of the Travel Card agreement.

4. The Statewide Travel Management Program negotiates and administers contracts for State agencies, institutions of higher education and numerous political subdivisions. This high-volume customer base enables the State to negotiate exceptional rates and benefits. The following table outlines the functions and benefits of this centralized Program.

Function	Benefit
Automobile Rental Agreements	The Program negotiated automobile rental rates that include a \$600,000 liability insurance coverage for State employees on official State business. These negotiated agreements also provide for a 4% volume-based rebate that provides additional funding for the Program.
State Travel Card (US Bank VISA)	Through contract negotiations, the Program was able to obtain a US Bank Visa Card. This card provides State employees on official State business with a method of payment. Through negotiations, the card also provides the State with: <ul style="list-style-type: none"> • Collision damage waiver insurance coverage up to the full-value of the rental vehicle, when renting a vehicle for business travel, • Lost baggage insurance coverage up to \$1,250 for checked baggage, • Travel accident insurance of \$500,000, • Emergency roadside assistance, • Comprehensive on-line account management tools that include account maintenance, set-up and comprehensive reporting, and • Centralized detail reporting that includes expenditures for airline, automobile rental, lodging and incidentals.
Airfare Price Agreements	The Program secured airfares that are fully refundable or fully changeable, without paying additional fees, and provide last-seat-availability fares. The negotiated airline fares establish ceiling rates, guaranteeing no airfare purchased on behalf of the State shall exceed these limits.
State Travel Event Card	<ul style="list-style-type: none"> • The Program negotiated with lodging and automobile vendors to allow the use of the State Travel Event Card. This card allows for third party billing and is beneficial to the State in managing expenses of the infrequent traveler.
Travel Agency Services	<ul style="list-style-type: none"> • The Program consolidated travel agency services and awarded contracts to eleven travel agencies. The reduction in the number

	<p>of travel agencies servicing the State will provide increased vigilance of our official business travel activities and even greater high-volume discounts and benefits.</p> <ul style="list-style-type: none"> • These new agreements require a higher level of service from the travel agencies, including rental car and lodging reservations, as well as different savings options available to meet the needs of each State agency and institution. • Travel agencies reimburse the Program \$3.00 for every ticket, exchange or refund issued on behalf of the State. This \$3.00 rebate provides 60% of the funding for the Program.
General Administration and Oversight	<ul style="list-style-type: none"> • Negotiate for the most competitive rates • Ensure compliance with vendor contracts • Maintain security for agency on-line access to travel reports and account transactions • Train and educate State agencies, institutions of higher education and political sub-divisions (rather than individual travelers) regarding program administration such as, but not limited to, managing delinquent State travel card accounts, establishing new travel card accounts, understanding vendor contracts, and generating web-based reports on travel card purchases.

5. Data Collection and Analysis for Reporting and Contract Negotiations

Reporting Entity	Report Name	Data Collected Program Benefits
Travel Agency Services	Airline/Rail City Pairs – Quarterly	City-pair, average ticket price per city-pair, count and total dollar volume per city pair. Separate reports are required for domestic and for international air travel. Data collected provides necessary detail for airline solicitation and contract negotiations.
	Car and Hotel Reservation Report –Quarterly	Summary by State agency or institution for reservations including count, merchant name, location (city and state). Data collected provides volume information to assist with travel agency vendor compliance and management.
	Ad Hoc Reporting	Ad hoc reports, as established by mutual agreement between the State Travel Manager and the vendor, provide flexibility and functionality to meet the varied needs of the Program.
Rental Car Agency Services	Monthly & Quarterly Reporting	Monthly Accident report, Quarterly Volume report that is the basis of the 4% Revenue Share payment.

Travel Payment Program Provider	Access Online Reports	Access Online is a web-enabled program management and reporting tool offered by the travel card vendor that provides extensive ad hoc reporting capabilities and account maintenance options. Reports include: delinquency management, transaction detail and supplier management, to name a few.
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6. Program Outreach

Program Vendor Roundtable, Travel Compliance Designee Forum, Training Sessions and various other Outreach Opportunities

Provide comprehensive training for awarded vendors servicing the State of Colorado. Format provides the opportunity to discuss travel industry changes that may impact State travelers and develop appropriate solutions/responses. Provide comprehensive training for the Travel Compliance Designee (TCD) in their role in overseeing travel compliance. (e.g. US Bank VISA products, AccessOnline, fiscal & travel rules and program changes).

		FY2003-04	FY2004-05	FY2005-06	FY2006-07
MEASURE: Total number of attendees	Target	300	360	500	500
	Actual	657	843		

Program Crosswalk

Program Title: Integrated Document Factory, Reprographic Services (IDF Print Operations)

Line Items

Personal Services
Operating Expenses

Change Request(s):

Federal/State Statutory and Other Authority

C.R.S. 24-30-1101 through 1118. See specifically 24-30-1102(4), 24-30-1104(1).

Program Description

The Integrated Document Factory (IDF) consists of Reprographics Services (Print Operations), the Document Solutions Group, and Mail Services. These combined units exist to provide high quality, economical, comprehensive in-house printing, and mail services to State, federal and local government agencies. IDF Print Operations provides comprehensive commercial graphic design services that are linked to offset printing and digitized copying. The program also manages the rental of low volume office copiers to State agencies. Customer requirements include: quality work, rapid turnaround time, discounted postage, advanced technology services and "one stop shopping". IDF was structured so that these related functions can truly be viewed by the customer as an integrated set of services.

Trends and Other Baseline Information

- IDF is partnering with other State Print Operations to maximize State resources and focus in on a business niche. IDF Print Operations' resources have enabled it to focus on digital printing as its primary business niche. Digital printing allows IDF to receive customer print files electronically and print without processing negatives or plates, shortening the turnaround time on customer requests. The digital printing technologies have been mated with electronic data software, resulting in enhanced capabilities for this type of printing. IDF also prints in the offset printing arena but limits its production to one and two color shorter runs. By limiting what IDF prints it is able to provide high quality documents at an affordable price for customers. IDF has partnered with Click's Print Operations on the Auraria campus for offset printing that is more than two color, longer runs, and as a back up for peak printing times. By having specific focuses IDF and Click's are able to maximize their resources and save State agencies money.
- In conjunction with budget cuts in recent years, IDF has experienced an overall decrease in all print volumes as State agencies attempt to reduce printing costs by

using alternative communication techniques. Print volumes are expected to increase again as agencies' budget situations improve. The table below displays the drop in volume. The dramatic decline in offset printing impressions is due to IDF Print Operations eliminating its outdated web press. This accounts for a loss of 11,021,964 impressions. The increase in digital printing is due in part to the expansion of the CBMS project, which is explained in detail later on in this report.

Fiscal Year	Offset Press Number of Impressions	Quick Copy Digital Printing Number of Impressions
FY 01-02	31,107,514	47,588,710
FY 02-03	27,234,870	40,113,373
FY 03-04	25,500,000	40,977,430
FY 04-05	16,766,031	50,776,224

Prioritized Objectives and Performance Measures

1. Customer Satisfaction

Since 2003 the Division of Central Services (DCS) has surveyed its customers to ensure that it is providing the level of service and support its customers need and expect. Specific questions are asked each year, allowing for comparison from year to year. In a portion of the survey which addresses a unit's performance in the "Three C's", a phrase coined by the Department, each customer is asked to rate IDF's performance in the areas of Customer Service, Credibility and Communications.

The results have been tabulated and are displayed below. Note that the "Three C's" survey questions were asked of IDF as a whole. Thus, separate results for the Mail, Print, and Design units are not available.

OBJECTIVE: To conduct an annual survey to evaluate customer satisfaction with IDF in the "Three C's"-- Customers, Credibility and Communication.					
MEASURE: Percentage of Respondents who are satisfied with IDF's "Three C's" Performance	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07
Target	85% to 95%	85% to 95%	85% to 95%	85% to 95%	85% to 95%
Actual	86%	96%	86%		

2. Price Competitive

IDF strives to remain competitive with the private sector in terms of price, quality, and service. Every two years the Division of Central Services conducts a market survey to validate that its primary services and products remain competitively priced with the private sector. The results from the FY 03-04 survey follow.

The following tables illustrate how IDF's Digital Printing costs compared to the FY 03-04 market survey.

Type of Digital Print	IDF's Cost Compared to Market Survey Average
Black and White (less than 2,000 copies)	41% less
Black and White (2,000 to 25,000 copies)	29% less
Black and White (greater than 25,000 copies)	44% less
Color Copies	19% less

<u>OBJECTIVE:</u> To conduct a bi-annual market survey to evaluate price competitiveness in the area of DIGITAL PRINTING.			
MEASURE: Compare IDF's prices to the average of those businesses surveyed.	FY 03-04	FY 05-06	FY 07-08
Target	>20% Less	>20% Less	>20% Less
Actual	19% to 44% Less		

<u>OBJECTIVE:</u> To conduct a bi-annual market survey to evaluate price competitiveness in the area of BUSINESS CARDS design and production.			
MEASURE: Compare IDF's prices to the average of those businesses surveyed.	FY 03-04	FY 05-06	FY 07-08
Target	>20% Less	>20% Less	>20% Less
Actual	57% Less		

On-line Waiver Requests

In March 2005, a new web interface was launched for customers who request waivers for the Document Solutions Group and Integrated Document Factory services for specific projects. Using the Waiver Request System, which comes with links to a user tutorial, customers can submit data entry, imaging, scanning, microfilm equipment, personal

service review, printing, and mail service waiver requests. After a waiver has been submitted, the Waiver Request System facilitates the tracking of a waiver request for the customer. As a waiver request progresses through the review process, the customer is automatically notified when the status of their waiver changes or the reviewer needs more information to complete the waiver. Our customers can access their waivers through the system at any time to make changes, check status, or communicate with staff directly familiar with their waiver request. This new tool provides valuable information for the IDF to assist it in remaining competitive with the marketplace. Even in those instances where waivers from the Division of Central Services products and services are allowed, the State is guaranteed that it is purchasing the best service available for the price. In FY 05-06 IDF and DSG will work toward developing a reporting format to demonstrate the benefits to the State using the information gathered from this waiver request process.

Colorado Benefits Management System (CBMS)

The Division of Central Services / Integrated Document Factory (IDF) has provided mail processing and secondary printing services to the Colorado Benefits Management System (CBMS) since the program began operations in September, 2004. The CBMS program evolved from a decision to create a centralized point of data collection and data storage for a variety of public assistance programs. IDF and the Division of Information Technology (DoIT) participated in the development and deployment of CBMS by providing their expertise in printing, sorting, and mailing.

DoIT prints the various documents with IDF Print Services handling any overflow printing needs. IDF Mail Services then merges CBMS documents from various State assistance and benefit programs that are destined for a given recipient into a single piece of mail. Prior to CBMS, each program independently printed and mailed documents to the recipients, resulting in multiple mailings to a single home. State of the art technology was deployed to track and consolidate all documents intended for a given recipient. IDF supplied bar-coding techniques to the CBMS programmers, and these barcodes were then incorporated into the printing format. This barcode controls the automated inserters, operated at IDF Mail Services, to insert multiple documents into a single envelope.

Through January 2005, IDF Print Services has picked up an additional 1,900,000 printed images per month as a result of CBMS overflow printing. CBMS mail volume through IDF Mail Services has grown from approximately 100,000 pieces of mail in September 2004 to more than 400,000 in January 2005. The State has benefited through postage savings associated with the overall reduction of mail volume, as well as reduced printing and inserting service charges, and reduced costs for materials such as envelopes.

The ability of State government to utilize resources and technologies developed for one program to support the goals of other programs, and to reduce costs through efficiencies of scale, is an organizational strength of centralized services. The production capabilities at IDF that support CBMS are also available to other agencies that print and mail multiple page materials.

Program Crosswalk

Program Title: Document Solutions Group

Line Items

Personal Services
Operating Expenses
Utilities
Indirect Cost Assessment

Change Request(s)

Federal/State Statutory and Other Authority

C.R.S. 24-30-1101 through 1118, see specifically 24-30-1102(4), 24-30-1104(1) and 24-30-1104(1)(k). C.R.S. 24-30-1601 through C.R.S. 24-30-1606.

Program Description

Document Conversion

The Document Solutions Group (DSG) offers State agencies and political subdivisions document conversion, data manipulation, document preservation and content management services. DSG services also include micrographic, data entry, digital imaging, optical character recognition, on-line forms development and indexing for database retrieval. This group integrates data with the mainframe and various client databases for data and image processing.

Content Management System (EDW)

This system provided by DSG enables immediate access to several applications and content types, from highly structured Web Content to images and documents. The Electronic Document Warehouse (EDW) managed by DSG offers integrated Web content, document and records management, and an imaging system for managing the full lifecycle of information. Some of the key business drivers for managing content are enabling easy access and retrieval, as well as reducing risk and meeting regulatory requirements. Content is the tangible form of an organization's knowledge assets. Managing these assets is a complex challenge, especially when the assets are in different formats, affect multiple aspects of the business, and often physically reside in numerous locations. DSG is uniquely qualified to help increase the success of government online and business process automation initiatives. The EDW allows State agencies and political subdivisions access to a centralized system through a web browser. The Multiuse Network (MNT) allows high-speed network access to the EDW. The largest user of this system is Department of Labor and Employment, specifically for Worker's Compensation image files. However, the Department of Revenue, Motor Vehicle

Business Group and the Colorado Lottery Division will begin to import image files in FY 05-06. The EDW is expected to double in size as the Department of Revenue adds documents to the content management system. These files are retained for a period of seven to ten years. As the volume of stored documents increases, the cost per document will dramatically decrease.

DSG moved physical support of the EDW to the Department's Division of Information Technology (DoIT) in March of 2005 and is currently utilizing three virtual servers to house the images. The move was due to the anticipated growth of EDW, which is expected to grow from gigabytes of storage to terabytes of stored information in FY 05-06.

Form Standardization and On-line Processing

The most popular form for on-line processing in FY 04-05 was the Central Collections form. Users are able to log on from various locations throughout the State to submit collection data. The data is exported to a database server located at Central Collections. The image of the form is sent to the Electronic Document Warehouse for storage and retrieval.

By funneling all document conversion to one central location the State has an opportunity to economize and save money. For example, the Electronic Document Warehouse provides a service to nine or ten State departments and divisions. These different divisions share the cost of storage, licenses, maintenance, back up, programming and network administration.

Critical Issues:

- Duplicate Services provided by various departments within the State.
- Volume swings.
- Contracting out.
- Automation of paper processes.
- Educating other State departments about services and solutions available through DSG

DSG works toward helping various agencies automate and convert to digital processing. However, in doing so DSG risks losing the manual data entry and microfilm volumes that have maintained a stable job flow for the center.

Trends and Other Baseline Information

Counts and Measurements	FY03	FY04	FY 05	FY 06	FY 07
	Actual	Actual	Actual	Projected	Projected
16MM (# of Images)	2,985,877	2,900,000	8,230,000	6,000,000	6,000,000
35MM (# of Images)	421,721	325,000	295,358	325,000	325,000

Counts and Measurements	FY03	FY04	FY 05	FY 06	FY 07
	Actual	Actual	Actual	Projected	Projected
SCAN (# of Images)	2,995,392	2,988,600	3,206,372	4,000,000	4,000,000
SCAN - Large Maps	10,646	78,000	36,116	50,000	50,000
Total Images	6,413,636	6,291,600	11,767,846	10,375,000	10,375,000
EDW-Image Storage w/purge	7,575,371	11,878,000	12,220,000	20,000,000	20,000,000

The number of 16MM images increased in FY05 as a result of a recent contract with the Department of Revenue's tax section. The Electronic Data Warehouse will continue to grow as agencies increasingly turn to digital technologies.

DSG/PUEBLO	Actual	Actual	Projected	Projected
Counts and Measurements	FY04	FY05	FY06	FY07
	Doc/Images	Doc/Images	Doc/Images	Doc/Images
Data Entry	5,419,000	5,445,634	5,000,000	5,000,000
OCR/ICR (Includes Prep)	1,822,304	1,816,717	1,200,000	1,200,000
REVENUE MAIL	0		0	0
Online - CBMS		302,643		
TOTAL	7,241,304	7,564,994	7,650,000	7,650,000

The data entry section shows a slight increase due to an additional document required by the Department of Revenue. The on-line entry increased due to the input of CBMS case files. The Document Solutions Group (DSG) worked closely with the Department of Health Care Policy and Financing (HCPF) as well as numerous counties to enter caseload information into the Colorado Benefits Managements System (CBMS) during FY 04-05. Numerous legacy public benefits systems for all counties were converted into this system in September 2004. By the end of FY 04-05, DSG had processed over 50,000 benefits cases. DSG's assistance helped adults, children, newborns and pregnant women receive medical assistance benefits.

Potential Future Issues

The Document Solutions Group has subleased portions of a building in Pueblo since October 1997. Initially, 5,859 square feet of usable office space was leased from October 1, 1997 through September 30, 2007 for \$2,387.55 per month. Beginning January 1, 2002, the rent was stipulated to increase by 6% to a total of \$2,530.80 per month. This equates to \$30,369.64 per year, or \$5.18 per square foot per year.

Beginning April 1, 2004, an additional 3,500 square feet of rentable floor area was leased in the same building through June 30, 2009. Presently, (FY 05-06) this space leases for

\$9.26 per square foot per year. As specified in the lease agreement, from FY 07-08 through the end of the agreement in FY 08-09, the lease payment for this 3,500 square feet will be \$9.29 per square foot per year.

Assuming that the rent for the portion of the Document Solution Group's operations housed in the 5,859 square feet would also increase from the current \$5.18 to \$9.29 per square foot when the current lease agreement expires at the end of September in FY 07-08, an increase for the Document Solutions Group Operating Expenses line item for FY 07-08 could be requested at some point.

Similar and Cooperating Programs:

DEPT		Similar	Cooperating	DSG
DOR	Cash and Document Processing			
	Data Entry	X	X	85% of the data entry volume comes from DOR Tax files. As electronic filing grows, manual data entry will decrease.
	Imaging/back end Income tax forms	X		
	Microfilm	X	X	DSG is now microfilming all tax file records. DOR switched from an outside vendor to DSG in FY05 at a lower cost and with excellent service results.
	Mail Service	X		Provided mail assistance during the freeze and during the anthrax virus threat.
DOR	LOTTERY			
	EDW		X	DSG maintains a digital document content management system for the State, and the Colorado Lottery will be moving their documents to this system.
DOR	MOTOR VEHICLE		X	DOR-Motor Vehicle will be importing scanned documents onto the electronic document warehouse. They converted from microfilm to digital images and partnered with DSG to store their documents.
DNR	DIV OF WILDLIFE			
	Imaging/hunting license	X	X	Division of Wildlife scans documents, FTP images to Pueblo for OCR/ICR and Indexing. Although Wildlife moved the fishing licenses to the point of sale, DSG processes all hunting licenses.
	Div of Water Resources	X	X	DSG provides back file scan. DNR scans day forward.
	Co Water Conservation		X	DSG provides back file scan. DNR scans day forward.
DOE	Board of Education		X	DSG scans EDU Teacher Licenses and also provides a Microfilm copy for permanent Storage.
DNR	Div. Minerals & Geology	X	X	DSG provides back file scan. DNR scans day forward.
CDOS	UCCS filings	X	X	CDOS has partnered with DSG to provide document conversion.

Prioritized Objectives and Performance Measures

1. Customer Satisfaction

Since 2003 the Division of Central Services (DCS) has surveyed its customers to ensure that it is providing the level of service and support its customers need and expect. Specific questions are asked each year, allowing for comparison from year to year. In a portion of the survey which addresses a unit's performance in the "Three C's", a phrase coined by the Department, each customer is asked to rate DSG's performance in the areas of Customer Service, Credibility and Communications.

The results have been tabulated and are displayed below.

OBJECTIVE: To conduct an annual survey to evaluate customer satisfaction with DSG in the "Three C's"-- Customers, Credibility and Communication.					
MEASURE: Percentage of Respondents Who are Satisfied with DSG's "Three C's" Performance	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07
Target	85% to 95%	85% to 95%	85% to 95%	85% to 95%	85% to 95%
Actual	78%	97%	86%		

2. Price Competitiveness

DSG strives to remain competitive with the private sector in terms of price, quality, and service. Every two years the Division of Central Services conducts a market survey to validate that its primary services and products remain competitively priced with the private sector. The results from the FY 03-04 survey follow.

OBJECTIVE: To conduct a bi-annual market survey to evaluate price competitiveness in the area of DATA ENTRY.			
MEASURE: Compare DSG's prices to the average of those businesses surveyed. (Includes cost components for keystrokes, per document rates and shipping costs.)	FY 03-04	FY 05-06	FY 07-08
Target	>20% less	>20% less	>20% less
Actual	29 % Less		

The following tables illustrate how DSG's Imaging costs compared to the FY 03-04 market survey.

Type of Imaging	DSG's Cost Compared to Market Survey Average
Clean Letter 200 dpi per scan	37% less
Clean Letter 300 dpi per scan	47% less

OBJECTIVE: To conduct a bi-annual market survey to evaluate price competitiveness in the area of IMAGING.			
MEASURE: Compare DSG's prices to the average of those businesses surveyed.	FY 03-04	FY 05-06	FY 07-08
Target	>20% less	>20% less	>20% less
Actual	37% to 47% Less		

OBJECTIVE: To conduct a bi-annual market survey to evaluate price competitiveness in the area of ELECTRONIC DATA WAREHOUSE.			
MEASURE: Compare DSG's prices to the average of those businesses surveyed.	FY 03-04	FY 05-06	FY 07-08
Target	>20% less		
Actual	88% Less		

The following tables illustrate how DSG's Microfilm costs compared to the FY 03-04 market survey.

Type of Microfilm	DSG's Cost Compared to Market Survey Average
Individual Income Tax Forms	45% less
Corporate Income Tax Forms	43% less

OBJECTIVE: To conduct a bi-annual market survey to evaluate price competitiveness in the area of MICROFILM.			
MEASURE: Compare DSG's prices to the average of those businesses surveyed.	FY 03-04	FY 05-06	FY 07-08
Target	>20% less	>20% less	>20% less
Actual	43% to 45% Less		

On-line Waiver Requests

In March 2005, a new web interface was launched for customers who request waivers for the Document Solutions Group and Integrated Document Factory services for specific projects. Using the Waiver Request System, which comes with links to a user tutorial, customers can submit data entry, imaging, scanning, microfilm equipment, personal service review, printing, and mail service waiver requests. After a waiver has been submitted, the Waiver Request System facilitates the tracking of a waiver request for the customer. As a waiver request progresses through the review process, the customer is automatically notified when the status of their waiver changes or the reviewer needs more information to complete the waiver. Our customers can access their waivers through the system at any time to make changes, check status, or communicate with staff directly familiar with their waiver request.

This new tool provides valuable information for DSG to assist it in remaining competitive with the marketplace. Even in those instances where waivers from the Division of Central Services products and services are allowed, the State is guaranteed that it is purchasing the best service available for the price. In FY 05-06 IDF and DSG will work toward developing a reporting format to demonstrate the benefits to the State using the information gathered from this waiver request process.

OBJECTIVE: To increase use of the Electronic Document Warehouse (EDW) and market this available storage and access system statewide.					
		FY04	FY05	FY 06	FY07
MEASURE: Number of images stored in the EDW.	Target	10M	12M	20M	20M
	Actual	11.8M	12.5M	N/A	N/A

* M represents millions of images.

The Electronic Document Warehouse (EDW) continues to grow as State agencies realize the efficiencies provided by EDW in search and retrieval. Access to information can be shared with multiple sources providing DSG customers the opportunities to save in their

mail and shipping costs. Retrieving a document through a web browser that multiple users can access will save the State time and money. By not having to look through paper files and microfilm the retrieval process time will improve.

DSG - Statistics

OBJECTIVE: To increase the number of images processed through microfilm and digital imaging.					
		FY04	FY05	FY06	FY07
MEASURE-Microfilm Unit (# of Images)	Target	4.0M	8.0M	8.0M	6.0M
	Actual	2.8M	8.2M	N/A	N/A
		FY03	FY04	FY06	FY07
MEASURE –Imaging Unit (# of Images)	Target	6.0M	3.0M	3.0 M	6.0 M
	Actual	2.9M	3.1M	N/A	N/A

*M represents millions of images.

Image files volumes picked up this year due to the trend of automation. The Department of Corrections utilized DSG to digitize all inmates' health records.

OBJECTIVE: To standardize forms and provide a means of on-line submission. To market efficient and effective service statewide.					
		FY04	FY05	FY06	FY07
MEASURE: Application on-line and system integration	Target	20	35	35	35
	Actual	18	35	N/A	N/A
MEASURE: Documents submitted on-line	Target	6,295	20,000	25,000	25,000
	Actual	16,765	302,643	N/A	N/A

DSG Pueblo worked to assist counties and the Department of Health Care Policy and Financing update information in data entry and conversion activities associated with the implementation of the Colorado Benefits Management System (CBMS). The increase in the on-line forms was due to the CBMS input of case files. DSG was able to log in and update case files daily.

Further, the standardization and development of on-line forms continue to grow. DSG offers this service statewide to agencies that require a collection of data through forms submission. Most of the forms DSG converts to on-line were previously data entry forms

and DSG uses the same interface requirements to upload the information to the mainframe. An example would be the Marriage License. This form has been a paper form submitted for data entry and every county has a different form. Because they are all different it makes it difficult for the data entry operator to find the information located on the form. DSG standardized the form utilized by all counties beginning in September of 2004, saving the State data entry costs. Also, DSG provided a data transfer agent; this allowed the counties the ability to upload marriage information themselves.

Program Crosswalk

Program Title: Integrated Document Factory, Mail Services (IDF Mail Operations)

Line Items

Personal Services
Operating Expense

Change Request(s)

Federal/State Statutory and Other Authority

C.R.S. 24-30-1101 through 1118. See specifically 24-30-1102(4), 24-30-1104(1) and 24-30-1111.

Program Description

IDF Mail Services provides:

- Mail processing, including postage application, automated document inserting, electronic address processing, inkjet printing, Postal bar-coding, overnight shipping, etc.
- Mail sorting, which includes picking up mail for State agencies from U.S. Post Offices and processing the mail according to customer specifications before delivery. Processing includes opening, sorting, date stamping, and perforating.
- Mail pick-up and delivery of interdepartmental and United States Postal Service mail and printed materials for State offices located in the metro area. Outgoing mail and materials are collected for processing at IDF.

Trends and Other Baseline Information

IDF Mail Services has experienced an increase in the volume of mail processed the past few years, coinciding with the State's budget challenges. For example, as the rate of unemployment increased and the demand for public assistance programs rose, mail volumes related to unemployment and other assistance programs increased. Also, while some suburban drivers' license office locations were closed, and staffing cuts were made in response to the budget situation, the Department of Revenue's license renewal by mail program expanded, leading to higher mail volumes. Also during this period IDF made a concerted effort to educate customers on how much money IDF Mail Services could save them when processing their mail.

Colorado Benefits Management System (CBMS)

The Division of Central Services / Integrated Document Factory (IDF) has provided mail processing and secondary printing services to the Colorado Benefits Management System (CBMS) since the program began operations in September, 2004. The CBMS program evolved from a decision to create a centralized point of data collection and data storage for a variety of public assistance programs. IDF and the Division of Information Technology (DoIT) participated in the development and deployment of CBMS by providing their expertise in printing, sorting, and mailing.

DoIT prints the various documents with IDF Print Services handling any overflow printing needs. IDF Mail Services then merges CBMS documents from various state assistance and benefit programs that are destined for a given recipient into a single piece of mail. Prior to CBMS, each program independently printed and mailed documents to the recipients, resulting in multiple mailings to a single home. State of the art technology was deployed to track and consolidate all documents intended for a given recipient. IDF supplied bar-coding techniques to the CBMS programmers, and these barcodes were then incorporated into the printing format. This barcode controls the automated inserters, operated at IDF Mail Services, to insert multiple documents into a single envelope.

Through January 2005, IDF Print Services has picked up an additional 1,900,000 printed images per month as a result of CBMS overflow printing. CBMS mail volume through IDF Mail Services has grown from approximately 100,000 pieces of mail in September 2004 to more than 400,000 in January 2005. The State has benefited through postage savings associated with the overall reduction of mail volume, as well as reduced printing and inserting service charges, and reduced costs for materials such as envelopes.

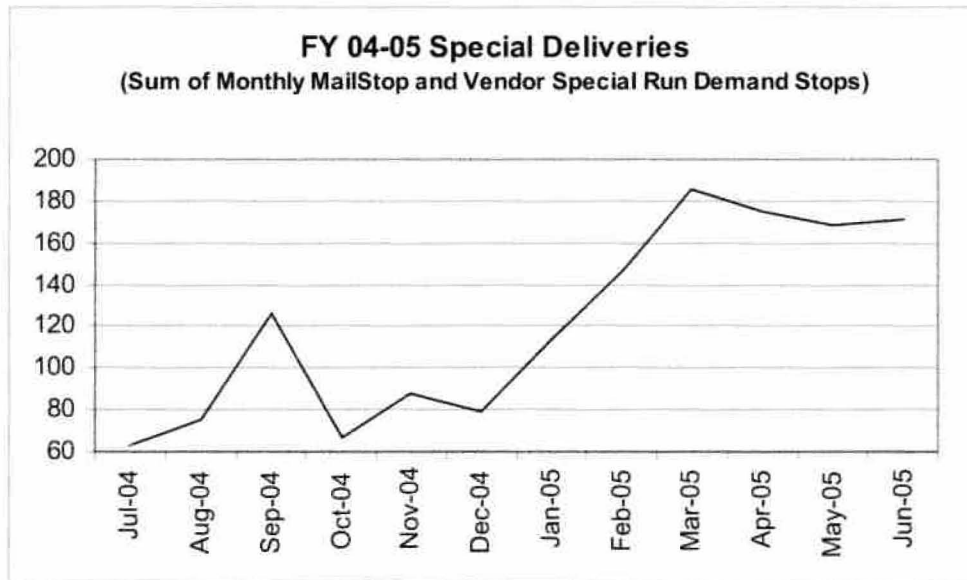
The ability of state government to utilize resources and technologies developed for one program to support the goals of other programs, and to reduce costs through efficiencies of scale, is an organizational strength of centralized services. The production capabilities at IDF that support CBMS are also available to other agencies that print and mail multiple page materials.

OBJECTIVE: To save State agencies money on mail processing and postage related costs			
MEASURE: Annual savings on standard letter-sized mail.	FY 04-05	FY 05-06	FY 06-07
Target	\$500,000 or more	\$500,000 or more	\$500,000 or more
Actual	\$699,327		

Note that this translates into an average savings of \$0.078 per letter in FY 04-05.

On-Demand Mail Delivery

Recently, IDF Mail Services has seen an increase in on-demand mail delivery. This is partially due to the restructuring of the delivery operations to improve efficiency and better meet customers' needs and expectations. In the spring of 2004 IDF restructured the scheduled delivery routes to increase efficiencies. A result of this redesign is that drivers are now more available to provide special "on call" pick up and delivery services for State agencies. The graph below shows how this valuable service offered to IDF customers has increased in recent months.



Consolidated Mailings

The Department is coordinating with the departments of Human Services (DHS), Health Care Policy and Financing (HCPF), and Labor and Employment (CDLE) in a massive effort to consolidate mailings to their clients and customers. This will result in cost savings to the State and simplified correspondence with clients and customers. This work is not presently performed by State agencies and will yield additional business for the Division, if agreements are reached.

Technological Advances

With the increased sophistication of mail processing equipment, it has become necessary to have a higher level of technical support for this technology. Personnel have been trained on this equipment in order to troubleshoot problems, minimize downtime and allow IDF to efficiently and effectively run its mail operations. Mail Services utilizes computers and software to support its major processing operations. For postage application and inserting, billing data is captured at the postage meter and transmitted to accounting/billing sections in real time. This process requires the production personnel to enter the customer's cost center and the job type into a screen at their workstation that

links entries to the billing information from the meter. Postal bar-coding equipment utilizes advanced cameras and imaging software, as well as postal databases and software for controlling the sorting function of the equipment. A State employee is the primary technician for maintenance and repair of the system. Employees must know how to enter the appropriate job and customer categories, and are responsible for daily billing information.

Mail Services also receives more than a million electronic recipient records as attachments to emails. The files are converted into address templates and printed by ink jet on customer materials. Finally, the IDF utilizes an electronic data collection system to identify production time for various services and to convert paper job tickets into electronic formats. All of these processes require accurate information from the production personnel.

These technological advances have resulted in the reclassification of 16 personnel from former job titles in the Administrative Assistant series to new job classification titles in the Production series. The process for these reallocations is beginning in July 2005. This alignment with current business practices assures that the State retains a competitive workforce that is productive, efficient and customer-service oriented.

HIPAA

With the implementation of the federal Health Insurance Portability and Accountability Act (HIPAA), IDF Mail Services has taken steps to better protect the mail it processes. While IDF has always screened personnel that process HIPAA materials, additional security measures have been implemented. Supervisors monitor HIPAA-sensitive materials and production more closely. Procedures have also been established to ensure that recipient databases are deleted after they have been processed.

CDLE Print Stream Mail Merge Project (Super Project)

The Department of Labor and Employment (CDLE) project that will direct variable page document sets to IDF Mail Operations for inserting and postage is currently in the earliest stages of testing for mail processing. An estimated 50% of the range of mailings may be in production by January 2006. CDLE currently directs all of their mailings to IDF Mail Operations for various postage application and mail preparation services. CDLE is advising IDF that the mail processing services will change but the overall volume processed will not, however, this was the stated intent prior to and after CBMS was implemented, and that project resulted in the need for multiple additional appropriations to several State agencies (including DPA) through the supplemental process. As a result, the Department will be cognizant of potential obstacles during the CDLE "super project", and will ensure that DPA is prepared to identify any volume increases above existing levels that might require additional appropriated spending authority proactively.

Prioritized Objectives and Performance Measures

1. Customer Satisfaction

Since 2003 the Division of Central Services (DCS) has surveyed its customers to ensure that it is providing the level of service and support its customers need and expect. In a portion of the survey which addresses a unit's performance in the "Three C's", a phrase coined by the Department, each customer is asked to rate IDF's performance in the areas of Customer Service, Credibility and Communications.

The results have been tabulated and are displayed below. Note that the "Three C's" survey questions were asked of IDF as a whole. Thus, separate results for the Mail, Print, and Design units are not available.

OBJECTIVE: To conduct an annual survey to evaluate customer satisfaction with IDF in the "Three C's"-- Customers, Credibility and Communication.					
MEASURE: Percentage of Respondents who are satisfied with IDF's "Three C's" Performance	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07
Target	85% to 95%	85% to 95%	85% to 95%	85% to 95%	85% to 95%
Actual	86%	96%	86%		

2. Price Competitiveness

IDF strives to remain competitive with the private sector in terms of price, quality, and service. Every two years the Division of Central Services conducts a market survey to validate that its primary services and products remain competitively priced with the private sector. The results from the FY 03-04 survey follow.

The following tables illustrate how IDF's Mail Courier and Special Delivery costs compared to the FY 03-04 market survey.

Type of Special Delivery	IDF's Cost Compared to Market Survey Average
Direct delivery from mail operations	58% less
Redirected driver quickly for special delivery	47% less
Economy assignment to closest stop next day	22% less

OBJECTIVE: To conduct a bi-annual market survey to evaluate price competitiveness in the area of MAIL COURIER AND SPECIAL DELIVERY services.

MEASURE: Compare IDF's prices to the average of those businesses surveyed.	FY 03-04	FY 05-06	FY 07-08
Target	>20% Less	>20% Less	>20% Less
Actual	22% to 58% Less		

Program Crosswalk

Program Title: State Fleet Management (SFM)

Line Items:

Personal Services

Operating Expense

Vehicle Replacement Lease, Purchase or Lease/Purchase

Change Request(s)

Federal/State Statutory and Other Authority:

C.R.S. 24-30-1101 through 1118; See specifically 24-30-1104(2) and 24-30-1112 through 1117.

Program Description:

The State Fleet Management Program (SFM) provides light duty vehicles (3/4 ton and below) including sedans, vans, SUV's, motorcycles, and pickup trucks, to all State agencies on a long-term basis. In addition, many agencies have requested that Fleet also enroll their over-sized vehicles such as handicap-configured busettes, refrigerated vans, tractor-trailers, Snocats, and "haz-mat" vehicles. Fleet is currently managing more than 80 vehicles that fall outside the mandated statute, to the benefit of the requesting agencies.

The State Fleet Management Program is designed to handle all aspects of a vehicle's life from the time of acquisition through disposal. SFM manages all maintenance, repairs, fuel expense, and accident repairs as well as maintaining a robust database with a detailed history for each vehicle. Fleet further manages this pool of vehicles for all State agencies, helping to control unnecessary expenses and prompt agencies to adhere to effective preventive maintenance schedules. The program also gains economies of scale and significant price reductions by aggregating purchasing opportunities and funding resources. Fleet is also able to negotiate many private sector services for the State at the lowest cost possible. Examples include: financing, fuel cards, and glass, tires, towing, maintenance and repair services, and body repairs.

Program expenses include three primary components that are charged back to the using agency:

- A fixed rate per month to recover the debt service cost of vehicle acquisition.
- A variable rate per mile each month, determined by actual historical expenses for fuel, maintenance, repairs and accident cost.

- A management fee to capture program related fleet expenses for items such as salaries, rent, statewide cost allocations, and miscellaneous operating costs. (Were it not for overhead charges the State Fleet Management Program would actually be able to fund these program costs out of vehicle auction proceeds alone.)

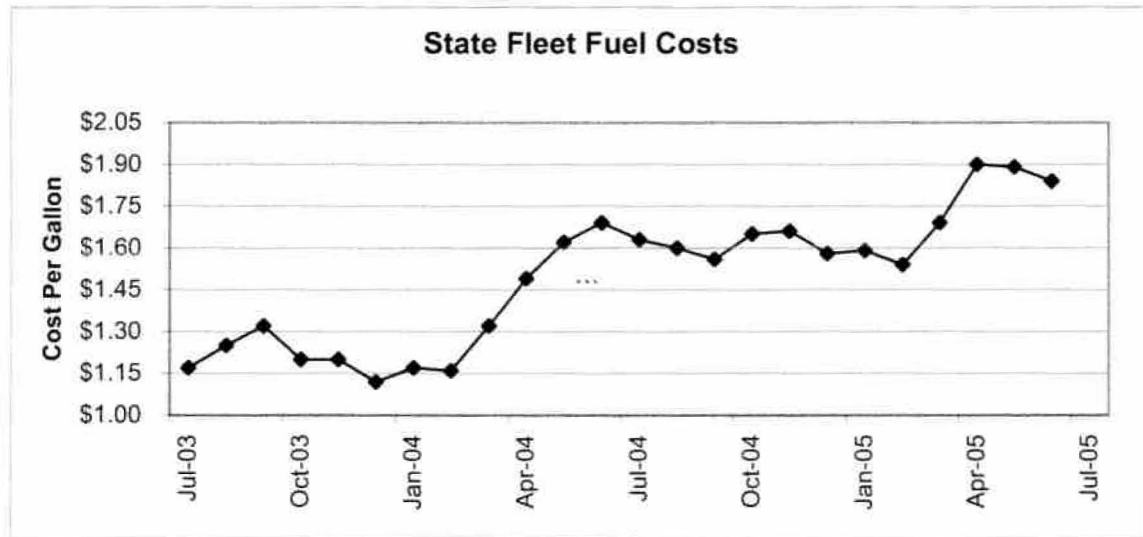
Trends and Other Baseline Information

Higher Education "Opt Out"

Based on legislation passed in FY04 (HB 04-1009), institutions of Higher Education were given the option of opting out of certain statewide programs including the State Fleet Management program. Prior studies have indicated that it is unlikely that these changes will result in a cost savings to either the institutions or to the State, and customer service issues with these schools were resolved long ago. The issue came down to institutional control, and once the decisions were made to opt out, SFM worked diligently to facilitate the transition. FY 2005-2006 will be the first year in which the centralized Fleet operates without oversight of Colorado's two major universities. The University of Colorado and Colorado State University, as well as Fort Lewis College, have opted out of the program as permitted by HB 04-1009. In total, 762 vehicles (approximately 13.5% of 5700 vehicles) were taken out of the Fleet Program. While this is a significant portion of the Fleet, the impact on overall SFM workload is negligible. Both CU and CSU have long had their own internal fleet management systems, have authorized their own repairs, and have disposed of their own vehicles. These delegations took place many years ago and SFM has operated under this slightly reduced workload for many years with resources and assignments adjusted accordingly.

Fuel

The table below displays fuel expense, and demonstrates the volatility of fuel costs and the most recent upward spike toward the end of FY 2004-05. Fuel is the most significant variable component of fleet operating expense, accounting for approximately 40% to 50% of overall fleet running expense. Based on past consumption data, a \$0.10 increase in the cost per gallon of fuel translates into a \$470,000 increase in total annual fuel expenditures. The increase from June of 2003 to June of 2005 represents an increase of \$.70 per gallon and equates to an annual expense increase of \$3.3 million. Fleet Management is making initial inquiries about the cost/benefit and practicality of using derivatives to hedge against the potential for even more severe price spikes in the future. We are also looking at alternatives to optimize the State's fuel tax recovery program for both Fleet and Non-Fleet fuel consumption, which may be subject to changes in pending federal legislation.



Fuel Expenses

	Average Cost/Gallon	July Cost/Gallon	June Cost/Gallon	Average Cost/Mile	Average Miles/Gallon
FY2005*	\$ 1.67	\$ 1.63	1.88	\$0.100	
FY2004	\$1.33	\$1.17	\$1.69	\$0.083	16.00
FY2003	\$1.17	\$1.09	\$1.18	\$0.0738	15.84

*FY 2005: Data will require manual reconciliation of miles/gallon as the result of the DOHE Opt-Out. Source: ITU CARS Reports & DCS P&L Reports

Fleet Miles Traveled

Fiscal Year	Annual Miles	Percent Change from Prior Year
FY2005	73,204,451	+0.12%
FY2004	73,117,480	-1.5%
FY2003	74,223,176	-2.4%
FY2002	76,011,456	+1.7%
FY2001	74,747,177	+1.6%

Source: ITU CARS Reports

Considerable effort was spent in FY 2004-05 on efforts to improve customer service. Many critical issues have already been resolved with solutions in place, such as handling after-hours emergency phone calls. SFM has made, and continues to aggressively pursue, process improvements and task reorganizations that facilitate keeping staff focused on

customer needs. At the same time the program implemented new reporting mechanisms that identify potential problems (particularly repeat problems) to agency vehicle coordinators so they can take appropriate corrective actions with personnel or program managers.

Prioritized Objectives and Performance Measures

1. Customer Satisfaction

- Since 2003 the Division of Central Services (DCS) has surveyed its customers to ensure that it is providing the level of service and support its customers need and expect. Specific questions are asked each year, allowing for comparison from year to year. In a portion of the survey which addresses a unit's performance in the "Three C's", a phrase coined by the Department, each customer is asked to rate SFM's performance in the areas of Customer Service, Communications and Credibility.

The results have been tabulated and are displayed below.

OBJECTIVE: To conduct an annual survey to evaluate customer satisfaction with SFM in the "Three C's"-- Customers, Credibility and Communication.					
MEASURE: Percentage of Respondents Who are Satisfied with SFM's "Three C's" Performance	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07
Target	85% or better	85% or better	85% or better	85% or better	85% or better
Actual	78%	93%	93%		

2. Price Competitive

The State Fleet Management Program purchases vehicles for considerably less than the retail price. The chart below is a representative sample of the price breaks the State received in FY 04.

Type of Vehicle	SFM's Cost Compared to Retail Price
Passenger Car (medium-sized sedan)	54% less
Fifteen-Passenger Van	49% less
Large Pick-Up Truck	47% less
Four-Wheel Drive SUV (medium-sized)	42% less

OBJECTIVE: To continue to purchase vehicles for the State's fleet at heavily discounted rates.			
MEASURE: Compare SFM's prices to the average retail price for similar vehicles.	FY 03-04	FY 05-06	FY 07-08
Target	25 % to 50% Less	25 % to 50% Less	25 % to 50% Less
Actual	42% to 54% Less		

Every two years the Division of Central Services conducts a market survey to validate that its primary services and products remain competitively priced with the private sector. The results from the FY 03-04 survey for daily automobile rentals follow.

Note that in this comparison SFM Motor Pool rates include fuel costs. (Assuming 100 miles per day are driven in a mid-sized sedan, it would add \$10.00 or so to a rental agency's cost.) In addition, the SFM Motor Pool offers a convenient service and secure parking.

Type of Vehicle	Motor Pool Daily Rates for FY 05-06 (Includes Fuel and Insurance)	Private Sector Average Daily Rental Price Agreements with Colorado State Government	Assumed Fuel Costs*	Total Daily Rental Cost for Private Sector	SFM Motor Pool Daily Savings
Passenger Car	\$45	\$39	\$10	\$49	8.2%
Mini Van	\$60	\$55	\$11	\$66	9.1%
Fifteen-Passenger Van	\$90	\$100	\$16	\$116	22.4%
Four-Wheel Drive	\$65	\$55	\$12	\$67	3.0%

* Assumes a 100-mile trip, average miles per gallon for each vehicle class and fuel costs of \$2.00 per gallon.

3. Cost Management

Vehicle operating costs continue to rise, particularly with the affects of maintaining an aging and higher mileage fleet. It is anticipated that the cost to maintain and operate the fleet will continue to increase as a direct result of tight replacement funding allocations as the state works through its current budget constraints.

Cost Management

OBJ: To minimize the overall cost of vehicle ownership including both the cost of vehicle financing as well as the ongoing cost of vehicle maintenance.

STRATEGY: Improve processes and services

MEASURE		FY2004	FY2005*	FY2006	FY2007
Agency Fixed Payments Cost Per Mile (CPM) including Mgt. Fee	Target	\$.200	\$.200	\$.21	
	Actual	\$.208	\$.197	N/A	N/A
Maintenance CPM	Target	\$.08	\$.096	\$.108	\$.109
	Actual	\$.089	\$.091#	N/A	N/A
Total CPM (Excluding Fuel)	Target	\$.292	\$.301	\$.301	\$.318
	Actual	\$.275	\$.288	N/A	N/A
Vehicles Replaced (One-for-One)	Target	140	755	740****	850 est.
	Actual**	156	612***	N/A	N/A
Avg. Miles When Sold (Non-State Patrol)	Target	100,000	100,000	100,000	100,000
	Actual	108,104	TBD	N/A	N/A
Avg. Miles When Sold (State Patrol)	Target	80,000	80,000	80,000	80,000
	Actual	89,422	TBD	N/A	N/A

* FY2005: Reliable Figures will require year-end totals with manual reconciliations as the result of the DOHE Opt-Out.

**Includes Out-of-Cycle Replacements for Accident Totals, Uneconomic Repair and Unique Use Vehicles. Does not include Authorized Additions FY04 = 28(?), FY05 = 29(23 listed + 6 CDOT); or Pre-Paid (Agency Grants)

***FY05 replacement count reduced by 113 due to DOHE Opt-Out and agency declines.

****FY06 Opt Out Adjusted as of June 30, 2005.

SOURCE: CARS Purchase Module

SOURCE: ITU Data Extracts, CARS Reports (Fixed from "SFM Cost by Dept." and "Master Vehicle Budget Report")

#Maintenance costs are understated due to partial year implementation of opt-out institutions paying for their own repairs without going through fleet.

By exploring the expansion of motor pools, increasing the use of statewide parts and service contracts, replacing vehicles where appropriate with smaller more cost effective alternatives, and by aggressively evaluating and reducing unnecessary repairs or expenses, Fleet will continue to keep cost increases to manageable levels.

4. Vehicle Utilization and Allocation Practices

Fleet Management has reworked annual vehicle utilization codes to reflect miles per vehicle that are more realistic for each agency and function. The first report using the new codes was run for FY 01 and resulted in the turn in of 186 underutilized vehicles. A great deal of effort was expended in FY 02 to make sure that identified vehicles were turned in, to assure that the vehicles assigned to a function are necessary, and that the utilization criteria are applied consistently and fairly. The vehicle fleet of the State of Colorado is comprised of many different types of vehicles used for many different purposes. There are low annual mileage vehicles used in support roles such as Facilities Maintenance, where the vehicle is confined to a limited area and functions more as a mobile shop than as a vehicle. The usage also differs from being a work support vehicle to law enforcement, prisoner transport, regulatory code enforcement, road maintenance, education, etc. By creating more accurate utilization thresholds for a number of specified functions, the Fleet Management Program has seen fewer underutilized vehicles compared to a single mileage threshold.

Utilization

OBJ: To assure that State vehicles are well utilized and appropriately assigned for the required work function.

STRATEGY: Improve Processes

MEASURE		FY2004	FY2005	FY2006	FY2007
Vehicles Identified as Underutilized	Target	<50	<50	<50	<50
	Actual*	16	TBD	N/A	N/A
Avg. miles per vehicle based on year end Active Vehicle Count	Target	13,300	13,400	13,500	13,500
	Actual	13,033	12,669	N/A	N/A
End of Year Active Vehicles Count	Target	5650	5,650	4900**	4,900**
	Actual	5610	5778	N/A	N/A

* FY04 = 14 of 43 DOHE and 2 of 20 Non-DOHE on final list.

** Anticipating the potential loss of 750 vehicles from Higher Education under HB 04-1009 "opt out" provisions and late disposal of vehicles in early FY06 from extension of previous FY04 and FY05 short-term assignments.

Vehicle Reallocation

One of the services offered by Fleet is to replace vehicles that are too costly to operate or vehicles that have been totaled in accidents with ones that have been turned in by other agencies that can be put back into service with another agency with minimum repairs. This can be translated into real cost saving for our customers and the State. During a period of minimum replacements there is less inventory of vehicles available for reallocation, as reflected in recent years. Replacements approved for FY 05 enabled the program to bring these numbers up in FY 05. Going forward, however, Fleet will likely reduce this number for two reasons; first, to reduce the average age of the fleet for depreciation purposes and second, about 20% of the demand for this service was from schools that no longer participate in the program.

OBJ: To reallocate vehicles, on a statewide basis, wherever it is economically justifiable.

STRATEGY: Improve processes

MEASURE		FY2004	FY2005	FY2006	FY2007
No. of vehicles reallocated	Target	125	175	125*	150*
	Actual	117	176 (May)	N/A	N/A

* Smaller projections due to DOHE Opt-Out and the effort Fleet will make to reduce the number of overage vehicles in the State.

In addition, Fleet is focusing on five major strategies in FY2005 and FY2006:

- Continue to Improve and Standardize Fleet's manual and technical processes.
- Support Fleet employees with improved training, tools and resources.
- Establish and maintain monitoring capacity and processes to satisfy legislative audit recommendations.
- Reducing cost per vehicle for disposal.
- Implement a statewide CARS training program.

Program Crosswalk

Program Title: Facilities Maintenance

Line Items

Personal Services
Operating Expenses
Capitol Complex Repairs
Capitol Complex Security
Utilities

Change Request(s):

Federal/State Statutory and Other Authority

Sections 24-1-136.5; 24-82-101-103; 24-30-1303; 18-9-117, CRS (combined with 24-82-101).

Program Description

Capitol Complex Facilities is a full-service property management business. The Facilities Maintenance – Capitol Complex program is responsible for providing building maintenance including HVAC, plumbing, electrical, elevators, lights, general maintenance; day and evening custodial services (in-house and contractor); grounds maintenance and building security. Currently this Program provides services for the following campuses:

The Capitol Hill Campus includes:

- Human Services Building
- State Office Building
- State Services Building
- Woodward House Building
- State Capitol Building
- Executive Residence (Governor's Mansion)
- Legislative Services Building
- Capitol Annex Building
- Power Plant Building (and all trades shops)
- Centennial Building
- 1570 Grant Street Building

The North Campus includes:

- Three industrial and office buildings

The West Campus includes:

- Dale Tooley Office Building (690 Kipling)
- 700 Kipling Building
- 1881 Pierce Street Building.

The Construction and Design Management Program plans and manages the design and construction of Capitol Construction/Controlled Maintenance projects and assists the Capitol Complex maintenance staff in identifying facility needs based on a five-year program plan. This program assists tenants with their space planning and construction needs.

Trends and Other Baseline Information

Energy Performance Contract

Capitol Complex has contracted with Chevron Energy Solutions to perform performance-based contracting services throughout the Capitol Complex and associated buildings, Grand Junction, the three Lakewood buildings and North Campus. The goal of this project is to conserve energy through tenant awareness and the replacement or upgrading of older, inefficient systems. This project began in the spring of 2002 with an energy audit of all the Capitol Complex buildings. This audit identified energy savings projects, which included the replacement of lights, toilets, new boilers and chillers, and the installation of new energy management computerized controls. These improvements were financed through the projected energy savings directly related to the individual project over a predetermined period of time. In addition, a new resource conservation manager for the project has begun providing tips to all tenants on how they can help us conserve energy while improving the work environment.

While many factors, particularly weather and use of buildings, affect energy consumption, energy usage in FY 04-05 was considerably lower than in FY 03-04, indicating that the energy performance contract has been successful. Even greater savings are likely in future years, since many of the contracted projects were not installed and operational for the full fiscal year. The chart below shows energy consumption for FY 03-04 and FY 04-05.

ENERGY CONSUMPTION FOR CAPITOL COMPLEX FACILITIES

	Electricity (KwH)	Electricity (KW)	Natural Gas (Therms)	Water & Sewer (Kgal)	Steam (Mlbs)
FY 03-04	33,492,802	117,421	93,355	29,372,266	36,179
FY 04-05	30,884,343	108,430	149,987	22,155,730	35,810
% Difference	-7.8%	-7.7%	+60.6%	-24.6%	-1.0%

ENERGY CONSUMPTION FOR GRAND JUNCTION STATE OFFICE BUILDING

	Electricity (KwH)	Electricity (KW)	Natural Gas (Therms)	Water & Sewer (Kgal)	Steam (Mlbs)
FY 03-04	921,280	2,415	11,406	753	not used
FY 04-05	840,800	2,279	10,642	705	
% Difference	-8.7%	-5.6%	-6.7%	-6.4%	

Leadership in Energy and Environmental Design for Existing Buildings

The LEED Green Building Rating System for Existing Buildings (LEED-EB) is a set of performance standards for the sustainable operation of existing buildings developed by the U.S. Green Building Council. The Council is a coalition of leaders from across the building industry working to promote buildings that are environmentally responsible, profitable, and healthy places to live and work. LEED recognizes achievements and promotes expertise in green building through a comprehensive system offering project certification, professional accreditation, training and practical resources.

The Leadership in Energy and Environmental Design for Existing Buildings (LEED-EB) point rating system for existing buildings addresses:

- Whole-building cleaning and maintenance issues (including chemical use),
- Ongoing indoor air quality,
- Energy efficiency,
- Water efficiency,
- Recycling programs and facilities,
- Exterior maintenance programs, and
- Systems upgrades to meet green building energy, water, indoor air quality, and lighting performance standards.

Presently, the State Services Building at 1525 Sherman Street and the Department of Human Services Building at 1575 Sherman Street are registered with the U.S. Green Building Council with the end goal of receiving LEED designation for these two buildings. Certification is anticipated in 2006.

Maintenance Management

A goal of the maintenance program is to minimize the occurrence of tenants' requests for service by increasing regularly scheduled preventive maintenance throughout the buildings and grounds. In the fall of 2005 Capitol Complex staff will participate in specialized training with its computerized maintenance management system for producing and analyzing custom reports to evaluate tenants' service requests, work orders, and preventive maintenance work orders by type, frequency, cost, and man hours. This capability will allow the program to measure and monitor its success in achieving this objective.

Prioritized Objectives and Performance Measures

1. Customer Satisfaction

Since 2003 the Division of Central Services (DCS) has surveyed its customers to ensure that it is providing the level of service and support its customers need and expect. Specific questions are asked each year, allowing for comparison from year to year. In a portion of the survey which addresses a unit's performance in the "Three C's", a phrase coined by the Department, each customer is asked to rate Capitol Complex's performance in the areas of Customer Service, Credibility and Communications.

The results have been tabulated and are displayed below. Note that the "Three C's" survey questions were asked of Capitol Complex as a whole. Thus, separate results for the Grand Junction State Services Building and Camp George West are not available.

OBJECTIVE: To conduct an annual survey to evaluate customer satisfaction with Capitol Complex in the "Three C's"-- Customers, Credibility and Communication.					
MEASURE: Percentage of Respondents Who are Satisfied with Capitol Complex's "Three C's" Performance	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07
Target	85% or better	85% or better	85% or better	85% or better	85% or better
Actual	76%	86%	86%		

2. Competitive Value

Capitol Complex strives to remain competitive with the private sector in terms of price, quality, and service. This is especially challenging given the historical nature of some of the buildings it must maintain, such as the State Capitol Building. The challenge is compounded by the fact that funding for controlled maintenance and capital improvement projects has been limited in recent fiscal years as a result of fiscal constraints.

The following tables illustrate how Capitol Complex's lease rates for buildings within the Statehouse area compared to those of the private sector. The rate displayed for the Capitol Complex is the lease rate per *usable* square foot for FY 04-05. The rates illustrated for the private sector are drawn from the Metro Denver Economic Development Corporation "Availability and Vacancy Building List" for June 21, 2005. The rate expressed by the Metro Denver Economic Development Corporation is in terms of *rentable* square feet. Capitol Complex charges based on *usable* square feet. If Capitol

Complex charges were based on *rentable* square feet, the cost per square foot would be *lower* than expressed here.

Building Type	Cost Per Square Foot
Private Sector Class "A" Buildings	\$19.55/rentable sq. ft.
Private Sector Class "B" Buildings	\$15.69/rentable sq. ft.
Private Class "C" Buildings	\$21.03/rentable sq. ft.
Average Rate of All Private Sector Buildings	\$18.26/rentable sq. ft.
State Buildings within the Capitol Complex Area	\$10.76/usable sq. ft.

OBJECTIVE: To make an annual comparison between lease rates in the Denver Metro private sector and the Capitol Complex area.				
MEASURE: Compare Capitol Complex's lease rates to the average of those buildings in the Metro Denver Economic Development Corporation's June "Availability and Vacancy Building List	FY 04-05	FY 05-06	FY 06-07	FY 07-08
Target	>20% Less	>20% Less	>20% Less	>20% Less
Actual	31% to 49% Less			

Program Crosswalk

Program Title: Facilities Maintenance - Grand Junction State Services Building

Line Items

Personal Services
Operating Expense
Utilities

Change Request(s):

Federal/State Statutory and Other Authority:

Sections 24-1-136.5; 24-82-101-103; 24-30-1303; 18-9-117, C.R.S (combined with 24-82-101).

Program Description

The Division of Central Services (DCS), Facilities Maintenance is a full-service property management business. The Facilities Maintenance – Grand Junction program is responsible for providing building maintenance (in-house and contractor), evening custodial (contractor), grounds maintenance (contractor), controlled maintenance construction oversight, among a variety of other services, at the Grand Junction State Services Building.

Trends and Other Baseline Information

Prioritized Objectives and Performance Measures

See Facilities Maintenance Prioritized Objectives and Performance Measures.

Program Crosswalk

Program Title: Facilities Maintenance – Camp George West

Line Items

Personal Services
Operating Expenses
Utilities

Change Requests(s):

- Herbicide Program for Compliance with Colorado's Noxious Weed Act (FY 2006-07 Statewide Decision Item)

Federal/State Statutory and Other Authority:

Sections 24-1-136.5; 24-82-101-103; 24-30-1303; 18-9-117, C.R.S. (combined with 24-82-101).

Program Description

The Division of Central Services (DCS), Facilities Maintenance is a full-service property management business. The Facilities Maintenance – Camp George West program is responsible for providing site maintenance including grounds maintenance, utilities, trash disposal, snow removal, lot and road repair, controlled maintenance and capitol construction project management services, among a variety of other services at the Camp George West facility.

Trends and Other Baseline Information

Prioritized Objectives and Performance Measures

See Facilities Maintenance Prioritized Objectives and Performance Measures.

Program Crosswalk

Program Title: State Controller's Office/Procurement Services/Supplier Database

Line Items:

(A) State Controller's Office and Procurement Services

Personal Services

Operating Expenses

(B) Supplier Database

Personal Services

Operating Expenses

Change Requests:

Federal/State Statutory Authority:

Colorado Revised Statutes include: 24-17-103; 24-30-201; 24-30-202; 24-30-202.4; 24-30-202.5; 24-30-207; 24-52-101 through 103; 24-75-102; 24-75-105 through 111; 24-75-201.3; 24-75-202 through 204; 24-75-212 through 214; 24-75-301 through 305; 24-75-402; 24-101-101, et. seq. (Colorado Procurement Code, including supplier database cash fund).

Program Description

Within the Department of Personnel & Administration (DPA), the Division of Finance and Procurement (DFP) includes Central Collections Services (CCS) and State Buildings and Real Estate Programs (SBREP). The Program Crosswalks for the two newer division sections – SBREP and CCS – are separate and aligned with their Long Bill line item descriptions. This Crosswalk focuses on the State Controller's Office (SCO), including Central Payroll, and Procurement Services -- the State Purchasing Office (SPO). The Supplier Database line item is also included in this Crosswalk.

State Controller's Office

The State Controller is statutorily charged with managing the financial operations of the State, including statewide financial reporting, policy and procedural guidance for financial administration and control for all State agencies including integrating procedures in a unified financial system, the Colorado Financial Reporting System (COFRS). The SCO maintains budgetary control for statewide finances, reviews and processes contracts for the State, issues warrants for the State, provides specialized accounting services to State agencies, manages the statewide central payroll operations, and develops the annual statewide indirect cost allocation plans (including the State budget plan and the Federal Plan). A primary responsibility of the State Controller is to approve all State expenditures prior to the obligation being incurred. The controller must determine that prices or rates paid for statutorily authorized expenditures are fair and reasonable. The State Controller also promulgates the Fiscal Rules, which govern financial transactions.

State Purchasing Office

The procurement of goods, services, and construction in the Executive Branch is governed by the Colorado Procurement Code (CRS 24-101-101 et seq.). The SPO manages procurement services by establishing statewide procurement policy, including rulemaking. The SPO renders decisions in disappointed bidder protests and appeals from procurements statewide, manages the State's on-line bidding notification system -- the Bid Information and Distributions System (BIDS) – the Business Development program, and the Procurement Card Program. The SPO develops and offers procurement training, conducts procurements for DPA and other non-delegated agencies, and solicits and administers statewide price agreements for orders placed by State agencies, institutions, and political subdivisions.

The Supplier Database (commonly called the Bid Information and Distribution System or BIDS) is an automated notification mechanism used to disseminate information about solicitations for goods and services that have to be competitively bid under the Colorado Procurement Code.

Prioritized Objectives and Performance Measures

Objective 1.1: Fulfill statutory reporting and financial control responsibilities. Satisfy financial information requirements of the SCO customers and control the financial affairs of the State within fiscal year appropriated budgets, and as dictated by statutes, rules and professional guidance.

Measure: Performance measures are the percent of statutory reports and contracts completed timely and accurately. Workload measures include appropriation documents processed, COFRS payments issued, payroll warrants and advices issued, 1099's issued, and total contracts approved.

		FY02-03	FY03-04	FY04-05	FY05-06	FY06-07
		Actual	Actual	Actual	Estimated	Projected
AP documents		14,600	13,100	13,900	14,000	14,000
COFRS warrants		804,870	766,459	805,286	750,000	700,000
EFT		156,367	188,000	196,978	250,000	300,000
Payroll advices, etc		538,049	518,851	542,964	545,000	545,000
W-2's		51,200	49,729	50,146	51,000	51,000
1099's		13,884	14,257	14,350	14,500	14,500
Contracts Approved		3,191	2,550	2,300	1,800	1,800
% Contracts timely	Target	97%	97%	97%	97%	97%
	Actual	98%	99%	99%		
% Reports timely/accurate	Target	100%	100%	100%	100%	100%
	Actual	99%	99%	99%		

Objective 1.2: To increase BIDS vendor registration annually, with meaningful representation by minority or women-owned (M/WBE) firms.

Measure: Measures the number of vendors registered on BIDS who can download solicitations and specifications. Performance measure tracks the percentage of registered vendors who are minority or women-owned firms.

	FY02-03 Actual	FY03-04 Actual	FY04-05 Actual	FY05-06 Estimate	FY06-07 Projection
Total vendors	7,934	8,021	8,102	9,000	9,500
M/WBE%	target	29%	29%	29%	29%
	actual	30%	31%		

Objective 1.3: On average, to recomplete all price agreements competitively every five years while providing professional procurement support for DPA and other State agencies without full procurement delegations.

Measure: Workload measures track numbers of solicitations by SPO purchasing agents, as well as the total number of price agreements (PA) they administer. Performance measure tracks the volume of orders placed by State agencies/institutions, as well as the percentage of price agreement volume that is competed by SPO annually in order to optimize value.

	FY02-03 Actual	FY03-04 Actual	FY04-05 Actual*	FY05-06 Estimate	FY06-07 Projection
Number of competitive solicitations/RFIs by the SPO	60	59	70	60	60
Number of price agreements administered by the SPO	354	382	370	380	380
PA orders by political subdivisions	\$155 M	\$105.1 M	\$158.8 M	\$100 M	\$100 M
PA orders by state agency/institutions	target	\$184.1 M	\$190 M	\$190 M	\$190 M
	actual	\$184.1 M	\$159.7 M	\$195.9 M	
PA volume	target	23	25%	20%	20%
competed annually	actual	19.5%	15.96%	16%	

* FY 04-05 data is thru May 2005

Objective 1.4: To perform risk-based oversight and monitoring of agencies' financial programs.

Measure: Workload measures track the numbers of on-site reviews, Fiscal Rule waivers, review of payments made without commitment vouchers (statutory violations), specific training of State Controller signature delegates, and quarterly reviews of SCO diagnostic reports with agencies.

	FY02-03 Actual	FY03-04 Actual	FY04-05 Actual	FY05-06 Estimated	FY06-07 Projected
On-site visits	113	98	123	120	120
Fiscal Rule waivers	185	134	212	200	200
Statutory violations	210	230	310	310	310
Delegate training	21	27	52	30	30
TOTAL	Target	566	550	550	660
	Actual	529	489	697	

Objective 1.5: To develop a program for risk-based procurement oversight and monitoring of agencies with delegated authority, with appropriate monitoring of each agency/institution completed once every two years.

Measure: Workload measure tracks numbers of formal on-site peer reviews of purchasing offices, vendor appeals subject to SPO investigation/inquiry, numbers of agencies screened through purchase orders and on-line solicitation review, and substantive purchasing director contacts with the State Purchasing Director regarding policies or interpretation of rules.

	FY02-03 Actual	FY03-04 Actual	FY04-05 Actual	FY05-06 Estimate	FY06-07 Projection
Peer Reviews	12	5	4	10	10
Vendor Appeals	10	12	8	10	10
Other oversight activities	11	5	92	50	50
TOTAL	target	31	40	40	70
	actual	33	22	116	

Objective 2.1: To offer needs-based skill development training in order to develop and maintain a competent and high-performing statewide financial administration and procurement workforce.

Measure: Total number of employees trained.

	FY02-03 Actual	FY03-04 Actual	FY04-05 Actual	FY05-06 Estimated	FY06-07 Projected
Procurement Training	116	161	175	175	175
PAC Training	180	166	176	175	175
SCO Training	1,576	1,666	833	1,180	1,180
Employees Trained	target	1,698	1,745	1,730	1,530
	actual	1,872	1,993	1,184	

Objective 2.2: To promote maximum, effective use of the procurement card, increasing the procurement card volume by 5% per year.

Measure: Tracks the dollar value and number of transactions done with the procurement card. Measure is based on percentage increases in transactions over the preceding fiscal year.

	FY02-03 Actual	FY03-04 Actual	FY04-05 Actual	FY05-06 Estimate	FY06-07 Projection
\$ of Transactions	\$119.5 M	\$143.2 M	\$159.1M	\$175.01 M	\$192.5M
# of Transactions	589,506	670,615	712,433	748,000	785,000
% increase \$	target	0%	2.1%	2.5%	5%
	actual	18.24%	19.8%	11.1%	N/A

Objective 2.3: Achieve and maintain good customer satisfaction (4 out of 5 scale).

Measure: Average of customer survey responses on scale of 1-5, with 3 fair, 4 good, and 5 outstanding customer satisfaction.

		FY02-03 Actual	FY03-04 Actual	FY04-05 Actual	FY05-06 Estimated	FY06-07 Projected
Average	target	4.0	4.0	4.0	4.0	4.0
	SPO actual	4.2	3.9	3.9	4.0	4.0
	SCO actual	4.6	4.8	4.0	4.0	4.0

Trends And Baseline Information

The DFP envisions providing leadership to our constituent state agencies and institutions in each of the areas of expertise within the Division—purchasing, accounting, payroll, contracting, collecting receivables and building construction and real estate services. The Division also has a commitment to the development of best business practices. To that end, one of the goals is to provide leadership through advances in technology for use of State agencies such as with BIDS, innovative use of COFRS tables and reporting, the Financial Data Warehouse, other customer databases or the Division’s website. Using electronic media to communicate with our customers rather than inundating them with paper continues our focus on best business practices. Our mission is to continue to meet our objectives as efficiently as possible for both our customers and ourselves in the face of declining resources. Trends and significant accomplishments follow.

Objective 1.1, SCO Reporting and Financial Control

Trends. Although the number of reports required in statute has decreased, the number of reports requested by the Legislature, the Governor’s Office, and others has increased. This has been especially the case as the State’s budget has continued to be very tight; agencies that have fewer resources available to them are making more requests for information from the State Controller’s Office. The workload measures reflected include the number of appropriation (AP) documents processed in order to record the State’s budget, the number of payments recorded on the State’s accounting system—both warrants and EFT-- and the number of 1099’s issued to vendors. Payroll warrants, advices of electronic deposit and manual payroll warrants measure activity in Central Payroll; Central Payroll completes W-2’s, as well. The SCO has seen the number of COFRS payments decrease with the increased use of the Procurement Card and efforts to increase electronic payments. It is anticipated that this trend will continue.

Turnover of key financial a management personnel is developing into a major concern. We are currently experiencing the predicted result of an aging workforce as experienced staff retires at an increasing rate. This will negatively impact the SCO’s ability to ensure accurate financial reporting and control. With the loss of experienced financial managers at all levels of State government, there are more demands on SCO staff to provide guidance, oversight and training to agency financial staff. The SCO is not immune to this trend. We have experienced 35% turnover in the last fiscal year. {The turnover rate was 85% in the critical Field Accounting Services Team (FAST).} Retirements and loss of staff through transfers/promotions to agency financial management positions were the driving factors in the SCO turnover.

The goal of the State Controller's Office has been and continues to be to do as much of its work electronically as is feasible. This goes all of the way from sending correspondence electronically, to posting items on the website and to the Financial Data Warehouse. The effort to replace EMPL is also nearing completion. The SCO anticipates that, in cooperation with the Division of Human Resources, EMPL will be retired and replaced by CPPS as scheduled in FY 2005-06.

Significant Accomplishments:

Legislative Changes -- The State Controller's Office, Reporting and Analysis Section participated significantly in the drafting of HB 05-1310, which will allow the State to take credit for approximately \$185 million dollars of TABOR refunds that would have been lost to the State if not for the legislation.

Reports Online -- The State Controller's Office continued to expand the utilization of the Division's website for disseminating the SCO reports statewide as well as using electronic mail distribution for reports and correspondence. On-line access to State Fiscal Rules, the Fiscal Procedures Manual, the Contract Management Manual, SCO contracting policies, 1099 and tax reporting guides, financial reports, and a variety of accounting forms are provided on the Division's website currently.

Financial Data Warehouse -- The Financial Data Warehouse (FDW) is supported by the SCO, with technical support provided by TMU. The Department continues to train users to use a new series of reports. These reports allow users to assign wild card variables to select fields of the standard reports. This series of reports is a hybrid between standard reports, which the users may request and schedule, and ad hoc reports that have to be programmed by a Reporting and Analysis staff member. Reporting and Analysis also has recently designed a process to convert the budget and financial diagnostic reports to the FDW and is in the implementation and testing phase.

Implementation of Legislative Directives -- In the last several years, the Legislature passed several bills with dramatic impacts on the State's accounting activities. The State's financial statements are still presented using generally accepted accounting principles (GAAP), which means on the accrual basis. Work continues to track and disclose differences between statutory budget reporting requirements and GAAP based financial reporting requirements.

Payroll. During this year there were new challenges for Payroll. There was the continuing statewide challenge of moving the pay date from the last day of FY 2004-05 to the first day of FY 2005-06. In addition, the replacement of EMPL functionality with CPPS was in development during FY 2004-05. This required training of staff in agency payroll offices.

Contracts. In the past fiscal year there were 10 new contract waiver requests, which increased the number of waived contracts for State agencies to 189. The estimate of the number of contracts removed from some or all review by the central approvers is near 1,000 contracts. This will save the central approvers a significant amount of time to devote to other contract review or additional training opportunities.

The SCO helped several agencies develop on-line contracts that allows agencies to have contractors or providers sign a simple three to five page contract or download a one page acceptance form that references all of the terms and conditions that are included in the on-line agreement. This enhancement saved the agencies significant time and money because they did not have to print all pages of the contract to send to the contractors and providers and because they saved time as they were able to process these documents much quicker.

Also during the past fiscal year, several new agencies took advantage of this opportunity to obtain State Controller signature delegation or expand their current signature delegation in order to process amendments in-house without sending them to the SCO.

Further, State Fiscal Rule 3-1, "Contracts" was modified by increasing the minimum threshold for the purchase of personal services via a contract from \$50,000 to \$100,000. Agencies still have the option of using contracts for the purchase of personal services with a total cost of under \$100,000 if they believe it is necessary to protect the interests of the State. We anticipate this will further reduce the number of contracts reviewed by the SCO.

Objective 1.2, Bid Information and Distribution System (BIDS)

Trends. Current trends in the area of e-commerce and technology are driving changes in our business processes. These changes offer considerable benefit but continue to raise resource issues around funding, personnel to maintain the processes, and a legal structure to support and maintain privacy and security. Vendor expectations are also changing as new technology becomes available to enable more e-business. Adoption of this technology requires resources to make the changes and training to support the changes.

Maintaining a robust competitive environment is a priority. The measures reflect the importance of continuing to attract suppliers to the system and maintaining a meaningful representation by small businesses. The SPO uses an outreach program and statewide advertising to encourage participation in State bidding by Colorado business.

Notably, the vendor registration has increased over the past few years, without any attendant increase in FTE. Up to this point the SPO has effectively used technology to manage the increasing vendor demands without additional staffing resources. However, continually decreasing technological support has required SPO staff to take on significant additional programming responsibility.

Significant Accomplishments:

BIDS. The previous Lotus Notes client interface has been successfully moved to an Internet based interface for both goods/services and construction. Another significant accomplishment is the implementation of "push" capability for solicitation notices, which eliminates the need for vendors to monitor BIDS on a constant basis. A process for accepting documented quotes electronically has been developed and will be fully tested and then implemented as resources permit.

Business Development Program. The Business Development Coordinator has achieved and maintained excellent working relationships with the Governor's Office of Economic

Development and with many minority and women's business groups. In fact, he received the U.S. Small Business Administration's Minority Business Advocate award for Region VIII. The Business Development Coordinator participated in 30 vendor events, including two presentations at the NASPO annual conference in San Antonio. BIDS M/WBE registration is 31 percent, indicating that the Business Development Coordinator has reached the M/WBE community, has educated them about the basics of doing business with the State, and has created an interest in doing business with us.

Objective 1.3, Price Agreements and Other Procurements

Trends. Cooperative procurements continue to be an important factor during this time of SPO staffing shortages and statewide budget constraints because these collaborative efforts can result in cost savings due to aggregated volumes, as well as sharing of professional staff time. Also, the SPO is exploring new methods for bidding and awarding price agreements such as the use of Basic Ordering Agreements (BOAs), which afford a greater range in selection of vendors; providing more flexibility in adding vendors during the term of the agreement; and seeking better ways of assuring continuously competitive pricing.

Significant Accomplishments:

Price Agreements - Notable price agreement awards that were rebid this past year include those for Automotive Vehicles (including motorcycles and police cars), Travel Agencies & Airline Travel (in conjunction with State Travel Management Program), Printer Supplies (Ribbon, Inkjet and Toner Cartridges), Disposable Paper & Plastic Trash Bags, Metal Furniture, Prescription Drugs, Pagers & Paging Services, Long Distance Services, Copier Rentals, Natural Gas Suppliers, Software Reseller, Batteries, Filters, Fire Extinguishers, and Vests (see Cooperative Purchasing also). The SPO continues to be innovative in awarding price agreements as basic ordering agreements; this method was successfully used this year for office supplies. The SPO also continues to consider a new BIDS on-line price agreement functionality that would permit more effective and efficient management of price agreements. A recent change incorporated the Procurement Card usage into the volume reports to allow for more in-depth analysis of all price agreements.

Cooperative Purchasing - The SPO continues to manage cooperative solicitation for Bullet Resistant, Stab Resistant, Tactical and Special Use Vests. The SPO also awarded a statewide price agreement for Drugs and Pharmaceuticals based on a cooperative solicitation issued by the Minnesota Multistate Contracting Alliance for Pharmacy (MMCAP). The Multiple Assembly of Purchasing Officials (MAPO) and the SPO redeveloped the specifications and completed a solicitation for tools. The participating addendums for the Public Safety Communication Equipment are in effect. In addition, the SPO is cooperating with the State of Minnesota on the Computer and Peripheral participating addenda. Ultimately, the SPO continues to work on simplifying processes for cooperative procurement efforts.

Objective 1.4: SCO Oversight and Monitoring

Trends. Requests for monitoring activities have increased. Monitoring activities have remained steady in the face of less available resources. The majority of the monitoring activities are not formal reviews or audits, but are activities in which the SCO engages in order to assure

compliance with Fiscal Rules and generally accepted accounting principles (GAAP). The activities included in the measure are events where the primary goal is to have the agencies/institutions working in concert with the SCO. For example, the Field Accounting Services Team (FAST) conducts onsite visits with each of its agencies on a specified schedule in order to learn about their specific issues and helps solve any current problems. The Central Contract Unit does training for all of the persons added as delegates who can sign contracts or contract modifications on behalf of the State Controller. The State Controller must approve all cases of statutory violations where work has begun on a State contract before its signature. Fiscal Rule waivers are granted when compliance with the Fiscal Rule causes the agency an unreasonable administrative hardship. Each agency completing an indirect cost plan for its Federal indirect cost rate must also submit it to the SCO.

The implementation of the federal legislation known as Sarbanes-Oxley, in response to recent private sector accounting fraud incidents, is having an indirect impact on government financial management. The provisions of Sarbanes-Oxley apply to publicly traded companies. It is being asked, "Why should government be held to a lower standard than private industry?" As a result, the internal controls and management responsibility provisions are beginning to be included in the auditing standards for governmental entities. This will result in more emphasis on internal controls and management responsibility for those controls.

Significant Accomplishments:

Comprehensive Annual Financial Report (CAFR). The State Controller's Office has submitted the State of Colorado CAFR for FY 2003-04 to the Government Finance Officers Association (GFOA) for evaluation and expects to receive the GFOA Certificate of Achievement for the FY 2003-04 CAFR. This will be the eighth year in a row that the SCO Reporting & Analysis CAFR preparation team has received this certificate of achievement.

David McDermott, who is primarily responsible for preparing the CAFR, is an instrumental participant in providing user consultation and input to the Governmental Accounting Standards Board (GASB). He has responded on several exposure drafts in the past year and is currently reviewing GASB deliberations on a concepts statement regarding the elements of financial statements.

The Reporting and Analysis CAFR preparation team implemented GASB Pronouncement 39 in the FY 2003-04 CAFR. They are currently implementing GASB 40 and have completed training of State agencies on GASB 40 and GASB 42.

Indirect Cost Allocation: Bhavna Puntar converted the State's Federal and budget indirect cost plans to a new Windows based software. In the process, she also linked the output of the cost allocation software with spreadsheet, Word, and Adobe Acrobat file formats to partially automate a previously labor intensive manual presentation process.

FAST Turnover: The 85% turnover of the FAST team was successfully managed with minimal impact to agency controllers and accounting staff. Modifying training plans according to levels of experience of the new staff as well as reassigning one retiring FAST specialist to a full-time training position, accomplished this.

State Fiscal Rule Review – Recently, the SCO reviewed and proposed changes to the fiscal rules that were effective August 1, 2005. These included changes to travel per diem rates, an increase in the minimum for personal services contracts from \$50,000 to \$100,000, rules regarding other contracting provisions, prepayments, and miscellaneous compensation.

The State of Colorado Auditor's Forum - The SCO initiated an effort in previous years that resulted in the establishment of the State of Colorado Auditor's Forum. It is an informal, yet structured group of about 70 auditors from all State agencies and institution of higher education. The purpose of the group is to provide an opportunity for auditors to meet with each other, discuss topics of mutual interest, and receive training. Participants have been enthusiastic about the opportunity for sharing ideas and experiences and helping identify cost-savings opportunities during these challenging times. The SCO continues to support the Forum's initiative and encourages State agency and institution controllers and fiscal officers to share information and work closely with their auditors to insure that sound internal controls continue to be in place as changes occur in programs and staffing.

Objective 1.5, SPO Procurement Oversight and Monitoring

Background. The Procurement Code provides vendors with an appeal right when agencies and institutions deny their procurement protests. The SPO handles those appeals. These reviews/investigations are comprehensive and provide an oversight opportunity for the SPO into the procurement practices of delegated agencies/institutions.

Other oversight opportunities include periodic on-site visits to purchasing agencies to review their files and practices. These oversight visits are conducted with other volunteer purchasing directors and experienced purchasing agents to provide a cross feed of information and varying perspectives. Other oversight activities include periodic review of purchase orders and screening of solicitations that are published on-line by agencies and institutions.

Trends and Issues. Overall, the number of peer reviews decreased this year. The SPO completed 4 peer reviews of delegate agencies in FY 2004-05. Each of these was coordinated with the Personal Services Program and State Controller's Office personnel to combine efforts in oversight and monitoring. While the number of oversight activities appears to have increased significantly, this increase was caused by a change in the measure of oversight activities. Comprehensive State Purchasing Director discussions with agency/institution purchasing directors are being logged and counted towards the overall objective of oversight.

Significant Accomplishment: Appeals. The SPO completed 8 appeal decisions in FY 2004-05, and has maintained a database containing all protest and appeal details, in a searchable format.

Objective 2.1, Training

Trends. Training continues to be an integral part of the Division's success in managing the statewide financial and procurement operations. Business systems and processes are evolving and becoming more complex, therefore training is a function that will continue to require creative approaches within existing resources. In addition, retirements and related turnover and changes in job responsibilities in agencies have placed a greater demand on the Division. Not

only is this increased demand for group training, but also for individual training and consultation as individuals learn their new responsibilities. Using the number of employees trained as the measure of this objective allows us to focus on maintaining the level of resources allocated overall, but shifting those resources to the most critical needs.

The SPO also has seen increased demand for training among employees not traditionally considered purchasing professionals. Increasing use of Procurement Cards and other expanded purchasing involvement of line employees is increasing the demand for procurement training.

Significant Accomplishments: Training Activities

The division completed the development of the new contract management training this past fiscal year, completing several statewide training sessions directed to program personnel who are involved in contract management. This was a collaborative training effort spearheaded by the Division, with participation by the Attorney General and support offered by the Division of Human Resources. The Division's subject matter experts offered modules on procurement, real estate, controller issues, and post-award contract management. As of the end of the fiscal year, the contract management training is being reevaluated with staffing changes at the Division of Human Resources permitting their taking a more central role in training delivery.

State Controller's Office Training Activities:

- The SCO continued to train State employees on the State's Fiscal Rules.
- Statewide training session on *Forms 1099 Reporting* were presented as well as workshops for *1099 Reports Review*. This training covered reporting policies, procedures and use of the COFRS 1099 Reporting subsystem.

Trained State agencies that requested contract signature authority from the State Controller. Changes were made to enhance the contract modification policy making it easier to modify existing contracts and training was conducted for agencies piloting delegation.

- Training on opening and closing the books as well as specialized training for new accounting employees occurred in the spring.

State Purchasing Office Training Activities - For FY 2004-05, the total number participants in the procurement training class was 175, and 176 received training through participation in the semi-annual Procurement Advisory Council meetings.

Objective 2.2, Procurement Card Program

Trends and Issues. There has been significant growth in the Procurement Card Program. The Division achieved its previous objective of 30% growth in procurement card volume over three years, and the measure is being changed to a 5% growth objective for the next two years. The Division is successfully pursuing ways to increase card usage through such efforts as encouraging the use of "department cards," educating decision makers on the safeguards in and the efficiencies of the program, and pressing for additional bank help in building "mappers" which tie Procurement Card data to departmental accounting systems. In the upcoming year, the

community college system will be converting its accounting system to Banner, and this will require new mappers for that system.

Significant Accomplishments. In this case, transaction numbers are tracked because efficiencies are most closely tied to numbers of transactions using the procurement card. Transaction numbers for FY 2003-04 exceeded 670,000 and increased to 712,433 in FY 2004-05. Dollar volume for CY 04 passed \$150 million, which resulted in an increase in the State's rebate rate to 0.95%.

Significant Accomplishments

The SPO is proactively administering the contract with Bank One, ensuring that rebates due are received in a timely manner and that agencies new to the program are actively involved and moving forward with program implementation.

Objective 2.3, Customer Service

Background. Use of the average survey scores as performance measures is continued with this year's Program Crosswalk. Each office in the division modified a standard survey format and used different survey questions targeted towards their program objectives and customer needs. However, the rating systems are essentially equivalent and based on a 5-point scale. The Division used the Internet for completion of its customer surveys as much as possible in FY 2004-05. The State Controller's Office for the first time used a program-wide customer satisfaction survey that was broadly disseminated and provided for anonymous responses.

Similar or Cooperating Programs and Stakeholders

Fully delegated agencies and institutions have purchasing and accounting offices, but there are no other similar programs in Colorado having comparable missions. As noted above, when requirements warrant, the SPO cooperates in procurements with other states, agencies, or political subdivisions.

Customer	Requirement
All State Agencies and Institutions	The SCO provides guidance and oversight to all state agencies for accounting and contracting issues. Price agreements provide sourcing channel for recurring requirements without agencies/ institutions having to compete or otherwise enter into agreements. Orders are easier to process, especially in service price agreements. BIDS and procurement card program provide efficiencies for agencies and institutions statewide.
Office of State Planning & Budgeting, Joint Budget Committee and Capital Development Committee	The SCO provides financial information for decision-making and develops accounting procedures to implement new Legislative directives.
Office of the State Auditor	All financial data accessible for review. The SCO facilitates the statewide audit by generating customized reports.
Agencies without delegated procurement authority	All agencies have delegation for routine, small purchases. The SPO performs procurements for agencies without experienced procurement

	staff.
Vendors and contractors	Over 8,000 vendors are on BIDS, and SPO manages the primary interface between all state agencies and institutions. Through the appeals mission of the SPO, vendors have an avenue of review of procurements when they feel aggrieved. The State Controller or his delegate must sign all state contracts.
Local Governments	Political subdivisions are significant users of SPO price agreements. State agencies/institutions benefit from leveraged pricing that is achieved through broad participation by political subdivisions.
Taxpayers, bond investors & other users of the State's Financial Statements	Accurate and understandable financial information readily available.

Program Crosswalk

Program Title: Collections Services (CCS)

Line Items:

Personal Services

Operating Expense

Collection of Debts Owed to the State

Change Request(s):

Federal/State Statutory Authority

C.R.S. 24-30-202-4 – Provides for debt collection for State agencies and Political Sub-divisions.

Program Description

The Division of Finance and Procurement, Central Collection Services (CCS) is statutorily responsible for providing debt collection services to State agencies and Political Sub-divisions. CCS provides this service at a fixed commission rate, currently 15 percent per dollar collected. CCS has unique capabilities, such as State income tax and/or vendor intercept, access to wage and employment information as well as access to Department of Revenue Motor Vehicle information, none of which are afforded to private collection companies. The unit is also responsible for the management and distribution of State debts to awarded private collection companies and private collection counsel for the State. Statutes require referral of debt to CCS at 30 days past due, and debts are subsequently assigned to private collection companies at 90 days old if no repayment arrangements have been made with debtors. This partnership increases the opportunity for collection. The debt collection computer software used by CCS -- Columbia Ultimate Business Systems (CUBS) "Revenue Plus" -- is required to perform all of the unit's responsibilities.

Prioritized Objectives and Performance Measures

Objective 1.1: To collect 25 percent of the debt referred by agencies and institutions by June 2006.

Previous Measure: Recovery rate: Debt collected divided by assignments of debt minus cancellations.

*As a result of the recent CCS Performance Audit, DPA consulted with a wide variety of industry resources, including the private collection agencies under contract, as well as industry associations such as the American Collectors Association (ACA) and Price Waterhouse Cooper, to review the various methods for calculating recovery rates, in order to determine the method most appropriate for CCS to use. CCS now utilizes the current method used by the ACA, debt collections divided by the assignments of debts, which is the most common industry standard also used by the majority of private collection agencies. The recalculated recovery rates for CCS reflect the change in policy.

New Measure: Recovery rate = Debt collected divided by assignments of debt.

While the Objective 1.1 recovery rate of 25% was originally intended to serve as the goal using the previous calculation method, based on recent performance it has been determined to be appropriate to retain this goal using the new calculation method as well.

	FY00-01 Actual	FY01-02 Actual	FY02-03 Actual	FY03-04 Actual	FY04-05 Actual	FY05-06 Projection
Debt Placed	\$42,633,472	\$45,695,809	\$69,358,560	\$53,923,274	\$47,614,085	
Cancellations	\$ 9,506,222	\$18,847,795	\$10,694,188	\$ 9,616,961	\$12,612,371	
Debt collected	\$11,388,461	\$10,503,085	\$12,108,328	\$10,495,780	\$11,733,437	
Target Recovery Rate		New	23.0%	23.0%	25.0%	25.0%
Actual Rate (old method)	26.7%	22.0%	20.6%	23.7%	33.5%	
*Recalculated Rate using New formula	26.7%	22.9%	17.4%	19.4%	24.6%	

Objective 2.1: To increase CCS customer satisfaction rating to 3.5 on 5-point scale in two years.

Measure: Average Customer Satisfaction Ratings, on a 5-point scale.

	FY99-00 Actual	FY00-01 Actual	FY01-02 Actual	FY02-03 Actual	FY03-04 Actual	FY04-05 Actual	FY05-06 Projected
Customer satisfaction rating target			New	3.0	3.5	3.5	3.5
actual	2.99	N/A*	2.6	3.1	3.2	3.1	

* Customer satisfaction statistics could not be found for FY 2000-01.

Objective 2.2: Oversight and Training. To provide statewide training for client agencies' accounts receivable.

Measure: Total oversight and training activities.

	FY99-00 Actual	FY00-01 Actual	FY01-02 Actual	FY02-03 Actual	FY03-04 Actual	FY04-05 Actual	FY05-06 Projected
One-on-one visits	N/A	13	22	25	27	30	30
Training seminars	N/A	3	6	6	6	6	6
Stakeholder meetings	N/A	N/A	N/A	2	1*	2	4
TOTAL target			New	33	35	38	40
actual		16	28	33	34		

*Several years ago, the Colorado Association of Administrators of Student Loans and Account Receivables (CAASLAR) created a Task Force to work directly with Central Collections in improving communications between CCS and client agencies and improving CCS processes. As a result of improvements at CCS, as well as changes in CAASLAR leadership and focus, this Task Force disbanded last year.

Central Collection Services (CCS) was involved in an audit from October of 2003 through March of 2004. The auditors had 21 recommendations for CCS to pursue, one of which was to convene a Task Force of CCS Stakeholders to analyze CCS processes and make recommendations regarding future endeavors. CCS convened the Task Force on April 12, 2005 at a meeting held at the Warwick Hotel. The Task Force is comprised of members from Higher Education, Dept of Labor and Employment, one of our Social Services clients, the Department's Chief Financial Officer, the head of the Collection Agency Board, representatives from CCS Contract Attorneys and one of the Contract Private Collection Agencies, Dept of Corrections, Dept of Transportation, the Division Director and the manager of Central Collections. There have been two meetings as of mid-July. The initial meeting on April 12 consisted of an overview of CCS, how we operate, how accounts are assigned, collected, litigated, forwarded and reported, as well as the challenges CCS faces in their operations. The group was then provided time to work together to create a schedule of meetings, a list of issues to review, and possible outcomes for CCS. Since that time, the Task Force has utilized Conference Calling to hold meetings, which have been very productive. So far, the Task Force has reviewed Benchmarking information, CCS Knowledge Retention project, what CCS might look like under each of the scenarios proposed by the auditors and what resources might possibly be needed, how each scenario might affect clients and other stakeholders, brainstorming about relevant issues regarding CCS and the challenges CCS face particularly with regard to resources. The Task Force has a face-to-face meeting scheduled for June 9 in the State Controller's office and are hopeful they will be able to complete their work by December of this year.

Trends and Baseline Information

Objective 1.1, Debt Collection

Background: CCS uses several tools to collect revenue for the State. Those tools include the CCS frontline collectors, private collection companies, litigation, and the Tax and Vendor Offset Programs.

Measure: CCS is continuing to improve its measurement standards by using the collection industry as a way to identify meaningful measurements. Due to recent audit comments, CCS has changed the formula for calculating the recovery rate as outlined above. The recovery rate is the performance measure used to determine the ratio of the amount of all collections compared to total dollar value of accounts placed with CCS by agencies and institutions. Collections represent gross revenues collected by CCS frontline collectors, private collection companies, litigation and the Tax and Vendor Offset Program. CCS has contacted other states to determine its effectiveness and found two other states which have centralized collection operations and much larger operations with staffing of over 100 personnel. CCS will continue to communicate with

these agencies to develop collaboration in sharing information, tools and techniques for maximizing recoveries as well as support for ways to increase our resources

Trends: The audit conducted in FY 2003-04 resulted in a number of audit recommendations, which CCS has been working on systematically since the completion of the audit. CCS meets on a weekly basis to review and implement the audit recommendations and is scheduled to complete these by December of 2005.

As referenced previously, the audit recommendation with the most significant impact to CCS was to convene a Task Force of CCS Stakeholders. This Task Force was convened in early 2005 and is charged with reviewing CCS operations and processes to determine the most beneficial potential of CCS. The options provided for review were:

- a. Decentralizing the collection function by requiring state agencies to manage the recovery of their own delinquent accounts.
- b. Allowing state agencies the option to use CCS or overseeing their own recovery efforts.
- c. Discontinuing the use of CCS staff for collection activities and administering the contracts with private collection agencies to handle recovery activities for delinquent accounts.
- d. Improving the performance of CCS by addressing issues identified in the audit report.

As we move forward, the nature of some of our clients' usage of CCS is changing. Several of our clients are expanding their own internal collection tools and mechanisms and/or using outside organizations to supplement their collections. The Department of Labor and Employment (DOLE) Unemployment Insurance Overpayment Unit, being a Federal program under unique guidelines and funding sources, was able to obtain favorable legislation which allowed them to hire more collectors for their internal operations, although they continue to utilize CCS for a great many of their accounts, particularly old accounts. Also, the Judicial Department began their own Tax Offset Program for newer accounts, while also retaining the usage of private collection agencies, but continues to utilize CCS for many of their old accounts. The pilot program began last year with the University of Colorado to utilize the College Access Network (CAN) (previously known as the Colorado Student Loan Program) to collect Federal Perkins NDSL debt was recently reviewed, determined to be a success and approved for schools to have the option of using CAN services for these specialized Federal loans. A few of the Higher Education agencies are using their services, while the majority continues to retain these accounts with CCS. These particular debts are collected under Federal guidelines and have specific procedures and rules, which CAN specializes in.

Significant Accomplishments: For FY 2004-05, CCS began to look at different ways in which to increase the efficiency of the collection process through automation and increased use of available technology. CCS completed installation of an Integrated Voice Response (IVR) System, which allows debtors to call in over the phone, access their account to check the balance, date and amount of last payment, make a credit card or check payment or set up and agree to a pre-determined payment plan. This program also allows client agencies to access their debtor accounts to confirm the current balance and/or verify any recent payments made.

CCS is also nearing completion of the EDS* Pay® Program which will allow debtors to access their accounts via the Internet to check the current balance and/or make a credit card or check

payment or to set up and agree to a pre-determined payment plan. CCS is also looking at new ways in which to use the Predictive Dialer. One method being considered is to target specific types of debt for the dialer to call. Also the dialer will continue to be used to contact debtors after work hours. With the added functionality of the IVR and the upcoming EDS Pay Program, it is anticipated that the Predictive Dialer will be able to generate more revenue with less contact directly with collectors.

Objective 2.1, Customer Satisfaction

Background: CCS manages debt collection for over 600 different programs, State agencies and institutions, which include district as well as county courts. CCS manages a portfolio of over \$357 million in accounts receivable with over 331,000 open accounts. CCS strives to continue to improve our customer service as well as our communication with clients, not only as a part of the Department's vision of Communication, Credibility and Customer Service but because our clients are truly our partners in the management of State debt.

Measure: Average customer satisfaction rating measured on a 5-point scale Internet survey.

Trends: CCS is continually researching more effective methods to address the needs of its stakeholders. The unit's role in the area of customer service becomes more important as clients needs change over time. This year, the survey was standardized with on-line responses sent to a larger pool of clients and administered on a Division level, with responses sent directly to the Division rather than through CCS, and with follow up from the Division Director to ensure a meaningful sampling of our clients. There were a total of 193 surveys sent out with a 26% return rate. The overall score was 3.1. The categories of Response Time, Legal Desk and Reporting received the lowest scores of 2.8, which were all improved over last year. The categories with the highest scores were Tax Offset, our Explanations of Decisions, the DebtNet Newsletter and our Conveyance of a Professional Image, with scores of 3.6, 3.3, 3.3 and 3.2 respectively.

The comments and scores provide us with a positive tool for reviewing our strengths and ability to focus on those areas our customers identify as needing more attention.

Significant Accomplishments: The new IVR and upcoming EDS Pay Programs provide improvements to our clients' ability to access our system, as well as the current modem capabilities. We have set up a "Hunt Group" through the phone system on the dedicated Customer Service phone line to provide a greater opportunity for clients to get a live person on the phone the first time they call. We are working with the Audit Task Force to identify areas for improvement in CCS operations, particularly in the areas of customer service, reporting and communications to provide an even higher level of service.

Objective 2.2, Oversight and Training

Background: CCS has been working diligently on the audit recommendations to improve our overall processes, to document current processes and to ensure policies are in place. CCS has been updating the Issues list started last year as well, in attempts to document and work on any issues that involve multiple clients or a significant process in the unit. CCS is working closely with the Task Force to look at other areas besides those in the Audit recommendations, both to

help them better understand CCS operations and to solicit input from them as to better ways to serve our clients needs. CCS received a number of accolades last year regarding our training sessions and presentations to different groups. Our new customer service representative is also quickly learning our processes in order to meet with clients on a regular basis in need of individual meetings.

Measure: Total number of oversight and training activities, including on-site visits, regional and on-site training seminars, and advisory committee meetings to be continued this year.

Trends: CCS will continue to meet with the Audit Task Force on a bi-weekly basis and to meet face to face every six weeks throughout the remainder of the year. CCS has revitalized its Regional Training sessions for clients in each region in order to provide up to date information about our processes and any changes that are made in our procedures or to available tools. CCS will continue to attend and present at the annual CAASLAR meetings to address Higher Education needs specific to that clientele. CCS will continue to distribute the DebtNet newsletter as the primary informational tool for our clients.

Significant Accomplishments: In February 2005, CCS sponsored a regional training for the Western Regional Clients. In May of 2005 CCS held the Southern Regional Conference and in June CCS held the Denver Regional Conference. In March, CCS did a presentation to the CU-Boulder Accounts Receivable section and in May, CCS also presented at the Colorado Welfare Fraud Council. CCS attended and presented at the annual CAASLAR convention in Beaver Creek in April of 2005.

Similar or Cooperating Programs and Stakeholders

Customer	Requirement
State agencies and institutions	Depends on CCS to maximize debt recovery and report delinquent accounts accurately.
Private collection agencies	Depends on CCS to supply accounts in an accurate and timely manner.
State Controller	Increase collections of statewide accounts receivable both by collection of debt, positive customer service and consulting clients regarding debt collection efforts.
Legislature	Depends on CCS to maximize the collection of debts owed the state and provide vital information on the collection of the state's accounts receivable.

Program Crosswalk

Program Title: State Buildings and Real Estate Programs

Line Items:

Coordination of Capital Construction, Controlled Maintenance Requests and Building Lease Review

Change Requests:**Federal/State Statutory Authority:**

Colorado Revised Statutes include: 24-30-1301 through 1304, 24-30-1401 through 1408, and 24-82-202

Program Description

State Buildings and Real Estate Programs, Division of Finance and Procurement, integrates statutory oversight responsibilities with comprehensive design, construction and real estate expertise in order to provide assistance and training to State agencies and institutions relating to state owned and leased assets. Specific responsibilities include:

- Establishing policies and procedures and providing oversight associated with the State's capital construction process (including controlled maintenance and Energy Management) for each State agency and institution of higher education. This process includes solicitation and procurement of professional design and construction services; establishing standard contract language; establishing project management guidelines including cost management; establishing the minimum building codes and compliance requirements; and administering the controlled maintenance program by establishing a statewide system to annually measure and report to the Capital Development Committee (CDC) the condition of State owned facilities and recommending the statewide prioritized list of controlled maintenance projects.
- Providing comprehensive project administration services to those State agencies and institutions of higher education that do not have technical staff experienced in project design and construction management.
- Establishing policies and procedures and providing oversight for State leases and other real estate contracts for each State agency and institution of higher education. This process includes: statutory approval of all leases, coordination with the State's contracted real estate brokers, maintaining and annually reporting to the CDC on the inventory of State property (including all improvements), developing performance criteria and real property management strategies, and development and administration of office space standards for leased space.

Prioritized Objectives and Performance Measures:

Objective 1.1: To provide oversight and monitoring of capital construction/controlled maintenance (CC/CM) projects and State leases and other real estate contracts (SL/REC) at State agencies/ institutions with delegated and non-delegated authority in order to provide accountability and justification on the appropriate use of State funds and compliance with legislative intent.

Measure: Workload measure tracks the numbers of formal on-site reviews at each agency/institution including: (a) project reviews verifying CC/CM project schedules and budgets, (b) ensuring compliance with policies and procedures, and providing technical assistance as needed (CC/CM and SL/REC).

	FY01-02 Actual	FY02-03 Actual	FY03-04 Actual	FY04-05 Actual	FY05-06 Estimate	FY06-07 Projection
a. Number of agency on-site project reviews: CC/CM						
Target	38	38	42	42	42	42
Actual	38	38	42	42		
b. Number of agency on-site policy and procedures reviews: CC/CM						
Target	38	38	42	42	42	42
Actual	38	38	42	42		
SL/REC						
Target	New Initiative	5	5	5	10	12
Actual	N/A	11	4	5		

Objective 1.2: Oversee implementation of adopted building codes and ensure consistency of code compliance/life safety standards at all State agencies and institutions.

Measure: Conduct annual reviews of: (a) all agencies' and institutions' code compliance plans and on-site inspections (incorporating the IBC adopted 7/1/05), (b) document tracking and (c) training needs.

	FY01-02 Actual	FY02-03 Actual	FY03-04 Actual	FY04-05 Actual	FY05-06 Estimate	FY06-07 Projection
a. % of agency on-site code compliance plan reviews:						
Target	10%	100%	100%	100%	100%	100%
Actual	10%	100%	100%	100%		
b. % of all code compliance doc's. rec'd and reviewed / completed project:						
Target	15%	45%	50%	100%	100%	100%
Actual	20%	22%	50%	60%		
c. Transition to the new building code:						
Target	New Initiative	July 2003	July 2004	N/A	N/A	N/A
Actual	n/a	Deferred	July 2004			

d. Number of state wide training sessions:						
Target	n/a	n/a	1	1	1	1
Actual	n/a	n/a	1	1		

Objective 1.3: Provide construction management services statewide to agencies (including DPA) and institutions of higher education that do not have technical staff experienced in project design and construction management.

Measure: Track the total number of capital construction projects including controlled maintenance, cash and federally funded projects directly managed by SBREP along with the total dollar amount of all project costs on an annual basis.

		FY01-02 Actual	FY02-03 Actual	FY03-04 Actual	FY04-05 Actual	FY05-06 Estimate
a. Number of projects managed and total \$ amount:						
TOTAL	Target	N/A	New Program	11 projects, \$22 M	16 projects, \$30 M	18 projects, \$55.9 M
	Actual	N/A	N/A	11 projects, \$22 M	16 projects, \$30 M	

Objective 1.4: Highlight the current measured condition of State owned facilities and prioritize and recommend annual controlled maintenance funding levels to the CDC in order to maintain and improve the condition of the state's facilities.

Measure: (a) Annual controlled maintenance recommendation compared to the actual appropriation, (b) agency total General Fund square footage (GSF) and current replacement value (CRV), and (c) the number of agencies with an average Facility Condition Index (FCI) above a FCI benchmark of 85 percent out of 38 agencies.

	FY01-02 Actual	FY02-03 Actual	FY03-04 Actual	FY04-05 Actual	FY05-06 Estimate	FY06-07 Projection
a. CM recommendation – vs. appropriation: Recommended S/Target Appropriated S/Actual, (%)	\$68.7 M	\$69.6 M	\$55.1 M	\$20 M	\$20 M	\$20 M
	\$55.3 M, (80%)	\$1.8 M, (3%)	\$17 M, (31%)	0.5 M, (2.5%)	23 M, (115%)	
b. Total GSF and CRV of state owned facilities in program:	35.9 M, \$4.8 B	37 M, \$5.3 B	37.2 M, \$6.2 B	37.9 M, \$5.8 B	38.2 M, \$6.0 B	38.3 \$6.1 B

c. Number of agencies tracked with FCI Avg. below benchmark:						
Number of Agencies	38	38	38	38	38	38
Target	New Initiative	31	25	25	25	25
Actual		31	28	30		

Objective 1.5: Develop centralized real property acquisition process for use by State agencies and institutions including enhanced fiscal accountability standards.

Measure: Implement completed policy draft as directed by the Executive Office by 9/30/2005.

	FY01-02 Actual	FY02-03 Actual	FY03-04 Actual	FY04-05 Actual	FY05-06 Estimate	FY06-07 Projection
a. Expand outline into written policy:						
Target		6/30/03 Complete policy concept draft	10/1/03 Issue RFP	12/1/04 Implement policy	9/1/05 Implement policy	
Actual	n/a	6/30/03 Policy concept draft completed	10/31/03 RFP issued	Postponed implementa- tion due to re- solicitation		

Objective 1.6: Implement Phase I of Real Estate Strategic Plan for Executive Branch departments. Complete Phase II for Institutions of Higher Education.

Measure: Distribute approved Phase I Strategic Plan document to Executive Branch departments and filter all subsequent space requests through the Strategic Plan for each executive branch department. Complete Phase II for Higher Education by 1/15/06.

	FY01-02 Actual	FY02-03 Actual	FY03-04 Actual	FY04-05 Actual	FY05-06 Estimate	FY06-07 Projection
a. Issue RFP and complete selection process:						
Target		New Initiative	12/31/04 Selection completed	7/30/04 Complete Re- solicitation	N/A	N/A
Actual	N/A	N/A	10/31/04 RFP re- issued due to re- solicitation, selection delayed	7/30/04 re- solicitation completed, 9/30/04 Broker Contract executed		

b. Complete initial strategic plan:						
Target		New initiative	6/30/04 Complete Strategic Plan	1/1/05 Complete Preliminary Strategic Plan	1/15/06 complete Ph II	
Actual	N/A	N/A	5/15/04 Selection Process terminated	6/30/05 Ph I completed, implementation commenced		

Objective 2.1: Establish energy conservation capital construction/controlled maintenance process incorporating energy conservation guidelines and Energy Performance Contracting (EPC) in order to help maintain and upgrade State owned facilities and reduce energy consumption.

Measures: (a) track the number of on-going EPC (in the performance period) and the contract dollar amounts and (b) the number of new EPC (in the audit or construction period) in the current fiscal year and the dollar amounts of identified controlled maintenance projects funded through the performance contract (as noted below the table),

	FY01-02 Actual	FY02-03 Actual	FY03-04 Actual	FY04-05 Actual	FY05-06 Estimate	FY06-07 Projection
a. # EPC On going & contract \$:	3/ \$748,000	3/ \$748,000	3/ \$748,000	5/ \$15 M	10/ \$30 M	14/ \$45 M
b. Total CM \$:						
Target	n/a	n/a	6/ \$7 M	7/ \$15 M	7/ \$15 M	10/ \$25 M
Actual	\$2,889,629	\$2,889,629	\$2,889,629	\$5,160,629		

Objective 2.2: Provide needs-based skill development training to maintain a technically competent and highly effective statewide workforce in order to manage capital construction/controlled maintenance (CC/CM) and State leases and real estate contracts (SL/REC).

Measure: Total number of training sessions held annually, through: (a) one-on-one training sessions with each agency/institution and (b) through statewide meetings.

	FY01-02 Actual	FY02-03 Actual	FY03-04 Actual	FY04-05 Actual	FY05-06 Estimate	FY06-07 Projection
a. Number of agency training sessions:						
CC/CM Target	38	38	42	42	42	42
Actual	38	38	42	42		
b. Number of state wide training meetings:						

CC/CM	Target	2	2	1	1	1	1
	Actual	2	1	1	1		
SL/REC	Target	1	1	1	1	1	1
	Actual	1	1	1	1		

Objective 2.3: Achieve and maintain at least a good customer satisfaction (4 on a 5-point scale) of capital construction/controlled maintenance (CC/CM) process and state leases and real estate contracts (SL/REC) process.

Measure: Average of customer survey responses.

		FY01-02 Actual	FY02-03 Actual	FY03-04 Estimate	FY04-05 Projection	FY05-06 Estimate	FY06-07 Projection
Survey results:							
CC/CM -	Actual	3.83	4.4	4.0	4.0	4.0	4.0
SL/REC -	Actual	4.05	4.16	4.3	4.1		
Average	Target	New Initiative	4.0	4.0	4.0	4.0	4.0
	Actual	3.94	4.28	4.5	4.1		

Objective 2.4: Continue to maintain processing time less than five days for processing of contracts as central approvers for both capital construction and controlled maintenance (CC/CM) processes and State leases and real estate contracts (SL/REC) process.

Measure: Average contract-processing time

		FY01-02 Actual	FY02-03 Actual	FY03-04 Actual	FY04-05 Actual	FY05-06 Estimate	FY06-07 Projection
CC/CM	Target	New Initiative	2.0 days	2.0 days	2.0 days	2.0 days	2.0 days
	Actual	.19 days	.32 days	.21 days	2.72		
SL/REC	Target	New Initiative	2.0 days	2.0 days	2.0 days	2.0 days	2.0 days
	Actual	1.93 days	1.65 days	1.19 days	1.21		

Trends And Baseline Information

Objective 1.1: Oversight and Monitoring

Background: SBREP provides statutorily mandated oversight of capital construction, controlled maintenance requests and real estate contracts directly and through delegates authorized through interagency agreements pursuant to statutory authority. Delegation is granted to specific agency staff demonstrating technical expertise in order to act on behalf of SBREP in an expeditious and cost effective way. Currently the CC/CM process has twenty delegates and the SL/REC process has ten delegates. These delegates are directly accountable to SBREP on a continuing basis. In addition, all other non-delegated agencies/institutions rely on SBREP on a daily basis to review and approve all procedural and contractual documents as well as to provide technical input.

Trends: Continued application of professional business practices to the programs has resulted in streamlining of policies and procedures and allowed the number of on-site reviews to increase because of site visits including energy projects and training activities throughout the year.

Measures:

CC/CM:

On-site verification of CC/CM projects and Energy Performance Contracts coordinated with financial status and vacancy/use reporting is monitored and tracked since it is the most effective means of gauging project status and performance.

SL/REC: Continued streamlining of real property inventory databases and document tracking systems is a key factor in providing critical information for decision making by the legislature and agencies and institutions.

Significant Accomplishments:

CC/CM:

Annual Report – After completing the on-site reviews of all agencies CC and CM projects in August, SBREP compiled the annual report to include several new reporting improvements. The improvements included a formalized methodology for determining the annual CC needs of the State as well as the CM needs and, the incorporation of the Real Estate Executive Summary into the State Buildings Executive Summary in order to provide the CDC with a comprehensive overview of State owned and leased facilities as a resource for informed decision making.

As-Needed Professional Services - The selection process has been simplified for all agencies by having the selection occur statewide, modifying the selection system to be pass-fail, and the compilation of the selection results electronically. The selection process was also revised to standardize the number of categories available to the engineering community to align with licensing qualifications.

SL/REC:

Implementation of Centralized Leasing Procedures Policy: The policy establishes a more centralized leasing procedure with enhanced fiscal accountability in conjunction with OSPB and CCHE. When fully implemented, the policy will result in a more efficient, effective, economical, coordinated, and centralized space acquisition process for State agency needs.

Fiscal Funding Issues: In order to help agencies cope with on-going budget challenges, policies, sample documents and training sessions were developed to inform agencies of requirements and options when exercising fiscal funding termination provisions in State leases and to suggest possible ways to save lease dollars.

Objective 1.2: Code Compliance

Background: SBREP is authorized by statute to establish the minimum building codes to be applied to all State-funded construction projects, regardless of funding source, at all State agencies/institutions (except the Department of Natural Resources and the Department of Transportation). SBREP is further required to ensure that all physical drawings by Architects/Engineers are in compliance with the adopted building codes and that all facilities are built in accordance with those approved physical drawings through standardized site inspections.

Specifically, life safety and property protection are the main concerns. Code consultants selected by SBREP and managed through a master agreement provide required drawing reviews and building inspections on a project by project basis and are paid for out of the project funds.

Trends: Agencies continue to improve their reporting to SBREP per the established code compliance policy on all CC and CM projects.

Measures: On site verification coordinated with document tracking of drawing reviews and building inspections along with providing code compliance training has proven to be the most effective means of establishing standardized code compliance throughout the State.

Significant Accomplishments:

Code Policy: The Code Compliance process has been updated to reflect the new International Building Codes for drawing reviews and building inspections statewide. In addition, the process has been streamlined to facilitate consistent documentation throughout the life of the project including project completion and close-out.

Code Compliance Document Tracking: Code compliance document tracking has been added to the annual controlled maintenance site verification visit to each State agency/institution during the June through August time frame. In addition, improved oversight of the code review agents includes tracking of plan review and building inspections by volume and quality.

Objective 1.3: Construction Management Services

Background: With the consolidation of the Construction Management program into SBREP project administration last fiscal year, services are now provided to agencies and institutions of higher education that do not have experienced technical staff in project design and construction management, at no additional cost to the project. SBREP exercises DPA's statutory responsibility for statewide oversight and monitoring of the capital construction process. By providing construction management services SBREP's capabilities are greatly enhanced, which should benefit the State in terms of project budgeting and timeliness.

Trends: Due to the economic slow down State agencies and institutions of higher education were forced to reduce the operating budgets of facilities management departments involved in the capital construction process. Although a modest economic recovery is underway, the State may not be in a position to hire additional FTE for years to come. SBREP provides the necessary administrative and technical services as needed on a statewide basis.

Measures: Annual tracking of the number of construction projects successfully managed and the total dollar amount of all project costs.

Significant Accomplishments: The construction management team has successfully completed the construction administration on the new \$5 million, 40,000 sf CDLE office building addition on time and in budget. The on-going \$30 million Capitol Life Safety Project has successfully completed the third phase of construction, with the implementation of the first on-line and

integrated fire alarm and suppression system in the history of the building. The installation of the \$1.4 million replacement boiler in the power plant was successfully coordinated as well.

Finally, ground was broken on November 1, 2004 and construction began on the new \$8 million State of Colorado parking garage located at 13th and Lincoln. The four-story structure will have 633 parking spaces and one elevator, and should be completed by November of this year. The structure was designed to enable future growth of two more floors and possibly two more elevators. When the project is completed, current parkers who have relocated due to the construction, as well as individuals currently assigned spaces in the old parking garage, will occupy the new structure. The old garage will be vacated and eventually demolished.

Objective 1.4: Controlled Maintenance Program

Background: Controlled Maintenance is essentially planned major maintenance for State owned facilities and is not funded in agency/institution's operating budgets. Historically State owned facilities were not being properly maintained so the legislature created this funding request process through the Department of Personnel & Administration to be administered by SBREP. Essentially, State statute requires SBREP to evaluate and prioritize statewide controlled maintenance needs and present an annual budget recommendation directly to the CDC and the OSPB.

Trends: As a result of the economic downturn, State revenues dramatically declined and funding for controlled maintenance was limited and the condition of facilities declined. However, tracking and measuring the current condition of State owned facilities is essential in order to provide decision makers with the accurate documentation needed to justify funding for critical needs.

Measures: Over the past ten years the percentage of SBREP's funding recommendations relative to the actual amount of the annual appropriation is an indication of program credibility while the annual assessment of facility conditions is a measure of the impact of annual funding or the lack thereof.

Significant Accomplishments:

SBREP has established a high degree of credibility in the controlled maintenance program through the implementation of statewide facility audits, strategic five-year plans and management oversight as evidenced by the unprecedented amounts funded in past years (culminating with \$55.3 million in FY 2001-02). Over the past three fiscal years controlled maintenance funding has been appropriated only to the emergency fund due to State revenue shortfalls. However, in FY 2005-06, \$23 million was appropriated for controlled maintenance needs as recommended by SBREP.

With over 95 percent of all State agencies/institutions implementing facility audits cycles, SBREP continues to expand and improve on the reporting of the average facility condition per agency and provided benchmarking for operational maintenance costs.

Objective 1.5: Develop Centralized Real Estate Acquisition Process

Background: In order to maximize value received for funds expended by State agencies for acquisition of leased space and purchases of real property, a more centralized process is being developed along with strategic planning efforts. This includes additional interfaces with OSPB and CCHE. Although currently used for many situations, a Needs Assessment, Build/Buy/Lease Cost Analysis, and/or Detailed Cost Comparisons will be required in applicable situations to ensure that the most cost effective options have been reviewed.

Trends: Adoption of professional business practices is increasingly common in government. Applying such practices, while being mindful of the fiduciary duty of State government to taxpayers, is a significant trend. Other states have also begun strategic planning of real estate assets.

Measures: Timely development of a more analytical and centralized property acquisition process will be an important asset management tool for State government.

Significant accomplishments:

Communication – A draft for Centralized Leasing Procedure was developed to provide a process for more efficient, effective, economical, coordinated and centralized space acquisition procedures. Increased communication regarding real estate matters with the OSPB, CCHE, the CDC and the JBC has provided additional sources of valuable information that are used as tools for decision-making.

Issued RFP Completed RFP process. Completed final draft of Centralized Leasing Process that will be implemented in September 2005.

Objective 1.6 Implement Phase I of approved Strategic Plan for Executive Branch Departments

Background: The current brokerage contract provides all of the services needed to accomplish strategic planning and enhanced lease management objectives. DPA, through SBREP, issued an initial RFP for brokerage services in October of 2003 that was delayed due to a solicitation protest. Re-solicitation should be successfully completed 9/30/05.

Trends: Adoption of professional business practices is increasingly common in government and many states now require brokerage firms to provide strategic consulting services along with tenant representation and other lease and project management services. Applying such practices while being mindful of the fiduciary duty of State government to taxpayers is a significant trend.

Measures: Timely implementation of the goals identified in the Phase I Strategic Plan will be an important asset management tool for State government.

Significant accomplishments:

Phase I Strategic Plan: Completed and approved Phase I of the Strategic Plan and distributed to all Executive Branch departments 7/5/05.

Objective 2.1: Energy Conservation

Background: SBREP has statutory responsibility to establish building energy design standards and energy life cycle cost parameters so that State owned facilities are designed and constructed to be both energy efficient, and to provide for a comfortable and healthy working environment.

Trends: Through the CM process, many agencies have improved the energy efficiency of their facilities. Agencies are using energy performance contracts to fix and update their facilities as an alternative to the CM funding process and to resolve energy associated maintenance needs. Last fiscal year the Governor issued an Executive Order requiring all agencies and institutions of higher education to assess the feasibility of implementing energy performance contracts in order to improve state buildings.

Measures: SBREP through the CM process monitors and tracks the number, size, and scope of all energy performance contracts.

Significant Accomplishments:

Performance Contracts – As referenced previously, an energy performance contract (EPC) provides an alternative funding source for a State agency to repair and/or upgrade its facilities. Energy performance contracts use avoided future energy costs from increased facility energy efficiency as the method to fund facility improvements over the life of the contract.

State Buildings and Real Estate Programs and the Office of Energy Management and Conservation (OEMC) provide support in developing and implementing energy performance contracts through an OEMC program called Rebuild Colorado.

SBREP has executed eight energy performance contracts and added an additional phase to two contracts in the last ten years with a total construction value of \$38 million. These contracts upgraded over \$11 million of necessary maintenance projects funded through energy performance contracts. SBREP also updated and modified the energy performance contract to match the new SBREP construction general conditions and lessons learned from recent projects. Recently, the \$1.4 million replacement boiler was installed in the power plant. XCEL furnished and installed the boiler and will operate it for twenty years as part of a lease agreement related to the DPA performance contract.

Energy Code- Effective July 1, 2004 the International Energy Code became the State's energy code and will be a part of the integrated family of international Building Codes adoption by the State.

Objective 2.2: Training

Background: Training continues to be an integral part of SBREP's success in managing the programs at both delegated and non-delegated agencies/institutions. Design, construction and real estate contracting are becoming more complex and varied. Therefore, training is a function that will continue to require creative approaches within limited and existing resources.

Trends: SBREP has seen demand for training increase, involving one-on-one focused meetings at individual agencies/institutions and general statewide meetings with up to several hundred attendees from over 42 different agencies/institutions.

Significant accomplishments:

CC/CM:

SBREP has now completed eight continuous years of incorporating one-on-one training at all agencies/institutions and annual statewide meetings.

SL/REC:

SBREP has now completed four consecutive years of statewide training for agencies and institutions and intends to add one additional meeting outside of the Denver Metro area, as well as increasing the number of one-on-one training sessions at individual agencies. In addition, training sessions were developed to inform agencies of requirements and options when exercising fiscal funding termination provisions in State leases and to suggest possible ways to save lease dollars.

Objective 2.3: Customer Satisfaction

Background: This survey was developed in FY 2002-03 by DFP/SBREP based on the DFP model.

Trends: Excellent customer service continues to be an important goal for the department.

Significant accomplishments:

SBREP has completed a survey of agency representatives gathering important feedback on areas for improvement, and the results have consistently surpassed the targeted goals.

Objective 2.4: Efficient Contract Processing

Background: SBREP has statutory responsibilities as central approvers to review capital construction and controlled maintenance contracts, leases, easements, purchase agreements and other contracts.

Trends: With limited resources and the unavoidable decentralization of the central approvers timely turn-around of contract review and approval will be challenging.

Measures: The State Controller monitors and tracks the number and processing time for contracts and distributes that information.

Significant accomplishments:

Although the State Controller has a stated goal of five days for processing by central approvers, the program has consistently stayed well below the goal. Even with the relocation of SBREP to 1313 Sherman, and away from the other central approvers, the processing time has continued to stay well below the five-day goal.

Similar or Cooperating Programs and Stakeholders:

Stakeholders	Cooperating Programs and Expectations for Program Performance
OSPB/CDC	<ul style="list-style-type: none">• Report on the annual controlled maintenance budget recommendation as a component of the state's overall capital construction budget.• Report on the annual acquisition and disposition of state owned real property as it impacts the inventory of state owned property to the CDC.• Assist state agencies and institutions with presentations to CDC regarding real property acquisitions and dispositions.
OSPB/CCHE	<ul style="list-style-type: none">• Provide consultation regarding capital construction and real estate issues and strategies.
All Agencies and Institutions (except DNR and CDOT)	<ul style="list-style-type: none">• Provide policy guidance and oversight through SBREP delegates of capital construction / controlled maintenance and real estate transactions, requiring development, publication, training, and implementation and recurring interface with SBREP delegates and principal representatives. Agencies rely on SBREP to provide coordination, technical expertise, and training in planning and managing capital construction /controlled maintenance projects and real estate transactions.• Provide comprehensive project administration services to state agencies and institutions of higher education that do not have technical staff experienced in project design and construction management.
Vendors	<ul style="list-style-type: none">• SBREP oversees the procurement of design, construction and real estate services, manages the contracted real estate brokers, resolves disputes, and assists the State Purchasing Office in acting on appeals and resolving disputes. Contractors, architects/engineers, real estate brokers and other professionals

	rely on SBREP to develop standardized processes for the notification, selection and management of state-funded work, while ensuring accessibility for all qualified firms.
The Public	<ul style="list-style-type: none">• The public relies on SBREP to consistently provide safe, code compliant, handicapped accessible, well designed, properly constructed and properly maintained facilities statewide, and to professionally manage the state's real estate assets, in a cost effective and energy efficient manner while maximizing the use of taxpayer dollars.

Program Crosswalk

Program Title: Administration

Line Items:

Personal Services
Operating Expenses

Change Requests:

Federal/State Statutory and Other Authority:

N/A

Program Description

The Administration Unit manages, coordinates and integrates the internal business functions of the Division of Information Technologies (DoIT). Budget preparation and monitoring, the billing of services, accounting reconciliation and financial reporting, procurement and rate setting are all areas in which this unit plays a crucial role for DoIT. In addition, this group is responsible for supporting the human resource efforts of the Division.

The Administration unit is also responsible for managing the daily administrative functions for management and staff that includes receptionist duties, mail service, personnel actions, timekeeping, and a variety of other functions. This unit also works closely with the Department's Executive Office staff to integrate multiple DoIT fiscal and policy initiatives into the broader DPA strategic vision. To achieve this objective, monthly financial meetings are currently held that include DoIT management and DPA Executive Office financial staff to review budget issues, personnel issues, purchasing/contract issues and accounting practices.

Prioritized Objectives and Performance Measures

OBJECTIVE 1.2 Annually, improve program processes by incorporating recognized "best practices" and standards in order to provide the work units of DoIT with clear, concise information on personnel, payroll, purchasing, accounting, budgeting and rate issues.					
		FY2005-06	FY2006-07		
Measure 1.2.1 Improve internal Procurement Request processing from acquisition to receiving to invoice payment.	Target	December 2005			
	Actual	Establish Baseline	Use Baseline		

		FY2005-06	FY2006-07		
Measure 1.2.2 Improve internal justification of travel and training requests	Target	December 2005			
	Actual	Establish Baseline	Use Baseline		

Additional Information

Measure 1.2.1: In FY 2003-04, DPA/Financial Services developed and implemented a process to acquire goods and services for each division. DoIT Administrative Services is charged with assuring that the goods and services are ordered according to the Procurement Rules & Regulations, Fiscal Rules, and Department Policies and Procedures. The Administrative Services staff processes over 1000 requests annually. With this volume of requests, the Administrative Staff feels the need to track all acquisitions from beginning to end. During FY 05, several purchases were not received in a timely manner because of lack of tracking. Over the next 6 months, staff will develop a tracking process that will encompass notification of approval, follow-up with vendors, receipt of goods/services, to receipt of invoice and payment. This will allow management to provide better service to the customers and improve reporting. A baseline will be established by measuring percentage of purchases processed against turnaround of receipt of goods/services and processing of invoices

Measure 1.2.2: In FY2005-06, the Administrative staff will develop a process by which employees will submit requests for training and travel with clear and concise justification that benefits the State agency and its customers. Training is a vital part of maintaining current on technical aspects of the services offered to our customers and in order to support employees in knowledge transfer, they must be provided with clear procedures to accomplish their requests. A baseline will be established by measuring turnaround time to get approval for classes and travel.

Similar or Cooperating Programs and Stakeholders

DoIT Administration exists to support the technical and managerial staff of DoIT. This unit interacts with the Department's Executive Office on financial, accounting, purchasing, and human resource matters on a daily basis. The unit is charged with management of internal control processes, monitoring current internal and external trends that affect those processes, and dissemination of information to Division management and staff.

Program Crosswalk

Program Title: Customer Services

Line Items:

Personal Services
Operating Expenses

Change Request(s): None

Federal/State Statutory and Other Authority:

DoIT operates under C.R.S. 24-30-1601 through 21-30-1607. These statutes refer to the General Government Computer Center (GGCC).

Program Description

This Unit functions as the central point of contact for all Division of Information Technologies (DoIT) customers. Its purpose is to ensure the smooth delivery of information services to the customer in a timely manner. A "Help Desk" function allows this unit to interface directly with the customer when a need is called in. Customers can contact the DoIT Service Center to report any issues with the State's network, mainframe operations, application servers stored on the DoIT computer room floor, telephones involving all (303) 866 and 239 extensions for Capitol Complex/Fort Logan lines, and Capitol Complex and Fleet Management emergency maintenance and service issues from 5 PM to 7:30 AM on weekdays, weekends, and holidays. The DoIT Service Center also handles after-hours calls for CDHS.

DoIT Customer Services (the Service Center) is appropriated 12 FTE in FY 2005-06 and is responsible for:

- (1) Data Center Job Scheduling - this function requires the Unit to define jobs in scheduling software per customer requirements),
- (2) Production Management, including assuring successful completion of customer jobs,
- (3) Network Monitoring, including monitoring the status of the statewide voice and data networks and providing appropriate work unit notification,
- (4) Desktop Tier 1 Service - providing Tier 1 assistance with hardware/software problem resolution and change support including password resets (Top Secret Security (TSS),

- (5) Voice Service (taking trouble reports and change requests from customers and relaying the request to the appropriate network group),
- (6) Coordination of change/problem management and publishing and distribution of user information, and
- (7) After Hours Response Service - this statewide service consists of receiving and responding to calls received after normal business hours for departments whose call centers are not open during this period.

Other Trends and Baseline Information

Efficiencies are continually sought through economies of scale by utilizing shared resources to perform work for other State agencies (i.e. job scheduling, production review and processing of requests for after hour calls).

Prioritized Objectives and Performance Measures

OBJECTIVE 1.2 To be the Service Center of choice for State government					
		FY2004-05	FY2005-06	FY2006-07	
Measure 1.2.2					
Relocate the Service Center to the Computer Room.	Target	10/04	N/A		
	Actual	12/04	N/A		
Measure 1.2.3					
Implement new help desk software, Remedy	Target	09/04	N/A		
	Actual		07/05		

OBJECTIVE 1.2 To be the Service Center of choice for State government					
		FY2004-05	FY2005-06	FY2006-07	
Measure 1.2.4 Integrate the Service Center into Computer Operations (4 of 10 FTE)	Target		12/05		
	Actual				
Measure 1.2.5 Develop training program to prepare for anticipated retirements	Target		06/06		
	Actual				
Measure 1.2.6 Implement online training – Complete 80% (500 hours of training)	Target		06/06		
	Actual				

Additional Information

N/A

Similar or Cooperating Programs and Stakeholders

A number of departments have call centers operating during normal business hours for their departments. However, DoIT's Service Center provides 24 hour, seven-day-a-week coverage to its customers. In addition to supporting DoIT functions, the Service Center provides Tier 1 service to a number of these agencies outside of their normal business hour operations.

Program Crosswalk

Program Title: Order Billing

Line Items

Personal Services
Operating Expenses

Change Requests:

Federal/State Statutory and Other Authority:

Order Billing operates under C.R.S. 24-30-901 through 24-30-909.

Program Description:

The Order Billing unit is appropriated 10 FTE in FY 2005-06 with primary responsibilities that include the collection of user charges for telecommunication services provided by the Department, as well as providing timely payment to outside vendors for provisioning those services. These user charges are transmitted to the State Treasurer, who credits the same to the Telecommunications Revolving Fund created by C.R.S 24-30-908. The moneys in the fund are subject to annual appropriations by the General Assembly to the Department for use in acquiring such materials, supplies, labor, and overhead as are required for telephone and data communications related service functions.

Order Billing staff process various requests for voice, video and data services as requested by State and local government entities, including, but not limited to providing business functions for service requests ranging from the purchase of State cell phones to the purchase of circuits and routers for State operations provided by DoIT. Order Billing is a key contact for customers when ordering services, including all orders for services provided through the State of Colorado MNT network. In addition, staff provides the accounts payable and receivable functions for all activities associated with the management of the Telecommunications Revolving Fund (Fund 603).

Trends and Other Baseline Information:

During FY 2003-04 and FY 2004-05 Order Billing completed the conversion of hundreds of legacy data circuits to the statewide MNT network and processed hundreds of orders for new service for State agencies and political sub-divisions. It is anticipated this trend will continue as innovative technologies are used to provide efficiencies in operating the business of government.

Prioritized Objectives and Performance Measures:

		FY 2003-04	FY 2004-05
Measure 1.2.1: Order/Billing Reconciliation Project	Target	N/A	6/30/04
	Actual	N/A	Ongoing
Measure 1.2.2 Apply new billing rates to various databases developed as a result of the Truth-in-Rates initiative.	Target	N/A	8/01/03
	Actual	N/A	Implemented 7/01/03 and completed 12/01/03
Measure 1.2.3 Develop and implement paperless process to bill for services.	Target	N/A	5/31/04
	Actual	N/A	Completed 8/04
Measure 1.2.4 Complete conversion to Qwest single bill eliminating "Blue Bill"	Target	N/A	2/29/04
	Actual	N/A	Ongoing
Measure 1.2.5 Implementation of a Telecommunication Financial Management System	Target	N/A	10/31/05
	Actual	N/A	

Additional Information:

Measure 1.2.1 is a subcontracted service that is managed by Order Billing staff. The intent is to evaluate past billing to the Department for vendor services and request refunds for services billed in error or inappropriately. To date no credits have been issued to the Department. This is primarily a vendor performance issue; a new vendor is assigned to begin this task anew as of 8/01/05.

Measure 1.2.2 is complete, with final cleanup and implementation of new billing rates to our customers done in December 2003. These rates for services were derived from actual cost information and history. This objective is consistent with recommendations made through a legislative audit completed in FY 2002-03.

Measure 1.2.3 is complete. Billing detail to support all services provided by Network Services is available electronically as of August of 2004.

Measure 1.2.4 is related to simplification of billing to the State of Colorado from Qwest. Qwest has provided a single simplified bill to the Department. The Division continues to work with Qwest to eliminate errors, complete the migration of a few blue bills and improve the timeliness of billing.

Measure 1.2.5 a contract was awarded to Anchor Point Incorporated to implement this system in the forth quarter of FY 2005. Implementation is scheduled for completion by the end of the second quarter of FY 2006.

Similar or Cooperating Programs and Stakeholders

Order Billing provides direct support to all activities of the Division's Network Services operations. This unit provides services and support for all State departments, and a large number of local government agencies and political subdivisions. This includes departments such as Corrections, Transportation, Revenue, Labor, Natural Resources and Higher Education.

Program Crosswalk

Program Title: Communications Services

Line Items:

Personal Services
Operating Expenses
Training
Utilities
Snocat Replacement
Local System Development
Indirect Cost Assessment

Change Request:

Federal/State Statutory and Other Authority:

Communications Services operates under C.R.S. 24-30-901, C.R.S. 24-30-903, 24-30-908.5, 24-33.5-223

Program Description:

Communications Services plans, coordinates, integrates and provides effective and efficient Statewide Public Safety networks for the Departments of Public Safety, Transportation, Corrections, Natural Resources and many other State and local government agencies. The unit also provides engineering and design services to State and local governments using land based, mobile and microwave technologies. It works in consultation with local, State, and federal government departments, institutions, and agencies governed by the Federal Communications Commission to assist in formulating current and long-range telecommunications plans involving radio, microwave, wireless data, and public-safety radio communications systems.

Trends and Other Baseline Information:

Communications Services provides leading edge technological solutions that directly impact State and local government agencies in support of the citizens of Colorado. It continues the implementation of the Digital Trunked Radio (DTR) project as funds are made available. DTR is built and shared by State and local government partners, providing a seamless statewide network that enables direct communications between agencies that absolutely must communicate during times of emergency, sometimes referred to as interoperability. The relationships established through this cooperative effort have created the potential for additional opportunities with these partners. Currently there are approximately 21,000 - 800 MHz State and local government radios

operating on the DTR network. Five out of seven phases of the DTR project have been completed. When finished, there will be an estimated 32,000 State and local government subscribers sharing the same digital trunking technology. The system is a separate network from the current VHF/UHF system, which requires continued support from Communication Services staff until DTR is completed.

The State microwave radio network consists of infrastructure that includes remote equipment, buildings, towers, and transmission equipment at approximately 113 sites throughout Colorado. The system has been supporting Public Safety communications for over 45 years. A significant digital microwave radio upgrade project replaced the original analog equipment, and was completed in 1998. This digital transmission technology enables Communications Services to continue to support the 8,265 VHF/UHF Public Safety radios that are currently operating on the State microwave network, in addition to the DTR 800 MHz radios. The DTR project effectively doubled our current maintenance workload. The microwave system will continue to support the NLEC (National Law Enforcement Channel), Channel 3, the State common communications, and the NOAA (National Oceanic and Atmospheric Administration) emergency weather broadcast system throughout the State.

The practical benefits to the State that will result from completion of the DTR project include improved efficiencies in public safety response times, solutions to interoperability problems with all participating government entities, elimination of duplication of State owned radio systems, and data and voice transmissions over a single integrated network. To achieve the best value for the State of Colorado's investment, the State and the project receive the benefit of shared infrastructure that has been recently purchased by local governments whenever possible. For example, in June of 2005, Governor Owens and the Department of Local Affairs (DOLA) announced nearly \$13 million in grants to assist local first-responders in purchasing equipment and building digital trunk radio infrastructure. The Governor directed DOLA to provide the funding to rural communities to build DTR infrastructure, microwave towers and site equipment. Utilization of additional funding from this and other non-appropriated sources, leverage of market conditions, and the use of State FTE for implementation, has substantially decreased the original cost estimates for State funding from \$135 million to the current estimate of \$61 million. The benefits derived from the project philosophy have already been demonstrated in the first four phases of the project, and without the sharing of infrastructure and leveraging of other resources provided by local government entities (and other sources including federal), the project would be nowhere near its current state of progress as a result of budget shortfalls, and lack of capital construction funding at the State level for the past three to four fiscal years.

Finally, since the beginnings of the project in 1998, the State has partnered with local government to purchase, build and maintain the Digital Trunked Radio System (DTR). The development and construction of DTR is consistent with the intent and requirements stated in HB 98-1068.

Prioritized Objectives and Performance Measures:

Objective 1.2: Provide leadership, engineering, procurement, installation and maintenance of telecommunications systems and services for all departments in the State of Colorado.					
		FY2002-03	FY2003-04	FY2004-05	FY2005-06
Measure 1.2.1: Continue the implementation of DTR in accordance with contract 99-AMA00052 and option years.	Target	Phase V 6/30/03	Continuation as funded	Continuation as funded	Continuation as funded
	Actual	Not funded	Portions of Phase V & VI	San Luis Valley Phase VII	
Measure 1.2.2: Complete the construction and move of the Durango Facility	Target	9/31/02			
	Actual	6/30/03			
Measure 1.2.3: Complete OSHA training for tower and Sno-Cat operation.	Target	5/15/03		6/30/05	6/30/06
	Actual	5/30/02	Tower Certification 5/31/04	6/30/05	
Measure 1.2.4: Co-Locate Network and Communications Services	Target		6/30/03		
	Actual		6/30/03		
Measure 1.2.5: Move Denver Services Operations from 4201 East Arkansas to new location	Target		10/31/03		
	Actual		10/31/03		
Measure 1.2.6: Participate in Beta implementation of wireless 700MHZ data project	Target		6/30/04		
	Actual		6/30/04		

Program Crosswalk

Program Title: Network Services

Line Items

Personal Services
Operating Expenses
Telecommunications Audit Expense
Toll-Free Telephone Access to Members of the General Assembly

Change Requests:

Federal/State Statutory and Other Authority:

Network Services operates under C.R.S. 24-30-901 through 24-30-909.

Program Description:

Network Services plans, coordinates, integrates and provides cost effective and efficient telecommunication capabilities to meet the business needs of its customers. Network Services provides a voice and data communication infrastructure, including the digital data network, frame relay and ATM services. In addition, this work unit provides much of the voice communication needs for State agencies and a long distance contract that is used by all departments.

The construction of the Multi-Use Network (MNT) has now been completed. MNT provides affordable, quality, high-speed broadband data communications and Internet access to Colorado state agencies, schools, libraries, city and county government, medical facilities and institutions of higher education on a daily basis. A common telecommunication infrastructure is now available throughout the State and is supporting the vision of a seamless network providing high-speed voice, data and video.

By way of background, the Multi-Use Network project (MNT) is a public/private partnership to build a high-speed fiber-optic network for the State of Colorado. Qwest was the awarded partner selected to build the MNT with the State serving as anchor tenant. The State has aggregated many Colorado State government agency telecommunication requirements from its current multiple networks into a single network to reduce administrative and maintenance costs to the State. As anchor tenant, the State's investment will help leverage the development of telecommunications infrastructure, and has expanded delivery of advanced services to all geographic regions of the State.

Internet Services – Network Services reduces the risk of service interruption to Internet users (both citizens and employees) by upgrading to a giga-pop Internet service connected to the MNT.

Voice Services - Network Services provides best in class technological solutions that directly impact State and local government agencies in support of the citizens of Colorado. Network Services operates and maintains the Private Branch Exchange (PBX's) for the Capitol Complex, Kipling complex, Greeley locations and Grand Junction offices. In an effort to provide best in class technological solutions, Network Services has upgraded the PBX systems at Capitol Complex, Kipling and Grand Junction. By completing these upgrades Network Services has been able to provide enhanced services and features to our customers.

Long Distance - Network Services also manages the Long Distance contract and works with all State agencies to ensure their Long Distance needs are being met. Network Services provides the single point of contact for all inquires regarding long distance. Following a competitive RFP process, the State recently awarded a contract to Qwest to provide long distance, audio conferencing and other voice services to State agencies. This contract, when fully implemented in FY 06, will provide for a reduction in long distance costs of over 25%, resulting in savings in excess of \$1,000,000 per year. As this was negotiated on a statewide basis, the benefits of this contract are immediately available to Higher education and non-state agencies as well.

Data Services - Network Services operates and manages the Digital Data Network and the System Network Architecture network throughout the state. The term Digital Data Network (DDN) refers to data communication facilities including high speed digital transmission facilities, digital multiplexer equipment including I/O channels, supervisory monitors, DDN network software, wiring and cabling, master modems, DSUs or Line Drivers for tail circuits.

System Network Architecture is a class of network products that are an IBM standard. These products and services are operated and managed by Network Services. Both DDN and SNA are in the process of being sunset and migrated to the latest Internet Protocol (IP) technologies.

Video Services - Network Services manages the Cooperative Interactive Video in Colorado State government (CIVICS) network. By managing this service Network Services provides the delivery of interactive videoconferencing and classes to sites located around the state. Network Services provides video bridging and support to State agencies and Higher Education entities. Network Services also provides troubleshooting, scheduling and support of all video service to our customers.

Further, as previously mentioned. DoIT has contracted with Qwest in 2005 to provide audio and web conferencing services as a result of the new long distance contract. The full-suite of conferencing services include reservation-less, automated pass-code, operator assisted, web conferencing and streaming. The contract between the Sate of Colorado and Qwest assures excellent pricing and features space availability with 40,000 digital ports, conferencing services via a fully digital bridging network and superior 24/7 customer service and help desk support.

Trends and Other Baseline Information:

Network Services provides technological solutions to State and local government agencies that is essential in supporting the needs of citizens. It has completed the final tasks associated with the implementation of the Multi-Use Network (MNT) project. MNT provides a single seamless network backbone capable of delivering time sensitive services including voice, video and IP based data services to all counties of Colorado. MNT is designed to provide the following:

- Increasing Economic Development
- Aggregation of individual voice, data and video traffic
- Delivery of time sensitive data services
- Bridging the Digital-Divide.

With the completion of MNT, Network Services is focusing efforts on the support of our customers through the day-to-day operations of all aspects of the Network. In addition, the staff develops, designs and implements other special projects as required.

Prioritized Objectives and Performance Measures:

Objective 1.2: Provide leadership, engineering, procurement, installation and maintenance of voice, data and video systems and services for all departments in the State of Colorado.					
		FY2001-02	FY2002-03	FY2003-04	FY2004-05
Measure 1.2.1: Complete the implementation of MNT in accordance with contract 00-AMA00044 and option years.	Target	Phase II 6/30/02	Phase III 6/30/03	CPOP Completion 12/31/03	
	Actual	6/30/02	6/30/03	Ongoing	
Measure 1.2.2 Complete the Layer 3 architecture design and deployment	Target		12/31/02		
	Actual		5/31/04		
Measure 1.2.3 Develop a consistent rate setting model for voice, data and video services	Target	N/A	6/30/03		
	Actual	N/A	5/31/03		

Measure 1.2.4 Complete the design and implementation of redundant Internet service	Target	N/A	N/A	11/30/03	
	Actual	N/A		Costs Estimates in Place 6/30/04	

Additional Information:

Network Services accomplished performance measure 1.2.1 by implementing phase II of the MNT project. This implementation consisted of 60 Aggregated Network Access Points and 35 edge sites. The remainder of the MNT project was completed on schedule.

Network Services also has completed the development of the Layer III architecture and design. This has been expanded to include the CPOP project for statewide aggregation at layer III, where opportunity exists.

Finally, Network Services has completed a new rate setting model so that all of the costs incurred in the provision of services will be recovered. Network Services has deployed these new rates and achieved cost recovery of DoIT offered network services.

Similar or Cooperating Programs and Stakeholders

Network Services exists to support the network requirements of all State agencies and departments. The major stakeholders for Network Services are the end user customers that are supported by Network Services. This includes departments such as Corrections, Transportation, Revenue, Labor, Natural Resources and Higher Education

Program Crosswalk

Program Title: DoIT Computing Services

Line Items:

Personal Services
Operating Expenses
Rental, Lease, or Lease/Purchase of Central Processing Unit
Indirect Cost Assessment

Change Request(s): None

Federal/State Statutory and Other Authority:

Computer Services operates under C.R.S. 24-30-1601 through 21-30-1607. These statutes refer to the General Government Computer Center (GGCC). With the creation of DoIT, the operating unit name was changed to Computer Services.

Program Description

Computer Services plans, manages, operates and delivers the computing infrastructure to customer entities. The computing infrastructure includes database, application and web servers for several departments, as well as the State's general mainframe computer and tape, disk and printing resources for mainframe and server environments. Computer Services manages the operating system, transaction processing scheduling and systems management software associated with these resources.

Computer Services is responsible for the management and operation of statewide and selected individual customer systems. Its operations personnel maintain and operate the computer room on a 24-hour, seven day a week basis, 365 days a year. The technical support staff is responsible for maintenance of the operating systems and support software including databases. The Data Center itself is protected by an FM200 fire suppression system and three levels of access security – scramble keypads to enter the building, cipher locks for entrance to the computer room raised floor area, and sign in and out procedures at the Operations area entry door.

Some service delivery options available from Computer Services are summarized below:

Anti Spam/Anti-Virus E-mail Filtering:

The Data Center offers an anti spam/anti-virus managed service filtering solution through MX Logic. We currently have the capacity to serve 5,000 customers and can expand as the need arises.

Database, Storage, and Middleware Services:

DoIT Computer Services provides administrative services to support customers' data persistence and access needs. Technical infrastructure provides facilities to store, manage and gain access to data. The Database, Storage and Middleware group provides the following services to administer this infrastructure:

- Database creation, modification and administration,
- Database backup and restore,
- Database modeling and design,
- Data Warehouse design,
- Data Warehouse file loading & business intelligence tool support,
- Mainframe online transaction administration,
- Messaging middleware support,
- Storage management including tape and disk storage and back-up services to the mainframe customers,
- On-Call support for database, middleware and storage infrastructure, and
- Processing services including mainframe, CICS (Customer Information Control System) transactions, database and batch.

Email Operations

Computer Services manages Domain Name Service (DNS) and e-mail operations for DPA and other select State customers.

Printing

Printing services include hard copy and electronic storage, and retrieval of reports. Our Xerox high-speed printers deliver printed output either generated by the mainframe or sent over the network.

Server Hosting

DoIT Computer Services offers tiered server housing and hosting. Both tiers provide a complete server environment including conditioned and uninterruptible power and full climate control, 100 mbps switched Internet access, and raised floor/rack support. Server housing provides for the placement and connection of customer-owned servers on the computer room floor in a physically secure environment with firewall protection, plus limited services such as mounting backup tapes. Server hosting adds services for the provisioning of the server hardware and installation and maintenance of the operating system. Custom hosting can be arranged on a case-by-case basis for customers with special support needs.

Virtual servers accessible on the mainframe and distributed systems (servers)

The use of virtual servers replaces the need to purchase individual, stand-alone servers. DoIT Computing Services offers server virtualization on two different architectures: IBM and Intel. The IBM architecture combines the rock-solid reliability and input-output capacity of the traditional mainframe with a state-of-the-art Linux environment. The Intel architecture allows the use of widely available Linux and Windows applications while exploiting the advantages of modern storage area networks.

DoIT currently operates approximately 40 virtual servers used for web hosting, web applications, file and print servers, database applications, web proxy and many other uses.

Other Trends and Baseline Information

Computer Services continues to move toward better understanding the needs of its customers and enhancing its service offerings. This includes gaining efficiencies through economies of scale to leverage shared resources such as processors and disk storage. The continued use of the large scale IBM mainframe for much of the State's business and the implementation of a storage area network that utilizes common, large-scale disk storage for both mainframe and server disk storage are good examples of how DoIT Computer Services continues to reduce IT costs wherever possible.

Consistent with the Statewide Information Technology Plan, Computer Services is aggressively undertaking server consolidation through a Virtual Linux Server architecture hosted by the IBM mainframe computer. Additionally, server security is being addressed through layered firewall and intrusion detection architecture that serves multiple servers rather than supporting a unique architecture for each.

Computer Services utilizes a usage-based cost allocation method of revenue recovery for the services we provide. This methodology is responsive to customer usage patterns using a two-year lag as the initial basis for Common Policy appropriations by agency and a mid-year supplemental adjustment to true-up appropriations annually. Computer Services educates its customers on the benefits of this approach and assists them in taking advantage of service offerings enabled by this cost recovery methodology.

The Division recently completed a comprehensive examination of its rate setting and cost recovery methodologies. As a result, Computer Services has revised and/or recalculated the methods by which we bill utilization of our various services. DoIT used an activity based cost model process to assure that each and every activity was identified and the cost of that activity was associated with the correct service. This effort has been the most accurate rate refresh in the Division's history resulting in easily identified and justifiable rate algorithms.

During FY 2004-05 the Operations Print Center was asked to respond to a customer (DHS) request for printing services clearly beyond the scope of the Division's usual print services. For reference, DoIT usually handles about 800,000 print pages in a typical month. As a result of the CBMS client correspondence printing for DHS, DoIT's monthly print page volume increased 500% to over 4 million (4,000,000) pages per month. This volume was a challenge under the cost allocated billing model. However, by working with the Division of Central Services and the customer, DoIT was able to meet the customer's needs in an efficient and timely manner. DoIT has never failed to meet the required delivery schedule for CBMS.

In recent fiscal years, efficiencies have been realized as a result of the retirement of unused software and training offerings to the technical customers on selected remaining software products. The 2003 purchase of the IBM z800 which doubled our capacity at no additional cost, allowed us to keep pace with modest increases in computing consumption and to implement the Integrated Facility for Linux which allows us to build virtual servers on the mainframe. Since the purchase of the z800, we have been able to meet all processor demands and have implemented a total thus far of 11 virtual servers on the mainframe. We plan to upgrade the z800 to a z890 in FY 2005-06 in order to convert to a usage-based software-pricing model and reduce mainframe costs further.

Prioritized Objectives and Performance Measures

OBJECTIVE 1 To be the provider of technology that delivers electronic commerce to State government.					
		FY2004-05	FY2005-06	FY2006-07	FY2007-08
MEASURE 1.1: Modernize Database offerings to customers	Target	Add support for MySQL, MS SQL Server	Identify Adabas replacement platform	Initiate customer migration off Adabas	
	Actual	Complete			
MEASURE 1.2: Move to a web-based change and trouble ticket system	Target	Install Remedy Software	Implement Remedy Change Management	Implement Remedy Asset Manager	
	Actual	Completed June 2005			
MEASURE 1.3: Create an Executive Dashboard to communicate high-level performance information to our executives and customers.	Target	Implement a Dashboard	Automate information feeds to dashboard		
	Actual	Manual dashboard initiated			

Similar or Cooperating Programs and Stakeholders

Computing Services exists by statute to serve all State agencies and departments with their computing infrastructure needs. In accordance with statute, other State agencies must request an exception waiver to use a provider other than Computer Services for any activity within the realm of services provided/offered by the unit.

Program Crosswalk

Program Title: Informational and Archival Services

Line Items:

Personal Services
Operating Expenses

Change Requests:

Federal/State Statutory and Other Authority:

Information and Archival Services operates under C.R.S. 24-80-101 through 24-80-113

Program Description:

Information and Archival Services plans, manages, operates and implements the State's archival and records management program to protect, preserve and maintain the legal documents for Colorado territorial and State government. This unit develops and approves record retention policies and destruction schedules for all State agencies, counties, cities, school districts, and special districts as regards preservation and management of records. These records are a valuable business asset to the State, and are recorded in a variety of forms from paper to electronic formats. Research assistance is provided to the general public at the main office at 1313 Sherman Street in the Centennial Building.

Information and Archival Services is also responsible for managing and operating the State's home page content on the Internet. Colorado's State website offers many resources, such as a site limited and global search engine, site hosting for many State agencies, and support for web-based applications. The State website has been re-structured as a gateway, or a portal, to State government, local government, community, and regional information.

Other Trends and Baseline Information

As part of its duties, Information and Archival Services is responsible for maintaining the General Assembly's audio records. These recordings are maintained on tapes. These tapes are beginning to show signs of deterioration, and without a process for converting these tapes to a more durable format, these records may be soon lost. It has been estimated that the cost to convert these tapes would be \$100,000 a year for ten years, or \$1,000,000.

In addition, the areas where many of the State's important archival records are maintained are protected against fire damage by a water sprinkler fire suppression system. Clearly, the damage caused by either an intentional (heat or fire activated) or an unintentional activation of the sprinkler system could cause damage equal to or in excess of any damage caused by fire.

This activation could actually occur on a floor above the archival storage area with just as devastating results. The solution of course is to move to another location without the potential for water damage, or to somehow modify the current location to eliminate the risk by either replacing the current water based fire suppression system with other technologies or otherwise mitigating the water damage potential.

The Division expects to analyze/pursue both these challenges as *targeted base reviews*.

Over the next several years, the General Assembly has directed the unit to focus additional efforts with State agencies in order to improve the agencies' records management practices and efficiencies. Additionally, new initiatives to move functions to the Internet make sense in order to extend the convenience and reach to more users of archival records.

As referenced above, Information and Archival Services continues to move toward making more items available over the Internet. Initially indexes of information were made available at the Archives. This availability of information resulted in a slight increase in research requests over the past year. Until more actual records can be automated, we expect this trend to continue. The number of record retention policies approved increased in FY 2004-05 due to expanded information available on the Internet. The following information is presented to portray some baseline workload levels.

	FY 2003-04	FY 2004-05	FY 2005-06
State Homepage Hits	71,003,485	92,400,569	N/A
Archives Web Page Visits	426,181	507,112	N/A
Archives Web Page Hits	2,091,410	2,147,536	N/A
Research Requests	4,591	4,600	N/A
Number of Info Inquiries	16,034	17,106	N/A
Records Destroyed – Boxes	21,246	24,404	N/A
Electronic Indexes Made Available to Citizens	30	33	N/A

Prioritized Objectives and Performance Measures

Objective 1.3: Annually, through regular interaction with all stakeholders, develop a clear understanding of their needs in order to improve customer service.

		FY2003-04	FY2004-05	FY2005-06
MEASURE 1.3.1 Improve Customer Service	Target	Quarterly meetings with record officers	Meet quarterly during the year	Continue to meet quarterly
	Actual	See Comment Below	See Comment Below	

Additional Information

Measure 1.3.1 - Information and Archival Services began the process to meet with various customers to review their needs in FY 2000-01. This process has been expanded to initiate a State Records Officers users group to allow us a better picture of what the records needs are in the various operating units of the State. This allowed us to better focus our efforts on the areas that are of concern.

The target for FY 2005-2006 will be to continue regular quarterly meetings with the State agency records liaison officers and to continue to expand the records management training process to cover all parts of the state, so as to increase the records management knowledge at the custodial level, assuming funding is available.

Objective 2.1 - Annually, improve program processes by incorporating recognized "best practices" and standards in order to fulfill statutory responsibilities.

		FY2003-04	FY2004-05	FY2005-06
MEASURE 2.1.1 Improve Program Processes	Target	Special District records	School District records	State Agency records
	Actual	Completed	Review was completed and approved	TBD

Additional Information

Measure 2.1.1 - In FY 2001-02 Information and Archival Services developed a statewide Municipal Government Record Retention Plan that simplified the process by which local governments could request record destruction approval. This effort was recognized by the Colorado City Clerk's Association as an example of State/local government cooperation to reduce costs to the taxpayer.

The municipal model was used to expand this effort to the State's judicial record keeping practices in FY 2002-03 to reduce the length of time many of these records need to be retained. This goal was met. In FY 2003-04 the State special districts were included as part of the process. This goal was met as well. In FY 2004-05, the Colorado School Districts were added as part of this model.

The target for FY 2005-06 will be to add to the prior efforts by completing a statewide review of the existing record retention plan(s) for State agencies. It has been five years since this was last completed.

Objective 2.2: Annually, improve business processes through the use of appropriate technology.

		FY 2003-04	FY 2004-05	FY 2005-06
MEASURE 2.2.1 Expand Web Access to Archival Holdings	Target	March 2004	March 2005	Increase the number of new indexes to 36
	Actual	30 new indexes were placed on-line for citizens to use.	33 additional indexes were placed on-line for citizens to use.	

Additional Information

Measure 2.2.1 – In FY 2000-01 Information and Archival Services converted 12 manual record indexes to electronic access on the Archives website. In FY 2001-02 there were 29 indexes made available.

The target for FY 2002-03 was to increase this effort to 30 indexes and look for ways to begin placing the electronic images online. The new indexes were achieved, but fiscal constraints precluded placing the images online at that time.

In FY 2004-05 there were 33 new information indexes added to the State Archives website. With this additional information made available via the web, the usage of the Archives web page has increased significantly. In FY 2005-06, our goal will be to add 36 more indexes to the large number already available to Colorado citizens.

Similar or Cooperating Programs and Stakeholders

DoIT Information and Archival Services provides services to all State agencies, county governments, municipalities, school districts, and special districts that create and maintain public records. The web management services provided by the unit are only directed to State agencies. The general public is a key customer that the unit serves by providing public access to archival records. Each of these stakeholders expects efficient, electronic access to the State's archival and records management information.

Program Crosswalk

Program Title: Technology Management Unit (TMU)
Now known as DoIT Statewide Application Services

Line Items:

Personal Services
Operating Expenses

Change Requests:

Federal/State Statutory and Other Authority:

Statewide Application Services statutory authority exists through the annual Long Bill. The unit exists to support the statutory activities of statewide software applications such as the State accounting, payroll and personnel systems. In February 2003, TMU was moved from the Executive Director's Office to DoIT. In March 2005, part of TMU joined DoIT at 690 Kipling and is now referred to as Statewide Application Services to distinguish it from the Information Technology Unit (ITU) that supports applications used exclusively by DPA.

Program Description

The mission of Statewide Application Services is to provide application development and ongoing software support for the State's Cross-Departmental Administrative Systems. These applications include the Colorado Financial Reporting System (COFRS), the statewide Financial Data Warehouse, a mainframe and web-based document management system (InfoPac/Document Direct), the statewide timekeeping system (Kronos), and human resource systems including the Job Announcements System, the Applicant Data System (ADS), the State personnel database (EMPL), the state personnel system (Colorado Payroll and Personnel System-CPPS) and the State Payroll System.

Other Trends and Baseline Information

By nature of the applications supported by the unit, Statewide Application Services will play a major role in realizing the vision of E-Government. To drive material and sustainable efficiencies in State government, the focus for E-Government will be on back office operations. Statewide Application Services currently has 6 web-based applications: Job Announcements, Job Applications, the Financial Data Warehouse, Remedy, Document Direct and KRONOS with 3 more near completion: Human Resources Data Warehouse, Employee Self Service and web-based access to CPPS. The growth of web-based applications is driven by the need for a convenient, simple, and effective customer self-serve functionality. Customer self-serve applications are best facilitated through browser technology on intranets and the Internet. For example, State employees can access various payroll and personnel applications to change withholding and submit address changes. In addition, accounting, finance and human resources

application users can enter billing code changes and other variable data themselves and then pull their own custom reports instead of relying on service agency personnel to do this for them. Thus, Statewide Application Services will play a major role in realizing the E-Government vision.

The Information Technology Unit (the new name for the portion of TMU focused on DPA specific support activities) manages desktop support issues for all of DPA and develops applications and information systems for the internal business units of DPA under the direction of the Department CIO who resides in the Executive Office. The rest of the unit remains focused on managing statewide administrative applications in the Division of Information Technologies.

Prioritized Objectives and Performance Measures:

Objective 1: Grow web-based technologies					
		FY2004-05	FY2005-06	FY2006-07	FY2007-08
MEASURE 1.1 Retire EMPL	Target	Analysis and Design	Implement		
	Actual	Analysis and Design complete			
MEASURE 1.2 Implement HR Data Warehouse	Target	Analysis and Design Purchase Software	Implement October 2005	Enhance reporting capabilities	
	Actual	Analysis and Design complete, software purchase complete			
MEASURE 1.3. Provide a web-interface to CPPS	Target	Analysis and Design	Implement October 2005		
	Actual	Analysis and design complete			

Objective 1: Grow web-based technologies

		FY2004-05	FY2005-06	FY2006-07	FY2007-08
MEASURE 1.4 Provide a web-interface to COFRS	Target	N/A	Analysis and design Purchase tools Proof of concept	User acceptance testing Implementation	Vendor Payments (EFT and Warrants) information available on the web
	Actual	N/A			

MEASURE 1.5 Enhance Financial Data Warehouse	Target	N/A	Remove SSN from COFRS	Provide LDS Payroll Data on FDW	
	Actual	N/A			
MEASURE 1.6 Enhance KRONOS by converting to SQL Server	Target	N/A	Analysis and Design	Convert DB Provide users the ability to query DB	
	Actual	N/A			

Similar or Cooperating Programs and Stakeholders

Statewide Application Services provides statewide application services to financial management and human resources personnel in all State agencies.

Courts

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Program Crosswalk

Program Title: Office of Administrative Courts

Line Items:

Personal Services
Operating Expense
Indirect Cost Assessment

Change Requests:

Federal/State Statutory Authority: 24-4-100 C.R.S.

Program Description

The Colorado Office of Administrative Courts ("OAC", formerly "Division of Administrative Hearings") was statutorily created in 1976 to provide an easily accessible, independent and cost-effective administrative law adjudication system in Colorado. The OAC is one of 24 central panels of independent Administrative Law Judges (ALJs) in the United States, and provides administrative law hearings to over 50 State agencies, counties and other entities. The OAC currently employs 39 FTE; 18.8 are ALJs. In FY 2004-05, the OAC docketed 12,574 cases; conducted 4,782 hearings throughout the state; and issued 11,499 decisions (hearings held include procedural and merits hearings, and decisions issued include procedural and merits decisions). The OAC has three offices: the principal office in Denver, the Western Regional office in Grand Junction, and the Southern Regional office in Colorado Springs. The OAC also has a judge in Pueblo who offices and holds hearings at the Pueblo County Judicial Building.

The OAC conducts all workers' compensation merits hearings for the entire State; all public benefits cases (food stamps, Colorado Works/AFDC, Medicaid, etc.); all professional licensing board work involving the denial, revocation, suspension or other discipline of holders of a professional license (such as doctors, nurses, architects, real estate brokers, teachers, engineers, etc.); and all Secretary of State cases where a citizen has filed a complaint under the Fair Campaign Practices Act.

In FY 2004-05, four client agencies accounted for most of the OAC's work:

Dept. of Labor and Employment/ Division of Workers' Compensation	57.25%
Dept. of Human Services	20.03%
Dept. of Regulatory Agencies	4.43%
Dept. of Health Care Policy and Financing	13.12%
Other	5.17%
<hr/> Total	<hr/> 100%

Once decisions are issued by the OAC's ALJs, parties can appeal to appellate bodies which may consist of a lay person appellate body such as the Human Service's Office of Appeals, or any of the Department of Regulatory Agencies' licensing boards, an attorney appellate reviewing body such as Industrial Claims Appeals Panel, or directly to the district or appellate courts.

Funding

The OAC is a cash funded entity, and billings are distributed using a Cost Allocation Model, which means the OAC bills its clients a proportionate share of its total recoverable program costs based on the percentage of total hours worked for each client. Allocations to State agencies are calculated annually during the Common Policy process, in collaboration with OSPB, and are based on the individual utilization data by agency for the prior fiscal year. An individual agency's share of total utilization, combined with total recoverable costs for providing ALJ services, results in the final appropriation by agency in a given year. Clients are billed one twelfth of the total allocation each month, and are provided a monthly accounting of actual hours worked. Each January, the distributions and costs are "trued-up" and adjusted for the remainder of the fiscal year through the supplemental budget process. The "true-up" is designed to capture more accurate costs and client utilization than could be captured when the allocations are first set. Factored into the OAC's total costs is the OAC's overhead, which includes salaries, rent, utilities, etc.

Prior to FY 2001-02, the Division was funded through what has been referred to as the "Oregon Plan" which required direct billing to its client agencies. Under this plan, the Division was limited to performing a specific number of hours of hearings and providing a specific number of hours of adjudicatory services for each client agency. In any fiscal year, the Oregon Plan did not take into account any increase or decrease in cases filed by the public or unanticipated increases or decreases in the need for hearing services by client agencies. Thus, the Division had no way of, for example, increasing hearings in workers' compensation due to the number of cases filed by the public and reducing DORA hours when there were fewer cases filed in that same fiscal year. This inflexibility in deploying the Division's judges where needed resulted in billing deficits and/or billing overruns.

In FY 2001-02, the Division's billing methodology was changed to a Cost Allocation Model. Under this model, the Division bills its clients a proportionate share of its total recoverable costs based on the percentage of total hours worked for each client.

Enabling Statutes

The following are the enabling statutes authorizing and governing the Office of Administrative Courts' judicial work.

The Administrative Procedure Act provides that an Administrative Law Judge may preside in any agency adjudicatory proceeding, Section 24-4-105(3), C.R.S. (2004). In addition, the OAC's ALJs are specifically authorized by the following statutes and regulations to conduct hearings for the following departments:

Department of Labor and Employment

Workers Compensation, Section 8-43-201, C.R.S. (2004) provides that the OAC shall conduct merit hearings in all workers compensation cases. Note Section 8-43-207.5 (2004) which gives jurisdiction to the Division of Workers' Compensation ("DOWC") in prehearing matters. Thus, unlike any other legal area, the OAC shares jurisdiction with another agency in prehearing matters.

Division of Oil and Public Safety, Section 8-20-104(3)(a), C.R.S. (2004)

Unfair Labor Practice Proceedings, Section 8-3-110(8), C.R.S. (2004)

Regulation of Petroleum Storage Tanks, Section 8-20.5-107(5), C.R.S. (2004)

Department of Human Services

Rule 7.202.6(c), 12 CCR 2509-3 (hearings concerning confirmed reports of child abuse or neglect)

Section 26-1-106 (1)(a), C.R.S. (2004) (general authorization)

Section 26-2-127 (1)(a)(II), C.R.S. (2004) (appeals)

Section 26-4-402 (1)(a)(II), C.R.S. (2004) (appeals)

Section 26-6-108 (3), 114 (4) C.R.S. (2004) (child care licensing and penalties)

Section 26-7-107, C.R.S. (2004) (subsidized adoption appeals)

Department of Health Care Policy and Financing

Section 25.5-1-107(1)(a), C.R.S. (2003) (general authorization)

Department of Public Health and Environment

Shellfish Dealer Certification Act, Section 25-4-1805(3), C.R.S. (2004)

Water Quality Control Permits, Sections 25-8-503(1)(C) and 25-8-401(4), C.R.S. (2004)

Department of Agriculture

Forage Crop Certification, Section 35-27.5-105(4)(d), C.R.S. (2004)

Pesticide Applicator's Act, Section 35-10-118(6), C.R.S. (2004)

Pesticide Act, Section 35-9-118(6), C.R.S. (2004)

Alternative Livestock Act, Section 35-41.5-105(5), C.R.S. (2004)

Feedlot Certification, Section 35-53.5-111(2), C.R.S. (2004)

Pet Animal Care and Facilities Act, Section 35-80-109(3), C.R.S. (2004)

Department of Regulatory Agencies

Civil Rights Commission, Section 24-34-305(1)(d)(I), C.R.S. (2004) (civil rights violations)

Real Estate Commission, Section 12-61-114(1), C.R.S. (2004) (real estate salespersons and brokers licensing)

Division of Banking, Section 11-102-201(1), C.R.S. (2004) (all hearings other than charter applications)

Division of Securities:

Section 11-51-606(1), C.R.S. (2004) (all administrative proceedings)

Section 11-53-105(5), C.R.S. (2004) (commodity sales)

Section 11-59-116, C.R.S. (2004) (municipal bond supervision)

Division of Insurance:

Section 10-1-127, C.R.S. (2004) (general)

Section 10-1-204(3), C.R.S. (2004) (examinations by Commissioner)

Section 10-4-629(7), C.R.S. (2004) (protests of insurance cancellation)

Division of Registrations:

All professional and occupational licensing agencies within the Division of Registrations may use Administrative Law Judges in cases involving license denial and discipline and for any other hearings. Section 24-34-102(12), C.R.S. (2004). Specific authority by agency is as follows:

State Board of Accountancy, Section 12-2-125(1)(b), C.R.S. (2004)

State Board of Examiners of Architects, Section 12-4-104(3), C.R.S. (2004)

Audiologist and Hearing Aid Dealer Registration, Section 12-5.5-106(3), C.R.S. (2004)

Automobile Dealers, Sections 12-6-119 and 12-6-104, C.R.S. (2004)

State Board of Barbers and Cosmetologists, Section 12-8-131(1), C.R.S. (2004)

Bingo and Raffles, Section 12-9-103(1)(a)(I), C.R.S. (2004)

Slaughter Business, Section 12-11-101(3), C.R.S. (2004)

Colorado Fair Debt Collection Practices, Section 12-14-130(8), C.R.S. (2004)

State Board of Pharmacy, Section 12-22-125.2(a), C.R.S. (2004)

State Electrical Board, Section 12-23-104(2)(h), C.R.S. (2004)

State Board of Registration for Professional Engineers and Professional Land Surveyors, Sections 12-25-109(4) and 12-25-209(4), C.R.S. (2004)

Acupuncturist Registration, Section 12-29.5-110(1)(h), C.R.S. (2004)

Colorado Podiatry Board, Section 12-32-108.3(4), (6), C.R.S. (2004)

State Board of Chiropractic Examiners, Section 12-33-119(1), C.R.S. (2004)

State Board of Dental Examiners, Section 12-35-129(1), C.R.S. (2004)

State Board of Medical Examiners, Section 12-36-118(1)(c), C.R.S. (2004)

Midwives Registration, Section 12-37-107(4), C.R.S. (2004)

State Board of Nursing, Sections 12-38-116.5(1)(c) and 12-38-115(5), C.R.S. (2004)

Nurse Aides, Section 12-38.1-114(1), C.R.S. (2004)

Psychiatric Technicians, Section 12-42-115.3, C.R.S. (2004)

Board of Nursing Home Administrators, Section 12-39-114(1), C.R.S. (2004)

State Board of Optometric Examiners, Section 12-40-119(2)(d), C.R.S. (2004)

Physical Therapy Licensure, Section 12-41-117(8), C.R.S. (2004)

Respiratory Therapy Practice Act, Section 12-41.5-109(5), C.R.S. (2004)

Mental Health Boards (Psychologist Examiners, Social Work Examiners, Licensed professional Counselor Examiners, Marriage and Family Therapist Examiners, State Grievance Board), Section 12-43-221(1)(b), (e), C.R.S. (2004)

Outfitter and Guides Registration, Section 12-55.5-106(2), C.R.S. (2004)

Examining Board of Plumbers, Section 12-58-104(1)(h), 110(3), C.R.S. (2004)

Private Occupational Schools, Section 12-59-105.3(1)(h), C.R.S. (2004)

Racing Licensing and Registration, Section 12-60-508(3)(b), C.R.S. (2004)

State Board of Veterinary Medicine, Section 12-64-105(9)(f), C.R.S. (2004)

Department of Education
Individuals with Disabilities Education Act (Part II, Section B, VII of the Colorado Department of Education State Plan)

Section 22-20-108(3)(a), C.R.S. (2004) (determination of disabilities in children)

Section 22-63-302(4)(a), C.R.S. (2004) (teacher dismissal)

Department of Revenue

State Lottery Division, Section 24-35-204(3)(c), C.R.S. (2004)

Secretary of State

Fair Campaign Practices Act Violations, Const. Art. 28, Section 9(1)(f)
Certification of Elections, Section 1-11-208.5(1), C.R.S. (2004)

Wildlife, Parks and Outdoor Recreation

River Outfitters, Section 33-32-109(3)(a), C.R.S. (2004)

Adult Parole

Section 24-60-307, C.R.S. (2004)

Children's Code

Juvenile Parole Board, Sections 19-2-208 and 19-2-1004(5), C.R.S. (2004)

Prioritized Objectives and Performance Measures

Case Management

In future fiscal years, the Legal Files case management software application that has been recently implemented is expected to yield the majority of the performance measures and other quantifiable statistics and metrics that will drive this section of the Crosswalk. Some of the types of information anticipated to be available include number and types of hearings requested, number of hours spent on each case, compliance with statutory deadlines, number of decisions appealed, number of decisions overturned or reversed on appeal, productivity metrics, resource usage, etc.

Provision of Hearings Services to Areas Outside the Denver Metro Area

Southern Colorado: The OAC offers hearings up to five days per week at its Southern Regional Office located at 1259 Lake Plaza Drive, Suite 210, Colorado Springs, CO. Permanently assigned personnel include a Supervising Administrative Law Judge, a second Administrative Law Judge, a full-time Regional Clerk, and a part-time Clerk. In July 2003, the Southern Regional Office space was expanded, adding an additional judge office, an additional clerk workspace, and a conference room. Also, the Southern Regional Office utilizes hearing and office space in Pueblo at the Pueblo County Judicial Building at no cost to OAC. The OAC offers hearing days two days per week for parties residing in or near Pueblo. In addition, the Southern Regional Office provides hearing services in Alamosa in addition to Pueblo, and does so utilizing existing ALJ FTE. The OAC's judge in Pueblo travels to Alamosa one day each quarter to hear any cases that are docketed there. Alamosa hearing locations are arranged either through the local college or using a conference room at a local hotel; fees vary depending on location used.

Northern Colorado: Hearings in Northern Colorado are held one day per week, alternating between Ft. Collins and Greeley. Northern Colorado hearings utilize judges traveling from the Denver office. The OAC continues to hold hearings in Ft. Collins at the Ft. Collins Justice Center and the City Council Chambers at no cost to the OAC. For hearings scheduled in Greeley, the OAC utilizes either rented space at the University of Northern Colorado or a hearing space at the federal Social Security Administration building (which is available at no cost to the OAC when it is not in use by the SSA).

Western Colorado: The OAC holds hearings approximately four days every other week in its Western Regional Office located in the state office building at 222 S. 6th Street, Suite 414, Grand Junction, CO. Permanently assigned personnel include a Supervising Administrative Law Judge, a full-time Regional Clerk, and a part-time Clerk. In FY 04, the OAC's Western Regional Office underwent significant construction and remodeling, as part of a multi-tenant project in the State Services Building in Grand Junction. In addition, by agreement with the City of Glenwood Springs, the Western Regional Office utilizes hearing space for a nominal fee in their Municipal Courthouse. Hearings are scheduled in Glenwood Springs one day per month for residents of that area. In FY 04, the OAC hired a part-time permanent judge to augment the OAC's ability to hold hearings on the western slope. The Western Regional office is now able to hold hearings in Durango every month. Durango hearing space is available to the OAC, at no cost, at the Federal Magistrate judge's courtroom. In FY 2004-05 the OAC paid for hearing space in the following cities:

Grand Junction, leased space in state office bldg	\$ 17,178.00/year
Glenwood Springs, housekeeping fee only	\$ 750.00/year
University of Northern Colorado, room fee	\$ 870.00/year
Alamosa, room fee only	\$ 120.00/year
Colorado Springs, leased space on Lake Plaza Dr.	<u>\$26,564.00/year</u>
	\$45,482.00/year

Comparison of workload (hearings and decisions/orders) vs total appropriated resources FY 2001-02 through FY 2004-05

Item	FY 04-05	FY 03-04	FY 02-03	FY 01-02
Hearings Held	4,782	5,381	5,004	4,144
% change over prior year	(12%)	7.5%	20.8%	17.6%
Decisions/Orders Issued	11,499	13,434	12,718	12,675
% change over prior year	(15%)	5.6%	0.3%	15.4%
Total Appropriations	\$3,183,122**	\$3,118,916	\$3,049,405	\$2,987,532
% change over prior year	2.1%	2.3%	2.1%	9.5%

** Does not reflect \$200k in one-time funding (from reserves) for purchase and implementation of Case Management Software (Legal Files).

Trends and Other Baseline Information

Cases Docketed reflects all applications for hearings received.

Hearings Held reflects both procedural and merits hearings.

Decisions/Orders Issued reflects procedural, merits, and dispositive orders and decisions.

Caseload Statistics - FY 2004-05

Agency	Cases Docketed	Hearings Held	Decisions/Orders Issued
DOWC	9,752	3,128	8,236
Human Services	1,717	802	1,945
HCPF	852	792	1,120
DORA/misc.	253	60	198*
TOTAL	12,574	4,782	11,499

Caseload Statistics - FY 2003-04

Agency	Cases Docketed	Hearings Held	Decisions/Orders Issued
DOWC	10,839	3,698	8,957
Human Services	1,630	610	2,029
HCPF	1,476	1,023	1,949
DORA/misc.	343	50	499
TOTAL	14,288	5,381	13,434

Caseload Statistics - FY 2002-03

Agency	Cases Docketed	Hearings Held	Decisions/Orders Issued
DOWC	12,753	3,532	10,252
Human Services	1,303	679	1,292
HCPF	1,215	731	999
DORA/misc.	255	62	175
TOTAL	15,526	5,004	12,718

Caseload Statistics - FY 2001-02

Agency	Cases Docketed	Hearings Held	Decisions/Orders Issued
DOWC	12,291	2,954	10,742
Human Services	1,224	634	1,167
HCPF	649	477	576
DORA/misc.	227	79	190
TOTAL	14,391	4,144	12,675

Caseload Statistics - FY 2000-01

Agency	Cases Docketed	Hearings Held	Decisions/Orders Issued
DOWC	13,915	2,657	9,637
Human Services	1,072	566	844
HCPF	354	219	280
DORA/misc.	254	80	223

TOTAL	15,595	3,522	10,984
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Caseload Statistics - FY 1999-00

Agency	Cases Docketed	Hearings Held	Decisions/Orders Issued
DOWC	12,039	2,865	11,866
Human Services	909	582	1,424
HCPF	413	239	532
DORA/misc.	287	86	188
TOTAL	13,648	3,772	14,010

Caseload Statistics - FY 1998-99

Agency	Cases Docketed	Hearings Held	Decisions/Orders Issued
DOWC	11,986	3,824	14,007
Human Services	1,262	727	1,739
HCPF	400	205	459
DORA/misc.	302	112	295
TOTAL	13,950	4,868	16,500

Caseload Statistics - FY 1997-98

Agency	Cases Docketed	Hearings Held	Decisions/Orders Issued
DOWC	12,458	2,744	11,358
Human Services	1,470	688	1,586
HCPF	341	176	410
DORA/misc.	299	170	682
TOTAL	14,568	3,778	14,036

It is difficult for the OAC to accurately predict whether applications for hearings in any particular case type will increase or decrease in FY 2006-07; increases or decreases in filings can be driven by economic factors, legislative changes, or for unknown reasons. Implementation of best management practices can never account for or control the number of cases filed by the public. In addition, the number and type of cases filed with OAC can be affected by legislative actions. However, the OAC anticipates continuation of an upward trend in case filings in FY 2006-07.

Continuing Legal Education & Training

The OAC, as the Division of Administrative Hearings, received an appropriation of \$21,000 for this purpose in FY 2000-01. Although the need was ongoing, annual appropriations did not continue to reflect funding for judicial education and training. Although funding did not continue, the OAC has been able to reprioritize an extremely limited operating budget and accomplish some training in each of the last two fiscal years

using existing resources. In November 2004, the OAC hosted, at no cost to attendees, the State's fourth annual training for Administrative Law Judges on ethics and judicial independence. This CLE was attended by all OAC judges and legal assistants as well as adjudicators from throughout the State.

There is a critical need to emphasize formalized training program that teaches not only substantive law but demeanor and ethics as well. This training can be received through the National Judicial College in Reno, Nevada, through the National Association of ALJs and similar organizations, and through in-house training programs organized by the OAC. Until such time as the state's economy recovers sufficiently to fund these endeavors, the OAC will continue to seek low-cost, high-results opportunities to train its judges and paralegals.

The OAC also has a continuing need to train its judges in mediation techniques. The OAC mediates regulatory agency disputes, Central Registry matters, teacher dismissal cases, Fair Campaign Practice Act cases, and other types of cases. The OAC has developed such a successful mediation program that the requests for mediation in all areas continue to increase. The OAC can assign only 15 of its 19 judges to mediations as the remaining judges have not received certified training; thus, the OAC will continue to train judges and legal assistants in mediation when the resources are available.

Other Pertinent Information

The OAC has made the following changes to its operations:

- Relocation of Denver Office. In June 2005, the OAC's Denver office lease at the Chancery Building expired, and OAC offices were relocated to 633 Seventeenth Street, Suite 1300. The OAC continues to be co-located with both the DOWC's Prehearings Unit judges and the State Personnel Board judges at the new location, and is now also co-located with the DPA Executive Office, the Division of Finance and Procurement, and many divisions of the Department of Labor and Employment, all of which should yield operational efficiencies.
- Judicial Evaluations. The OAC evaluates its ALJs under the Colorado Performance Management Program standards. In addition, the OAC utilizes a third-party vendor to conduct an annual customer service survey to provide additional input on ALJ performance. In FY05, the OAC also added an additional evaluative tool with regard to ALJ performance: the Administrative Court Performance Review Commission. This panel whose members are appointed by the Executive Director of the Department of Personnel & Administration, are charged with objectively observing hearings and reviewing decisions and orders of the OAC's ALJs.
- Use of digital recording equipment in the courtrooms. In FY 2005-06, the OAC will conclude the initiative to upgrade courtroom recording equipment. By June 30, 2006, all OAC courtrooms, including those in Regional Offices, will be equipped with digital recording systems. In addition, in FY 2005-06 the OAC will replace existing

analog systems utilized to record hearings in outlying areas of the State with portable digital systems so that all hearings held are recorded on digital media.

- Case Management Software System. During FY 2004-05, the OAC utilized the State's procurement process to purchase, install, and begin implementation of a comprehensive case management software system. The system will facilitate the automation and integration of the OAC's calendaring, billing, and docketing functions, as well as provide web portal information access and a searchable database of the OAC's decisions to our customers and client agencies. Implementation has been completed for all client agencies/case types except workers' compensation, which will be accomplished in FY 2005-06.
- Translator/Interpreter Services Focus Group. The OAC maintains a focus group to provide an assessment of the OAC's current practices with regard to the use of translators and/or interpreters, evaluate the needs and requirements of the OAC as they pertain to language translation and interpretation services, and to recommend any changes in current policy and/or practice to ensure the protection of the due-process rights of all non-English speaking, deaf or hearing-impaired customers of the OAC. The members of the focus group include representative OAC ALJs, paralegals, and docket staff, as well as attorneys who practice before the OAC; and representatives from client agencies served by the OAC.

This overview includes most of the significant changes made recently in the OAC. The OAC will continue to be accountable and responsive to the needs of its customer State agencies and the public, and will make whatever improvements need to be made to provide quality customer service.

Similar or Cooperating Programs and Stakeholders

Hearings

The OAC's primary activity is conducting hearings, which includes pre-hearing work and post-hearing work. The OAC performs pre-hearing work in all areas except workers' compensation; the DOWC retains authority over the pre-hearing ALJ work. Other State programs that also provide a hearing function, either through ALJs, hearing officers or referees, include:

Department of Labor and Employment

Division of Workers' Compensation, Prehearing Judges
Unemployment Compensation, Referees

Department of Natural Resources

Division of Wildlife

Department of Regulatory Agencies

Public Utilities Commission

Department of Revenue

Motor Vehicle Division

State Personnel Board

In addition, smaller, less formal hearing functions may exist in many state agencies (e.g. well permit hearings in the State Engineer's Office, or air or water quality hearings through the Department of Public Health and Environment).

Customer Requirements

Customer	Requirement
Citizens of the State of Colorado	Impartial, fair, timely, and cost effective adjudication of their disputes in workers' compensation, social services, regulatory agencies, and other miscellaneous cases. Timely issuance of decisions after hearings.
Colorado State agencies	Impartial, fair, timely, and cost effective adjudication of disputes as well as timely issuance of decisions after hearing.
Practicing Bar, including private bar, Office of the Attorney General, and City and county attorneys	Efficient and effective adjudication services, which includes not only hearings, but also docketing, motions practice, and support for appellate proceedings.