

**DEPARTMENT OF PERSONNEL  
&  
ADMINISTRATION**

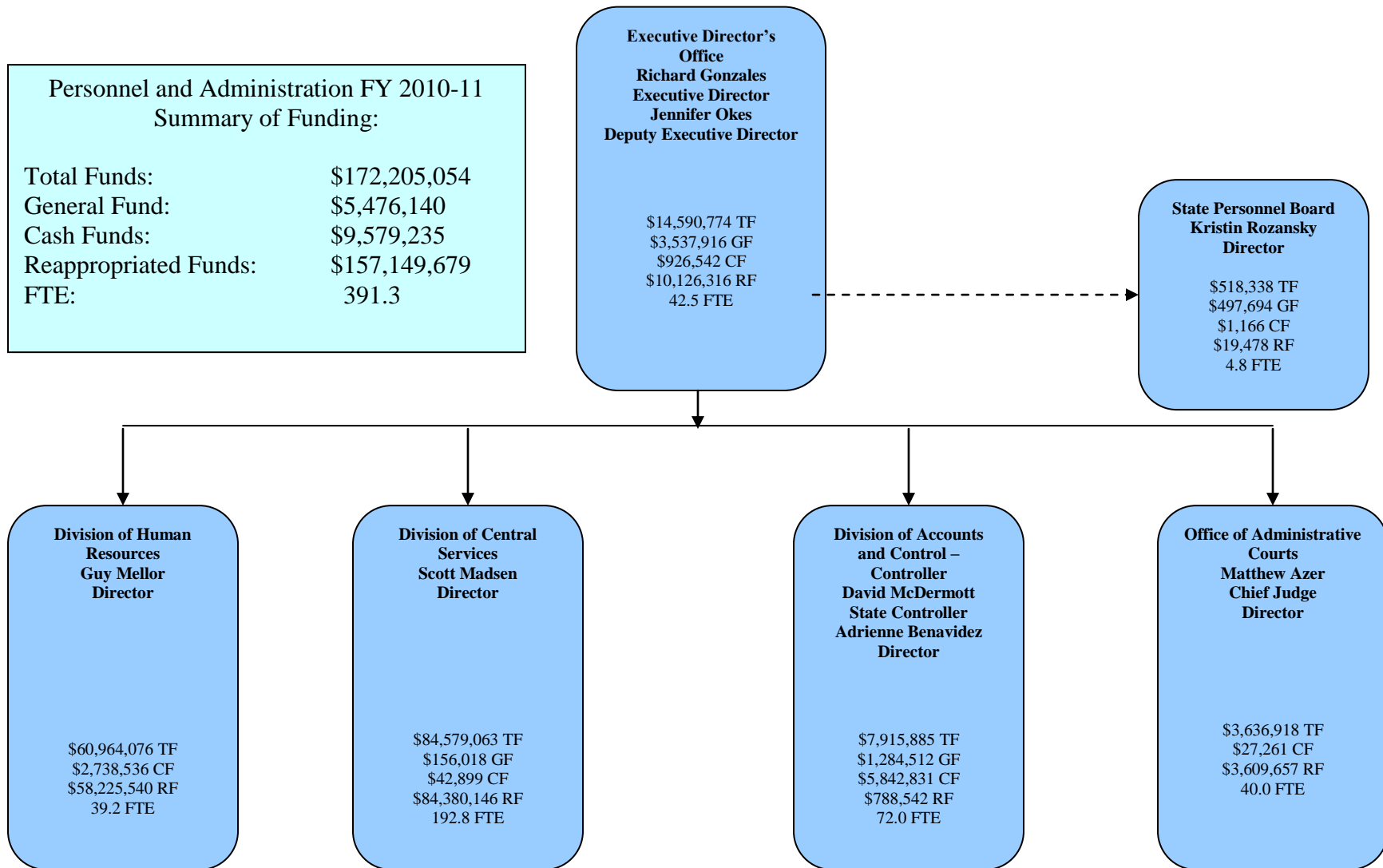


**DPA**

**FY 2011-12 DEPARTMENT DESCRIPTION**

**NOVEMBER 1, 2010**

**DEPARTMENT STRUCTURE – ORGANIZATIONAL CHART November 1, 2010**



**Department of Personnel and Administration Background Information**

The Department of Personnel and Administration (DPA) provides centralized human resources, information, tools, resources and materials needed for Colorado State government to function. The Department provides much of the infrastructure by which the rest of State government operates. The programs and services provided by the Department are vitally important to the efficient and effective operation of State government.

Due to the nature of the Department's business, service to customers is the Department's driving force. The Department's customer base is three-fold; the Department serves State agencies, State employees, and the public. The Department of Personnel and Administration's State government customers include State departments, institutions of higher education, the General Assembly, local government entities, and State employees. The Department operates as a business and service center for programs conducted throughout State government. The Department believes success depends upon offering quality and value to customers and stakeholders by providing economically efficient and sound services while adhering to the highest standards of integrity. Employees are an important base of the Department's internal customers and are the State's most valuable resource. The Department serves tens of thousands of public employees and is committed to ensuring human resources processes provide for the best recruitment, selection, job evaluation, compensation, and retention methods available today. The Department's goal is to develop an environment in which employees can be productive, creative and function at their highest level.

**Executive Director's Office**

The Executive Director's Office (EDO) is responsible for essential duties that impact the department and a multitude of State agency customers. The office provides the Department with operational management direction, policy formulation and core internal functions in the areas of financial services, human resources, communications and legislative relations. In addition, the internal support functions of Budget, Accounting, Human Resources, the Public Information Officer and the Legislative Liaison interact with agencies statewide in many areas, including common policies, billing and Colorado Open Records Act requests. The Executive Director is Richard Gonzales and the Deputy Executive Director is Jennifer Okes. The office is funded with both General Fund and Reappropriated Funds, including indirect cost recoveries, fees from user agencies, and Statewide indirect cost recoveries.

The Colorado State Employee Assistance Program (C-SEAP) is directed by Randi Wood and consists of statewide services from professionals who provide State employers and employees with confidential counseling and referral, mediation, coaching, group facilitation, crisis response, organizational consultation, and educational services. The program facilitates preventative intervention processes to help managers and supervisors improve productivity and curtail workplace risk issues before they become liabilities. The Program is funded with Reappropriated Funds including, but not limited to, funds from the Group Benefit Plans Reserve Fund, the Risk Management Fund, and any interest derived from said funds. The Colorado State Employee Assistance Program reports directly to the Executive Director.

The Office of the State Architect (OSA) integrates statutory oversight responsibilities with comprehensive design, construction and real estate expertise. This office is overseen by the State Architect - Larry Friedberg. This position's primary duties include establishing policies and procedures for capital construction projects as well as the provision of administrative oversight and accountability associated these projects. This includes solicitation of design and construction services, code compliance, energy management and prioritizing and establishing the annual controlled maintenance budget. Comprehensive project administration support and training are also provided to all state agencies and institutions in all aspects of design and construction. In addition, the Office of the State Architect establishes policies, procedures, and training for all State agencies and institutions relating to state leases and other real estate transactions. The office provides an annual report to the Governor's Office and State Assembly outlying statewide construction and real estate activities. This program is funded by the General Fund and reports to the Executive Director's Office.

The Colorado State Archives plans, manages, operates and implements the State's archival and records management program to protect, preserve and maintain the legal documents for Colorado's territorial and State governments. The unit, which is managed by Terry Ketelsen, develops and approves record retention policies and destruction schedules for all State agencies, counties, cities, school districts, and special districts in regards to preservation and management of records. These records are a valuable business asset to the State and are recorded in a variety of media including paper and electronic formats. The unit also provides citizens and State agency access to the records in its custody for legal and research purposes. This unit is funded by General Fund, Cash Funds from user fees from non-State agencies, and Reappropriated Funds from user fees from State agencies.

The Colorado State Archives is also responsible for managing and operating the State's home page content on the Internet. Colorado's 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. The Information and Archival Services unit reports to the Executive Director's Office.

The State Ombuds Program, which is directed by Karen Schaefer, was established May 2007 as an alternate communications channel and conflict resolution resource where any state personnel system employee (classified), supervisor, or manager may obtain neutral and confidential assistance discussing and resolving work-related issues. The intent of the program is to provide information to classified employees in an atmosphere that does not foster fear of reprisal, retaliation, or loss of privacy. The program benefits employees by offering them a confidential channel that allows them to deal with workplace issues. The program increases the State's capacity to settle complaints without the cost and acrimony that often accompanies formal processes and offers the State an ability to identify and preempt systemic and extreme instances of workplace issues by employees or supervisors. The State Ombuds Program reports directly to the Executive Director.

Finally, the Executive Director's Office, (B) Statewide Special Purpose section contains a section called (4) Other Statewide Special Purpose. This section contains three distinct line items that do not fit within the scope of any of the Department's other divisions.

The first line item is the Test Facility Lease which is funded through the General Fund. In 1970, the State agreed to a 50-year lease of 33,492 acres of land free of charge to the U.S. Transportation Department, Federal Railroad Commission (FRC). The site was to be used for a high speed train test site in order to boost economic development in that region. The appropriation to this line item supports a lease payment to the State Land Board for a Federal Railroad Commission testing facility in Pueblo, Colorado.

The second line item is the Employment Security Contract Payment, which was created in order for the State to enter into employment security contracts. This line was first placed in the Department of Personnel and Administration in HB 95-1362, which merged the Departments of Personnel and Administration. This appropriation supports a contract with a private company (Employer's Edge, LLC) that is responsible for reviewing and challenging unemployment insurance claims filed against the State, excluding institutions of higher education.

The last line item is the Employment Emeritus Retirement line, which is funded through the General Fund. The original program allowed for monthly retirement benefits to be paid to former state employees who had retired from state service for superannuation on a full annuity or disability by July 1, 1967. The original act required eligible employees to apply for benefits by July 1, 1968. The act allowed for recipients to receive \$125 per month, less any pension or retirement funds supported in part by the State. The original act also called for payments to be prorated on an equal monthly basis within the limits of the appropriations made.

**Division of Human Resources**

The Division of Human Resources (DHR) provides expertise, leadership, and consultation in the development and strategic management of statewide human resources and protection of State assets. The Division's two primary duties are to maintain the integrity of the State Personnel System and to manage the State's risk. It derives its statutory authority to perform these duties through Art. XII, Section 14(4) of the State Constitution, 24-50-101(3)(c), 24-50-102, the Risk Management Act, C.R.S. 24-30-1501 et seq., and the Governmental Immunity Act, CRS 24-10-101 et seq. The Division Director is Guy Mellor.

The Division establishes statewide human resource programs and systems to meet statutory requirements and provides appropriate services to the Human Resources Offices located in state departments, institutions of higher education, and the offices of elected officials (hereafter "departments"). The Director is responsible for processing and final approval of Director's appeals and disputes and coordinates the division's participation in the Labor-Management Partnership Initiative.

The Division includes the Human Resources Analytics Unit, which maintains the complete statewide classified workforce and benefit dataset by integrating data from disparate sources, including higher education. These data are the basis for numerous fiscal impact and costing analyses that the unit conducts in collaboration with the Department's Executive Office, the Office of State Planning and Budgeting, and Legislative Council staff

The State Office of Risk Management (SORM) is a unit that operates under the authority of the Risk Management Act, CRS 24-30-1501 et seq., and the Governmental Immunity Act, CRS 24-10-101 et seq. The unit provides loss control training and consulting services and manages the State's self-insured liability, workers' compensation, and property insurance programs. These services are provided to all state departments and institutions of Higher Education except the following: University of Colorado system, Colorado State University at Fort Collins, Fort Lewis College, Mesa State College of Colorado, and the University of Northern Colorado. The Risk Management Services unit is funded with Reappropriated Funds, including the Risk Management Fund, the State Employee Workers' Compensation Account, appropriations to other departments for the Risk Management Fund, appropriations to other departments for the Self-Insured Property Fund, and appropriations to other departments for the State Employee Workers' Compensation account. The Workers' Compensation Fund provides the funding source for the Colorado State Employees' Assistance Program (CSEAP) in the Executive Director's Office.

The Workforce Planning and Development Section is responsible for ensuring the integrity of the State Personnel System by providing training and technical advice to the human resource community and reviewing director's appeals. The section is comprised of two Units: Consulting Services and the Professional Development Center. The Consulting Services Unit is responsible for training and advising the human resource community to mitigate the State's employee liability risk. The Professional Development Center (Training Unit) offers state agencies and employees flexible and interactive training opportunities that include career development, leadership training, and supervisory certificate programs. This unit is funded by Cash Funds from the sale of job reference manuals to and training revenue from non-State agencies and Reappropriated Funds from training revenue from State agencies.

The Total Compensation Section is responsible for maintaining the State's job evaluation and compensation systems, including the establishment of job classes and pay, leave policy administration and employee group benefits. The Compensation Unit maintains the job evaluation system, which is a method of grouping individual job assignments into different job categories based on the nature of the work. The overall goal of the job evaluation system is to provide an efficient way for the State to organize its approximately 33,000 individual position assignments and ensure the equitable pay of employees performing similar work. The Compensation Unit oversees statewide compliance with the Family and Medical Leave Act (FMLA) and the Fair Labor Standards Act (FLSA). In addition, the Compensation Unit conducts the annual survey that compares state salaries and benefit contributions with those paid in the private and public sectors. The Executive Director bases recommendations to the Governor and General Assembly on the data collected through this survey process. The Employee Benefits Unit administers the employee group benefits plans which include the initial design of the employee benefit programs as well as the subsequent contractual, administrative, and financial management of these benefits programs. The unit is responsible for legal compliance with a number of federal and state laws, including administering COBRA. The Compensation Unit is funded with Reappropriated Funds, including indirect cost recoveries and Statewide indirect cost recoveries from other departments. The Employee Benefits Unit is funded by Cash Funds in the Group Benefit Plans Reserve Fund.

**Constitutionally Independent Entities**

The Constitutionally Independent Entities long bill group was created by the Department's realignment decision item that was passed during the 2009 Legislative Session. This group contains the State Personnel Board, which is a program created within the State's Constitution and is not subject to the oversight of the Department.

The State Personnel Board (SPB) adjudicates employment disputes within the State classified system and is responsible for promulgating rules to ensure that State employment is based on merit and fitness. The Director is Kristin Rozansky. The Board employs Administrative Law Judges (ALJ), conducts administrative hearings, promulgates rules under the authority of the State Constitution, various State Statutes, and State Administrative Procedures Act, and facilitates dispute resolution. The Board is funded with Cash Funds from receipts collected for copies of information and case documentation and Reappropriated Funds from Statewide indirect cost recoveries from other departments.

The Board is constitutionally established with five members, each serving five-year terms. The Governor appoints three members and the remaining two members are elected by State employees. The cases presented to the Board include issues of discrimination, retaliation under the State Employee Protection Act, layoff and retention disputes, wrongful discipline and other employment related issues. The Board's staff conducts settlement conferences, facilitates settlement negotiations between State agencies and their employees and encourages parties to resolve their cases on their own terms, whenever possible. Additionally, the Board conducts training for departments and agencies upon agency request. The Board ultimately seeks to provide guidance in achieving and maintaining a sound, comprehensive, and uniform system of human resource management through rules, decisions, communication, and training.

**Division of Central Services**

The Division of Central Services (DCS) is managed by Scott Madsen and exists to maximize efficiencies for the State and for individual agencies by consolidating internal common business services to take maximum advantage of economies of scale. The Division's mission is to "provide the best value to the State in every service offered and to every customer served." The Division provides support and service needs for state agencies in the areas of state buildings and facilities, grounds maintenance, state fleet vehicles, motor pool services, graphic design, print services (digital and press), imaging services (scanning and microfilm), data entry, copiers, mail processing and delivery, state identification cards and administration of the State Travel Management Program. The



Division of Central Services Administration is funded with Reappropriated Funds from user agencies deposited in the Department of Personnel Revolving Fund and the Motor Fleet Management Fund.

The Division's long-term goals are to create the highest possible value for its customers, to develop and sustain a thriving team of employees, and to be recognized as an industry leader. The Division of Central Services is able to provide competitively priced and high valued services through professional management, skilled and dedicated employees, and consolidated service efficiencies. Because of its sizable customer base, the Division is able to coordinate and control common support services while providing lower costs through economies of scale and volume.

The Integrated Document Solutions (IDS) unit has operations in Pueblo and Denver and serves state agencies, institutions of higher education and municipalities statewide. The Integrated Document Solutions group exists to provide high quality, economical and comprehensive document and data related business support services to its customers. These services include graphic design, print operations, mail operations, data entry, and imaging services. The program also manages the rental of low volume office copiers to state agencies. The unit strives for customer satisfaction through quality work, rapid turnaround time, discounted postage, advanced technology services and "one stop shopping." Integrated Document Solutions is funded with Reappropriated Funds from user agencies deposited in the Department of Personnel Revolving Fund and is located in both Denver and Pueblo.

State Fleet Management (SFM) provides management oversight for all of the vehicles in the state fleet program. State Fleet Management provides vehicle purchasing, management of maintenance, repairs and preventive services, collision management, vehicle reassignment, fleet monitoring and reporting. The program also manages the auction and salvage of older vehicles and operates the State Motor Pool. State Fleet Management manages and monitors the state fuel efficiency programs in support of the Governor's Greening Initiative, and purchases as many alternative fuel vehicles for the state fleet as feasible in any given fiscal year. State Fleet Management is assisted by an advisory body, the Motor Vehicle Advisory Council (MVAC), with representatives from each user agency and institution. The program is funded with Reappropriated Fund fees from user agencies deposited in the Motor Fleet Management Fund.

Facilities Maintenance (Capitol Complex) is responsible for property management and maintenance for all state buildings and facilities located downtown and at the Lakewood, Grand Junction, Camp George West and North Denver Campus locations. The unit is responsible for statewide coordination of services and required funding, including calculating and establishing rates for all services referenced, and periodically calculating and identifying appropriation needs for all state agencies that utilize its facilities and services. Working closely with the Office of the State Architect, this unit has implemented many energy efficiencies. The self funded savings

generated through the performance contract have allowed for a broad range of energy initiatives throughout the complex including energy efficient lighting, upgraded HVAC, and the placement of state-of-the-art solar panels in the Governor's Mansion. Facilities Maintenance is funded almost entirely by Reappropriated funds from user fees from other state agencies deposited in the Department of Personnel Revolving Fund.

The State Travel Management Program (STMP) oversees and monitors all state employee travel. This oversight extends to negotiating and administering contracts with travel suppliers, travel card systems, airlines, rental car agencies, lodging providers, travel agencies and various incidental suppliers. In addition, the program provides guidance, education and compliance support to travel compliance designees, state travelers, political subdivision program participants and travel vendors concerning the intricacies of the program policies, procedures, compliance, enforcement and rules. This high-volume customer base enables the State to negotiate exceptional rates and benefits. The program also provides consolidated reporting and analysis of state travel as requested. The program has an advisory body, the State Travel Management Program Vendor Roundtable, and is funded entirely through travel agency and car rental fees.

#### **Division of Accounts and Control - Controller**

This Long Bill Group consists of four primary components:

The Office of the State Controller (OSC) provides management, monitoring and oversight of the State's financial affairs. The State Controller's position, currently held by David McDermott, is appointed by the Executive Director of the Department with approval of the Governor but is required to report directly to the Legislature on fiscal matters. The State Controller also has Constitutional responsibilities related to fund deficits and the related validity of appropriations. The Office of the State Controller prepares the State's financial Statements and other constitutional and statutory reports including the TABOR Schedules. The office also administers the State budget; promulgates fiscal rules, policies, and procedures to implement a unified system of accounts; is business owner of the state's accounting system – Colorado Financial Reporting System (COFRS); issues warrants to pay State obligations; develops procedures and administers training related to contract approval; manages the Vendor Offset Program, the Contract Management System, the Recovery Audits Program (related to the Federal Improper Payments Act), and the Fraud Hotline. This office is funded by General Fund, Cash Funds from rebates received from the Procurement Card Program, and Reappropriated Funds from Statewide indirect cost recoveries.

The State Purchasing Office (SPO), which is managed by Adrienne Benavidez, manages Statewide centralized procurement with duties that include the promulgation of the State's procurement rules; vendor BIDS system, electronic vendor notification system; procurement education and leadership; procurement and administration of Statewide price agreements; conducting procurement services for non-delegated agencies; and appeals authority for bid protests.

The Supplier Database Unit primarily supports business operational and database needs of the State Purchasing Office. This Office is funded by Cash Funds from the Supplier Database Cash Fund and includes the development of the statewide e-procurement system.

Central Collection Services is a program that serves as a central accounts receivable function and actively collects debts owed to State agencies, departments, and institutions after initial collections efforts have been unsuccessful. This office is funded with Cash Funds from collection fees assessed to individuals and Reappropriated Funds from collection receipts previously booked as cash.

### **The Office of Administrative Courts**

The Office of Administrative Courts (OAC) provides an easily accessible, independent and cost-effective administrative law adjudication system in Colorado. The Chief Judge/Director of the Office is Matthew Azer. The Office of Administrative Courts is one of approximately two dozen central panels of independent Administrative Law Judges (ALJ's) in the United States. The judges are independent from the agencies for which they conduct hearings and decide cases. The Office of Administrative Courts hears and decides administrative law matters for a total of more than 50 State departments, agencies, boards and county departments. The Office of Administrative Courts serves the State's citizens from three office locations; the main office in Denver, the Western Regional Office in Grand Junction, and the Southern Regional office in Colorado Springs. In addition, the Office of Administrative Courts provides hearings at other regional locations, such as Durango, Pueblo, Glenwood Springs, Loveland and Greeley. The operation of regional offices allows citizens to have easier access to administrative hearings without having to travel to the Denver metro area. The office is funded by Cash Funds from user fees from non-State agencies and Reappropriated Funds from user fees from State agencies.

The Office of Administrative Courts conducts all Workers' Compensation merits hearings for the entire State; all public benefits cases (food stamps, Colorado Works, Aid to Families with Dependent Children, 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.

**Prior Year Legislation****HB10-1181 (Todd/ Bacon) Adjustments to the Administration of the Department of Personnel**

This bill was brought by the Department of Personnel and Administration to amend Department statutes to reduce costs, create governmental efficiencies, remove obsolete references and clarify statutory program responsibilities. The outline below provides a brief summary of the bill and an explanation of the major statutory changes.

- Removes the \$1,500 limit on travel advances and allows the State Controller to establish a fiscal rule for travel advances commensurate with need;
- Extends the processing period for Central Collections Services to process debt by 60 days;
- Removes state institutions of higher education from the definition of “State agency” for purpose of mandatory purchases of services provided by the Division of Central Services;
- Requires the Division of Central Services to offer services to higher education institutions and to require higher education institutions to request a waiver when an institution intends to purchase the service;
- Provides statutory authority for the following: Division of Central Services to issue a waiver when a state agency can purchase a service; the practice of collecting state and local government use fees and rebates into the department of personnel revolving fund; Real Estate Programs policy and practice to delegate the responsibilities and functions and authorizes use of an alternative lease form;
- Increases the deductible for property loss claims from \$1,000 to \$5,000;
- Replaces the state personnel director’s mandatory post-audit review of the operation and management of the state personnel system by the heads of principal departments and presidents of colleges and universities with the director’s discretionary review of such operation and management;
- Authorizes the State Archives program to charge and collect fees from state agencies for the direct and indirect costs of retrieving and researching information by the archives staff;
- Codifies the state procurement card program and requires all state agencies and institutions of higher education to continue participation in the program. Institutions of higher education are allowed to opt out of the p-card program;

**HB10-1264 (Priola/ Heath) Employee Incentive to Submit Suggestions for State Agency Improvements that Result in Cost Savings**

This legislation requires the State Personnel Director to establish a website and application form for employees to submit suggested state agency improvements that may result in cost savings at the agency where the employee works by October 1, 2010. The State

Personnel Director must also establish standard evaluation criteria by which all idea applications shall be evaluated. The employee submitting the idea for agency cost savings is eligible to receive a proscribe dollar award incentive. The bill also requires the Executive Director to evaluate idea applications received from Department staff.

**HB10-1176 (Vaad/ Mitchell) Recovery Audits for Government Overpayments of Tax Dollars**

This legislation creates a recovery audit program within the Office of the State Controller. Recovery audits must be performed on the payments to vendors and other entities made by all state agencies, unless the State Controller determines that an audit would not yield significant net benefits or the agency is already audited under other law or rule. The State Controller must provide the State Auditor and the legislative audit and joint budget committees with a report by March 1, 2011. In addition, the State Controller must issue a report to the general assembly summarizing the contents of all reports received from consultants that performed recovery audits no later than June 30, 2012. Per the legislation, the first recovery audit must cover fiscal years 2007-08, 2008-09 and 2009-10.

**HB10-1393 (Nikkel/Kopp) Revisions to the Transparency Online Project**

This legislation was sponsored by the Governor's Office to amend the Transparency Online Project adopted in the 2009 session. The bill authorizes the Chief Financial Officer or Director of an agency to request certain information not be disclosed because the potential injury to the public outweighs the public's interest to have the information on the web-based system. An individual may challenge the withholding of information on the web-based system with written notice to the state agency. The bill provides a procedure for the agency to respond to the challenge and provided the individual the right to apply to the District Court for an order to direct the agency to withdraw the exclusion and direct the State Controller to post the information.

**SB10-103 (Morse and Penry/ Middleton and May) Higher Education Flexibility To Improve The Financial Position of State Institutions of Higher Education**

This legislation was introduced by the Long-term Fiscal Stability Commission. The goal of the legislation was to provide the boards of all higher education institutions the ability to set tuition rates for their institution with a maximum rate of 9.0 percent beginning fiscal year 2011-2012. The bill affects the Department and the State Controller's responsibility for the financial affairs in various respects. The fiscal rules that conflict with lease-purchase agreements funded with federal mineral lease moneys are waived. The State Controller's authority to promulgate fiscal rules applicable to the university and its officers are repealed. The fiscal rules adopted by the State Controller will not apply to higher education institutions when the institution board has adopted procedures and forms the board believes provide adequate safeguards for proper expenditure of money. Institutions exempted from the fiscal rules must provide the State Controller the information that is necessary to prepare the consolidated state financial reports, but the institution are only required to provide such reports as are readily accessible or generated by the institution. The bill exempts higher

institutions from the State Controllers fiscal rules governing perquisites and vouchers and warrants. Higher education institutions may issue their own rules for the collection of loans and other outstanding obligations and to write off and release any debt or obligation due the institution without State Controller approval. Higher education institutions are removed from the definition of “state agency” for purposes of the fleet program. The bill excludes higher education institutions from the centralized contract management system and from vendor performance monitoring.

**HB10-1402 (Riesberg/Bacon) and SB10-192 (Kopp/Sonnenberg) Authorize the Restoration of the Capitol Dome with Limited Gaming Historic Preservation Revenues, AND, from a Privately Run Fund-Raising Campaign**

These two bills work together to authorize the restoration of the Capitol Dome under the supervision of the State Architect and provide the funding for the project. The State Architect must provide project progress reports when requested by the Chairman of the Capital Development Committee. SB 10-192 authorizes four million dollars to be transferred from the State Historical Fund to the Capitol Dome Restoration Fund for each of the next three fiscal years starting July 1, 2010. The transfers authorized for the last two fiscal years are reduced dollar for dollar for the funds raised pursuant to HB 10-1402. The Department is responsible transferring the moneys generated by fund-raising efforts to the State Treasurer.

**HB10-1010 (Ferrandino/Morse) Authorize Agencies of the State to Enter into Public-Private Initiative Agreements with Nonprofit Entities**

This legislation authorizes state agencies to enter into public-private initiative agreements with nonprofit entities; specifies evaluative criteria to be used by and procedures to be followed by the agencies in considering, evaluating, and accepting or rejecting unsolicited proposals for public-private initiatives. Provides an incentive for an agency to enter into public-private initiatives by amending an existing statutory definition of "cost savings" in order to allow an agency to retain a portion of any cost savings realized from a personal services contract entered into pursuant to a public-private initiative agreement. State agencies may consider unsolicited proposal only if the proposal will assist the agency in carrying out its duties in a cost-effective and efficient manner without replacing existing state employees. If the agency wants to consider a proposal with a cost over \$50,000, the agency must provide public notice that the agency will accept comparable proposals from other nonprofit entities. The agency must adopt either rules or written policy guidelines for evaluating proposals and competing proposals and disclosure of individual or organizational conflicts of interest. The department must report any public-private initiative agreement to the Joint Budget Committee with its annual budget request.

**HB10-1228 (Benefield/Hudak) Responsibility of the State Personnel Director to Remove Ineligible Dependents from Group Benefit Plans**

This legislation requires the Department to monitor all covered dependents, on a monthly basis, to determine when a dependent is no longer eligible for coverage due to the age limit for dependents. The Director of the Department of Personnel and Administration must remove the dependent from the group benefit plan by the end of the month in which the dependent turns twenty-five years old. If the Director fails to remove the ineligible dependent, the employee and the employee's department shall not be directly financially liable for the premiums paid for the dependent coverage if no claims have been paid for the ineligible dependent. If the Director fails to remove the ineligible dependent and a claim has been paid for the ineligible dependent, the employee and the employee's department shall not be directly financially liable for the paid claim. The costs for premiums and claims paid may be paid from the group benefit plans reserve fund.

**SB10-166 (Bacon/Riesberg and Sonnenberg) Authority of the State Treasurer to Enter into Lease-Purchase Agreements for the Department of Personnel.**

Under the bill the State Treasurer assists the Department in securing financing to purchase an existing building or to build a new building for state agency tenants in existing lease space. The bill requires that the Department prepare a financial analysis to demonstrate the annual cost of the acquisition by lease-purchase and operation and maintenance of the building can be accomplished with existing tenant rent appropriations. The Office of State Planning and Budgeting must review and approve the proposed acquisition and financial analysis. If approved, the proposal is submitted to the Capital Development Committee for approval. If the proposal is approved by the Capital Development Committee, the State Treasurer arranges the financing for the lease-purchase acquisition.

**Hot Issues****Colorado Economic Recovery and Accountability and the American Recovery and Reinvestment Act (ARRA)**

- Many of the short-term and long-term programs funded with money from the American Recovery and Reinvestment Act are performed or administered through state government programs. The State of Colorado has been granted an estimated \$3,481,945,045 in total American Recovery and Reinvestment Act funds since the act was signed into law on February 17, 2009. When the act was passed originally, no allowance was made for administrative expenditures that would be realized by individual states that were charged with administering the grants. However, as a result of considerable lobbying, the federal Office of Management and Budget has reconsidered this position and allowed State's to charge a majority of the American Recovery and Reinvestment Act grants for central administrative functions.

- Given that the Department of Personnel and Administration, the Governor's Office, and the Treasury Department are responsible for a number of statewide administrative functions, the State Controller's Office submitted a request to the federal Division of Cost Allocation to allow the State to collect grant funds to offset American Recovery and Reinvestment Act-related expenses. The federal government's approval of that plan, the Supplemental Statewide Indirect Cost Allocation Plan (S-SWCAP), caused a supplemental and budget amendment to true-up appropriations for fiscal years 2009-10, 2010-11, and 2011-12. This request was approved by the Joint Budget Committee but will require additional action from the Department.
- On an ongoing basis the Department of Personnel and Administration, and specifically the Office of the State Controller, is responsible for monitoring, tracking, and recording central administrative expenditures associated with the American Recovery and Reinvestment Act grants. In addition, the State Controller's Office is responsible for submitting a Supplemental SWCAP true-up for each fiscal year. This true-up will adjust agency appropriations to whatever amount the State can reasonably assume will be offset by American Recovery and Reinvestment Act funding. From the State's perspective, the Department will be responsible for submitting a supplemental and budget amendment to adjust agency appropriations in each fiscal year when a revised Supplemental SWCAP has been approved. Together, these actions will ensure that the State is in compliance with federal requirements where the American Recovery and Reinvestment Act is concerned, and also ensure that the Executive branch is adjusting to accurately align appropriations with the justifiable need.

#### **New Employee Healthcare Benefits**

- The Department worked to offer new choices in medical insurance for employees in FY 2010-11. United Healthcare replaced Great-West/CIGNA as the third-party administrator of the State's self-funded medical insurance plan. Kaiser will offer a second option for their plan, and San Luis Valley HMO will not be offered.
- Also for FY 2010-11, employees were able to choose coverage for their same-gender domestic partners, as part of open enrollment, with coverage to be effective July 1, 2010.
- Finally, the Department has worked with Delta Dental to provide improvements to both dental plans in terms of services, as well as an increase in the annual maximum for the Basic Plus plan.

#### **Commuting Program Changes**

- Given the amount of scrutiny the Commuting Program received during the 2010 legislative session, the Department has created an advisory group comprised of representatives of the impacted departments to discuss potential changes to the commuting program and recommend next steps. The advisory group has made recommendations for changes to the commuting program rules and has committed to providing a plan to the Executive Directors of the impacted departments by January 2011.



**Risk Management**

- A Risk Management awareness program, entitled, “It’s a New Day,” is being expanded to include all state agencies. The pilot program that included 5 agencies has seen a \$4,000,000 reduction in Workers’ Compensation losses after one year of operation. In addition, Division of Human Resources is launching a new loss control strategy that incorporates the use of improved employee selection processes, improved methods to develop and select leaders within the organization, more efficient contracting with insurance providers, improvement management of workers’ compensation and liability claims, and expanded safety and loss control training for the state’s workforce. This strategy will utilize the personnel in Consulting Services, Total Compensation, the Human Resources Analytics Unit, the Communications Program and the Risk Management Office to deliver these services.

**Prevention and Intervention Services for State Employees**

- Prevention and intervention services are core to the mission of the Colorado State Employee Assistance Program (C-SEAP). During the past year, C-SEAP has responded to requests from supervisors, managers, and HR personnel for assistance related to staff exhaustion, burnout, depression, and conflict; excessive/severe alcohol use; worry about personal/family finances; poorly managed mental disorders; deaths and losses; and perceptions of bullying and ‘retaliation.’ A clear overall trend is a marked increase in both the frequency of urgent needs (individual employees in crisis and managers reporting behavioral crisis in the workplace) and the complexity of the psychological, behavioral, and vocational issues involved. Similarly, there is a marked increase in those consultation requests coming from managers and HR offices in which C-SEAP must provide both guidance and direct intervention, e.g. coaching the manager on responding to the behavioral crisis unfolding at the worksite, and also seeing the employee(s) on an urgent basis for direct assessment and emergency intervention. To address these issues, multiple proactive approaches to ensure workplace safety are taking place:
  - C-SEAP spearheaded Executive Order D 023 09 which established the Universal Policy to Address Workplace Violence, Including Domestic Violence Affecting the Workplace, to better prevent and address workplace violence statewide. The executive order was signed on October 7, 2009, requiring all departments to create workplace violence policies and to provide mandatory awareness and prevention training for all employees, supervisors and managers. C-SEAP will prepare and submit to the Governor, no later than October 2, 2011, a report regarding the implementation of this Order.
  - C-SEAP developed the Psychological Fitness for Duty Universal Policy (PFFD) and Technical Guide as a useful and viable tool to assist supervisors, managers, and appointing authorities when there is a reasonable belief, based on an employee’s conduct, behavior and circumstances, that due to cognitive or psychological factors which may or may not include substance abuse, 1) an employee’s ability to perform the essential functions of his/her job is impaired, or 2) continued service by an employee may be a direct threat to the safety of that employee, other employees, or public

safety. C-SEAP is responsible for the overall coordination of the PFFD process for the State and for providing a Formal Referral source when PFFD evaluation is not merited, i.e. when a supervisor or manager notes adverse changes in job performance and/or personal conduct. Formal Referrals are used to assess and resolve employee behavior concerns before workplace productivity and safety are compromised.

- C-SEAP implemented 'Screening, Brief intervention, and Referral to Treatment' (SBIRT) at C-SEAP on July 1, 2009 in coordination with SBIRT Colorado, an initiative of Governor Ritter, and the Colorado Clinical Guidelines Collaborative, to better assist employees and family members coping with substance abuse and depression. The goal is to identify employees/family members engaging in risky substance use early enough to interrupt progression to more serious use, and to increase the likelihood that employees/family members at risk for depression, or suffering from untreated depression, will receive necessary support and treatment. C-SEAP is currently collaborating with the Center for Integrated Behavioral Health Policy in Washington, DC and SBIRT Colorado to design an outcome evaluation process to examine the business value of routine screening and brief intervention. Over 1,300 employees and 250 family members have been screened as of June 30, 2010. It is anticipated that employers in Colorado and throughout the United States will benefit from this endeavor.
- C-SEAP designed, and is in the process of conducting and promoting, Drug-Free Workplace education for employees and supervisors at the Department. This effort is expected to prevent or modify employee's use of alcohol and other drugs and to reduce possible impairment in the workplace. The State of Colorado Drug-Free Workplace Coordinator, on staff at C-SEAP, will be contacting departments in the upcoming year to share educational materials, encourage statewide training, assist with policy development, and promote compliance with the Drug-Free Workplace Act.
- C-SEAP administers the State Employee Mediation Program (SEMP), providing a collaborative, non-adversarial method of resolving workplace disputes, which can be used as an alternative to, or in conjunction with, the grievance process and/or corrective and disciplinary processes.
- C-SEAP also administers the State Managerial Emotional Intelligence (EI) Program, a service designed to enhance supervisory and managerial leadership. This coaching program aims to create a motivating work environment for State employees, increase employee retention, and enhance vital relationships at work through the development of managerial emotional intelligence.

#### **Online Solutions to Improve Government Efficiency**

- The Division of Accounts and Control - Controller, State Purchasing Office (SPO), is developing and implementing E-Procurement solutions as an effective tool enabling organizations to take control of their purchasing processes while reducing processing costs, realizing cost savings due to disciplined purchasing behavior, and detailed, accurate and readily available

purchasing and contract data. The office is also working to increase utilization of State price agreements by: increasing the number of mandatory price agreements and making certain that these are viable, cost effective and aligned with State policies, providing easier access to price agreement information for users around the State, collaborating with the delegated agencies to make improvements to price agreements, and exploring ways to further increase the use by Political Subdivisions.

The Office of Administrative Courts and the State Personnel Board are both attempting to implement the use of electronic/technological enhancements for delivery of services. “E-filing”, distribution of orders electronically, and “publishing” decisions and orders on the web are examples of the ways in which both offices are entering the “E” law arena. Both the Office of Administrative Courts and the State Personnel Board (SPB) have collaborated on system requirements and are investigating technologies available to interface a new case management system with an “E-filing” system. Nationally, many court systems are incorporating some form of e-filing systems into case management and administration. E-filing systems eliminate the need for a party to appear in person at the courthouse to file a document. Pursuant to State Auditor’s recommendations, the Office of Administrative Courts and the State Personnel Board are working together to develop the case management/e-file system. Currently, both entities distribute their decisions and orders electronically and post decisions to their respective websites for reference.

**Workload Indicators**

**Executive Director’s Office**

Ombuds Workload Indicator	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10
Number of employee contacts	N/A	N/A	1,559	1,710	1,826

**Division of Human Resources**

Training Services Workload Indicators	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10
Number of employees trained through the Professional Development Center (fee-based training program)*	746	752	1,678	1,794	2,115

Training Services Workload Indicators	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10
Number of Registrations (total number of students enrolled in all classes)	918	920	2,851	3,475	2,997
Number/dollar value of training waivers granted to departments, excluding Higher Education	225 \$3,364,863	260 \$2,206,294	329 \$2,161,269	375 \$10,999,361	795 \$83,700,000

\* This number is unique student count and does not take into account one student taking several classes.

C-SEAP Workload Indicator	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10
Number of contacts by the Colorado State Employees' Assistance Program (e.g., employee cases, workplace consultations & auxiliary services)	7,015	7,094	8,149	9,001	9,224

Risk Management Workload Indicators	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10
Number of workers' compensation claims filed.	3,877	3,710	4,159	3,822	3,743
Number of liability claims filed.	1,544	1,546	1,645	1,400	1,447
Number of Property Damage Claims Filed	111	132	123	132	137

**State Personnel Board**

Workload Indicators	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10
Number of Case Filings	212	221	231	256	278
Percentage of Cases Set for Hearing Which Have Settled	90%	77%*	89%	71%	82%
Number of Evidentiary Hearings Held and Decisions Issued	26	24	26	15	12
Number of Days in Evidentiary Hearing	78	59	85	107	104
Number of Preliminary Recommendations Issued	37	24	27	30	27

\*The rate of settlement for FY02-03, FY 03-04 and FY 04-05 was 57 percent, 48 percent and 57 percent respectively; the settlement rates for FY05-06 and FY06-07 were extraordinarily high when compared to the settlement rates since FY 02-03 (when the Board implemented its case tracking system to better capture case statistics, including settlement rates). The aberration in the settlement rates may be accounted for by the settlement of a large number of layoff cases arising out of the budget cuts implemented by the 2003 legislature.

**Division of Central Services**

Mail Operations Workload Indicators	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10
Pieces of Mail Processed	25,669,260	35,385,464	43,287,303	44,184,424	32,830,446
Total Number of Mail Stops (per month)	258	253	277	268	204
Total Demand / Special Runs	1,735	1,278	1,460	1,867	692

Print Operations Workload Indicators	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10
Total Print Impressions	59,977,170	60,566,149	78,326,073	81,007,582	75,435,517*
Total Print Jobs	12,502	9,555	6,844	5,931	4,850
“Right Sourced” Printing**	\$480,006	\$695,055	\$722,944	\$716,140	\$1,122,599
Total Design Jobs (Includes Business Card Orders)	4,212	4,471	3,927	3,491	4,181
Total Design Units (15 minute increments)	15,488	14,722	14,043	14,442	10,814

\*In FY 2009-10, IDS has worked to ensure that only critical documents are printed. Therefore, despite taking over general mainframe and warrant printing from OIT, IDS has still seen a decrease in total number of print impression is FY 2009-10.

\*\* “Right Sourced” Printing is when IDS determines the correct way to implement a project for a customer, whether it be done with State owned resources or outsourced in order to ensure the best price, quality and turn around time. The total for this service was limited in FY08-09 due to a limitation in spending authority. As a result IDS granted waivers for over \$150,000 in additional print work that would have been managed through this service.

Imaging Workload Indicators	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10
16MM (# of images)	8,295,708	9,014,495	8,654,471	4,954,078	630,043*
SCAN (# of images)	4,215,000	4,818,821	4,566,952	9,334,353	14,584,335
Total Images (includes all types)	12,798,837	14,102,203	13,221,423	14,288,431	15,214,378

\*The use of microfilm has decreased in recent years, and the Integrated Document Solutions Group (IDS) has worked to reduce the reliance on microfilm even more dramatically in FY 2009-10. Currently IDS is working with Departments that rely on microfilm to determine a plan for the future, which may include the migration to scanned documents.

Electronic Data Warehouse (EDW) Workload Indicators	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10
Electronic Documents Stored on the Electronic Data Warehouse	18,352,979	28,291,813	39,100,892	50,376,071	67,876,701

Document Conversion Workload Indicators ( <i>measured in documents/images</i> )	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10
Data Entry	5,634,573	5,135,252	5,772,545	5,255,923	4,904,598
Online (includes both on-line documents and on-line hours)	378,948	291,194	299,178	208,425	209,977

State Fleet Workload Indicators	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10
Number of Vehicles in the State Fleet	5,105	5,738*	5,791	5,803	5,889
Number of Miles Driven	69,573,280	70,684,794	74,623,095	72,824,078	68,974,133
Number of Maintenance/Repair Work Orders Generated	56,383	56,986	64,918	55,242	50,374
Average Cost per Work Order	\$121.51	\$128.06	\$129.44	\$155.62	\$163.87
Fuel Cost per Gallon	\$2.23	\$2.30	\$2.77	\$2.33	\$2.21
Total Fuel Expense	\$9,403,367	\$9,977,577	\$13,381,207	\$10,862,523	\$9,834,542
Average Miles/Gallon	16.45	16.31*	15.47	15.62	15.50
Average Maintenance Cost/Mile	\$.092	\$.096	\$0.101	\$0.103	\$0.097
Average Operating Cost/Mile (Fuel & Maintenance)	\$.227	\$.238	\$.280	\$.251	\$.239

\*Includes vehicles added to State Fleet through the passage of SB06-15.

Motor Pool Workload Indicators	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10
Number of Rental Cars	63	65	68	61	59
Number Rental Days	8,235	7,116	8,343	6,976	6,094
Average Days per Rental	2.61	2.76	2.89	2.99	2.46
Average Miles per Rental	368	396	378	359	330

Capitol Complex Workload Indicators	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10
Number of Work Orders	15,411	12,330	18,166	14,389	13,286
Number Of In House Projects	80	73	70	74	102
Number of Insurance Projects	3	14	8	9	8
Number of Emergency Projects	3	6	6	15	11
Controlled Maintenance Projects	5	6	4	2	2
Controlled Maintenance Project Cost	\$2.5 Million	\$3.2 Million	\$2.6 Million	\$860,750	\$518,643



**Division of Accounts and Control - Controller**

Procurement Workload Indicator	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10
Volume/Utilization of Price Agreements Statewide	\$297.7M	\$344.3M	\$372.5M	\$387.6M	\$342.7M

Office of the State Controller Workload Indicators	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10
Count of Funds Established on COFRS	N/A**	720	749	805	837
Payroll Count (General Government - Personnel System and Exempt - Excludes Higher Education)	N/A	29,355	30,380	30,829	30,794
Appropriation Documents and Appropriation Transfers Documents	N/A	14,993	16,034	17,390	18,873
Governmental Accounting Standards Issued (Cumulative at year end)	N/A	51	53	56	59
Count of Vendors Paid*	N/A	68,051	69,273	65,202	65,135
Bills Signed By Governor	N/A	466	468	463	453
Statewide Contract Records	N/A	8,782	9,616	9,780	13,552***

\*Vendor count is used as a surrogate for workload related to warrant insurance, cancellation, tracking, 1099 reporting, and vendor file management.

\*\* All values for FY 2005-06 all marked as Not Applicable as they were not recorded for workload indicator purposes that year.

\*\*\* The new Contract Management System (CMS) was active beginning July 1, 2009, and different requirements were placed on use of CMS as compared to the previously used COFRS Contract Log Information (CLIN) table – for example certain Higher Education Institution contracts are now included. The count includes all contracts with FY 2009-10 entry dates and excludes all ARRA and Purchase Order records.

**Office of Administrative Courts**

Office of Administrative Courts Workload Indicators	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10
Number of applications for hearings received/processed (Cases Opened)	14,088	10,101	9,357	9,398	9,385
Number of hearings held	3,798	3,822	3,399	3,338	3,222
Number of days/hours in hearings (Bench Time)	3,845.2	3,511.5	3418.6	3,386.6	3683.8
Number of hours billed	N/A	N/A	40,892.80	42,804.8	39,810.5
Average number of days from application to hearing date (workers' compensation cases only)	Not available	91.02	96.4	121.7	144.79