

**DEPARTMENT OF PERSONNEL
&
ADMINISTRATION**



DPA

FY 2011-12 STRATEGIC PLAN

NOVEMBER 1, 2010

Introduction

The Department of Personnel & Administration (DPA) provides the human resources, information, tools, resources and materials needed for Colorado state government to function. The Department provides the business center for the rest of state government. The programs and services provided by the Department are vitally important to the efficient and effective operation of state government. The Executive Director's Office (EDO) provides the Department with operational management and direction, policy formulation and core internal functions in the areas of communications and legislative relations, financial services, and human resources. In addition, as a result of the Department realignment of FY 2009-10, the Executive Director's Office also houses the Colorado State Employee Assistance Program; the State Ombudsman; the Office of the State Architect which includes the Real Estate Services Program, coordination of capital construction & controlled maintenance requests and building lease review; the Colorado State Archives office, and other special purpose programs.

The Division of Human Resources (DHR) is responsible for effectively managing the State Personnel System. The Division of Human Resources creates, maintains and enhances statewide human resource rules, programs, and systems in cooperation with state agencies and other stakeholders so that agencies can recruit, hire, and retain workforces best suited to their missions.

In FY 2009-10, the Constitutionally Independent Entities long bill group contained the State Personnel Board as well as the Independent Ethics Commission. However, with the passage of HB 10-1404, the Independent Ethics Commission was moved out of the Department of Personnel and Administration and into the Judicial Department. The State Personnel Board (SPB) 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 resolve disputes involving state employees and agencies in a manner that is fair, efficient, and understandable for all parties in order to establish policies and rules that protect and recognize merit as the basis for state employment while balancing management's need for discretion and flexibility. Furthermore, the Board is charged with providing guidance in achieving and maintaining a sound, comprehensive, and uniform system of human resource management through rules, decisions, communication, and training.

The Division of Central Services (DCS) is responsible for reducing costs to other State agencies for commonly used support services, such as mail services, travel, printing, copying, data entry and imaging documents. In addition, the Division is responsible for the oversight of property management for the Capitol Complex, the Grand Junction State Services Building, and Camp George West. Finally, the Division also administers the statewide Fleet Management Program that provides vehicles to and manages the related automotive maintenance costs of other State agencies.

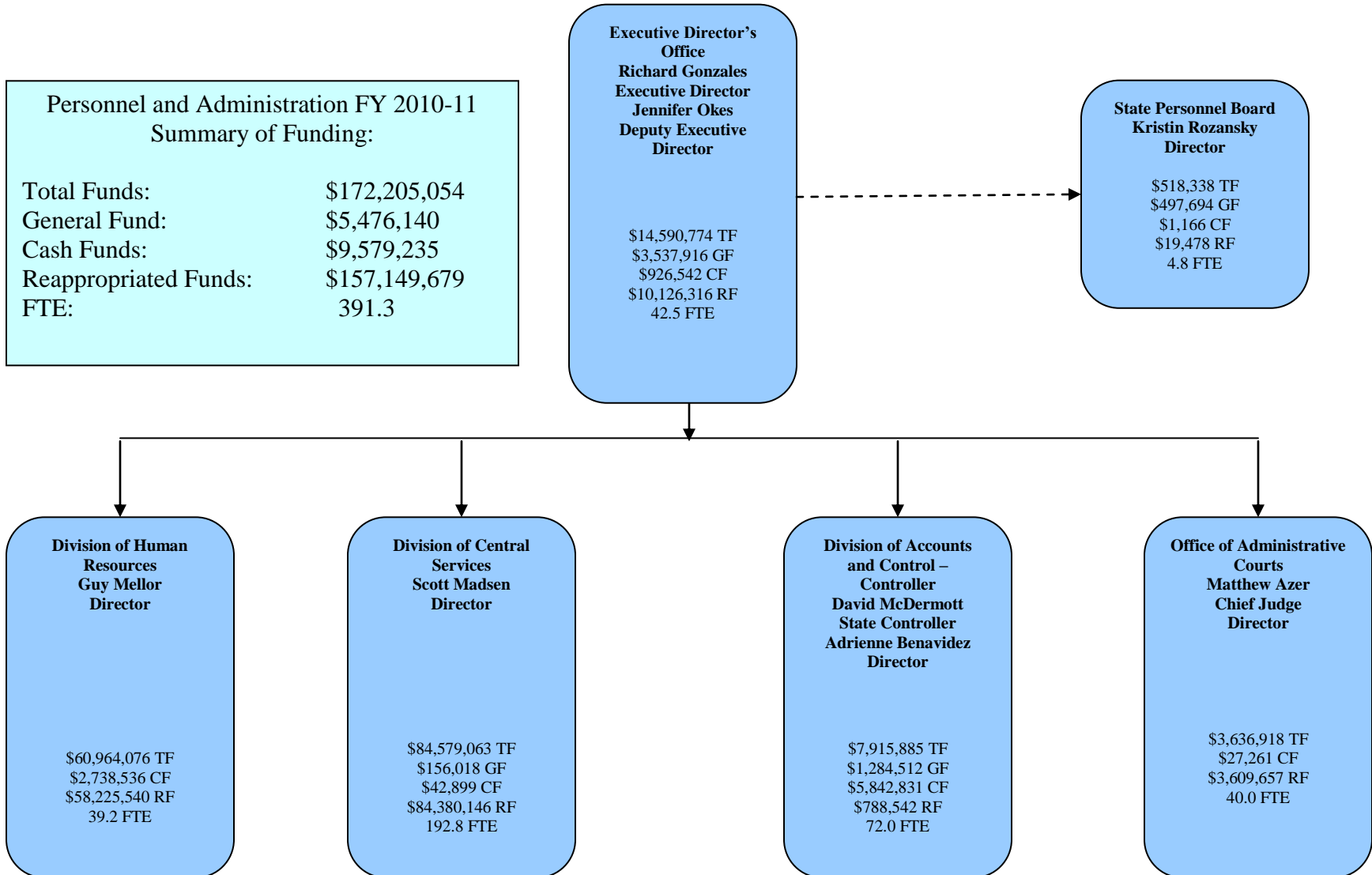
The Division of Accounts and Control - Controller (DACC) includes the State Controllers Office (SCO), which manages the financial affairs of the State and its departments primarily through the Colorado Financial Reporting System (COFRS). This includes statewide financial reporting, policy and procedural guidance, contract management, central payroll functions, vendor file management, warrant distribution, and the development of a statewide indirect cost allocation plan. The Division also includes the State Purchasing Office (SPO) which includes the management of statewide centralized procurement including the promulgation of the State's procurement rules; management of the BIDS electronic vendor notification system; procurement education and oversight; procurement and administration of statewide price agreements; conducting procurement services for non-delegated agencies; and appeals authority for bid protests. In addition, the Division includes Collections Services, which is statutorily responsible for providing debt collection services to State agencies and political subdivisions.

The Office of Administrative Courts (OAC) is Colorado's centralized administrative court system. The Office is a central panel of Administrative Law Judges that decide workers' compensation, human services, licensing, and a variety of other cases.

Statutory Authority

The statutory authority for the Colorado Department of Personnel and Administration is found in Title 24, Section 50.3-105, Colorado Revised Statutes.

DEPARTMENT STRUCTURE – ORGANIZATIONAL CHART November 1, 2010



DIVISION LEVEL OBJECTIVES AND PERFORMANCE MEASURES

Executive Director’s Office (EDO)

Objective: Visit all State agencies Executive and/or Deputy Executive Directors for an executive level information update and exchange to discuss global matters.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Increase the total number of Departments visited by Executive and/or Deputy Executive Directors per year.	Benchmark	N/A	4	5	6
	Actual	3	15	TBD	TBD

Strategies: The Department modified it’s approach to the executive level outreach during FY 2009-10. Originally, the Department intended to outreach to departments on a global level addressing all of the service offerings at a single meeting. Given staffing and workload issues both throughout state government, the Department determined that such an approach may not be the most effective use of management’s time. Therefore, in FY 2009-10, the Department’s executive level outreach was more targeted on an issue by issue basis. This modified approach allowed the Department to have more outreach to agencies with a higher level of impact as issues were addressed on a targeted and timely basis.

Evaluation: As this performance measure is still relatively new and was recently adjusted, overall evaluation of success may still be somewhat premature. However, the Department sees the greater value in the new targeted approach.

Objective: Increase employee outreach with statewide Town Hall meetings in order to encourage employee interaction with the Departments’ Executive Office.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Increase the number of town hall meetings conducted in each quadrant of the State by two town halls per year.	Benchmark	N/A	17	19	21
	Actual	15	9	TBD	TBD

Strategies: The Department reduced the number of town halls statewide as a result of budgetary restrictions which resulted in significant reductions in travel expenditures. As a result, the Department focused on video-conferencing town halls and local symposium which were available via streaming video over the Internet. While the lack of face to face interaction may be less desirable in some ways, the efficiency of such communication tools in reaching more individuals at a lower cost and time commitment is valuable. In addition to these more general town hall meetings and presentations, DPA actively participated in outreach to state employees on three separate topics: Total Compensation, Benefits, and Workplace Issues. These meetings allowed the exchange of a great deal of information and perspective on the topic areas which was invaluable in formulating the total compensation recommendation, the medical and dental plans, and upcoming rule making.

Evaluation: As this performance measure is still relatively new and was recently adjusted, overall evaluation of success may still be somewhat premature. However, the Department sees the value in the new approach utilizing technology.

Objective: Highlight the work of the Ombuds Program to State agencies and employees through defined outreach and statistical reporting.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Increase number of visits and dissemination of information regarding the Ombuds Program with State agencies and employees yearly by 10%.	Benchmark	N/A	97	N/A	N/A
	Actual	88	60	N/A	N/A

Strategies: The State Ombudsman will complete introduction of the Ombuds Program to Executive Directors and their senior management teams for departments and agencies including Agriculture, Military & Veterans Affairs, Natural Resources, Public Health & Environment, Public Safety, Regulatory Agencies, Secretary of State, and the Treasurer’s Office. The Ombudsman will also continue employee presentations in all departments, focusing this year on the Department of Corrections facilities around the state, Colorado Department of Transportation operations, and the Departments of Revenue and Human Services. In addition, the office will prepare articles for dissemination to employees online and in employee newspapers.

Evaluation: The increased employee contacts and caseload for the fiscal year (1826 vs. 1710 for FY 2008-09, a 6.35% increase) and the increase of facilitated conversations as a conflict resolution tool limited the outreach efforts in FY 2009-10. The State Ombudsman completed introductions of the Ombuds Program to employees in all agencies listed except Agriculture and Military and Veterans Affairs. Due to budget constraints on travel, the State Ombudsman did not tour Department of Corrections’ facilities around the state. On an ongoing basis, the Department believes that the performance measure is outdated and does not provide an accurate representation of the overall effectiveness of the Ombuds program.

Objective: Enhance the Value of the Ombuds Program through the Collection of Survey Information

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Maintain the average overall rating of the Ombuds Program based on respondent evaluation at or below a value of 2.0 (a rating of 1.0 indicates strong agreement or satisfaction and 5.0 indicates strong disagreement or dissatisfaction)	Benchmark	N/A	N/A	2.0	2.0
	Actual	N/A	N/A	TBD	TBD

Strategies: This performance measure is new for the FY 2010-10 budget year. The Ombuds program will begin to survey willing respondents on an ongoing basis to determine overall satisfaction.

Evaluation: This performance measure is new for this request year, therefore no information is available at this time.

Objective: Evaluate and align the Department’s resources with the most efficient organizational structure and function.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Increase percentage of programs evaluated for structure and function to 100% in five years.	Benchmark	N/A	25.0%	37.5%	50.0%
	Actual	12.5%	31.3%	TBD	TBD

Strategies: The Department was successful in evaluating and aligning many of its programs for optimal function in FY 2009-10 for FY 2010-11. Going forward, the Department will evaluate its success in meeting this goal after it has evaluated 100% of the 32 offices, units, and programs within the six divisions.

Evaluation: In FY 2009-10, the Department was able to evaluate the organizational structure and function of six additional work units. These include the Architect’s Office, Data & Analytics, Work Force Planning and Development, Accounting, Government and Public Relations, and HIPAA compliance offices. In the prior fiscal year, the Department evaluated four of the programs within its structure, including Colorado State Employee Assistance Program, State Archives, the State Controller’s Office, and the State Procurement Office. This fiscal year, the Department is seeking to realign its FTE authority for optimum utilization with the submission of a budget-neutral decision item request.

Objective: Develop, submit for approval, and implement a statewide recruitment plan that is sensitive to and reflective of the people we serve.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Increase total number of contacts of interested or affected groups by ten each year, including, but not limited to, military, veteran groups, schools, advocacy and community outreach groups.	Benchmark	N/A	10	N/A	N/A
	Actual	0	N/A	N/A	N/A

Strategies: The Director of Government and Public Relations was created in FY 2007-08, partly to perform outreach in order to begin improving representation of underrepresented groups in State government.

Evaluation: As part of the Department’s budget reduction plan for FY 2009-10, this position was eliminated. The Department did not have the resources necessary to perform this outreach activity. The Department does not anticipate being able to perform this activity in the foreseeable future.

Objective: Maintain level of reported benefit from C-SEAP services.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Maintain level of reported benefit from <u>direct employee consultations</u> by maintaining the percentage of respondents to a client survey who reported that services had positive impact.	Benchmark	95%	95%	95%	95%
	Actual	98%	99%	TBD	TBD

Strategies: In order to ensure a high level of staff competence, the program provides regular supervision and group case reviews, annual professional development for each staff member, and internal training by and for staff. Client (customer) satisfaction is

measured by surveys given to clients following counseling. Survey questions remained the same as in the previous fiscal year in order to maintain reliability.

Evaluation: The Colorado State Employees Assistance Program was able to follow its strategies and meet and exceed its performance measure for FY 2009-10.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Maintain level of reported benefit from <u>workplace consultations with managers</u> by maintaining the percentage of respondents to a client survey who reported that services had positive impact.	Benchmark	95%	95%	95%	95%
	Actual	100%	100%	TBD	TBD

Strategies: In order to ensure a high level of staff competence, the program provides regular supervision and group case reviews; annual professional development for each staff member; and internal training by and for staff. Client (customer) satisfaction is measured based on surveys conducted by phone following workplace consultations. Survey questions remained the same as in the previous fiscal year in order to maintain reliability.

Evaluation: The Colorado State Employees Assistance Program was able to follow its strategies and meet and exceed its performance measure for FY 2009-10.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Increase level of reported benefit from <u>auxiliary services (i.e. training, mediation, facilitation, trauma, and crisis intervention)</u> by maintaining the percentage of respondents to a client survey who reported that services had positive impact.	Benchmark	95%	95%	95%	95%
	Actual	99%	98%	TBD	TBD

Strategies: In order to ensure a high level of staff competence, the program provides regular supervision and group case reviews; annual professional development for each staff member; and internal training by and for staff. Client (customer) satisfaction is

measured by surveys given to auxiliary service participants following Colorado State Employee Assistance Program intervention. Survey questions remained the same as in the previous fiscal year in order to maintain reliability.

Evaluation: The Colorado State Employee Assistance Program met or exceeded all outcome/benchmark goals this year for direct employee counseling, workplace consultations, and auxiliary services. All strategies were followed, and survey results clearly indicate that employees and managers were highly satisfied with services provided by the program.

Division of Human Resources

Objective: Mitigate risk in the workplace by implementing programs and processes, which minimize the number and total cost of workers' compensation claims.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Minimize the number of workers' compensation claims, relative to the total workforce by decreasing total number of claims/100 employees by 2.5% each year.	Benchmark	8.21 claims/100 employees	8.00 claims/100 employees	7.80 claims/100 employees	7.80 claims/100 employees
	Actual	8.61 claims/100 employees	7.97 claims/100 employees	TBD	TBD

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Minimize the total cost of workers' compensation claims, relative to the total workforce by decreasing total incurred dollars/\$100 of payroll by 2.5% each year.	Benchmark	\$1.18 incurred cost/\$100 of payroll	\$1.15 incurred cost/\$100 of payroll	\$1.12 incurred cost/\$100 of payroll	\$1.10 incurred cost /\$100 of payroll
	Actual	\$1.00 incurred cost/\$100 of payroll	\$1.44 incurred cost/\$100 of payroll	TBD	TBD

*Note: The Division of Human Resources corrected the calculation of the incurred costs in FY 2009-10. While the Division cannot retrospectively calculate this rate, the Department is certain the increase in the incurred cost is not as large as presented here.

Strategies: Historically, five departments, Human Services, Corrections, Transportation, Public Safety and the Judicial Branch experience approximately 70 percent of all workers' compensation losses. These are paid for through the State self-insured Worker's Compensation Benefits program. On October 5th, 2007 the State Office of Risk Management launched a six prong loss control/safety pilot program initiative known as "It's a New Day". The program focuses on the five departments to comprehensively develop and reinforce safety programs and Workers' Compensation costs. The two year pilot produced reductions in both the number and cost of claims in the six participating agencies. In October 2010, the program was rolled out to all remaining agencies and institutions of higher education. The continued success of the Program will be benchmarked and closely monitored.

The program is designed to control and reduce the cost of work place injuries by incorporating and establishing best practices in the area of Workers' Compensation into the organizations. The personnel at the Office of Risk Management also coach the departments' internal safety personnel regarding the development of an improved organizational safety culture. The program components focus on six strategies: 1) developing ongoing management commitment to the safety programs, 2) appointing and operating a safety committee and safety coordinators, 3) development, posting, and enforcement of safety rules, 4) development of safety awareness and training, 5) designation of a medical provider, and 6) the development of written policies and procedures pertaining to claims management.

Other initiatives designed to reduce the frequency and severity of workers' compensation losses include the use of professional consulting. The professional consulting includes the development of agency specific loss control programs, claims management, and

assistance in the Return-to-Work Program. In addition, the Office will continue to offer hands-on work station ergonomic assessment services. Finally, the Office will pursue the development and integration of risk management data system tools. These will be used by departments to more effectively integrate and manage Worker’s Compensation claims, loss exposures and related safety/risk management processes.

The State Office of Risk Management has also initiated a pilot program for the use of pre-employment functional capacity and pre-employment physical examinations. Currently, the pilots include the Department of Transportation, Department of Public Safety, and the Department of Corrections. The goal is to identify positions where there are clear physical requirements to fulfill the minimum requirements of the position and provide pre-employment testing to avoid hiring employees that cannot safely perform job duties, thus avoiding injury.

Evaluation: The Division did not achieve its benchmark for minimizing the cost of claims. The Department feels that this can be attributed to a correction in the manner in which incurred costs were calculated. A mistake in how the Risk Management Information System (RMIS) calculated incurred cost was discovered during FY 2009-10. The mistake was corrected, however it impossible to go back and correct prior years. It does appear that the incurred cost was understated in past years. However, the Division was successful in minimizing the total number of claims.

Objective: Ensure agencies uniformly apply statewide Human Resources policies and procedures by finding deviations from State Statutes, Rules, or agency practices that do not meet the standard of best practices and resolving them.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Increase the percentage of resolved findings of deviations from State Statutes, Rules, or best practice.	Benchmark	N/A	Number of findings and % resolved	70% Resolution (100 Findings)	75% Resolution (100 Findings)
	Actual	N/A	61% Resolution (94 Findings)	TBD	TBD

Strategies: C.R.S. 24-50-101(3)(d) establishes that the heads of principal departments and presidents of colleges and universities are responsible and accountable for the actual operation and management of the state personnel system for their respective departments. The operation and management of the state personnel system must be in accordance with the directives promulgated by the state personnel director. This oversight is critical in the state's decentralized environment to ensure the integrity of the state personnel system. The Consulting Services Unit performs the oversight activities through contact with department and institution human resources personnel primarily by auditing, investigating complaints, consulting on application of rules and system requirements or standards, researching and recommending outcomes on appeals and disputes. As issues are identified, the Consulting Services Unit determines suitable risk-based remedies, e.g. technical assistance documents, training programs, rule revisions, to address and eliminate deviations from system standards and requirements.

In FY 2002-03, the approach to conducting audits included identifying criteria, collecting and analyzing data from every department and institution, presenting findings to each individual department, and monitoring the departments' progress to implementing revised practices. Under this methodology, it took multiple years to complete an audit cycle on a narrow set of topics and the findings were addressed individually rather than systemically. Beginning in FY 2007-08, the approach to conducting audits changed with the first audit of selection practices in over ten years. A sample of five departments was chosen to be audited on a shortened cycle. Common issues were identified in the audits that were present across all five departments. These issues were addressed immediately by developing several process workshops and training classes to address the findings and publishing revised written technical guidance documents. This approach provides the opportunity to resolve issues on a broader scale with the expectation that as additional departments are audited on selection practices in the future, the new practices are being used and that particular issue eliminated. This approach provides the opportunity for broader system oversight with the staff resources available.

Evaluation: The ability of the Division of Human Resources to make findings is a function of the staff that can be committed to ad hoc audits, consultation with agencies, and the number of Appeals and Directors' Review processed. The Division of Human Resource's primary goal is to resolve findings cooperatively with the agencies. The Division also provides the agencies technical assistance, training, rule changes. If these efforts do not result in resolution of the issue, the Director may overturn an agency decision through the Appeals Process or through the Delegation Agreement.

Objective: Increase development opportunities for the workforce through training.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Increase percentage of state employees receiving training by 3%.	Benchmark	N/A	11.6%	14.6%	17.6%
	Actual	8.6%	9.0%	TBD	TBD

Strategies: Per C.R.S. 24-50-122, the State personnel director is charged with establishing and maintaining training programs for employees in the state personnel system. Included in this responsibility is recommending the most economical and effective means of meeting training needs and assessing the effectiveness of the training provided. The centralized training program currently lacks the resources to provide comprehensive training to a workforce of approximately 31,000 employees. Total program resources (cash funded spending authority) are currently at \$268,000 or an \$8.65 central investment per employee. The Division is exploring the implementation of web based training in the areas of Diversity, Sexual Harassment, Workplace Violence Prevention, and Drug Free Workplace. These are areas of high employment risk and there should be on-going training for the entire workforce. In addition the Division is developing on-site programs for delivery outside the Denver Metro Area and a Leadership Development Program. Training directly contributes to attracting and retaining a qualified workforce and the state cannot compete for talent without addressing employee development.

Evaluation: This year, there was an unanticipated transition of leadership at the PDC. The new program administrator did not have time to fully assess the current curriculum and make adjustments to the class offering. In the coming year, the PDC will re-evaluate its course offerings. Low attendance classes will be replaced by new ones. This should increase the attendance levels.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Increase average percentage of attendance (number of spots filled) in all trainings by 3%.	Benchmark	N/A	83%	86%	89%
	Actual	80%	60%	TBD	TBD

Strategies: Part of developing a successful training program is evaluating classes for quality and assuring that course curriculum is important and of interest to the workforce. The Division will monitor class attendance to ensure that the classes offered are meeting the needs of the state. Low attendance rates may be an indicator of misaligned content or less important topics. By monitoring closely, the Division can replace the classes with lower interest with others that are more important or desirable to improve the overall program.

Evaluation: This year, there was an unanticipated transition of leadership at the Professional Development Center. The new program administrator did not have time to fully assess the current curriculum and make adjustments to the class offering. In the coming year, the Professional Development Center will re-evaluate its course offerings. Low attendance classes will be replaced by new ones. This should increase the attendance levels. The program will evaluate their success in achieving the benchmark at the close of the fiscal year.

Objective: Deliver a cost-effective and competitive total compensation program according to prevailing market pay and benefits and evaluate the performance pay system for recommended modifications.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Increase the State of Colorado contribution to 100% of prevailing market employer contribution to health insurance.	Benchmark	85%	90%	95%	95%
	Actual	85%	90%	90%	TBD

Strategies: An effective total rewards program is required if the State is going to compete in the market to attract, reward, develop, and retain a competent workforce, both current and future employees. Research on attraction and retention factors reveals benefits are a core component of a total rewards package and no longer viewed as a “fringe”. Benefits are increasingly becoming the determinate in a candidate accepting a job. For example, one survey reported that benefits are the most important factor for 84% of respondents when choosing to work for an employer (Princeton Survey Research Association on behalf of the Center for State and Local Government Excellence). The gap in employer contribution must first be closed and market level maintained, within the demographics and geography of our risk pool, before we will be able to invest in richer, affordable plan designs, including additional effective wellness initiatives.

In 2004, the State’s contribution was at 49% of the market’s contribution so a five-year strategic initiative to bring our contribution to the full prevailing market level. In strong partnership with the General Assembly, the State’s contribution is at 90% as of July 1, 2008. The Annual Compensation Survey Report continues to report the funds necessary to achieve this goal. As our contribution has increased, so has enrollment in state health plans, albeit the enrollment increase cannot be attributed entirely to the employer contribution alone. In the fall of 2007 and 2008, the Classified Staff Compensation and Benefits Opinion Surveys were conducted. According to the surveys, increasing the employer’s contribution to benefits was rated the Number 1 improvement in the total compensation package reported by employees in both years.

The Department will continue to report the funds needed to reach 100% of prevailing market level in the Annual Compensation Survey Report due each August 1. In addition, the employee opinion survey will be administered annually. If the State does not reach and maintain prevailing employer contributions, and move forward with plan design improvements, employees will begin to abandon our medical plan and drive costs even higher. Employee satisfaction is an important component of productivity so the State must offer attractive benefits across its entire workforce as a critical component of an effective total rewards package.

Evaluation: The Division achieved the benchmark for the second year in a row. To date, the state of the budget has allowed for the legislature to appropriate consistent with the Department’s recommendations

Constitutionally Independent Entities (CIE)

1) State Personnel Board

Objective: Enhance court processes with e-filing to promote greening and transparency of government.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Increase the number of cases filed electronically each year.	Benchmark	N/A	N/A	TBD	TBD
	Actual	N/A	N/A	TBD	TBD

Strategies: The State Personnel Board is attempting to implement an electronic filing system to allow the filing of all pleadings with the Board and which will, in turn, integrate a database which will be populated with information regarding the types of cases filed with the Board. The Board staff has met with other state agencies that have similar needs (the Office of Administrative Courts and the Public Utilities Commission). The Public Utilities Commission has developed an e-filing system which is being reviewed by the Office of Information Technology staff for adaptability for use by both the State Personnel Board and the Office of Administrative Courts. In addition, a proposal is being prepared with the assistance of the Office of Information Technology staff for the development of the database application on an enterprise basis with the Office of Administrative Courts and, possibly, the Public Utilities Commission.

Evaluation: Until the Public Utilities Commissions’ e-filing system and the database proposal are reviewed and approved by the Office of Information Technology and the State Personnel Board, the State Personnel Board will not be able to report on success of meeting benchmarks.

Objective: Enhance work quality of judges and staff to ensure overall customer satisfaction.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Maintain the average overall rating of the Board’s Administrative Law Judges on the annual survey distributed to all attorneys and unrepresented parties. (The ratings are equivalent in nature to an academic GPA.) *	Benchmark	3.0	3.10	3.15	3.20
	Actual	3.07	N/A	TBD	TBD

Strategies: The State Personnel Board will continue to train its Administrative Law Judges through collaboration with other state agencies that employ these types of positions, and through programs offered by the state bar association and the National Judicial College.

Evaluation: The Board has, in the past, conducted an anonymous annual survey of all parties and attorneys appearing before the State Personnel Board. The survey is conducted and tabulated by an independent third party, the Integrated Document Solutions group, which is overseen by the Department of Personnel & Administration’s Division of Central Services. The FY 2008-09 Survey was conducted electronic, by emailing the survey to attorneys and unrepresented parties appearing before the Board. The evaluation for FY 2009-10 could not be made as the cost of the electronic survey, approximately \$6,000 (shared with the Office of Administrative Courts), was eliminated from the Office of Administrative Courts’ budget. Given substantial budgetary cuts made by the Board in an effort to deal with the current economic situation, the Board would be unable to cover even collaborative costs for the survey during FY 2010-11.

Objective: Increase efficiency and availability of State Personnel Board services by maintaining the utilization of Alternative Dispute Resolution.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Increase the percentage of cases set for hearing that involve successful Alternative Dispute Resolution by 5% each year.	Benchmark	75%	80%	85%	90%
	Actual	76%	82%	TBD	TBD

Strategies: The State Personnel Board mediators will continue to contact both parties in all cases set for hearing before the Board and offer the Board’s free mediation services.

Evaluation: The State Personnel Board tracks all cases which are set for hearing but which do not result in a hearing. The Board has achieved its benchmark.

Division of Central Services (DCS)

Objective: Reduce Cost to State Government Through Improved Business Processes.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Maintain the total potential travel volume for the state purchased on the Travel Card at or above 80%.	Benchmark	75%	75%	80%	80%
	Actual	80%	92%	TBD	TBD

* This usage ensures maximizing special rates and services associated with the Travel Card for airfare, lodging and car rental

Strategies: The State Travel Management Program (STMP) is dedicated to outreach efforts in order to provide Program information to assigned Travel Compliance Designees (TCD). These various outreach efforts take the form of Face-to-Face sessions, Travel Forums and the State Travel Management Program website. These educational efforts are among the many services provided by State Travel Management Program such as: high quality customer service, problem resolution, rule interpretation, claims negotiations. These efforts are to ensure Travel Card usage remains high.

Evaluation: The Travel Card Program was successful in its efforts to keep price agreements low and offer compliance support, resulting in easily achieving the benchmark. This year showed an unexpected increase due to an increased push in customer service. It is unknown whether this increase will stay level, but the benchmarks have been increased from 75% to 80% in response.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Maintain savings for Integrated Document Services as compared to the private sector as reported in the Department of Central Services annual cost savings report.	Benchmark	N/A	\$3,842,636	\$4,000,000	\$4,000,000
	Actual	\$3,842,636	\$3,842,636	TBD	TBD

*This report is produced every other year; therefore, actual measures and the appropriated amount repeats itself. Staff reductions have forced the Division of Central Services to delay the development of the next cost comparison report until 2011 at the earliest.

Strategies: The 2008 report showed \$3,842,636 in total savings to the state for selected goods and services from Integrated Document Services. Because this report is conducted every other year actual measures repeat themselves.

Evaluation: The FY 2009-10 annual cost savings report was not complete by the time this performance measure was updated. The Department will provide an evaluation of its cost savings in a subsequent report.

Objective: Support Greening of Government through Focused Business Strategies

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Increase amount of recycled paper used in the Integrated Document Services operations by 5% each year.	Benchmark	N/A	5%	10%	15%
	Actual	N/A	5.05%	TBD	TBD

Strategies: In the first two years of implementation of this strategy, the focus was on the Copier Program. In the first year, FY 2007-08, of implementing this strategy, the program saw a 48.72% increase in the use of recycled paper and a 51.28% increase in the second year FY 2008-09. This allowed the program to realize full use of recycled paper in the Copier Program. In addition, there is a focus on the Print Shop to work with customers to use recycle paper where applicable. This will be a significantly smaller increase but will still show strides to increase use of recycled paper. Because the Copier Program is only a small percentage of the overall Print Operations the percentage is reflected in small incremental percentages.

Evaluation: The Division’s efforts to mandate recycled paper use within the Copier Program and working with customers in the Print Shop has already shown an overall increase of 5.05%, resulting in the achievement of this year’s benchmark. As the cost, quality, and performance characteristics of recycled paper continue to improve, there will be more opportunity to use recycled paper in the high volume high speed production equipment used in the Print Shop.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Increase percentage of total fuel use that is E85 fuel. (Measure is percent increase from prior year.)	Benchmark	100%	100%	50%	50%
	Actual	156%	22%	TBD	TBD

Strategies: There are currently 1,200 Flex Fuel Vehicles, with 105 additional vehicles ordered, that can use Ethanol in a blend of 85% (E85) or biodiesel at a blend of 20% (B20) or above. There were approximately 268 additional E85 Flex Fuel Vehicle purchases in FY 2009-10. Using these renewable fuels directly displaces the use of imported petroleum fuel and significantly reduces green-house gas emissions. In addition, State Fleet Management is pursuing funding to enable the installation of State owned E85 and Biodiesel fueling sites to maximize the consumption volumes of renewable fuels while minimizing cost to the State by utilizing the benefits associated with bulk fuel purchasing agreements. A site was installed at the downtown motor pool, and was operational as of July 1, 2008. In FY 2009-10, the Division purchased two above-ground E-85 tanks that will be operational in the Denver metro area in early FY 2010-11.

In FY 2009-10, the Department’s vehicle replacement request only included vehicles that had to be replaced due to health, life, and safety requirements. This is the primary driver behind the low actual replacement for FY 2009-10. For FY 2010-11, the Department has again requested vehicle replacements for those vehicles that may jeopardize the health, life, and safety of the citizens with their continued operation. Until the financial health of the overall economy, and therefore the State’s budget, improves considerably, the Department does not anticipate replacing current vehicles with E85 vehicles at the previously estimated rates.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Reduce the amount of petroleum used by the State Fleet by 25% by 2012. Base gallons were 2,601,786.	Benchmark	2,471,697 gal (5%)	2,341,607 (10%)	2,211,518 (15%)	2,081,429 (20%)
	Actual	2,708,052 gal	2,335,899 gal	TBD	TBD

Strategies: State Fleet has aggressively pursued the purchase of alternative fuel vehicles (including E-85, biodiesel, and hybrids) as one element of the strategy to reduce overall petroleum consumption. This year budgetary incentives were implemented to encourage the departments to be even more aggressive in their local efforts to reduce petroleum by reducing miles driven and using E-85 wherever feasible. As a result the year over year reduction in FY 2009-10 was dramatic.

Evaluation: Between FY 2005-06 and FY 2009-10 the size of the State’s fleet grew through legislatively approved additions by 363 vehicles. The annual gallons used by these additional vehicles are included in the actuals that are then compared to the FY 2005-06 base. A reduction of 10.2% with all of these additional vehicles added in is actually quite impressive. If the fuel used by the additional vehicles were excluded the % reduction would be 18.1%.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Reduce the overall energy usage in the Capitol Complex buildings each year to reach goal of a 20% overall reduction of kilowatt hours of electrical usage by 2012. Base year was 30,751,910.	Benchmark	27,994,852 (3%)	27,155,006 (3%)	26,340,356 (3%)	25,550,145 (3%)
	Actual	30,289,664 (1.5%)	25,953,917 (15.6%)	TBD	TBD

Strategies: Capitol Complex is focusing on how to incorporate sustainable operations, meet LEED-EB guidelines and incorporate them into everyday operating practices. Capitol Complex has successfully certified three (3) buildings as LEED-EB and plans to extend this certification to the remainder of the complex in the coming years. In addition, 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. Phase 3 of the Performance Contract was signed Friday May 30th, 2008. Projects implemented through FY 2009-10 under Phase 3 include: new Grand Junction boilers, State Capitol exterior lights, lighting control upgrades, 1570 Grant HVAC upgrades, 690/700 computer room cooling unit upgrades, State Capitol solar panels, Complex plumbing fixture upgrades, Power Plant cooling tower replacement, Governor’s Residence window replacement 2nd & 3rd floor, ground source heating & cooling system and interior HVAC distribution & control systems, Carriage House controls, and Merrick Parking Garage solar energy use.

Evaluation: Projects implemented under Phase 3 of the Performance Contract generated significant improvements in FY2009-10 and should generate some additional reductions in FY 2010-11.

Objective: Maintaining strategic partnership with customers by exceeding their expectations based upon surveys of their overall satisfaction.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Maintain a minimum of 90% successful rating on meeting and exceeding customer expectations. The results of for this performance measure will come from the Department of Central Services Annual Customer Satisfaction Survey.*	Benchmark	90%	90%	90%	90%
	Actual	91%	TBD**	TBD	TBD

* This is an electronic survey that is sent to customers of all of the Department of Central Services programs and asks a multitude of questions include those around customer service, quality, value and partnership. This survey is sent to customers every other year so the results repeat.

** Due to staffing reductions, it was not possible to conduct and process the customer satisfaction surveys for FY 2009-10.

Strategies: Department of Central Services keeps a focus on maintaining low prices, professional relationships, and efficient service to all its customers to ensure high customer satisfaction. Department of Central Services has seen a decline in the number of responses to surveys over the past several years. The new strategy for surveying customers has changed with a focus on different customer groups. Also, the survey will focus on the value that the Department of Central Services provides to the state and begin to measure the perception of value. (Pending outcome of yearly performance data)

Evaluation: Results in the most recent year (FY 2008-09) showed a 91% successful rating, achieving the benchmark set for customer satisfaction.

Division of Accounts and Control – Controller (DAC)

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Increase dollars spent on price agreements with State Agencies by 5% each year.	Benchmark	\$120.1M	\$120M	\$120M	\$120M
	Actual	\$119.6M	\$120M*	TBD	TBD

* This is as of August 5, 2010. Not all reports were complete as of the writing of this plan.

Strategies: Currently, approximately 70% of the State’s price agreements are mandatory compared to the 20% previously reported. During FY 2008-09 & 2009-10 good progress was made while soliciting price agreements in the ability to designate them as mandatory. When purchases are made outside of the State price agreements (a practice known as “maverick spending”), the State’s buying power is substantially decreased. This type of “maverick spending” does not take advantage of volume discounts and prevents the State from knowing the actual statewide purchasing volume of each commodity. While ‘maverick spending’ is still occurring, the Division continues to work with agencies to purchase from the state price agreements. Due to reductions in agency operating budgets resulting from the economic downturn, agencies have spent less in the past year and it is expected that price agreement spend will, at best, remain flat for at least the next two years.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Increase Procurement card utilization by 3% yearly.	Benchmark	\$205M	\$201M	\$155.2 M*	\$155.2 M*
	Actual	\$201.7 M	\$210.5 M	TBD	TBD

*The dramatic decrease in estimated Procurement Card utilization is due to the loss of the spend related to institutes of higher education.

Strategies: Historically, Procurement Card (P-Card) usage has grown each year. However, as a result of the electronic payment method Colorado State University is using with their E-Procurement system the Division of Accounts and Control – the procurement program projects a significant decrease in Procurement Card expenditures by Colorado State University. Colorado State University anticipates the decrease to be no more than \$2 million in FY 2010-11. The University of Colorado will be terminating their participation in the procurement card program effective December 2010. As a direct result of their opting out of the procurement card program, the Department anticipates a decrease of \$55 million in spend for FY 2010-11. Finally, due to reductions in agency operating budgets resulting from the economic downturn, agencies have spent less in the past year and it is expected that PCARD spend will, at best, remain flat for all State agencies at least the next two years.

There is significant room for Procurement Card transaction growth with the State Price agreements. Currently, on average, approximately 50% of the volume purchases through our State Price Agreements are paid for through the Procurement Card, even though most of the vendors accept the Procurement Card. The State Purchasing Office has and will continue to take several steps to increase the use of the Procurement Card as the payment method. The goal is to eventually increase Procurement Card usage to 80%

of the total price agreement spend. This will be accomplished by: 1) negotiating with certain price agreement vendors to accept only Procurement Card payments for state purchases; and 2) increasing the use of the Procurement Card in state accounts payable operations. The State Purchasing Office has targeted some price agreements which have historically been underutilized in the use of the Procurement Card, but consistently have shown significant spending. An example is our natural gas vendors, who, for the most part, accept Procurement Card payments but few agencies use them to pay.

Objective: Enhance Collection processes to increase collection revenue.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Increase net recoveries in terms of dollars collected. Benchmark is at least prior year actual.	Benchmark	\$13,732,284	\$14,710,345	\$15,741,950	\$15,741,950
	Actual	\$14,710,345	\$15,741,950	TBD	TBD

Strategies: Two years ago, Central Collections Services (CCS) was authorized to add three new collectors to its staff. This has resulted in improved ability of staff to work more of the accounts in the debt portfolio as well as increase recoveries. Central Collections Services has added a second shift from 11 am to 8 pm and also made significant changes to business processes such as reengineering of debtor notices to encourage payment agreements and realignment of Collectors’ duties to ensure full utilization of all collection tools. Due to the economic downturn, collection recoveries are expected, at best, to remain flat for at least the next two years.

Evaluation: Applying the above strategies proved successful, as the Division more than achieved its benchmark on this performance measure.

Objective: Maintain and improve accountability to State taxpayers through financial reporting.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Receive an unqualified opinion on the state’s financial statements from the State Auditor.	Benchmark	Yes	Yes	Yes	Yes
	Actual	Yes	Yes	Expected December 2010	TBD

Strategies: The Office of the State Controller’s strategy for receiving an unqualified opinion is to continuously monitor state agency accounting through budgetary and Generally Accepted Accounting Principles based exception reports that identify potential audit issues. The Office of the State Controller also employs variance analysis at the financial statement level to identify and address potential audit issues.

Evaluation: Status of meeting the benchmark will not be known until receipt of the audit opinion from the State Auditor in December, 2010.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Achieve annual certification through submission of the state’s Comprehensive Annual Financial Report to the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting	Benchmark	Yes	Yes	Yes	Yes
	Actual	FY08 Cert. Received August ‘09	FY09 Cert. Received July ‘10	TBD	TBD

Strategies: The Office of the State Controller analyzes comments provided by the Government Finance Officers Association (GFOA) Certification program and implements the suggestions, where practicable, as soon as possible.

Evaluation: The Government Finance Officers Association (GFOA) has completed the evaluation of the FY 2008-09 Comprehensive Annual Financial Report and awarded the Certificate of Achievement. Success in meeting the benchmark for FY 2010-11 will not be known until summer 2011.

Objective: Improve agency fiscal accountability by decreasing the number of outstanding unresolved accounting issues at year-end.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Decrease the number of outstanding unresolved accounting issues at year-end as evidenced by the year-end diagnostic reports by 10% for three fiscal years (ending in FY 2008-09).*	Benchmark	103	103	103	103
	Actual	226	82	TBD	TBD

* The resolution of year-end accounting issues is prioritized based on materiality and impact on the Comprehensive Annual Financial Report (CAFR). The existence of unresolved issues, even though immaterial for financial reporting, is not ideal and indicates problems and issues needing to be addressed with individual agencies.

Strategies: The Office of the State Controller strategy to reduce outstanding unresolved accounting issues at year-end is to increase contact with the state agencies regarding potential problems identified in the diagnostic exception reports throughout the year and in the year-end closing process.

Evaluation: The evaluation for FY 2009-10 shows a significant decrease in year end outstanding unresolved accounting issues. The primary reasons for the improved results were:

- There was less turnover at the Controller level at agencies than in the past. Turnover typically increases year-end issues.
- Period 13 FY 2009-10 was longer than in the prior year. In FY 2009-10 there were 11 days and in FY 2008-09 there were only 8 days. This factor appeared to result in a higher error rate than usual in the prior year.
- There were no major system conversions impacting close. In the prior year this was a factor contributing to an increased error rate.
- Many of the errors in the prior year resulted from the lack of documentation due to a retirement on the FAST team. This was not an issue for the current year.

Office of Administrative Courts

Objective: Improve customer service within the Office of Administrative Courts by maintaining the overall rating of the Office’s Administrative Law Judges.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Maintain an average overall rating of the Office’s Administrative Law Judges’ GPA of 3.00 (B). *	Benchmark	3.0	3.0	3.0	3.0
	Actual	3.07	N/A	TBD	TBD

Strategies: The Office of Administrative Courts continues to increase training to the Administrative Law Judges within the Division. The Office will also continue to look for efficiencies to increase the dates available to parties, thereby making the courts more accessible. By accomplishing both of these strategies, the public opinion surveys should remain high. The Office has already begun the process to refine its survey by making it electronic. The electronic survey anticipates that the delivery in the coming years will reach more individuals. The electronic survey will be e-mailed to all attorneys as their e-mail addresses are already recorded and available to the Office. All parties except the attorneys receive a card by mail asking them to go online and take the electronic survey.

Evaluation: The evaluation for FY 2010-11 cannot be made at this time. The cost of the electronic survey, which is approximately \$6,000, was cut from both the FY 2009-10 and FY 2010-11 budgets in order for the Office to reduce spending in an effort to deal with the current economic situation.

Objective: Increase efficiency and availability of OAC services by maintaining the utilization of Alternative Dispute Resolution.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Increase the number of cases that involve successful Alternative Dispute Resolution by 10 cases each year.	Benchmark	35	45	55	65
	Actual	65	61	TBD	TBD

Strategies: The Office will continue to increase mediation training to the Administrative Law Judges within the Division. The Office will also continue to look for efficiencies to increase the dates available to parties, thereby making mediations more accessible. In addition, the Office has discussed with client agencies the availability of Alternative Dispute Resolution. The Office will continue these discussions and attempt to increase the participation of this unit in disputed cases.

Evaluation: The Office of Administrative Courts saw a leveling of growth in Alternative Dispute Resolution cases in FY 2010-11. This is due in large part to a limitation in resources available for dispute resolution. The Office continues to promote the availability of Alternative Dispute Resolution to its client agencies and, as a result, will now perform all of the Department of Education mediations for the special education programs. The Office views Alternative Dispute Resolution as an efficient and cost-effective way to resolve issues.

Objective: Increase availability and use of electronic documents in an effort to move toward a “paperless” office.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Increase the number of total deliveries of orders and notices that are “e-orders” (electronically delivered court notices) by 10% each year.	Benchmark	N/A	1,521	1,673	1,840
	Actual	1,528	2,516	TBD	TBD

Strategies: The Office of Administrative Courts has instituted a program of e-mailing final orders to parties in the workers’ compensation unit. The Office will spread this practice to the general services unit as well. In order to effectuate this performance measure, the Office tracks the electronic mail addresses for parties in its case tracking system.

In addition, the Office may be able to increase the delivery through e-mail of other documents, such as notices, with the implement of some statutory changes. This session, the Office pursued legislation to be able to deliver notices for workers’ compensation claims by e-mail.

Evaluation: The Office of Administrative Courts has successfully met this performance measure. The office believes that legislation allowing the Office to serve notices electronically will further increase this performance measure. Moreover, the Office anticipates that increased efforts in the current fiscal year to extend the electronic delivery of notices and orders in the general services unit will also increase performance in this area.

Performance Measure	Outcome	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Approp.	FY 2011-12 Request
Increase the number of total opened cases that are “e-filed” (electronically filing a case) by 200 cases a year for the first several years after implementation.	Benchmark	N/A	200	200	400
	Actual	N/A	N/A	TBD	TBD

Strategies: Office of Administrative Courts is attempting to implement an electronic filing system to allow the filing of all pleadings with the Board and which will, in turn, integrate a database, which will be populated with information regarding the types of cases filed with the Office. The Office of Administrative Court’s staff has met with other state agencies that have similar needs (the State Personnel Board (SPB), the Oil and Gas Commission and the Public Utilities Commission). Both the Oil and Gas Commission and the Public Utilities Commission have developed e-filing systems, both of which have been reviewed by the Office of Administrative Courts and the State Personnel Board. These two entities have submitted a decision item, with the support of the Office of Information Technology, to implement, on an enterprise basis, the Oil and Gas Commission e-filing system. Included in the decision item is a proposal to develop the case management system currently in use by both the Office of Administrative Courts and the State Personnel Board (Legal Files) as a web-based application, which would be integrated with the proposed e-filing system.

Evaluation: Until the decision item is funded, the Office of Administrative Courts will not be able to report on success of meeting benchmarks.