

# Department of Personnel & Administration (DPA) SMART Act Hearing

Joint Business Affairs & Labor Committee  
January 21, 2022



# Agenda

- Department Background
- Partnership Agreement
- Budget Requests
- Legislative Agenda
- Regulatory Agenda
- Stimulus Implementation Update
- Wildly Important Goals (WIGs)



# Department Background

- Mission & Vision
- Role in Government
- Organization Chart
- Budget Overview



## Mission

The Department of Personnel & Administration is the foundation for dependable state government, leading with responsiveness, integrity, and teamwork. We provide services to other government agencies and all Coloradans by taking bold initiative toward a government with engaged employees, innovative solutions, and constructive partnerships. Good government starts here.

## Vision

Building successful state government through initiative and collaboration.



# DPA Supports State Government

## Authority

*DPA provides central authority by creating rules, policies, and technical guidance to State government*



## Services

*DPA provides central services needed for government to function efficiently and effectively*

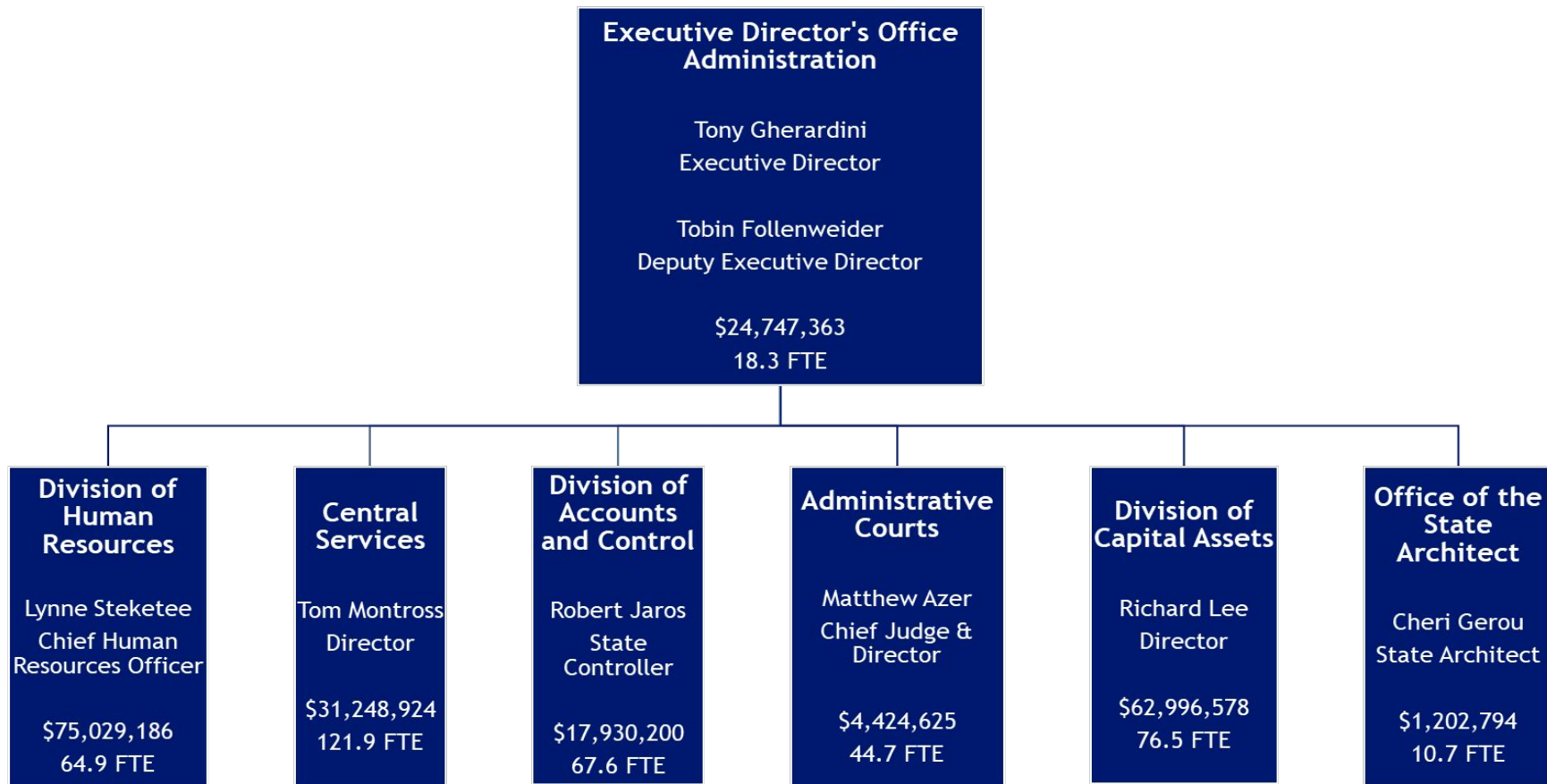


## Programs

*DPA provides central programs offered as valuable services to Colorado residents and State employees*



# Organizational Chart



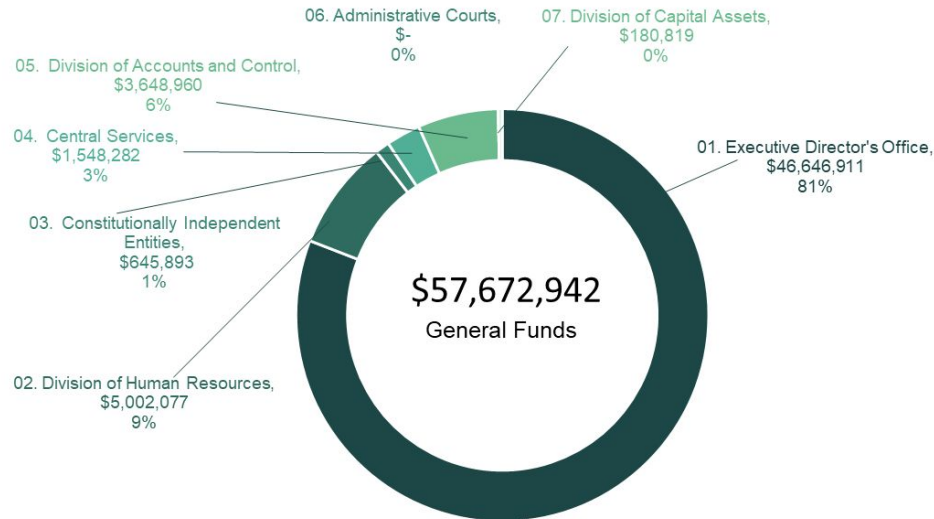
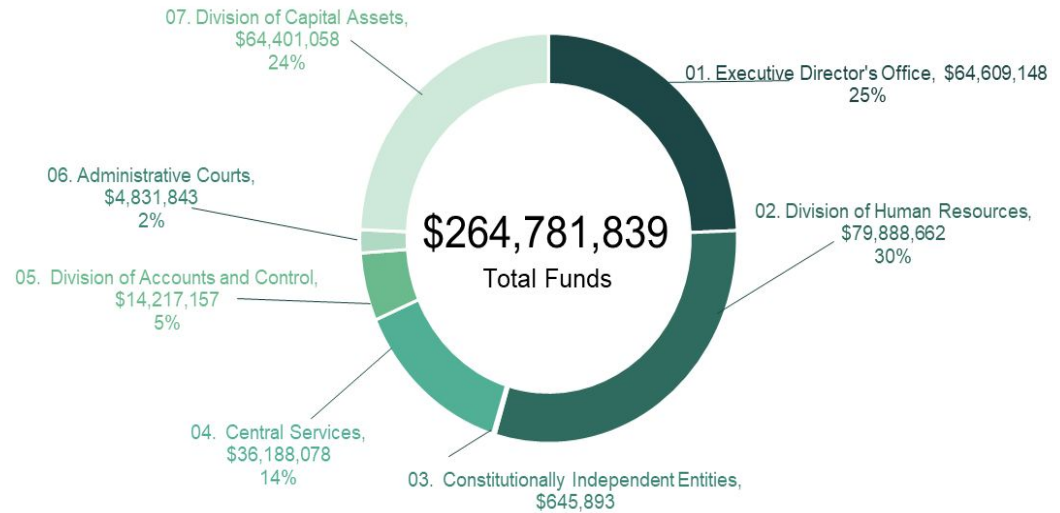
# DPA FY 2022-23 Budget Overview

## FY 2022-23 Budget Snapshot

FY 2022-23 Total Funds: \$264.8M

FY 2022-23 General Fund: \$57.7M

FY 2022-23 FTE: 439.9 FTE



# Partnership Agreement: Overview

- Effective through July 31, 2024, negotiated agreement was ratified by member employees and signed by Governor Polis on Nov. 18, 2021
- 33 articles govern:
  - Union & Executive Management Rights
  - Non-Discrimination, Equity, & Dispute Resolution
  - Job Classification, Seniority, Work Schedules & Flextime
  - Health, Safety, Training, & Education
  - Wages, Overtime, Differentials, Performance, & Benefits
  - Holidays, Leave, Disciplinary Action & Layoffs
  - Implementation





# Budget Requests

- Colorado Equity Office\*
- Paid Family Medical Leave\*
- Total Compensation Survey process
- Fleet Request-Electric Vehicles
- Capital IT-Payroll Modernization & CORE Upgrade
- P3 Office

\* Partnership Agreement



# Partnership Agreement Request: Equity Office

- Executive Order D 2020 175 (EO) and the 2021 Partnership Agreement
- Current Equity FTE: CDHS, HCPF, CDLE, CDPHE, CDPS, CDOT, OIT, and CDHE
- CDHS, HCPF, DOR, & DORA requested 9 FTE to coordinate delivery of Equity services
- Colorado Equity Office would support Statewide Equity initiatives with 10 FTE
- Colorado Equity Office will provide guidance, structure, best practices, & resources across the State with emphasis on supporting agencies without dedicated Equity resources



# Partnership Agreement Request: Paid Family Medical Leave

- *FMLA* entitles eligible employees to 480 hours of unpaid, job-protected leave in 12-month period for family & medical reasons
- *PFML* provides permanent, full-time employees up to 80 hours of paid leave per 12-month period for qualifying reasons
- Estimated percentage of employees who could utilize PFML in a given year (10.2% estimated utilization rate is calculated by looking at qualifying event types)
- *FAMLI*, resulting from Prop 118, created a paid family and medical leave insurance program for all Colorado employees



# Total Compensation Budget Request

- Realigns the Total Compensation survey process and provides resources for ongoing analysis of the State's compensation framework for classified staff
- The realignment consists of a number of separate actions outlined below, including several to address audit recommendations
  - An adjustment to the cadence of the annual Total Compensation report;
  - Moving the full actuarial total compensation analysis from a biennial requirement to a quadrennial requirement;
  - Personal Services and Operating to perform focused compensation analysis



# Electric Vehicles

- DPA has a strategic goal to increase electric vehicle (EV) charging stations within the Capitol Complex to support the State's transition to EVs



- Capitol Complex Charging Projects
  - Capitol Garage
    - CEO Grant Award
    - 50 charging stations
  - Capitol Motor Pool
    - Xcel Grant Application
    - 26 charging stations
  - Grand Junction
    - Xcel Grant Application
    - 15 charging stations
  - Denver Metro
    - TBD

# Payroll Modernization IT Budget Request

## Justification

- Replace end of life 35 year old CPPS Payroll System
  - Risk of failure to pay state employees
  - Used by all 3 branches of state government
    - 55 pay cycles a year for about 40,000 employees
  - Statewide employee data difficult to query and incomplete
  - Risk of failure to provide downstream data to critical state systems
    - 200 interfaces to individual systems including emergency notification systems

## Budget Request

- Based on independent market research
- Anticipates ITN Solicitation
- Agile based implementation
- Governance (DPA, OIT and Agency) and Product ownership



# P3 Office

- Request creates a P3 office to support DPA's efforts to put state property to beneficial use.
- DPA is charged with analyzing state-owned properties to determine if the property is suitable for:
  - Affordable housing
  - Child care
  - Public schools
  - Residential mental and behavioral health care
  - Renewable energy production
- P3 Office will provide centralized support and funding for the lease, sale, or other public-private partnerships for state agencies and on state property



# Legislative & Regulatory Agenda





# Select FY 2021-22 Legislative Agenda Highlights

- Capitol Complex Improvements/Reduce our Footprint
  - Omnibus bill to improve Capitol Complex buildings
  - Supports the Governor's goal to reduce leased office space by 1 million square feet
- State Publications and Digital Records
  - Will allow State Archives to use digital scanning in order to modernize record keeping
  - Eliminate requirement that State Archives receive copies of State publications
  - Will eliminate confusion and allow both the State Library and State Archives to better serve their customers
- Juneteenth State Holiday\*
  - Adds Juneteenth (annually on June 19th) to official State holidays (10 existing holidays in statute)



\* Partnership Agreement

# Regulatory Agenda

- Administrative Courts - Worker's Compensation Procedural Rules
- Capital Assets- Capitol Complex Parking Rules
- Human Resources - Time Off, Benefits Rules
- Human Resources - Organization, Jobs, Compensation, Employment Status, Time Off Rules
- Human Resources - Performance, Separations, Personal Services Agreements Rules
- Human Resources/State Personnel Board (Joint) - Employment, Administration, Rules Clean Up
- State Controller (Fiscal) - Contracts, Travel Rules



# Stimulus Funding Implementation

As of December 31st, 2021:

- DPA has received \$500,000 in funding under the American Rescue Plan Act
- To date, DPA has not expended any ARPA funds
- DPA's ARPA Program is working to develop a method to onboard attorneys for the purposes of creating trusts for address confidentiality participants
- Currently, the Department is consulting with the Attorney General's Office to establish an onboarding method for a term-limited employee or relationships with local attorneys based upon Attorney General guidance



# Equity Executive Order Progress

In accordance with the Governor's Executive Order [2020 175](#), the Department has implemented the following efforts in accordance with its Diversity, Inclusion and Equity plan:

- Recruitment & Hiring
  - Revised talent acquisition process
  - Job descriptions
- Leadership Training
- Community Engagement
- Website Accessibility
  - DPA has a web site accessibility score of 89
  - Exceeds OIT accessibility target by 9 points



# Wildly Important Goals (WIGs)



Strengthen our  
Equity, Diversity  
and inclusion  
(EDI) mindset as  
a State employer



Ensure appropriate  
distribution of  
100% of State and  
Local Fiscal  
Recovery Fund  
(SLFRF) included in  
the American  
Rescue Plan Act  
(ARPA)



Support State  
employees with  
workspaces that  
meet changing  
needs



Reduce  
greenhouse gas  
emission by State  
fleet vehicles

# WIG: Diversity, Inclusion, Equity

To strengthen our equity, diversity and inclusion (EDI) mindset as a State employer, increase the employee engagement pulse survey response to "My agency is making positive progress towards our EDI Plan/Initiatives" from 56.4% to 60% by June 30, 2022.



Successful completion of this goal will mean state agencies have strengthened equity, diversity and inclusion (EDI) among their workforces and in their interactions with the communities they serve. To achieve our goal of recognizing, embracing, and celebrating all identities and abilities, the State is committed to creating a Colorado for All.



# WIG: Fiscal Responsibility

Ensure the appropriate distribution of 100% of American Rescue Plan Act (ARPA) funds to state agencies, as directed by the General Assembly or Federal Government, by June 30, 2022.

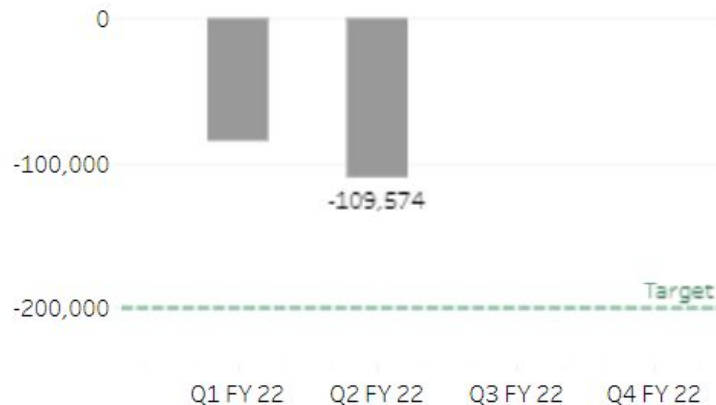


Successful completion of this goal will result in appropriate allocation of Federal Funds to state agencies with certification and auditing of the American Rescue Plan Act of 2021 (ARPA) expenditures.



# WIG: Reduce the State's Footprint

To support our state employees with workspaces that meet our changing needs, DPA will implement a statewide strategic space plan that results in a decrease in the amount of private state leased space by 200,000 square feet by June 30, 2022.

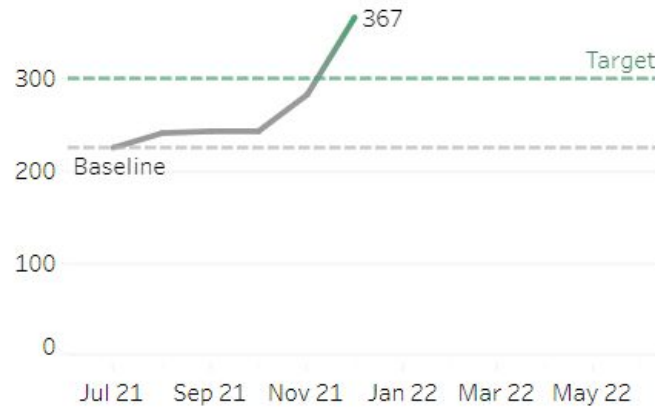


Successful completion of this goal will lead to better space utilization in the employee work environment and a reduction in the amount of leased square footage statewide, which will provide diverse workplace options for state agencies as well as financial savings.



# WIG: State Electric Vehicle Purchases

To reduce greenhouse gas emissions by state fleet vehicles, the Department will increase the number of electric vehicles in the state fleet by 33%, from 225 in FY 20-21 to 300 by June 30, 2022.



Successful completion of this goal will reduce greenhouse gas emissions by state fleet vehicles, by expanding the number of electric vehicles while also implementing and studying the supporting infrastructure.

# Progress on Audit Findings



Page XV-1 in State Auditor's Annual Report:  
Status of Audit Recommendations Not Fully  
Implemented as of June 30, 2021



# Progress on Audit Findings

## EXHIBIT 14. DEPARTMENT OF PERSONNEL & ADMINISTRATION AUDIT RECOMMENDATIONS NOT FULLY IMPLEMENTED AS OF JUNE 30, 2021

AUDIT	REC. NO.	FIRST FY REC. MADE	TOPIC AREA	IMPLEMENTATION STATUS	ORIGINAL IMPLEMENTATION DATE	CURRENT IMPLEMENTATION DATE	DELAY (MONTHS)	DEFICIENCY LEVEL, IF APPLICABLE <sup>1</sup>
Statewide Single Financial Audit, Fiscal Year Ended June 30, 2020	2020-028B	2018	Financial Reporting	Partially Implemented	9/30/2019	6/30/2022	33	Material Weakness
	2020-029	2017	CORE <sup>2</sup> IT Controls	Partially Implemented	6/30/2018	9/30/2021	39	Material Weakness
	2020-030A	2019	Financial Reporting	Not Implemented	12/31/2020	8/31/2022	20	Material Weakness
	2020-030C	2015	Financial Reporting	Not Implemented	12/31/2017	12/31/2022	60	Material Weakness
	2020-030D	2019	Financial Reporting	Partially Implemented	12/31/2020	9/30/2022	21	Material Weakness
	2020-031A	2018	IT Security Controls	Partially Implemented	6/30/2019	12/31/2021	30	Material Weakness
Cash Funds Uncommitted Reserves, Fiscal Year Ended June 30, 2020, Performance Audit	3	2020	Supplier Database Cash Fund	Partially Implemented	6/30/2021	6/30/2022	12	-

SOURCE: Office of the State Auditor's audit recommendation database.

<sup>1</sup> Only financial audit recommendations related to internal controls are classified by deficiency level.

<sup>2</sup> CORE is the Colorado Operations Resource Engine, the State's accounting system.



# Thank you & Questions



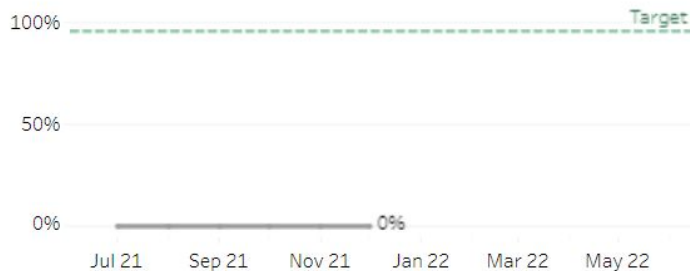
# Appendix

- Additional WIG Data
- Workforce Report Overview
- Total Compensation Study Process



# WIG: Equity , Diversity & Inclusion

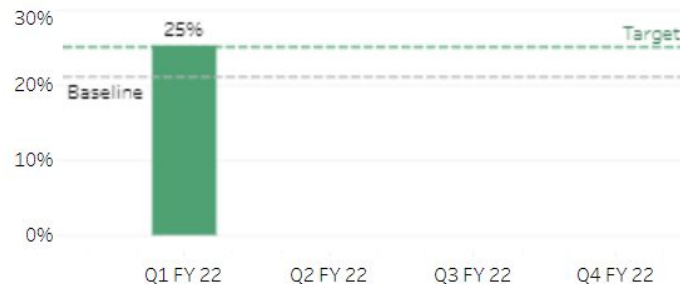
Increase the percentage of employees that have completed the annual compliance trainings, including new, annual EDI training, from 0% to 95% employees trained by June 30, 2022.



Design a plan to stand up a statewide Equity Office, where the plan will be 100% ready for implementation by June 30, 2022.



Increase the statewide pulse survey response rate from an average of 21% in FY 20-21 to an average of at least 25% by June 30, 2022.



# WIG: Fiscal Responsibility

Issue preliminary guidance for ARPA funds to all state agencies, posted on the Office of the State Controller website by December 31, 2021.



Ensure the appropriate certification of 100% of all ARPA funds as directed by the General Assembly or Federal Government, by June 30, 2022.



Monitor and report obligations and expenditures of ARPA funds to the US Treasury with quarterly reports, totaling 4 reports by June 30, 2022.

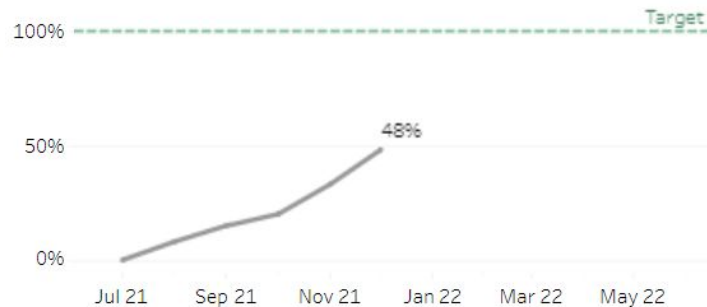


# WIG: Reduce the State's Footprint

16 state agencies will adopt office space implementation plans based on the recommendations of the Strategic Space Plan by June 30, 2022.



Utilize GIS mapping to determine amenities such as co-location and hoteling by June 30, 2022.



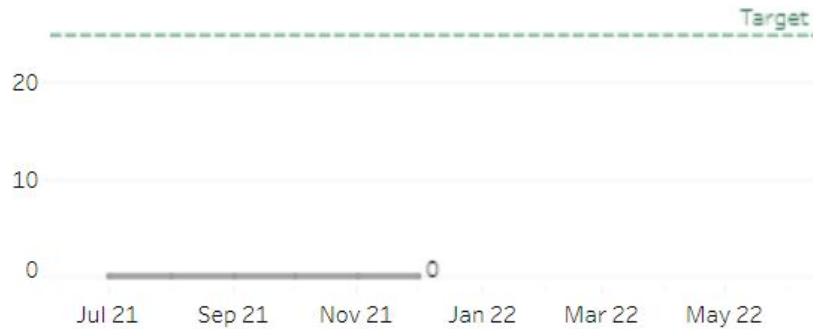
Propose at least two beneficial use lease or sale transactions of unused or underused state property to the Capital Development Committee (CDC) by June 30, 2022.





# WIG: State Electric Vehicle Purchases

Install the infrastructure for electric vehicle charging stations, increasing the number of dual head charging stations from 0 to 25 by June 30, 2022.



Increase the number of vehicles with a telematics device from 636 vehicles to 2,000 vehicles by June 30, 2022.



# Workforce Report FY 2020-21

Measure	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	% Change
Permanent, Classified Employees	31,092	29,180	28,735	28,611	29,112	28,491	-2.13%
Average Age	46.7	46.2	45.9	45.8	45.7	45.6	-0.05%
Median Age	47.3	46.7	46.5	46.1	45.8	45.7	-0.26%
Average Length of Service	10.0	9.7	9.7	9.6	9.5	9.5	-0.15%
Median Length of Service	8.3	7.8	7.5	7.1	6.8	6.8	-0.22%
Average Salary	\$54,122	\$55,398	\$57,270	\$59,104	\$61,640	\$61,882	0.39%
Median Salary	\$49,214	\$50,286	\$51,876	\$53,436	\$56,388	\$56,544	0.28%
Eligible to Retire Within One Year	20.7%	19.6%	19.5%	19.6%	19.2%	18.9%	-1.73%
Eligible to Retire Within Five Years	36.4%	34.6%	34.3%	34.0%	33.7%	33.2%	-1.33%
Turnover	11.8%	14.4%	14.7%	15.5%	13.9%	15.1%	8.29%



# Annual Total Compensation Process

Begin work on total compensation process. Custom survey for benefits and retirement is developed and sent out in May. If a comprehensive year, custom salary survey is conducted.

April

July

Data is collected and analyzation begins. Meet and Confer is held.

Receive draft report for benefits and retirement. If a comprehensive year, the draft report includes market data. If a maintenance year, this is the earliest market data can be requested to conduct internal analysis.

August

September 15

In accordance with C.R.S. 24-50-104(4), the State Personnel Director is required to submit an Annual Compensation Report for annual adjustments to the State of Colorado's total compensation package.

The Governor submits the next fiscal year's budget proposal.

November 1

July 1

Implementation of the Annual Compensation Plan occurs at the beginning of the fiscal year.