

Department of Personnel & Administration (DPA) SMART Act Hearing

Joint Business Affairs & Labor Committee
January 23, 2024



Agenda

- Department Background
- Wildly Important Goals (WIGs)
- Performance Management Overview
- Budget Request
- Legislative Agenda
- Regulatory Agenda
- Equity Update
- Stimulus Implementation
- P3 Office Update



DPA Mission and Vision

Mission

Enable the success of State government through efficiency, collaboration, and innovation

Vision

To create a Colorado for All by enabling the consistent and seamless delivery of quality government services



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



DPA Organizational Chart FY24

FY 2023-24 Summary of Funding

Total funds: \$271,461,456
 General funds: \$44,274,512
 Cash funds: \$17,282,496
 Reappropriated funds: \$209,612,572
 Federal Funds: \$291,876
 Total FTE: 523.7

Executive Director's Office Administration

Tony Gherardini, Executive Director

Tobin Follenweider, Deputy ED
 Heather Velasquez, Deputy ED

\$40,076,425
 40.3 FTE

State Personnel Board

Rick Dindinger, Director

\$702,144
 5.0 FTE

Division of Human Resources

Laura Koeneman,
 Chief Human Resources
 Officer

\$100,686,062
 137.0 FTE

Office of the State Controller

Bob Jaros,
 State Controller

\$15,003,347
 68.6 FTE

Division of State Property

Natricee Bryant, Director

\$70,803,617
 100.2 FTE

Division of Central Services

Tom Montross, Director

\$35,956,855
 127.9 FTE

Office of Administrative Courts

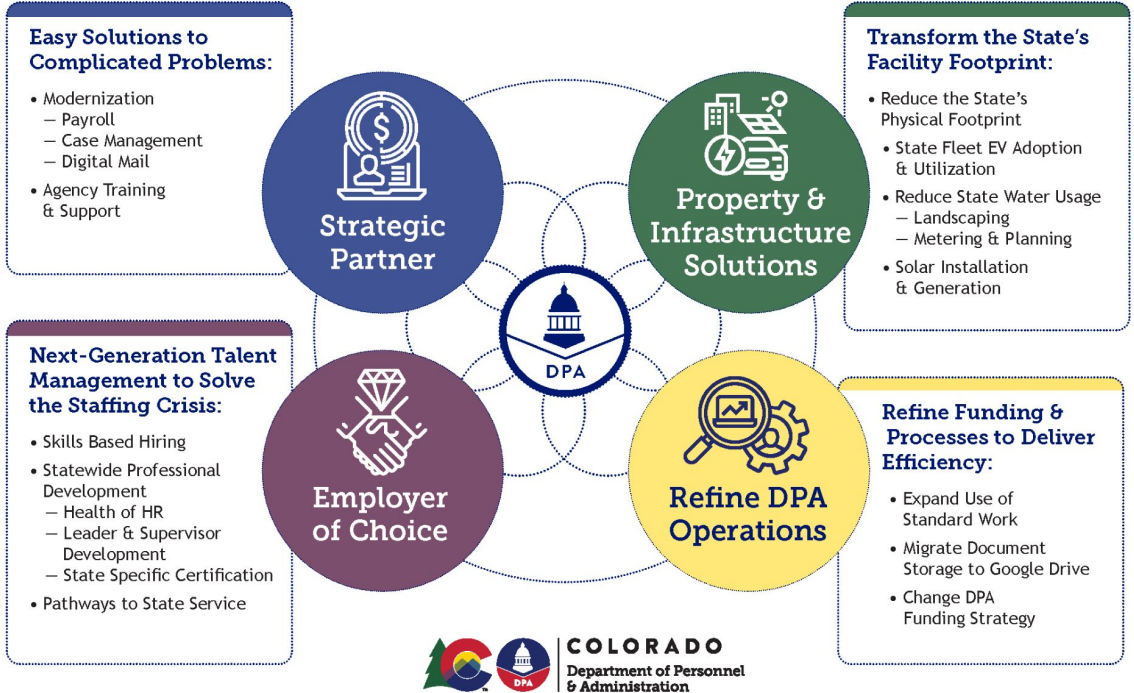
Laura Broniak,
 Chief Judge & Director

\$8,233,006
 44.7 FTE



DPA Transformational Priorities

DPA Transformational Priorities & Initiatives FY2023-2027



DPA Vision

To create a Colorado for all by enabling the consistent and seamless delivery of quality government services.

Mission

Enabling the success of state government through efficiency, collaboration, and innovation.

Core Values

Inclusivity • Service • Teamwork • Integrity
Responsiveness • Transparency



DPA FY 2023-24 Wildly Important Goals (WIGs)



Reduce the State's Physical Footprint

Successful completion of this goal will lead to better space utilization in the employee work environments and a reduction in the amount of space the State needs. This will provide diverse workplace option for state agencies as well as financial savings.



State Fleet Electric Vehicle Purchase

Successful completion of this goal will showcase the State as a leader in electric vehicle adoption, saving thousands of CO2 pounds per electric vehicle per year, thereby reducing greenhouse gas emissions from the State's fleet of vehicles. Electric vehicles provide an average 30% reduction per mile in greenhouse gas emissions over gasoline powered vehicles.



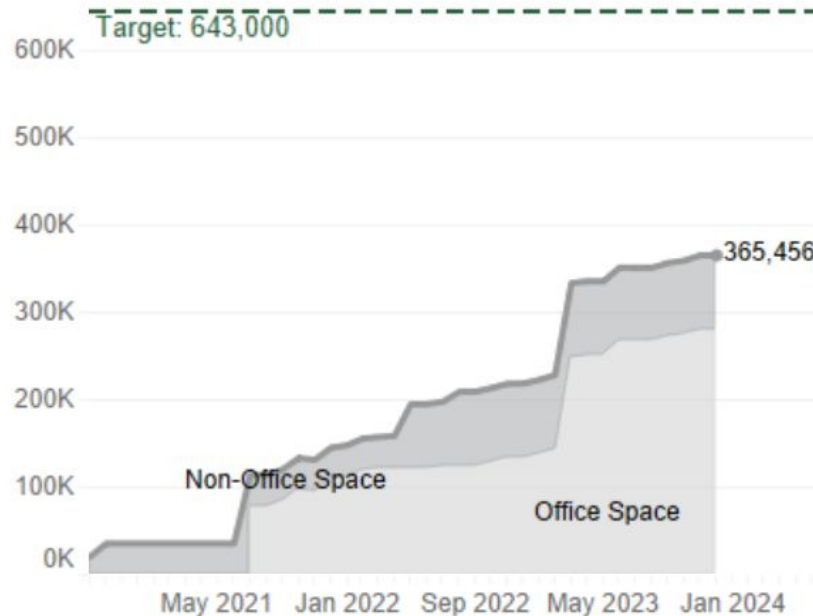
Skill-Based Hiring

Successful completion of this goal will help to ensure the State complies with executive order DD 2022 015 to retain and recruit a diverse, talented workforce that reflects the community it serves. Additionally, the State will continue to increase its non discriminatory practices and provided equitable opportunity for employment and advancement in all State departments, programs, services, and worksites.



DPA FY 2023-24 Wildly Important Goals (WIGs)

Reduce the State's Physical Footprint: Decrease total state leased and owned underutilized space by an additional 291,634 square feet, for a total of 643,000 square feet since January 2019, by June 30, 2024.

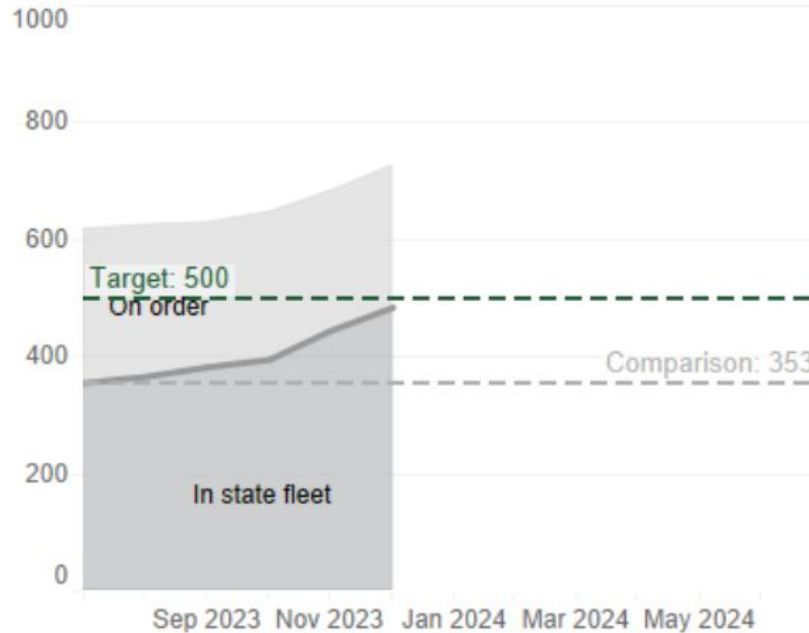


Context: Successful completion of this goal will lead to better space utilization in the employee work environments and a reduction in the amount of office space the State needs. The reduction of underutilized non-office space assets will lead to those properties being sold or identified as opportunities for public-private partnerships (P3). This goal will ultimately provide diverse workplace options for state agencies, improve the quality of life for Coloradans through P3 opportunities, as well as provide financial savings for the State.



DPA FY 2023-24 Wildly Important Goals (WIGs)

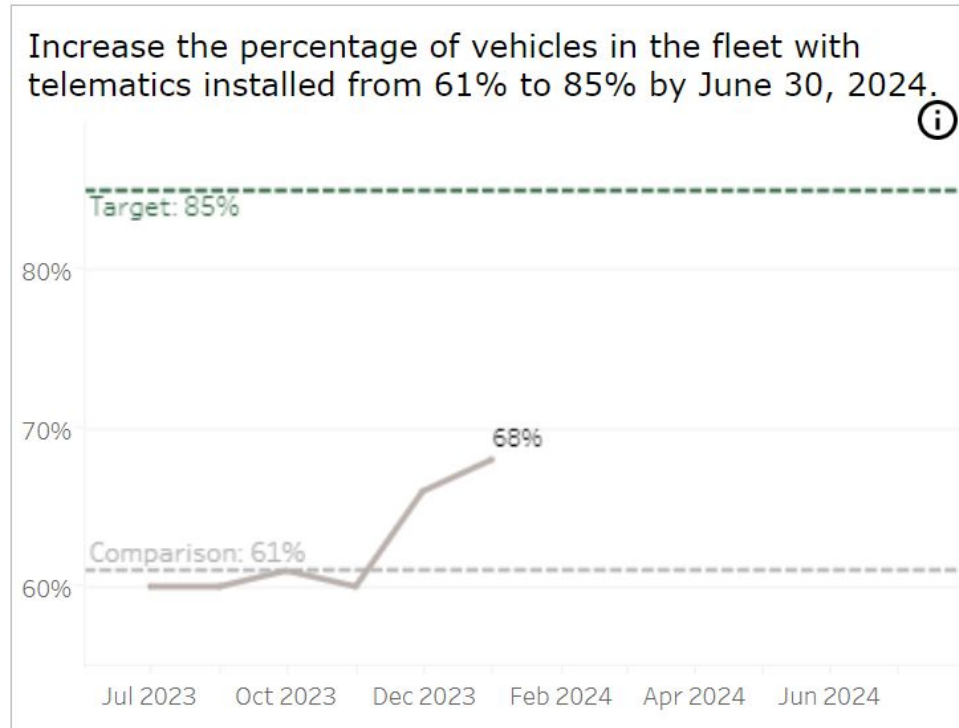
Reduce the State's Fleet Electric Vehicle Purchase: Increase the number of electric vehicles in the State fleet from 353 to 500 by June 30, 2024.



Context: Successful completion of this goal will showcase the State as a leader in electric vehicle adoption, saving thousands of CO2 pounds per electric vehicle per year, thereby reducing greenhouse gas emissions from the State's fleet of vehicles. Electric vehicles provide an average 30% reduction per mile in greenhouse gas emissions over gasoline powered vehicles.

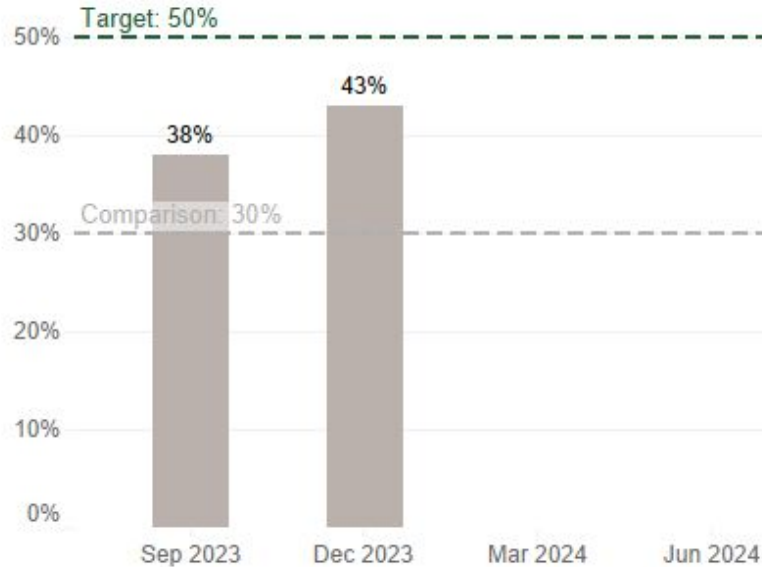


How DPA will accomplish the WIG



DPA FY 2023-24 Wildly Important Goals (WIGs)

Skills Based Hiring:
Increase the percentage of Statewide job postings with skills-based hiring qualifications from 30% to 50% by June 30, 2024.



Context: Successful completion of this goal will help to ensure the State complies with executive order DD2022 015 to retain and recruit a diverse, talented workforce that reflects the community it serves. Additionally, the State will continue to increase its non discrimination practices and provide equitable opportunity for employment and advancement in all State Departments, programs, services, and worksites.

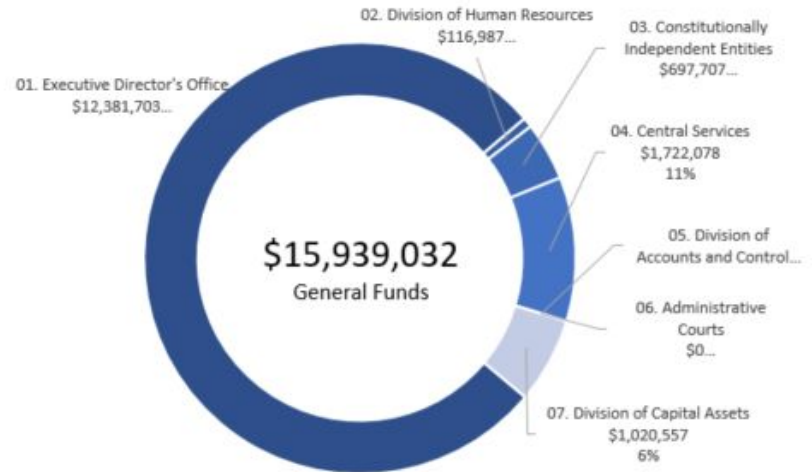
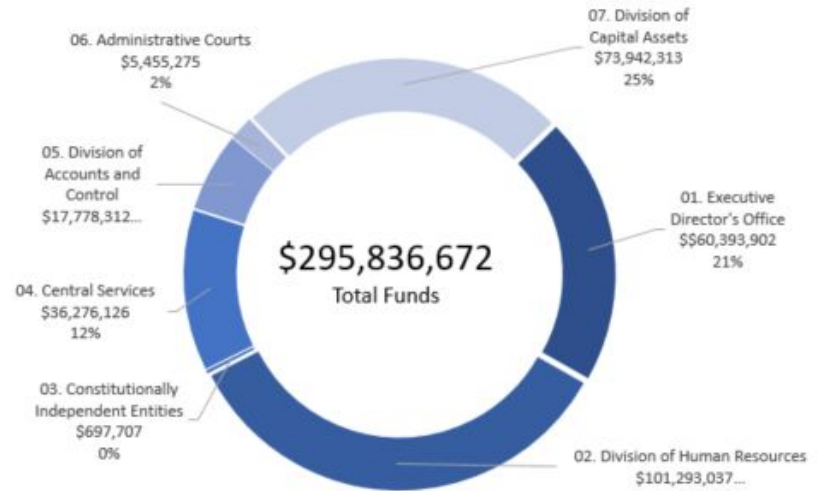


DPA Performance Management

- Monthly reporting on WIG progress to the Governor's Dashboard
- Monthly DPA-Stat meetings for each division
- DPA work plan tracker updated and reviewed biweekly



DPA FY 2024-25 Budget Request



FY 2024-25 Budget Snapshot

FY 2024-25 Total Funds: \$295,836,672

FY 2024-25 General Fund: \$15,939,032

FY 2024-25 FTE: 524.9



DPA FY 2024-25 Budget Requests

Operating Requests:

- **R-01 Central Services Request - \$12,013,774 GF + \$8,418,653 CF + \$2,708,046 RF + \$2,348,244 FF**
- **R-02 Central Payroll Resources - \$1,147,961 GF**
- **R-03 Apprenticeship and Skills Based Support - \$325,514 GF**

Capital Requests:

- **Solar Viability - Funding through EPCs**
- **Capitol Complex Renovation & Footprint Reduction - \$17,300,000 CF**
- **Kipling Campus Chiller Replacement - \$3,717,529 GF**



DPA Supplementals (FY24) & Budget Amendments (FY25)

Supplementals (FY24):

- S-01 Central Payroll Supplemental - \$491,776 GF
- S-02 Professional Development Rollforward Authority - \$0
- S-03 Risk Funding Adjustment - \$16,666,466 GF, + \$10,959,509 CF, + \$5,477,913 RF, + \$311,039 FF

Budget Amendments (FY25):

- BA-01 Health Life and Dental True-Up - \$4,036,120 GF, \$1,663,070 CF, \$98,883 RF, \$2,669,681 FF
- BA-03 Reduce the Footprint Funding - \$700,000 GF



R-01 Central Services Request

Efficiencies and economies of scale of the proposed new common policies? / Short- and long-term savings anticipated?

- General Fund Savings
- Creates a direct link between the cost and service provided to each agency
- Best practice for governments
- Automatically scale with the size and complexity of State government (expansion and contraction)
- Align the funding mechanisms of the central services programs with the rest of the Department's operations
- Addresses overworked staff/high turnover rate
- Will drawdown additional federal funds



R-02 Central Payroll Resources

	FY 24-25 Request	FY 25-26 Request
Total Funds	\$1,147,961	\$1,147,961
FTE	8.0	8.0
General Fund	\$1,147,961	\$1,147,961
Cash Funds	\$0	\$0
Reappropriated Funds	\$0	\$0
Federal Funds	\$0	\$0

- What does the request seek?
 - \$1.1M GF
 - 8.0 FTE ongoing for Central Payroll Unit
- Why is it necessary?
 - Increased workload from:
 - New time & leave solution
 - Payroll Modernization
 - Partnership Agreement & 30+ side agreements
 - 56% of workforce is hybrid (44%) or fully remote (8%)
 - Payroll modifications for 38 local jurisdictions
- What happens if it's not approved?
 - Overworked staff/high turnover rates & associated costs
 - Risk to quality of work
 - Delays in system implementation & modifications (Payroll Mod, UKG Dimensions)
 - Delays in HR & Payroll training



R-03 Apprenticeship and Skills Based Hiring Support

- What does the request seek?
 - \$325,514 GF
 - 3.0 FTE in FY25 & 4.5 FTE ongoing for HR Services
 - Continue funding for current ARPA-funded FTE
- Why is it necessary?
 - Recruitment & work-based learning programs:
 - Skills-based hiring
 - Apprenticeships
 - Internships
 - Upskilling

	FY 24-25 Request	FY 25-26 Request
Total Funds	\$325,514	\$484,432
FTE	3.0	4.5
General Fund	\$325,514	\$484,432
Cash Funds	\$0	\$0
Reappropriated Funds	\$0	\$0
Federal Funds	\$0	\$0

- What happens if it's not approved?
 - DPA will not have sufficient on-going resources dedicated to skills-based hiring, new Health of HR initiatives, & expanded professional development



Apprenticeship and Skills Based Hiring Support

- There was an 11% decrease in job postings in 2023 compared to 2022
- The number of submitted resumes for jobs increased by 13.47%
- In 2023, most applied positions were entry-level, with 75% of the top



Legislative Agenda Items

DPA respectfully requests the General Assembly consider legislation on the following:

- **Adjust Controlled Maintenance Threshold**
 - Bill would increase the controlled maintenance threshold currently set in statute above \$2M
 - Will improve efficiency and lower costs by reducing need for phasing on life-safety projects
- **Architect Authority for Floodplain Permitting**
 - Allows State Architect to permit state construction in flood plains outside local NFIP communities
- **Voluntary Deductions for Additional State Employee Benefits**
 - Would create fund to collect and administer voluntary payroll deductions for non-medical benefits
 - Allow State to expand discounted services offered to state employees without fiscal impact
- **Clarify Agency Procurement Officers Can Select Source Method**
 - Will clearly ID source methods that are at the discretion of each agency's procurement officer



Regulatory Agenda

Anticipated Rulemakings for DPA:

- Administrative Courts - General Services procedural rules
- State Buildings - Capitol Complex daily paid and EV parking
- Human Resources - Chapters 1, 2 & 3, Compensation/step pay
- DHR/State Personnel Board - Appeal notification rights
- State Personnel Board - Anti-Discrimination Act updates
- State Controller - Update State Fiscal Rules with IRS practices



EDI Update

DPA has implemented the following Equity, Diversity, Inclusion initiatives:

- Statewide Equity Office Standup - 10 FTE hired and trained
 - Supplier Diversity/Procurement Equity Stakeholder Process
 - Statewide Forums/Lunch and Learns, Workforce Data Analysis
 - Communities of Practice for statewide practitioners
- Recruitment and Hiring (Statewide and Internal)
 - Skills Based Recruitment Data Analysis
 - Skills Based Hire Training for all Supervisors, including tracking
- IT Accessibility Program - Term Limited Program Manager filled



Website Accessibility

For individuals with differences and disabilities, accessibility issues can make websites difficult, confusing, and even impossible to interact with. DPA is committed to improving the experience of **all** website visitors and has:

- Resolved more than 19,000 confirmed accessibility issues on public-facing websites
- Maintained an average website accessibility score of 96%+, the highest of currently tracked state entities
- Contributed to statewide digital accessibility resources
- Engaged in accessibility advocacy with web product vendors on behalf of State employees and the communities they serve
- Developed trainings and guides to help DPA employees create and maintain inclusive content



Supplier Diversity

Supplier Diversity Program (SB22-163)

- Hire Staff
- Implement a Procurement Help Desk
- Create a Bond Assistance Program
- Complete a Stakeholder Engagement
 - Summer/Fall 2023
 - Third party facilitator
 - 33 participants
 - Stakeholder recommendations - November 2023



Supplier Diversity - Implementation Plan

Current FY

- Supplier diversity staff hired
- Help desk implemented
- Bond assistance program
- Vendor and state staff outreach and training
- Business lists
- Solicitation notification process
- State vendor data collection

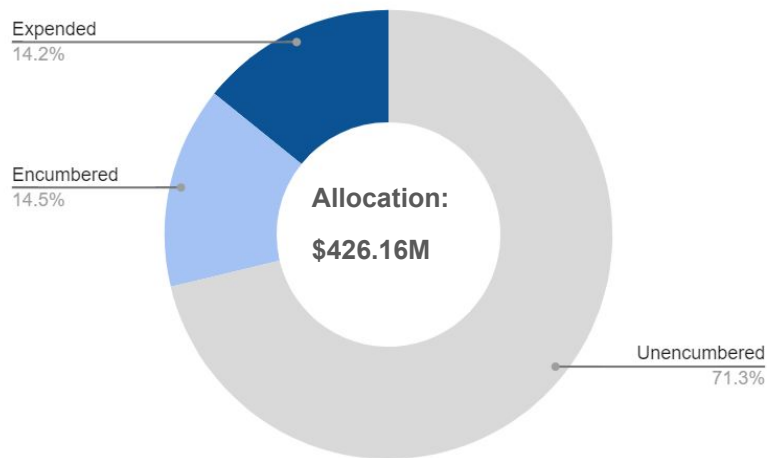
Future FY

- New Disparity Study
- New Procurement System
- Working capital programs
- Establish annual goals
- Statute and/or rule changes based on disparity study or other information

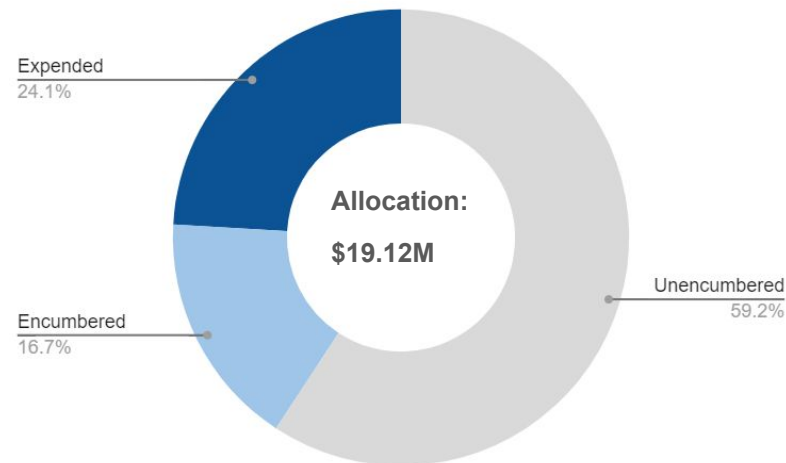


Stimulus Funding Implementation

ARPA Funding (SLFRF) Including DPA and Statewide Capital Projects



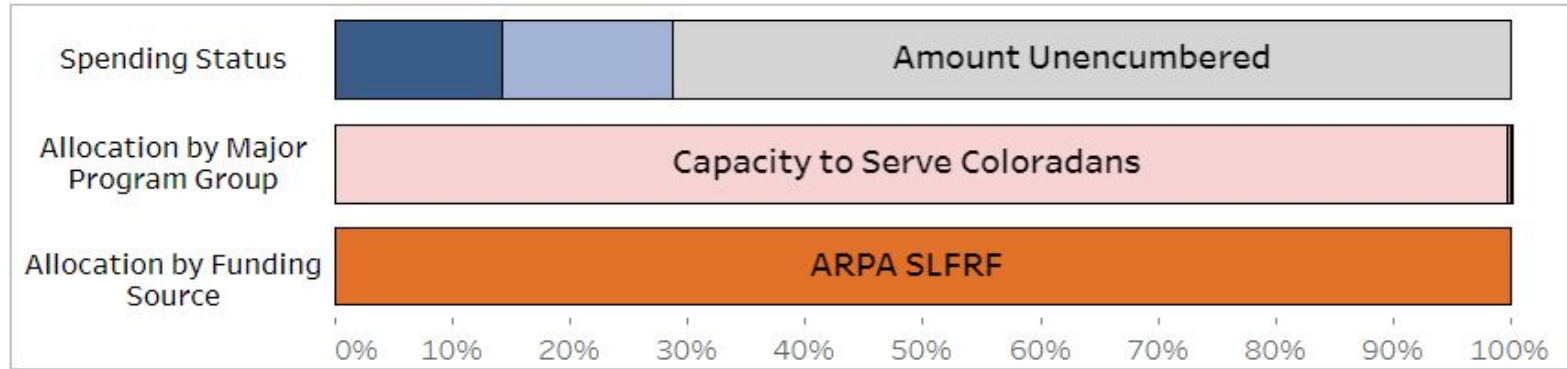
ARPA Funding (SLFRF) for DPA Projects Only



Data through September 2023. December data will be available at coforward.colorado.gov on Feb 1, 2024.

Stimulus Funding Implementation

ARPA Funding (SLFRF) Including DPA and Statewide Capital Projects



CAPACITY TO SERVE COLORADANS - PROGRAM HIGHLIGHT

Address Confidentiality Program Data Removal ARPA project

- Projects assists participants with removing personal information from the Internet
- 395 participants as of the end of December 2023
- Participants received dashboard and reports on sites reviewed and personal information removed.
- Customer feedback is positive: *“I am so thankful for the ability to use this service with the help of the ACP. It just feels good to know I am that much safer. Thank you.”*



Stimulus Funding Implementation

ARPA Funding (SLFRF) Including DPA and Statewide Capital Projects

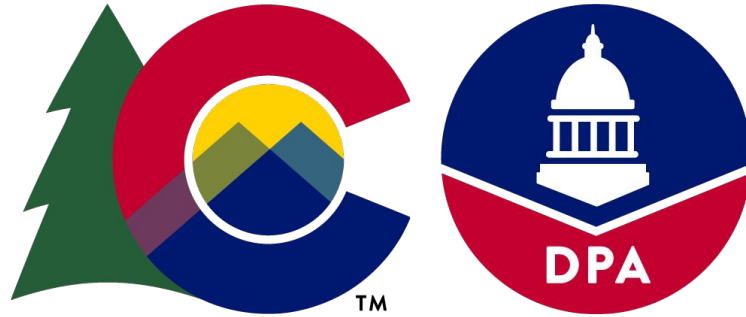
Program	Allocation (million)	Expended + Encumbered (million)	% Unencumbered
Division of Human Resources Stimulus Staffing (Rounds 1 & 2)	\$0.59	\$0.25	58.18%
Address Confidentiality Program data removal	\$0.50	\$0.48	4.67%
State Employee COVID Testing	\$0.90	\$0.30	66.65%
DPA Capital Construction Projects & IT Capital Project	\$407.03	\$114.65	71.83%
Office of the State Controller Administration and Compliance Expenses	\$17.02	\$6.71	60.58%
EMRS for CSEAP and Skill Based Hire Support	\$0.12	\$0.07	41.55%
Total	\$426.16	\$122.45	71.27%



Public-Private Partnerships Progress

- P3 unit continues to provide centralized support & financing for the lease, sale, construction, or other uses for state under utilized or unutilized State assets
- P3 unit enhanced the handling of P3 project procurement, to include unsolicited & solicited proposals, contracting of financial and legal advisors to support the increased needs of the unit throughout the past two years
- Key Projects undertaken by the P3 Unit this year include:
 - Dowd Junction (Workforce housing)
 - Steamboat Springs & Routt County (Workforce housing and Early Childcare)
Includes a federal partnership with US Forest Service
 - AHEC project (housing an early child care)
 - DOC project (Mental Health and Broadband expansion)
 - Lookout Mountain Redevelopment (Housing)





Thank You and Questions