



# Department of Administrative Services

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Day 2: Overview – CUBs and DAS Service Enterprises, Part I  
Picking up from Yesterday  
Enterprise Human Resource Services  
Enterprise Goods and Services



## Status of Audit Findings

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Audit recommendation implementation is tracked as part of DAS' Quarterly target reviews. For January 1, 2013 – June 30, 2014:

- A total of 96 audit recommendations were identified for implementation for this time period
- 32 recommendations originated from the Secretary of State Audits Division
- 64 recommendations originated from the DAS Internal Auditor
- 84% of recommendations were determined to be closed – recommendation implementation was complete or the finding was no longer applicable

## Status of Audit Findings

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### February 2012 – Agencies Ensured Contracts with Former Employees were Properly Awarded

#### No recommendations made in audit

- Specific suggestions to improve contracting practices were noted with agreement

### March 2012 – Computer Controls Review

#### Complete and test disaster recovery plans

- Disaster Recovery Plan established and tested; tabletop exercises conducted
- Funding and position authority was approved in a package for a Disaster Recovery Manager and the position has been filled

#### Maintain an accurate listing of all media tapes and perform regular reviews

- Completed a comprehensive media inventory
- ETS will track and manage its removable media from inception through destruction

## Status of Audit Findings

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### April 2012 – Strategies to Better Address Federal Level of Effort (LOE) Requirements

Require programs to distinctly identify funding sources related to LOE. Convene key staff to identify partnerships to manage GF funding in relation to LOE

- Budget instructions were strengthened in 2014 regarding funding sources to identify opportunities to convene staff to leverage resources
- Budget staff regularly meet with agencies and discuss LOE during the development of the Governor's Recommended Budget

### Packages Requested to Implement Prior SOS Findings

None

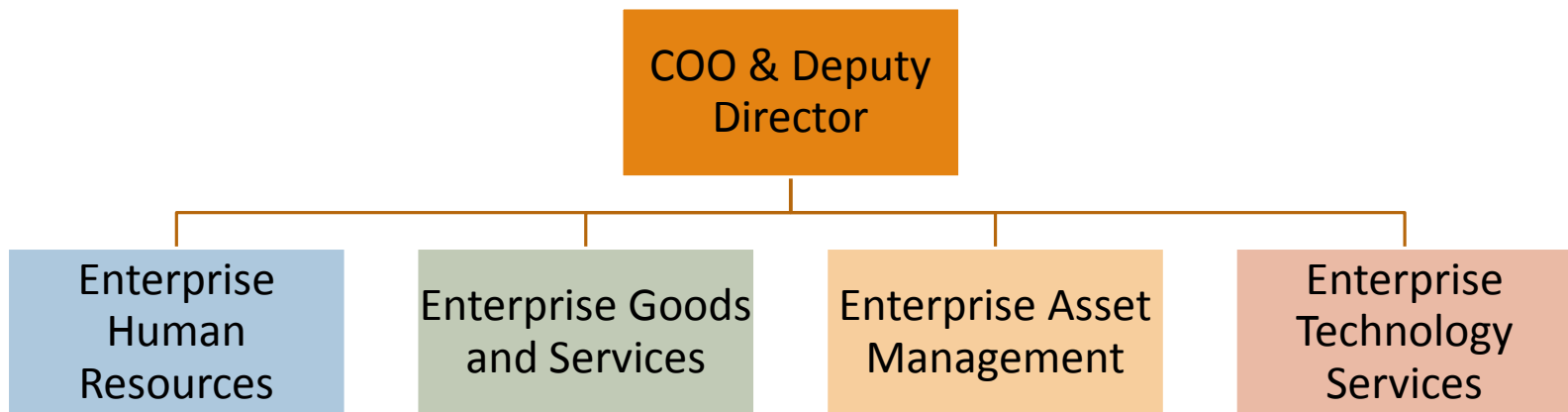
## HB 4131 Implementation

Division	Total Strength	Total Supervisors	Total Non-Supervisors	Current Ratio	Reduction of Supervisors to reach 1:11
CHRO	28	3	25	1:8	
CFO	44	6	38	1:6	
CIO	27	3	24	1:8	
COO	24	5	19	1:4	
DBS	17	1	16	1:16	
EAM	198	19	179	1:9	
EGS	224	21	203	1:10	
EHRS	25	1	24	1:24	
ETS	234	18	216	1:12	
All DAS	821	77	744	1:10	6

## Customer Utility Boards (CUB)

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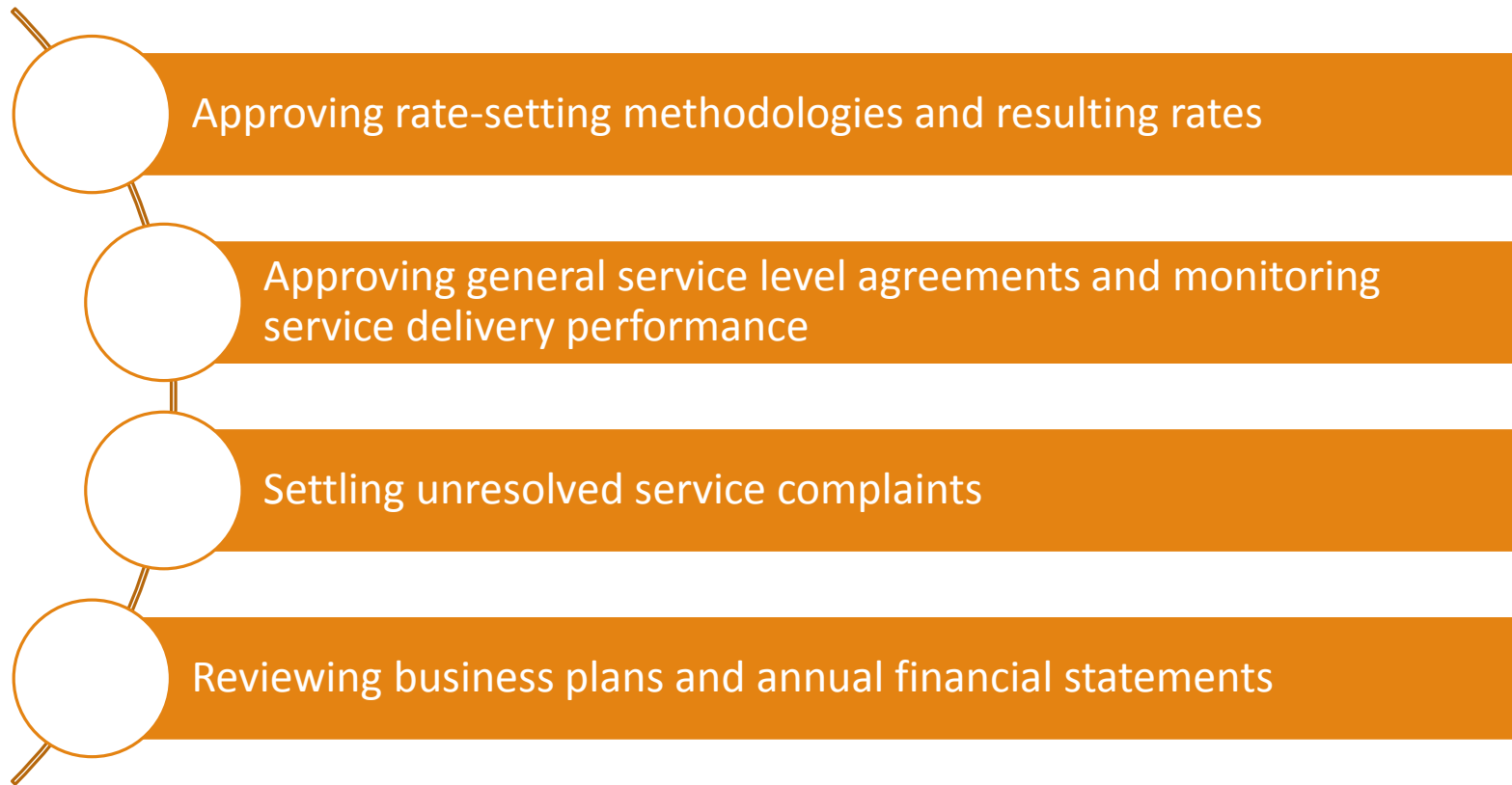
Charter: Provide DAS' customers with a meaningful voice in the cost, type, quality, and quantity of utility services delivered.



At current state there are 42 CUB members representing 34 Executive Branch Agencies, the Judicial Government Branch and 2 local government entities

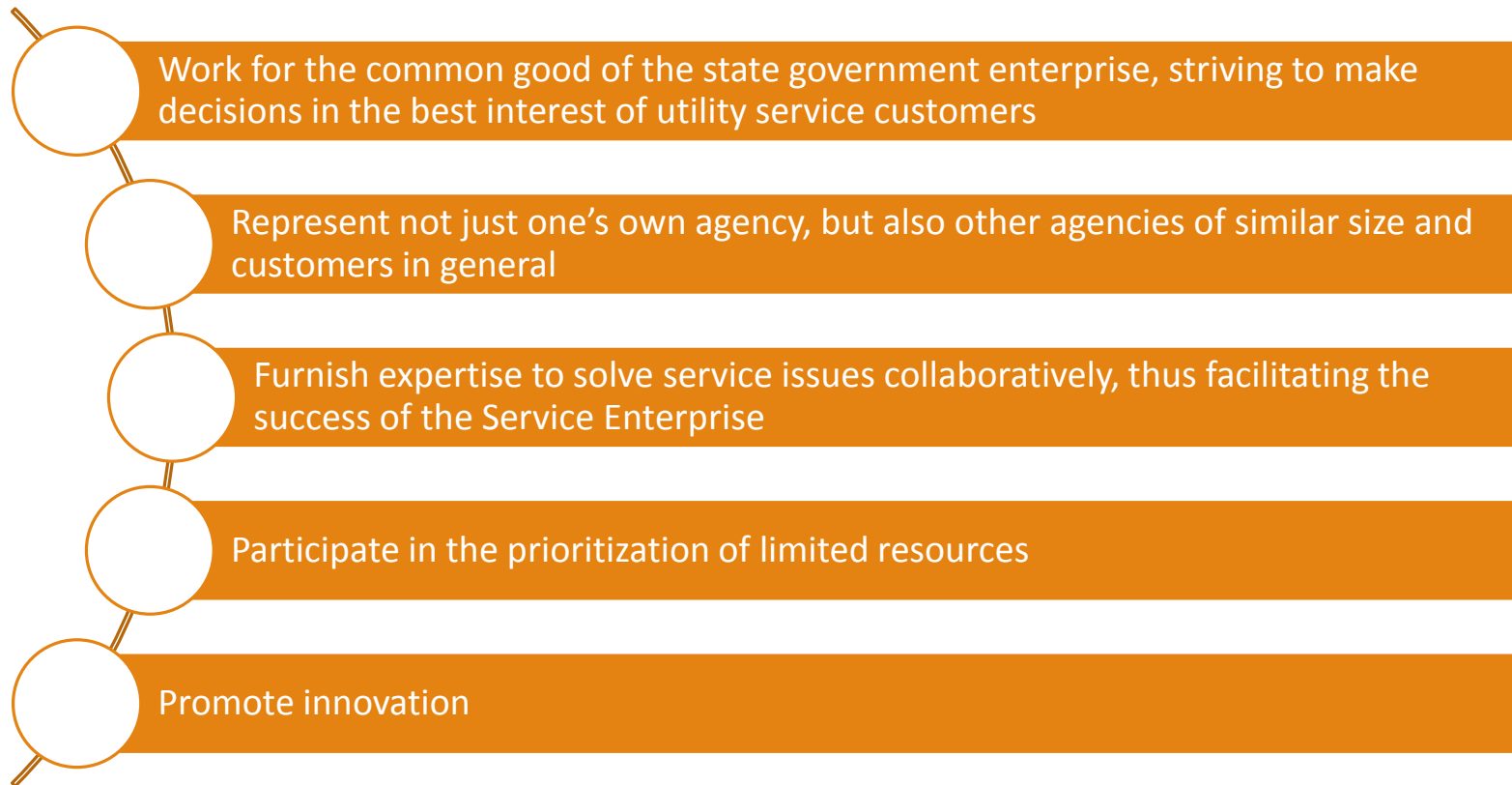
## CUB Responsibilities

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## CUB Expectations

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- Work for the common good of the state government enterprise, striving to make decisions in the best interest of utility service customers
  - Represent not just one's own agency, but also other agencies of similar size and customers in general
  - Furnish expertise to solve service issues collaboratively, thus facilitating the success of the Service Enterprise
  - Participate in the prioritization of limited resources
  - Promote innovation



## CUB Leaders' Perspectives

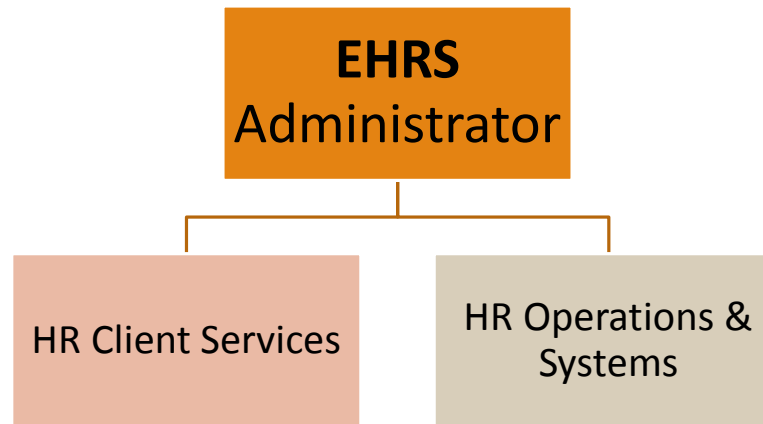
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**Kerri Nelson**, *Central Services Administrator, DEQ*

**Clyde Saiki**, *Deputy Director for Central Services, ODOT*

## Enterprise Human Resource Services (EHRS)

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*The Enterprise Human Resource Services team offers DAS and other client agencies a variety of HR-related services, operations and systems.*

## Enterprise Human Resource Services (EHRS)

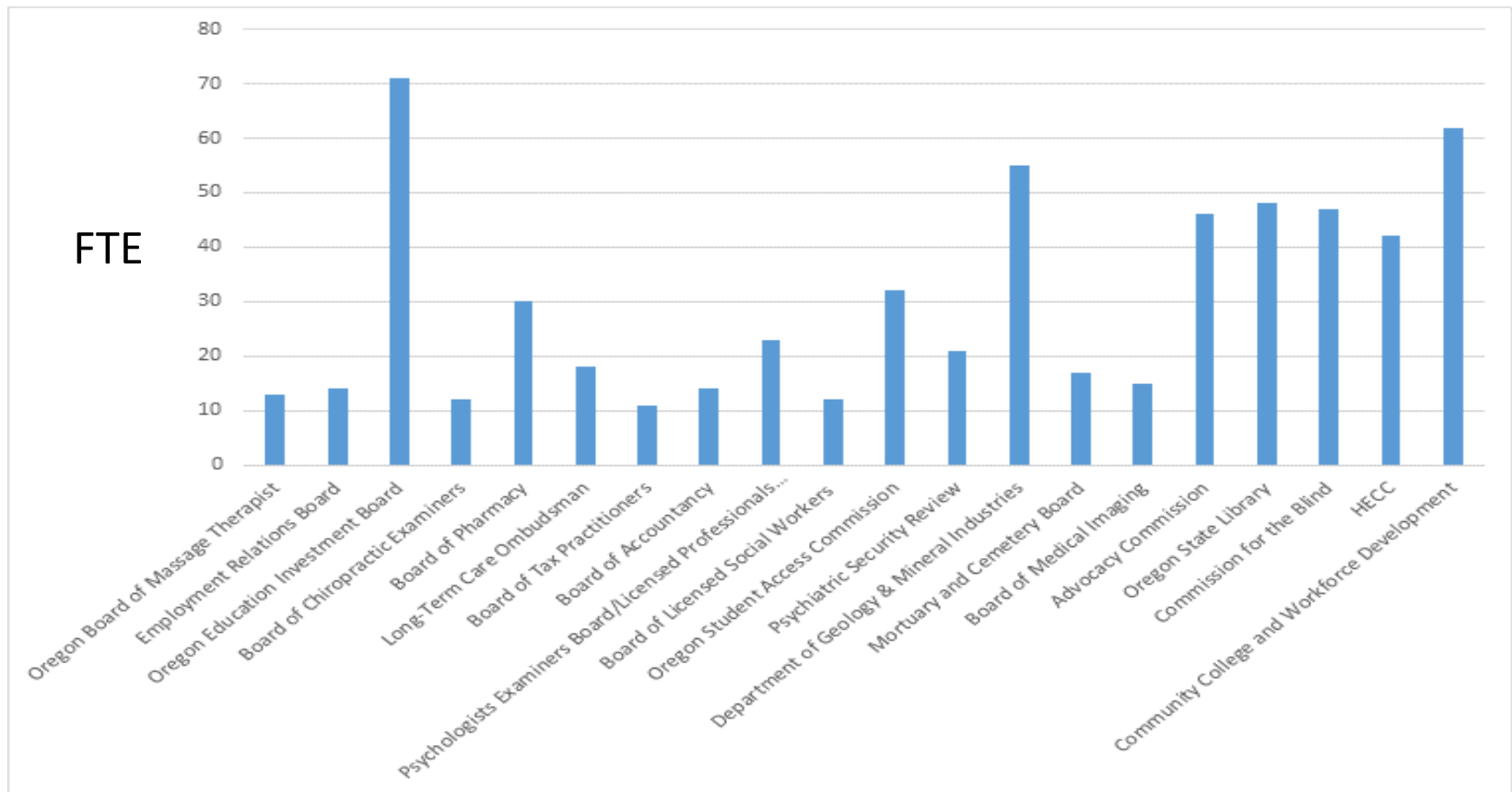
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### EHRS Benefits to Customers:

- Allows customers to focus on delivering core service directly to Oregonians
- HR problems require diverse skills; team approach maximizes expertise
- Allows customers to meet HR needs economically
- Opens up DAS HR training opportunities to customers at no additional cost

# Enterprise Human Resource Services (EHRS)

## Client Agencies



## Enterprise Human Resource Services (EHRS)

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### Budget Drivers:

- Funded through charges to client agencies and users of specific HR systems and services
- The EHRS Customer Utility Board approves the rates, rate methodology and service level expectations for all EHRS services
- Costs for each service are paid for by the users of that service

## Enterprise Human Resource Services (EHRS)

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### Environmental Factors:

- Increasing complexity of employment issues
- Transitioning workforce
- Limitations of existing HR data systems
- Budget reductions and layoffs increase workload

## Enterprise Human Resource Services (EHRS)

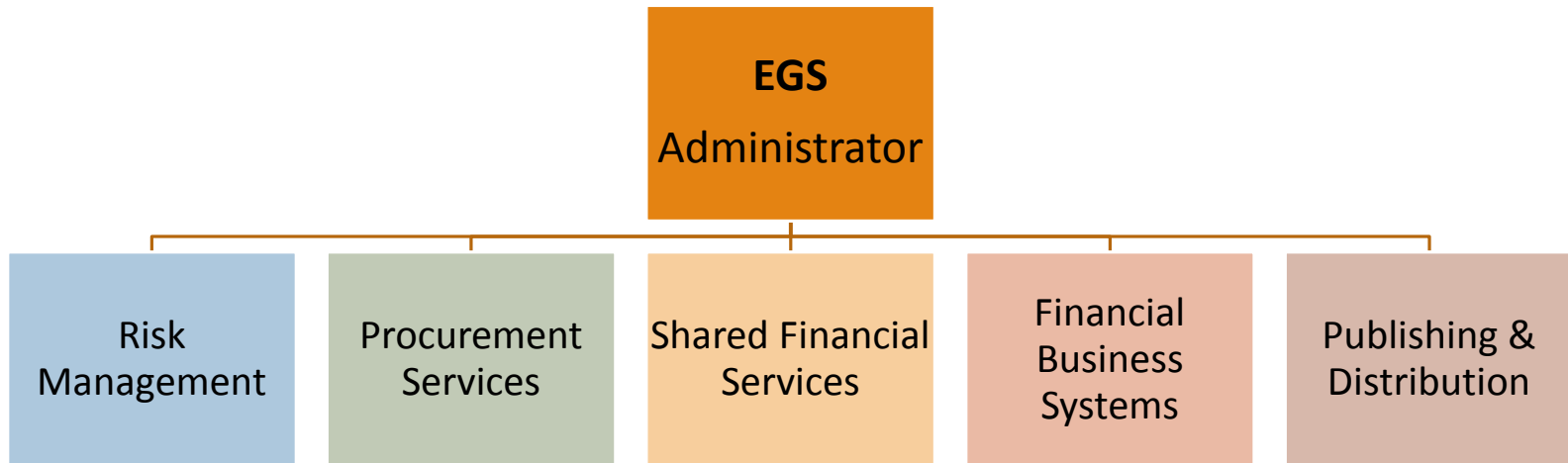
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### Future Opportunities:

- Continue focus on being a Strategic Business Partner
- Serving more agencies
  - Package 133 – Strengthen Human Resource Client Services
- Operating a modern, integrated HR information system

## Enterprise Goods and Services

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*EGS provides high-quality, cost-effective services, systems and procurement tools to benefit state agencies and local governments.*



## Enterprise Goods and Services

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### Budget Drivers/Environmental Factors

- Number of agencies requesting payroll and fiscal services
- State agency and political subdivision demand for services, including the shuttle system
- Annual changes due to collective bargaining and state/federal regulations require constant accounting and payroll system upgrades
- Age and functionality of payroll, accounting and procurement systems
- Increasing complexity of litigation against the state following tort cap reform leads to increased Attorney General costs
- Increased tort cap limits

## Enterprise Goods and Services

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Adding more local government printing and mailing services, increase automation of services, and expand print services and the number of shuttle stops as demand dictates.



## Enterprise Goods and Services

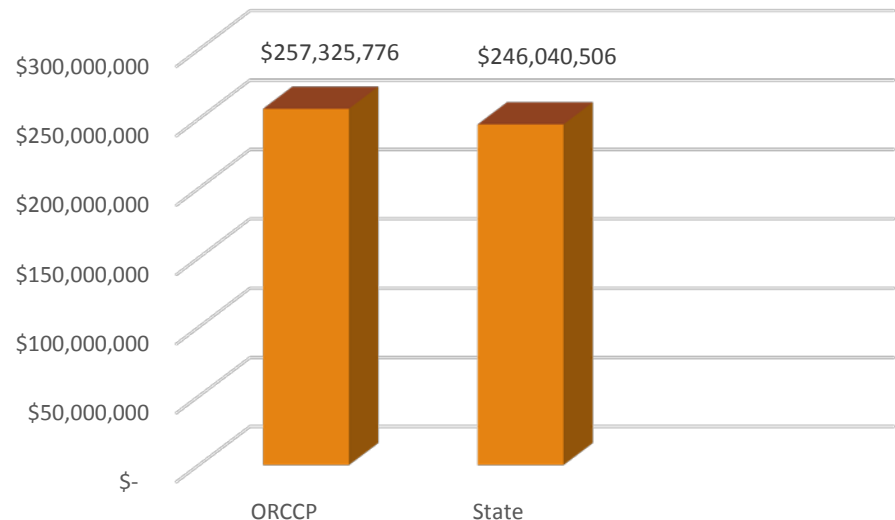
### Expanding Oregon Cooperative Procurement Program (ORCPP) membership

Procurement Services' Statewide Price Agreements Save Time and Money for State and Local Governments

Top Selling Vendors on Price Agreements:

- Gresham Ford
- Dell Marketing
- Cisco Systems
- Office Max
- Cellco (Verizon Wireless)
- AT&T Mobility
- Food Services of America

Statwide Price Agreement Spend  
 2013-15 to Date



## Enterprise Goods and Services Future Opportunities

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- Add more client agencies in the fiscal and payroll areas
- Partner with agencies to manage and mitigate the total cost of risk to the state

# Enterprise Goods and Services

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Partner with agencies to manage and mitigate the total cost of risk to the state

- Most claims result in no court appearance.  
*91.4% of Tort Claims closed prior to litigation*
- Most employment-related claims result in no payment.  
74% in the last 10 years
- DOJ costs to date for 13-15:   \$11,599,027
  - Legal defense costs expected to continue to climb
    - Increasingly complex litigation
    - Heightened financial exposure to state
- Since 2011
  - 18.9% increase in average DOJ attorney hours per litigated case
  - 11.2% increase in DOJ attorney hourly rate
  - 24.9% increase in average DOJ cost per litigated claim (\$9108 to \$11,263)



## Enterprise Goods and Services Packages

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- Package 126 – Support Shared Payroll Services and the Oregon State Payroll System
- Package 127 – Support Workload – Centralized PERS Services
- Package 128 – Support Variable Data Design Services
- Package 129 – Strengthen Shuttle Delivery Services
- Package 130 – Strengthen Risk Management
- Package 131 – Attorney General Charges to Non-Limited Funds
- Package 132 – Support Additional Client Agencies

## Topics for Tomorrow

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### **Overview – CUBs and DAS Service Enterprises, Part II**

- Overview of Enterprise Asset Management and Enterprise Technology Services