

# 2017

Ohio Department of Administrative Services

## Fiscal Year Annual Report

(July 1, 2016 - June 30, 2017)

**OhioDAS**  
SERVICE · SUPPORT · SOLUTIONS  
DEPARTMENT OF ADMINISTRATIVE SERVICES

John R. Kasich, Governor  
Robert Blair, Director





*John R. Kasich  
Governor*



*Robert Blair  
Director*



*Randall Howard  
Assistant Director*



*Stu Davis  
State Chief  
Information Officer/  
Assistant Director*



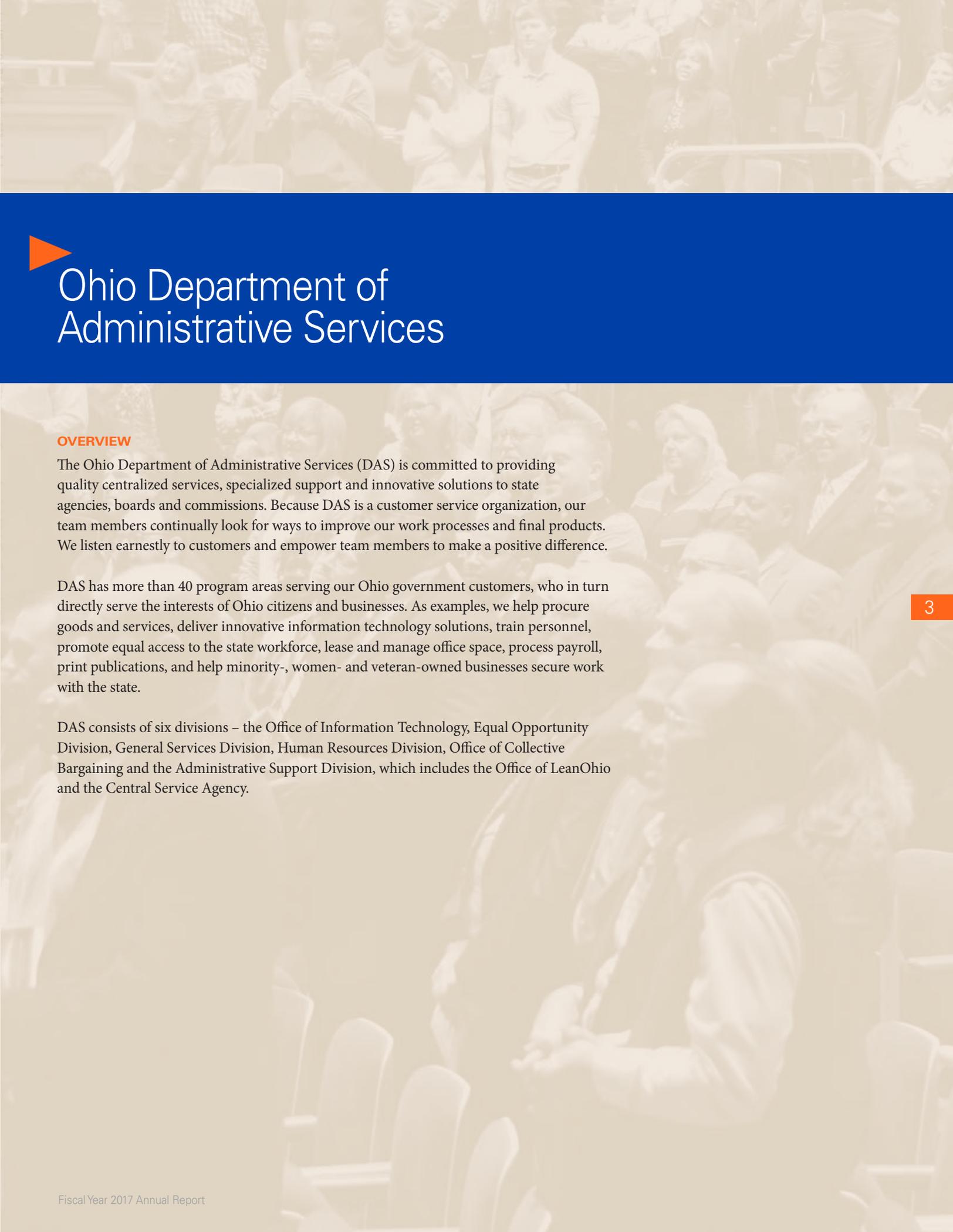
*Patrick Smith  
Chief of Operations*

Ohio Department of Administrative Services

# 2017 Fiscal Year Annual Report

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# Ohio Department of Administrative Services

## OVERVIEW

The Ohio Department of Administrative Services (DAS) is committed to providing quality centralized services, specialized support and innovative solutions to state agencies, boards and commissions. Because DAS is a customer service organization, our team members continually look for ways to improve our work processes and final products. We listen earnestly to customers and empower team members to make a positive difference.

DAS has more than 40 program areas serving our Ohio government customers, who in turn directly serve the interests of Ohio citizens and businesses. As examples, we help procure goods and services, deliver innovative information technology solutions, train personnel, promote equal access to the state workforce, lease and manage office space, process payroll, print publications, and help minority-, women- and veteran-owned businesses secure work with the state.

DAS consists of six divisions – the Office of Information Technology, Equal Opportunity Division, General Services Division, Human Resources Division, Office of Collective Bargaining and the Administrative Support Division, which includes the Office of LeanOhio and the Central Service Agency.

# Office of Information Technology

**100+**  
Million in Savings

2016 WINNER  
**DIGITAL STATES SURVEY**  
Scored an "A"

**State Leadership**  
of the Year Award



State IT Recognition Award

**2016**  
Meritorious Service  
**AWARD**

## OVERVIEW

The DAS Office of Information Technology (OIT) delivers statewide information technology and telecommunication services to support state government agencies, boards and commissions in the delivery of programs and services to the citizens and businesses of Ohio as well as policy and standards development, lifecycle investment planning, and privacy and security management.

The **Office of the State Chief Information Officer** provides the overall management and leadership of the division. The State Chief Information Officer is responsible for the strategic direction and efficient use of information technology throughout state government and for oversight of state IT activities. As such, this program emphasizes planning, research, communication and collaboration among government entities and is supported by the following program areas:

- OIT Administration
- Business Office

The **Investment and Governance Division** assists state agencies by providing IT policy and standards, as well as investment planning and management, IT procurement and contract management, research and project support services through the following program areas:

- Enterprise IT Architecture and Policy
- Enterprise IT Contracting
- Project Success Center
- Strategic Investment Management

The **Infrastructure Services Division** operates the IT infrastructure for the state, which includes hardware, software and telecommunications. The division consists of the following program areas:

- Business Support Services
- Data Center Operations
- Enterprise Mainframe Computing and Database Services
- Enterprise Operations
- Enterprise Server Team
- Enterprise Storage Team
- Multi-Agency Radio Communication System
- Unified Network Services

**Enterprise Shared Solutions** coordinates strategies for delivery of government information and services electronically. This includes oversight of the Ohio portal, which enables constituent access to state information and services via the internet, including Ohio.gov and the Ohio Business Gateway. Enterprise Shared Solutions also partners with the Health and Human Services Cabinet and the Governor's Office of Health Transformation to streamline health and human services. The office consists of the following program areas:

- Enterprise Applications and Management
- Ohio Administrative Knowledge System (OAKS) Service Assurance
- Ohio Benefits
- Ohio Geographically Referenced Information Program

The **Office of Information Security and Privacy** supports and collaborates with internal and external agency customers to lead the creation, implementation and management of enterprise efforts for information assurance, security, privacy and risk management.

The **Ohio 9-1-1 Program Office** coordinates and facilitates communication concerning 9-1-1 issues among state, federal, regional and local 9-1-1 and public safety communications officials. The office coordinates all Emergency Services Internet Protocol Network Steering Committee activities to facilitate Next Generation 9-1-1 state-level efforts within the scope of wireless 9-1-1.

## ACCOMPLISHMENTS

### IT Optimization

Since launching IT Optimization during Fiscal Year 2012, OIT and customer agencies have successfully centralized infrastructure and established a common direction for the State of Ohio's IT community.

As a result, the state has documented more than \$100 million in savings since January 2013.



### Infrastructure vs. Applications

IT Optimization has provided the opportunity to refocus IT spending on applications. Accomplishments have included “flipping” IT expenditures from spending 80 percent on infrastructure and 20 percent on applications to spending 45 percent on infrastructure and 55 percent on applications.

Future goals are to continue this trend – to spend less on infrastructure to free up resources for citizen- and business-facing applications and services that make Ohio a better place to live and do business.

### More Accomplishments

Customer engagement and collaboration are at the core of IT Optimization. Working with our agency partners, IT Optimization has driven meaningful results that benefit

the state. A few of the greater accomplishments include:

- Managing more than 6,000 servers centrally in the state's private cloud;
- Migrating more than 39,900 telephone lines to the hosted Voice over Internet Protocol (VoIP) service, saving \$4,000 a month;
- Fortifying the state's security capabilities to ensure data is protected from the endpoint to the service, securing 72,000 endpoint devices and more than 100,000 devices being actively scanned for vulnerabilities;
- Increased adoption of enterprise platforms including eLicense professional licensing system, Kronos for timekeeping, Onbase for document management and ServiceNow for IT service management; and



- Introduced Distributed Systems Disaster Recovery as a Service to provide server imaging and storage at a geographically disparate site from Columbus, Ohio. The new service provides customers with a private disaster recovery solution connected to the State of Ohio Computer Center via the Ohio One Network.

### Digital States Survey

The State of Ohio improved its score to an “A” on the Center for Digital Government’s biennial Digital States Survey. The score increased from an “A-” received in 2014.

Thanks to the hard work and dedication of state agencies, boards and commissions, Ohio was one of only five states that received this distinction in the survey, which was released in September 2016. Other states receiving an “A” were Michigan, Missouri, Utah and Virginia.

### More High Scores

The State of Ohio received additional recognition in the form of two Digital States Survey Category Awards, which evaluated all 50 states on their use of technology to improve service delivery, increase capacity, streamline operations and reach policy goals. Ohio placed second in the “Transportation” category and fourth in the “Adaptive Leadership” category.

### Two NASCIO Awards

At the National Association of State Chief Information Officers’ (NASCIO) 2016 annual conference held in September in Orlando, Fla., the State of Ohio received two awards. State Chief Information Officer (CIO) Stu Davis was presented with the Meritorious Service Award, and the state also received a 2016 State IT Recognition Award.

### State IT Recognition Award

The State IT Recognition Award honors outstanding information technology achievements in the public sector. The State of Ohio received one of 12 such awards. Ohio and the other award winners were selected from more than 130 nominees.

Ohio was recognized under the “Information Communications Technology Innovations” category for efforts to implement and expand VoIP service.

This hosted unified communications enterprise solution is replacing many outdated phone systems, including conferencing systems and video bridge solutions. The adoption of this enterprise shared service is making the state more efficient and reducing costs.

More than 80 government entities – state agencies, boards and commissions as well as counties, municipalities, K-12 schools, universities and libraries – are benefitting from the solution, which has more than 39,900 users.

The award-winning presentation was titled, “Expanding Unified Communications Across Ohio – Cloudy with a Chance of True Enterprise Collaboration!”

### Meritorious Service Award

State CIO Davis, who also is a DAS assistant director and a past NASCIO president, was granted the Meritorious Service Award in honor of his 30-plus years of state and local government service, his leadership of the IT Optimization initiative and his dedication to NASCIO.

### Another National Award

Spencer Wood, OIT’s chief operating officer and deputy chief information officer, was honored at the 2017 NASCIO Midyear Conference held in April in Arlington, Va.

Wood was one of eight state IT leaders presented with the State Leadership of the Year Award by “StateScoop,” a nationally distributed IT-related email newsletter. He was recognized for instilling a culture of continuous business process improvement within Ohio’s private cloud.

### The Next Level of Data Analytics

Governor John R. Kasich announced that his administration intends to take data analytics to the next level in Ohio. The focus will be on ensuring that data analytics



becomes a tool that will help Ohio tackle complex problems and find solutions. Fully leveraging the power of the data that already exists throughout state government will make a real impact on Ohioans’ lives.

Currently, Ohio has programs and services offered by more than 120 agencies, boards and commissions with data collected and stored in more than 2,600 systems. Valuable insights can be derived from connecting these data sets. Governor Kasich believes that the information provided can help Ohio address some of its greatest challenges, such as infant mortality, child welfare, opiate addiction, persistent poverty and school dropout rates.

### New Approach to IT Procurements

In support of Governor Kasich’s data analytics initiative, OIT developed a new process for issuing requests for proposals (RFP) from vendors in January 2017.

This new approach is designed to engage smaller businesses that may have innovative solutions to offer but not necessarily the resources or experience required to win state contracts. The goal was to find the nation’s data analytics specialists and utilize them on a project-by-project basis. These specialists will help identify data correlations, patterns and variations going forward.



This approach allows OIT to prequalify firms and enable them to respond to statements of work with a brief proof of concept. In addition, OIT is able to make additions and modifications to the list of prequalified vendors. Finally, mandatory requirements and terms and conditions were adjusted, which enables smaller companies to compete for contracts.

Eighty-two responses were received to the RFP representing 129 business entities.

The RFP includes the following focus areas for potential data analytics projects: audit, compliance and regulation; commerce and industry; crime, corrections and recidivism; cybersecurity; education; environment/natural resources; government process automation; life sciences and public health; public safety and security; risk management; transportation; utilities; waste, fraud and abuse; and workforce.

This new approach has attracted attention from other states and has been highlighted in national technology publications.

#### **NASCA Case Study**

DAS Director Robert Blair spoke at the National Association of State Chief Administrators' (NASCA) 2016 Institute

on Management and Leadership in Olympia, Wash.

Director Blair participated in an interactive case study dialogue session that featured IT Optimization and specifically the transformation of the State of Ohio Computer Center.

The case study highlighted the state's initial challenges with consolidating 32 agency data centers, more than 9,000 servers and 19 email systems as well as overcoming a high IT spend on an aging infrastructure.

The study discussed the State of Ohio's journey through the early days of developing the IT transformation strategy to today's optimized IT environment and the path ahead. The overall message in the case study is that the transformation of the State of Ohio Computer Center was made possible through senior leadership support, strong public and private partnerships, and the commitment of state agency resources to effect significant change.

#### **MARCS Supports Convention**

The Ohio Multi-Agency Radio Communication System (MARCS) supported first responders at the Republican National Convention held in Cleveland in July 2016.

The MARCS team provided a solid radio network for the local, state and out-of-state first responders working the event. This provided the capability at the event to connect to the same radio talk groups for interoperable communications among agencies and disciplines. The team also provided two towers on wheels and more than 750 loaner radios.

MARCS staff provided 24-hour support by monitoring the network and working with first responders to help ensure communications were successful. There were 809 talk groups affiliated with the MARCS system and 8,646 radios affiliated with the MARCS system in Cuyahoga County. The number of push-to-talk attempts made during the event totaled 660,043 with a 99.98 percent success rate.

MARCS staff, which received positive feedback from first responders, worked closely with the Ohio departments of Natural Resources, Public Safety and Transportation, and numerous other federal, state and local partners.

# Equal Opportunity Division



Gregory L. Williams (right), EOD deputy director and state EEO coordinator, appears on "NBC4's The Spectrum" with Colleen Marshall to promote the Ohio Business and Career Expo.

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## OVERVIEW

The mission of the Equal Opportunity Division (EOD) is to serve, support and find solutions for Ohioans by ensuring equal opportunity to and fair treatment in government contracting and state employment. The division strives to achieve its mission by implementing and enforcing the state's affirmative action and equal employment opportunity policies, and implementing and monitoring the state's procurement preference programs for minority-owned, women-owned, veteran-owned, and socially and economically disadvantaged businesses.

The mission of the **Affirmative Action and Equal Employment Opportunity Unit** is to ensure equal opportunity to and fair treatment in state employment. The unit strives to achieve its mission by managing the state's internal discrimination complaint process and providing guidance to state agencies in the development, administration and enforcement of affirmative action and equal employment opportunity programs.

The mission of the **Business Certification and Compliance Unit** is to ensure equal opportunity access to and fair treatment in government contracting. The unit strives to achieve its mission by maximizing contracting opportunities through certification of minority-owned, women-owned, veteran-owned, and socially and economically disadvantaged businesses and enforcing the affirmative action laws and regulations required of contractors doing business with the State of Ohio.

The mission of the **Research and Reporting Unit** is to ensure equal opportunity to government contracting by consistently providing accurate and timely program data for the Minority Business Enterprise (MBE) and Encouraging Diversity, Growth and Equity (EDGE) business certification programs.

## ACCOMPLISHMENTS

### Minority Business Enterprise Program Set-Aside Goal

Created in 1980, the Minority Business Enterprise (MBE) program establishes a 15 percent set-aside goal for state agencies, boards and commissions. Each of these entities is responsible for meeting this goal by purchasing goods and services from MBE-certified businesses. Under the leadership of the Kasich Administration, in Fiscal Year 2015 the State of Ohio met this goal for the first time in the program's 35-year history.

Now, for the third fiscal year in a row, the state is again on target to achieve the 15 percent set-aside goal. This accomplishment is a testament to the strategy the Kasich Administration implemented to achieve the goal, which has resulted in a shift in the culture of state procurement – from one that did not seriously and consistently regard the MBE program to one that views MBE-certified businesses as integral to a diverse and inclusive supplier base.

### Ohio Business and Career Expo

In Fiscal Year 2017, EOD expanded its annual business outreach event into the Ohio Business and Career Expo. This free networking and learning opportunity, held May 17, 2017, in Columbus, was geared toward minorities, women, veterans or those otherwise socially and economically disadvantaged.

Historically, the purpose of the business expo was to support the efforts of the State of Ohio and its partners to expand access to state contracts for small, minority- and women-owned businesses. The expanded event included a career component to help state agencies, other government entities, higher education institutions and the construction industry further diversify their applicant pools to support equal employment opportunities.

The expo attracted approximately 850 business professionals and job seekers. In addition to one-on-one networking opportunities, the expo offered attendees

nearly 50 workshops and participation in The Big Table discussions, which were held throughout central Ohio that same day in partnership with the Columbus Foundation.

DAS sponsored the expo with the Columbus Regional Airport Authority and Ohio Department of Transportation.

DAS heavily promoted the event to help ensure the large turnout. The pre-event publicity included an appearance on “NBC4’s The Spectrum” and other media outreach.



Ohio Business and Career

# EXPO



**850** Attendees

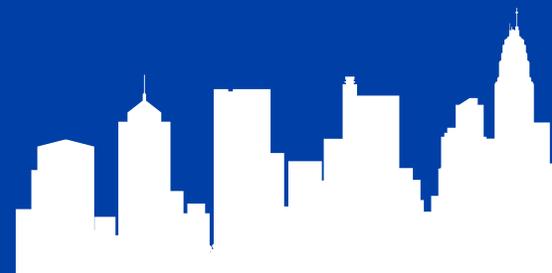
9



**50** Workshops



Community Discussions



Yellow Belt Content Updated to Give Students Less Theory and More Everyday Applicable Tools



**23** Newly Certified Green Belts



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**6** Newly Certified Black Belts



**13** Major Kaizen Events



## OVERVIEW

The mission of the Office of LeanOhio is to make government services in Ohio simpler, faster, better and less costly through teaching, coaching and spreading the concepts of Lean and Six Sigma throughout state government.

One of LeanOhio's primary tasks is leading major process improvements via the Kaizen event process. Kaizen is a Japanese term that comes from the two words Kai "To Change" and Zen "For the Better." Each five-day Kaizen event requires a team to process map its current process, identify waste, brainstorm ideas, redesign the process, document the future state and define an implementation plan.

Continuous improvement training is another major component of LeanOhio. Training offered includes the Belt program. Modeled after the martial arts belt progression is LeanOhio's training progression of White, Yellow, Camo, Green, Black and Master Black Belt. Completion of each level signifies the achievement of an increasing level of knowledge and mastery of Lean Six Sigma tools, methods, systems and culture. Trainees in Camo Belt and above are required to complete a culminating project to demonstrate their learning.

## ACCOMPLISHMENTS

### Core Functions

Throughout Fiscal Year 2017, the LeanOhio team has accomplished its mission by:

- Facilitating major process improvements, including Kaizen events that continue to yield great results;
- Providing continuous improvement consulting services such as strategic planning, value stream mapping, 5S principles (sort, straighten, shine, standardize and sustain), data analysis and customer survey design;
- Delivering Lean Six Sigma courses, including progressive training in the Belt disciplines and procedures; and
- Developing and publishing Lean Six Sigma tools, most of which are accessible at: [lean.ohio.gov/resources.aspx](http://lean.ohio.gov/resources.aspx).

### Lean Leader Development Program

In addition to its core functions, the Office of LeanOhio expanded its portfolio of

activities with the addition of the Lean Leader Development Program. This program provides high potential state employees with an immersive experience of advanced learning, practice and knowledge-transfer back to their agencies.

Participants work in-house with the LeanOhio Office, teaming up with LeanOhio consultants in the following four major areas:

- Scoping and facilitating major process improvement events.
- Conducting training for Lean learners at other agencies.
- Building a resource or other deliverable to support statewide Lean Six Sigma efforts, such as a brief instructional guide, a template to be used by improvement teams or a survey to gather input from a key group.

- Developing strategy aimed at further strengthening the Lean Six Sigma capacity in state government.

### Center for Operational Excellence

LeanOhio joined The Ohio State University's Fisher College of Business Center for Operational Excellence during Fiscal Year 2017. This membership gives LeanOhio and its network access to educational seminars with internationally recognized speakers, site tours and benchmarking with private and public entities, student connection for internship and career opportunities, and executive leadership education.

### Refreshed Training Programs

LeanOhio put great effort into updating its already highly successful training programs during Fiscal Year 2017. The Yellow Belt course was shortened to one day from its previous two-day format. The content was updated to give students less theory and more everyday applicable tools and methods that employees at all levels of government can utilize.

In addition, the most popular class, the LeanOhio Boot Camp program has been given a facelift. Utilizing feedback from hundreds of students from both state and local governments, the course was shortened from five days to four days, and the content was refined and supplemented with new examples and exercises.

### Changing for the Better with Kaizen

During Fiscal Year 2017, the Office of LeanOhio lead or participated in 13 major Kaizen events for the following nine State of Ohio agencies: the Office of the Ohio Attorney General; Ohio departments of Administrative Services, Job and Family Services, Medicaid, Natural Resources, Rehabilitation and Correction, and Transportation; Ohio Housing Finance Agency; and Opportunities for Ohioans with Disabilities.

For these projects alone, the transformed processes will have an average of approximately 64 percent fewer steps, approximately 66 percent fewer decision points and approximately 46 percent fewer handoffs. Among teams projecting such streamlined time reductions, the processes will move an average of approximately 40 percent faster.

### Belt Projects

The Office of LeanOhio continues to further embed the “continuous improvement mindset” into state agency management and operations. During Fiscal Year 2017, LeanOhio certified 23 new Green Belts and six new Black Belts. These associates completed a rigorous training process (80 hours for Green Belts, 200 hours for Black Belts), and they have demonstrated their learning by scoping, developing and completing Lean Six Sigma improvement projects.

These projects are producing tangible results across many core processes at the Ohio Bureau of Workers' Compensation; Ohio departments of Medicaid and Youth Services; Opportunities for Ohioans with Disabilities; Public Utilities Commission of Ohio; State Medical Board of Ohio; Supreme Court of Ohio; and many more.

A complete listing of belt projects is available at [lean.ohio.gov/results/BeltProjects.aspx](http://lean.ohio.gov/results/BeltProjects.aspx).



# General Services Division



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## OVERVIEW

The DAS General Services Division is comprised of six offices that perform distinct back-office services as well as the State and Federal Surplus Services program.

The **Office of Procurement Services** collaborates with state, county and local government entities to provide services and award non-IT related commodities and service contracts. The office includes State Purchasing, Cooperative Purchasing, the Office of Procurement from Community Rehabilitation Programs (OPCRP), Asset Management Services and the OAKS FIN Program Management Office. State Purchasing assists state agencies with the purchase of supplies and services through a number of methods, including competitive selection and negotiated contracts. Cooperative Purchasing extends the benefit of the state's contract pricing to participating political subdivisions, such as local governments, schools and universities. OPCRP assists work centers that employ people with work-limiting disabilities to establish contracts for providing supplies and services

to state and local government agencies. Asset Management Services assists agencies in maintaining, reporting and certifying accurate inventories of state-owned assets. The OAKS FIN Program Management Office provides functional, technical and training support for the purchasing, asset management and strategic sourcing modules of the financial systems of the Ohio Administrative Knowledge System (OAKS FIN).

The **Office of State Printing and Mail Services** provides printing services for state agencies, boards and commissions through three in-house publishing centers, a main-frame printing center, and a large packaging and mailing operation. Other functions include the procurement of specialty printing services, interoffice mail delivery, mail metering and presort services, and guidance regarding records retention and information management.

The **Office of Risk Management** provides comprehensive risk management programs

and services to all state agencies, boards and commissions, as well as the judicial and legislative branches of state government. The office is responsible for the administration of self-insurance and private insurance programs protecting the assets and liabilities of the State of Ohio.

The **Office of Fleet Management** provides comprehensive fleet management services for approximately 12,500 state vehicles. Services include vehicle acquisition, motor pool rental, fuel and maintenance credit cards, compliance reporting and vehicle assignment authorizations. The office monitors individual agency fleet performance, vehicle assignment authorizations and mileage reimbursements to identify cost-savings opportunities.

The **Office of Real Estate and Planning** provides state entities with diverse services related to office space and real estate needs. Services include office space assessments, space allocation, planning and design, and project management activities; commercial

subdivisions. Remaining property is sold at public auctions. State agencies and members of the Federal Surplus program also may acquire excess federal property.

### ACCOMPLISHMENTS

#### Office of Procurement Services

The Office of Procurement Services achieved a Minority Business Enterprise (MBE) program set-aside percentage of 17.03 in Fiscal Year 2016. Those helping to ensure the MBE set-aside goal of 15 percent was met included the MBE Recruitment Task Force. Procurement Services played a key role on the task force along with representatives from the DAS Equal Opportunity Division and Office of Information Technology as well as the Ohio Development Services Agency and Ohio Office of Budget and Management.

The task force, which was created to develop a list of high-quality potential MBE suppliers, achieved several milestones during Fiscal Year 2017, including the creation of the following:

- A list of 2,600 potential new MBE suppliers; and
- A cross-walk of North American Industry Classification System and United Nations Standard Products and Services Codes to aid in the process of determining the capability of potential MBE suppliers.

leasing, acquisition and disposal of real estate; transfers of property between state entities; leasing of state buildings and land; appraisal review and valuation; surveyor services; and oversight of eminent domain actions. The office assists state entities in leasing approximately 4.2 million square feet of commercial office and warehouse space while overseeing the use of nearly 5 million square feet of occupancy in DAS-owned buildings.

The **Office of Properties and Facilities** manages and maintains more than 5 million square feet of state buildings. The office provides comprehensive property management services, including security, mechanical, engineering and janitorial services.

The **State and Federal Surplus Services** program facilitates the recycling of excess supplies within government and attaining maximum return on investment. Property declared as surplus is made available to other state agencies and political



Risk Management Portal  
Replaces Paper Forms

**2.1+** Million  
Pieces of  
U.S. Mail  
Processed



**50** Participants in  
Managed Fleet  
Program

13

**7.2** Million  
Refunded to  
State Agencies  
from Surplus  
Sales



To increase the level of service and partnership with its customers, Procurement Services also developed a Request to Purchase dashboard. Each state agency can access this dashboard to verify status information on each of its current and awarded requests.

In addition, the Community Rehabilitation Program (CRP) continued to grow with increased business for certified CRPs in the areas of remanufactured toner cartridges and call center services. New products were added such as door hardware, illuminated signage manufacturing and safety-related highway equipment. The CRP Strategic Planning Steering Committee developed business standards for all CRPs and conducted self-assessment surveys.

#### **Office of State Printing and Mail Services**

To streamline printing and fulfillment processes, the Office of Printing and Mail Services developed new standards, which include expediting large mailings using a standard-size envelope, updating print file naming conventions and print streams, and using a barcode read by mail-inserting equipment. Standardizing the mailing process is expected to reduce costs while ensuring that customer communications

are validated through improved tracking of print jobs.

In addition, the office's mail service centers at the Rhodes Tower and Riffe Center processed more than 2.1 million pieces of agency mail for submission to the U.S. Postal Service. Also, the Office of the Ohio Attorney General was added as a new customer, which will increase the annual volume by more than 1 million mail pieces. Finally, the management of contracted services to provide mail presort services saved state agencies more than \$4 million.

#### **Office of Risk Management**

The Office of Risk Management launched its State of Ohio Risk Management Portal, which replaced paper forms with paperless applications. This new browser-based risk management information system incorporated all aspects of the office's business in one system.

Risk Management also assumed full responsibility of the Ohio Judges Liability Self-Insurance Program, including procurement and payment of defense counsel.

Finally, the Office of Risk Management exceeded claim performance measures for Fiscal Year 2017 by scoring 93 percent on the constituent customer satisfaction survey, contacting claimants making new claims within 24 hours 96 percent of the time, paying property damage claims within 90 days 77 percent of the time and closing more claims than received during the fiscal year.

#### **Office of Fleet Management**

Six agencies were added to the DAS Managed Fleet Program during Fiscal Year 2017, increasing the number of participants to 50 and the total number of vehicles to 1,702. Those six agencies have realized savings of approximately \$3.95 million.

Expansion of the DAS Managed Fleet Program has generated savings by financing vehicles, reducing the number vehicles in the state fleet, centralizing vehicle acquisitions and processing, improving maintenance management, consolidating

motor pool operations and streamlining administrative functions.

For the eighth consecutive year, the Office of Fleet Management also reduced the fleet administrative rates for state agencies, collectively saving them \$50,000 over the previous fiscal year. These savings were made possible through the expansion of the DAS Managed Fleet Program and the consolidation of several motor pool operations.

Also, in support of the Start Talking! drug prevention program launched by Governor John R. Kasich and First Lady Karen W. Kasich, the office coordinated the installation of approximately 9,000 bumper stickers on the state's fleet to raise awareness for the Start Talking! program.

#### **Office of Real Estate and Planning**

The Office of Real Estate and Planning assisted The Ohio State University with the creation of an easement to Rover Pipeline, LLC, to construct natural gas transmission pipelines on 4.9 acres of state-owned land at the Ohio Agricultural Research and Development Center in Wooster. The easement was granted for \$614,000, exceeding the market value by nearly 13.4 percent.

In addition, the office secured authorization from the state legislature to transfer or sell 20 parcels of real estate owned by various state agencies, colleges and universities. The value of the real estate is estimated to be nearly \$6.8 million.



The office used public sealed-bid auctions to lease more than 7,500 acres of agricultural lands under the jurisdiction of the Ohio Department of Rehabilitation and Correction. The leases total nearly \$1.8 million per year, 29 percent higher than market projections.

To maximize the use of state-owned space, the office planned and designed nearly 1 million square feet of space, resulting in approximately \$1 million in enhanced tenant improvements to support the efficiency and effectiveness of various state entities.

The Office of Real Estate and Planning also negotiated nearly 170 commercial leases for the Fiscal Years 2018-2019 biennium, resulting in an approximate \$2.7 million cost avoidance for various state entities.

#### Office of Properties and Facilities

The DAS-owned and -managed Lausche Building in Cleveland was one of 10 staging areas for multiple law enforcement agencies providing security during the Republican National Convention held in July 2016 in Cleveland. In cooperation with the Ohio Department of Public Safety and the Cleveland Police Department, the Lausche Building was home base to more than 700 state troopers and state police officers from 17 state agencies.

Described as the largest and most collaborative law enforcement effort in Ohio history, the DAS Security and Facility Management staff of the Office of Properties and Facilities

maintained 24-hour operations to coordinate efforts.

In addition, as part of an enterprise-wide initiative to prepare state employees in the event of an active aggressor situation, Active Aggressor Preparedness Training for tenants in DAS buildings was conducted during Fiscal Year 2017.

The Office of Properties and Facilities partnered with the Ohio State Highway Patrol to conduct the training, with the responsibility of facilitating and coordinating being carried out by DAS Security and Facility Management staff.

Finally, over the past six years the operating costs for buildings managed by the Office of Properties and Facilities have been consistently below the Midwest region average cost per square foot for a class "B" office building, when using metrics from the Building Owners and Managers Association.

These performance results are attributed to the pursuit of the lowest utility rates available; leveraging facility size to obtain best pricing; standardizing operating practices and procedures; and using outside service providers to reduce operating costs and improve service levels.

#### State and Federal Surplus Services Program

During Fiscal Year 2017, the State and Federal Surplus Services Program continued to focus on increasing the amount of surplus property transferred among state agencies or political subdivisions. State Surplus conducted 70 transfers with a fair market value of \$1,038,555 and sold \$1,297,049 worth of goods, supplies and vehicles to state agencies and tax-supported entities.

Property not disposed of in one of these manners was sold to the general public at auction. During Fiscal Year 2017, State Surplus auctioned more than 1,000 vehicles and heavy equipment, generating more than \$2,806,460 in proceeds.

In addition, more than 5,200 lots of other property were auctioned, generating \$3,655,687. Other sales through sealed bid, the federal surplus program and the internet generated \$415,975. Collectively, surplus sales generated more than \$7.2 million in refunds to state agencies.

State Surplus also opened a Law Enforcement-Only Store to assist Ohio law enforcement agencies in acquiring equipment. The store saved law enforcement agencies approximately \$18,292.



# Human Resources Division



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## OVERVIEW

The **Human Resources Division (HRD)**, within the Ohio Department of Administrative Services, performs a variety of functions including overall administration of the state's human resources operations for the state's approximately 52,000 employees. This division provides services and information to state employees and assists state agencies in conducting their human resources functions. Services are offered in the areas of policy development, payroll administration, benefits administration, classification and compensation, drug testing, central recruiting, training and development, workforce planning and records maintenance.

The **Office of Benefits Administration Services** provides cost-effective benefits for state employees. The office solicits, procures and manages benefit services administered by commercial vendors of insurance products such as medical, dental, prescription drug, vision, and basic and supplemental life as well as health management services. Benefits Administration also coordinates the administration of workers' compensation, COBRA, Ohio Employee Assistance Program and disability benefits.

The **Office of Human Resources Operations** is responsible for all functions supported by the Ohio Administrative Knowledge System's (OAKS) Human Capital Management (HCM) module and for providing assistance to agency human resources offices. The Operations team provides assistance through processing personnel actions, payroll, benefits and drug tests. The team also provides technical support of the OAKS HCM module by planning, designing and configuring enterprise programs.

The **Office of Talent Management** provides support and solutions to agency customers by supporting compliance with applicable state and federal statutes, regulations and contractual obligations such as classification, compensation, civil service and proficiency testing as well

as supporting a variety of tasks related to workforce planning, recruitment, hiring, advertising, screening and performance management at a statewide level. This office also provides enterprise-wide educational and professional development opportunities to state employees to support customer agencies in developing a high-performance workforce.

## ACCOMPLISHMENTS

### *Adult Caregivers*

- A new caregiver resources initiative was launched in June 2017 to provide state employees who serve as caregivers to adults access to information and resources, including a website and training components for supervisors and employees. The Ohio Employee Assistance Program is a support center for these employees. The initiative was a collaboration among state agencies and HRD and the Office of Collective Bargaining division of DAS.

### **Office of Benefits Administration Services**

#### *Health Benefits*

- On average, approximately 115,200 lives were insured during Fiscal Year 2017 through the Ohio Med Preferred Provider Organization offered to State of Ohio employees and their dependents. Those insured included 45,050 employees and 70,150 dependents, on average.
- The office also manages plans that provide dental, vision and life insurance benefits for employees exempt from bargaining units. During the fiscal year, on average, enrolled members in dental benefits totaled 33,500 (13,050 employees and 20,450 dependents) and enrolled members in vision benefits totaled 33,550 (13,050 employees and

20,500 dependents). Basic life insurance benefits had 13,750 enrolled employees.

- Benefits Administration Services, through the Competitive Sealed Proposal process, released a request for proposals and selected a pharmacy benefits manager to administer the state's prescription drug program for state employees and their families. Approximately \$12 million to \$15 million in cost avoidance is expected annually through negotiated prescription drug discounts.

### Behavioral Health/Wellness

- The Ohio Employee Assistance Program (OEAP) hosted the Fiscal Year 2017 OEAP Resource Conference during the fall of 2016. The topic of the conference was the impact of stress and mental health issues in the workplace. The conference attracted 162 participants representing 32 agencies.
- The OEAP Mediation Program was in operation for its first full fiscal year. Thirty-five mediation requests were made and completed from 12 agencies.
- A behavioral health family support program was offered for the second year. The program provides access to licensed clinicians who assess, educate, support and manage cases of children or adult dependents with substance use disorders.
- The *Take Charge! Live Well!* wellness program offered many more opportunities for members to participate in on-site biometric screenings. The screening season offered 197 sessions at 122 locations with 16,250 members

participating. Also, more than 28,000 members completed the Well-Being 5 survey.

### Office of Human Resources Operations

#### Payroll Processing

- The Human Capital Management Payroll/Time and Labor Unit processed more than 1.4 million paychecks during Fiscal Year 2017.

### Office of Talent Management

#### Learning and Professional Development

- The Lead Ohio: Foundations of Supervision program continues to be popular with both new and experienced supervisors. Of the 60 agencies, boards and commissions that have participated in the program to date, 840 learners have graduated and 2,131 learners have taken at least one Lead Ohio class.
- The second-level Lead Ohio program, Inspirational Leaders, was launched after a successful pilot. So far, 113 learners have been enrolled in this program that focuses on developing leadership.

### Classification and Compensation

- The Classification and Compensation team continued reviewing and updating state employee classifications. Outdated classifications were removed while other classifications were updated and, in some instances, consolidated. As a result, the classification plan is updated and contains the lowest number of classifications in 20-plus years with 1,988 classifications, down from 2,434 classifications in 2003.



Approximately  
**115,200** Lives Insured

**2,131**  
Foundations of  
Supervision Learners

**1.4+** Million  
Paychecks  
Processed



**16,250** Members  
Participated in Screenings



# Office of Collective Bargaining



Reached Agreement  
with Ohio State Troopers'  
Association

**35+**

Training Events Offered

**4,000+**

Grievances Monitored

**RUN. HIDE.  
FIGHT.**

Implemented Enterprise  
Plan to Respond to an  
Active Aggressor with  
New Policy

## OVERVIEW

The Office of Collective Bargaining (OCB) serves as the principal labor relations representative for the State of Ohio as the employer. OCB represents those state agencies, boards and commissions under the governor's authority in all aspects of the employment relationship, up to and including binding arbitration, with the five statewide unions.

OCB provides expertise in negotiation, advocacy and administration of the state's collective bargaining agreements. The division also guides the state's labor relations policies to help agencies and their employees provide high quality services to citizens within a positive labor relations environment.

### Labor Relations and Human Resources Policy for the DAS Human Resources Division (HRD) and OCB

- Advises the other sections of OCB and HRD.
- Assists management staff within state agencies with issues related to collective bargaining, including providing advocacy services.
- Coordinates the negotiation of all of the collective bargaining agreements, from bargaining preparation and research through the printing of the agreements.
- Represents state agencies if an employee files unfair labor practice charges with the State Employment Relations Board (SERB) and represents the state on other matters with SERB.
- Provides guidance to other sections of HRD and guidance to agencies on matters related to exempt employees and issues related to statewide human resources policy.

### Analysis and Operations

- Delivers a variety of support services related to the labor contracts, including development of statistical and costing data necessary for contract negotiations and dispute resolution proceedings.
- Gives advice and consultation on business continuity planning, including policies, procedures, standards, tools, templates and strategies.
- Using wage progression and other models, advises negotiators on the impact of potential costs of contract changes.
- Assists employee representatives and agencies with the resolution of contract implementation and maintenance issues.
- Oversees and maintains web-based grievance databases, electronic information storage systems and management reporting functions.
- Manages the division's budget, facility and other ancillary services.

### Labor Relations and Training Administration

- Provides statewide guidance and direction to local management representatives regarding issues arising under all of the statewide contracts.
- Assists agencies with contractual issues that are not settled at the agency level.
- Advises agencies in resolving difficult contract interpretation grievances.

- Represents the employer in mediation and arbitration proceedings.
- Offers board-level labor relations services, in conjunction with the DAS Central Service Agency, for state professional licensing boards that do not possess the resources to perform these functions internally. Provides guidance, coordinates and/or conducts investigations, conducts pre-disciplinary meetings and serves as the Step 3 designee on behalf of these boards.
- Develops training materials for management representatives to ensure that state agencies remain current with the latest trends within the labor relations arena. All training programs are geared to support the management position regarding labor relations in state government.

**ACCOMPLISHMENTS**

- OCB, on behalf of the State of Ohio, reached agreement with the Ohio State Troopers' Association, which represents approximately 1,800 employees. The state achieved the same significant gains in language that allows more effective and efficient management of the workforce as were obtained with the Ohio Civil Service Employees Association during Fiscal Year 2015 as well as significant gains regarding physical fitness requirements and consequences.
  - OCB offered more than 35 training events to more than 680 exempt personnel, obtaining an average satisfaction rate of 4.76 out of 5. The training events included OCB Academy, a certificate program offering comprehensive labor relations training to human resources professionals, which accounted for half of the training participation numbers. During Fiscal Year 2017, OCB Academy held its seventh graduation with more than 30 participants graduating.
- Other training included the nine Lead Ohio: Foundations of Supervision courses for state supervisors and eight targeted

Lead Ohio training events for Ohio Department of Youth Services cohorts. In addition, two quarterly meeting events were offered to allow agencies to share best practices on administrative investigations and arbitration decisions and presentation methods. Advanced training in the electronic grievance system also has been offered to address agency demand for information about discipline and investigation tracking, document retention and reporting.

- Labor Relations monitored more than 4,000 grievances filed since July 1, 2016, for challenges to new contract language, trends and resolution. In addition, OCB coordinated mediation, non-traditional and main-panel arbitration for approximately 1,150 grievances filed electronically as well as 138 grievances that were filed prior to December 2014 on paper. The grievances filed on paper were closed or transferred to the current electronic grievance system, allowing OCB to retire its legacy grievance system.

- Labor Relations and Human Resources Policy implemented the statewide Response to an Active Aggressor policy. This statewide policy, developed in conjunction with the Ohio Department of Public Safety, provides guidance to all agencies, boards and commissions on how to prepare for and respond to an active aggressor situation. This includes training for all employees as well as a requirement that all agencies, boards and commissions create their own policies that contain the methods by which they will notify employees of an active aggressor situation as well as worksite-specific procedures for employee response.
- The Analysis and Operations section, in conjunction with the Workplace Injury Labor Management Approved Provider Committee, completed a provider recruitment initiative that added 7,500 providers to the approved provider panel.





## OVERVIEW

The DAS Central Service Agency (CSA) provides centralized payment processing, procurement, fiscal administration, payroll-related processing and human resources services to select State of Ohio boards and commissions as they provide licensing and other public services to their constituents.

The CSA team serves 32 boards and commissions including 23 autonomous licensing boards that are self-supported by licensing fees and receive no state general revenue funds. Combined, these 32 boards and commissions employ approximately 450 staff members and appointed board members and operate with a total funding appropriation of \$47 million.

The 23 licensing boards administer hundreds of thousands of active licenses of individuals and businesses. While fulfilling an important function of state government, the work of these boards and commissions extends to protect the safety, health and financial well-

being of Ohioans, especially as they interact with licensed professional service providers throughout the state.

## ACCOMPLISHMENTS

### Central Service Agency Saves State Millions

CSA saved the State of Ohio an estimated \$5 million during Fiscal Year 2017 by providing shared fiscal and human resources services in lieu of each board or commission employing additional staff of their own to do this work. Additional savings could include training, equipment, work space and other costs associated with in-house employees.

Related accomplishments for Fiscal Year 2017 included the following:

- Assisted each board and commission to comply with Ohio laws and state policies governing purchasing, budgeting, hiring, employment, equal employment opportunities, labor

relations, discipline, administrative policies, and other state programs or initiatives.

- Helped boards and commissions meet the goal of the state's Minority Business Enterprise (MBE) procurement preference program. Fiscal Year 2017 marks the third consecutive time all 29 applicable boards and commissions met the goal.
- Supported boards and commissions in preparing their required workforce planning documents.
- Updated position descriptions in response to state changes to the program administrator and project manager employee classification series.
- Prepared quarterly and annual affirmative action progress reports on behalf of the boards and commissions.



- Increased the use of state payment cards by the boards and commissions to process routine payments to vendors, resulting in more cost-efficient processing.
- Developed and implemented reporting to monitor the status of unpaid vouchers to avoid interest penalties and comply with audit requirements.
- Supported executive directors with the development of their biennial budget plans.

## Boards and Commissions Served

- Accountancy Board of Ohio
- Broadcast Educational Media Commission\*
- Counselor, Social Worker, and Marriage and Family Therapist Board
- Ohio Air Quality Development Authority\*
- Ohio Architects Board/Ohio Landscape Architects Board
- Ohio Athletic Commission\*
- Ohio Board of Dietetics
- Ohio Board of Embalmers and Funeral Directors
- Ohio Board of Motor Vehicle Repair\*
- Ohio Board of Psychology
- Ohio Board of Speech-Language Pathology and Audiology
- Ohio Board of Tax Appeals\*
- Ohio Chemical Dependency Professionals Board
- Ohio Commission on Minority Health\*
- Ohio Commission on Service and Volunteerism\*
- Ohio Latino Affairs Commission
- Ohio Liquor Control Commission\*
- Ohio Manufactured Homes Commission\*
- Ohio Occupational Therapy, Physical Therapy and Athletic Trainers Board
- Ohio Optical Dispensers Board
- Ohio Respiratory Care Board
- Ohio State Barber Board
- Ohio State Board of Career Colleges and Schools\*
- Ohio State Chiropractic Board
- Ohio State Board of Cosmetology
- Ohio State Board of Optometry
- Ohio State Dental Board
- Ohio Veterinary Medical Licensing Board
- State Board of Orthotics, Prosthetics and Pedorthics\*
- State Board of Registration for Professional Engineers and Surveyors
- State Board of Sanitarian Registration
- State Employment Relations Board\*

\*Denotes voluntary participation.

# Administrative Support Division

The responsibilities of the Administrative Support Division include providing leadership, guidance and support to the other five divisions of DAS.

The division encompasses the offices below as well as the Office of LeanOhio (see Pages 10 and 11) and the Central Service Agency (see Pages 20 and 21), both of which serve government customers external to DAS.

The **Director's Office** oversees the agency and serves as the liaison for the Ohio General Assembly. Accomplishments for Fiscal Year 2017 included expanding the agency strategic plan to include key performance indicators and measurements.

22 The functions of the **Office of Communications** include media relations, employee and crisis communications, internal and external publications, and marketing. Accomplishments included coordinating an all-agency meeting in December 2016.

Employees of DAS receive personnel, payroll, benefits, labor relations and equal employment opportunity/diversity services from the **Office of Employee Services**. One of the accomplishments of Employee Services this past fiscal year included launching a training initiative called DAS Mentoring Circles, which provides group mentoring opportunities through agency-wide events.

The **Office of Finance** provides budget, fiscal, financial reporting, asset management, compliance and audit management, finance policy and financial information services for DAS. The office also provides business office services to the following five divisions of DAS: Administrative Support, Collective Bargaining, Equal Opportunity, General Services and Human Resources. The Office of Finance continues to improve the timeliness of the agency's accounts payable and receivable transaction processing.

The **Office of Legal Services** provides legal guidance to advance the overall mission of the agency. The Office of Legal Services provides responsive legal advice, client service tools and training programs. Accomplishments for Fiscal Year 2017 included conducting feedback sessions with each DAS division and establishing cycle times for acknowledgment of various matters.



# DAS FY 2017 Disbursements



The disbursements of the Ohio Department of Administrative Services during Fiscal Year 2017 totaled \$657.3 million.

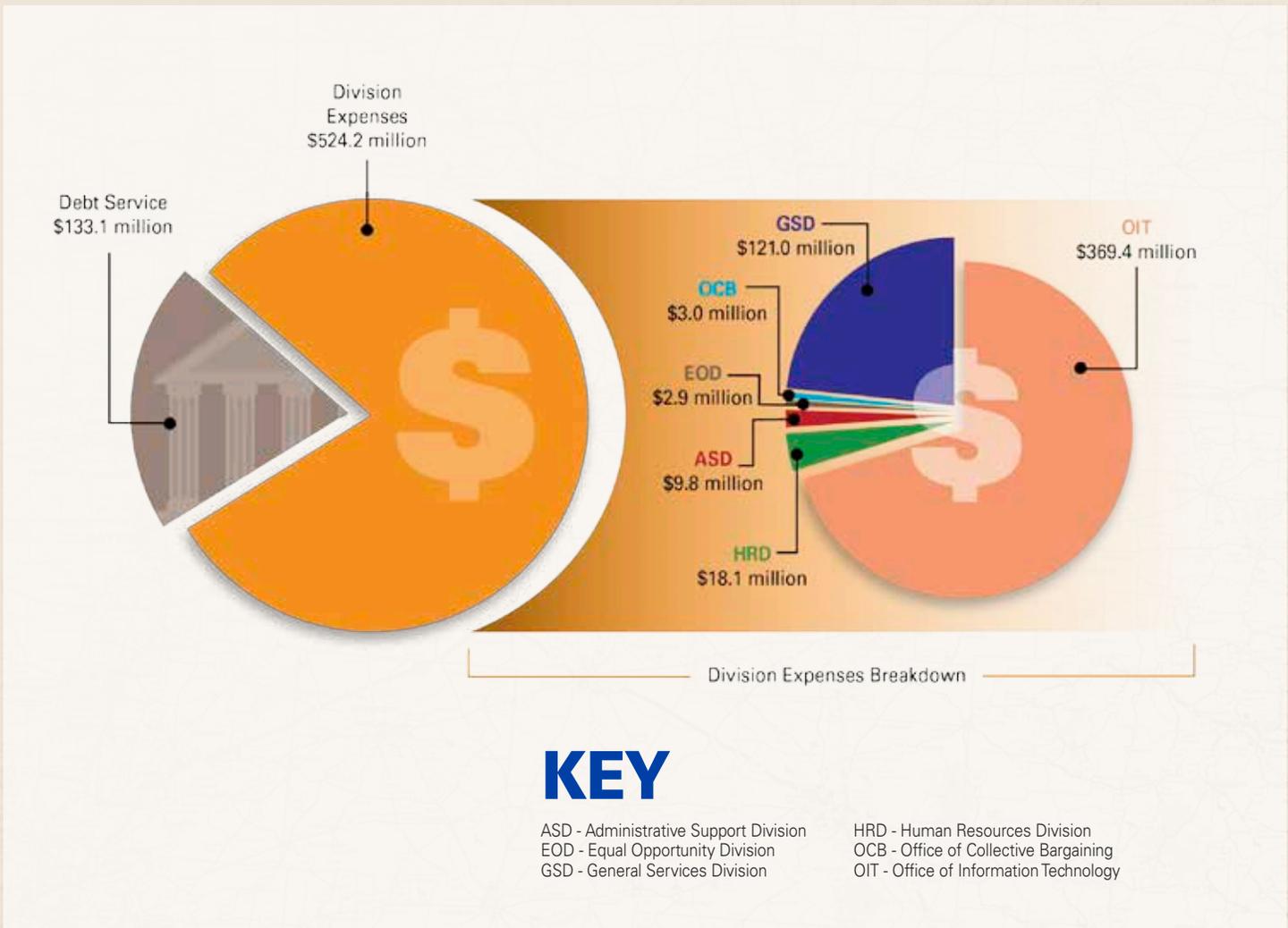
Disbursements included debt service of \$133.1 million, which equaled approximately 20.3 percent of the total DAS disbursements for the year. The remaining disbursements were the expenses of the DAS divisions, which totaled \$524.2 million.

The expenses of the divisions included personnel services, supplies, maintenance, equipment, and certain pass-through and transfer payments. The individual expenses of the divisions within DAS were as follows: Equal Opportunity Division, \$2.9 million; General Services Division, \$121.0 million; Human Resources Division, \$18.1 million; Office of Collective Bargaining, \$3.0 million; Office of Information Technology, \$369.4

million; and Administrative Support Division, \$9.8 million.

Of the total division expenses, only 5.1 percent (\$26.8 million) was funded through the state's general revenue fund.

The following chart illustrates the distribution of the disbursements:





**OhioDAS**  
**SERVICE · SUPPORT · SOLUTIONS**  
**DEPARTMENT OF ADMINISTRATIVE SERVICES**

John R. Kasich, Governor  
Robert Blair, Director

The Annual Report is published by the  
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