



Ohio

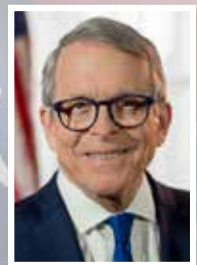
**Department of
Administrative Services**

Mike DeWine, Governor
Jon Husted, Lt. Governor
Matt Damschroder, Director



2019 Fiscal Year

Annual Report



Mike DeWine
Governor



Jon Husted
Lt. Governor



Matt Damschroder
Director



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Senior Assistant
Director



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State Chief
Information Officer/
Assistant Director



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Human Capital and
Planning

2019 Fiscal Year Annual Report

July 1, 2018 - June 30, 2019

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Ohio Department of Administrative Services

MESSAGE FROM DAS DIRECTOR:

On behalf of the employees of the Ohio Department of Administrative Services, I am pleased to present this report highlighting many of our agency's major accomplishments for Fiscal Year 2019.

Governor Mike DeWine has challenged us to provide a positive experience that meets the needs of our customer agencies and Ohio citizens, while pursuing innovation and keeping costs in check. Our team of dedicated professionals is doing that by delivering quality service through our wide range of programs.

Thank you for taking time to learn about some of our team's services and accomplishments. To learn more about DAS and all we do, please visit our website at das.ohio.gov.

Please contact me or any member of the DAS team with feedback or questions. We are continually seeking ways to improve and appreciate your input.

Sincerely,
Matthew M. Damschroder, Director

800
DAS Employees



60+
DAS Programs



\$736.8M
DAS FY19
Spending



DAS Overview



The Ohio Department of Administrative Services is the hub of State government. We work behind the scenes to deliver innovative services and solutions that support the operation of state agencies, boards, and commissions.



OFFICE OF RISK MANAGEMENT
Administers all property and casualty self-insurance and commercial insurance programs for State agencies.



OFFICE OF STATE PRINTING AND MAIL SERVICES
Provides printing and mail services for State agencies.



STATE AND FEDERAL SURPLUS SERVICES
Facilitates the recycling of property within government and attaining maximum return on investment.



OFFICE OF FLEET MANAGEMENT
Provides State agencies with comprehensive motor vehicle management services.



OFFICE OF PROPERTIES AND FACILITIES
Manages the State's largest and most complex buildings.



OFFICE OF REAL ESTATE AND PLANNING
Provides State entities with diverse services related to office space and real estate needs.



OFFICE OF PROCUREMENT SERVICES
Assists State agencies and political subdivisions with the procurement of supplies and services.



EQUAL OPPORTUNITY DIVISION
Helps ensure equal opportunity to and fair treatment in government contracting and State employment.



OFFICE OF BENEFITS ADMINISTRATION SERVICES
Provides high quality, cost-effective benefits for State employees and their dependents.



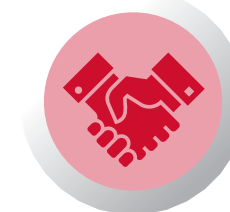
HUMAN RESOURCES DIVISION
Assists State agencies in conducting their human resources functions.



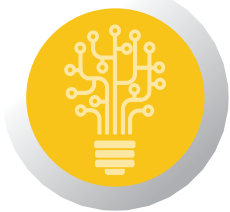
OFFICE OF TALENT MANAGEMENT
Provides assistance regarding classification, compensation, performance management, talent acquisition, and learning and professional development.



LEANOHIO
Leads and supports efforts to make State government services simpler, faster, better, and less costly.



OFFICE OF COLLECTIVE BARGAINING
Serves as the principal labor relations representative for the State and develops HR policy.



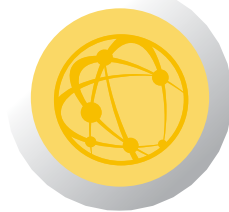
OFFICE OF THE STATE CHIEF INFORMATION OFFICER
Leads the DAS Office of Information Technology.



INVESTMENT AND GOVERNANCE DIVISION
Provides IT policy and standards, investment planning and management, and research and project support services.



INFRASTRUCTURE SERVICES DIVISION
Operates the IT infrastructure for the State, which includes hardware, software, and telecommunications.



ENTERPRISE SHARED SOLUTIONS
Coordinates strategies for delivery of government information and services electronically.



OFFICE OF INFORMATION SECURITY AND PRIVACY
Manages enterprise efforts for information assurance, security, privacy, and risk for the State.



OHIO 9-1-1 PROGRAM OFFICE
Coordinates and facilitates communication concerning 9-1-1 issues among State, federal, regional, and local 9-1-1 officials.



OFFICE OF COMMUNICATIONS
Provides a wide array of internal and external communications services.



OFFICE OF EMPLOYEE SERVICES
Provides personnel, payroll, and other human resources services.



OFFICE OF FINANCE
Provides budget, fiscal, financial reporting, asset management, finance policy, and compliance and audit management.



OFFICE OF LEGAL SERVICES
Provides services to advance and protect the legal responsibilities and rights of DAS.



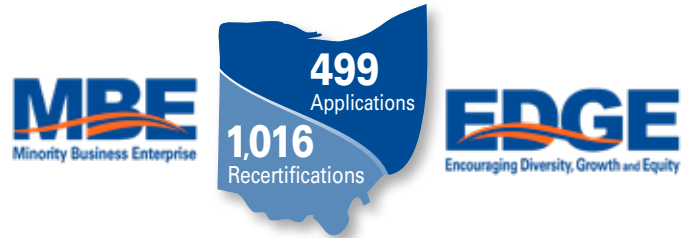
OFFICE OF LEGISLATIVE AFFAIRS
Monitors legislation and engages with legislators and other stakeholders.



CENTRAL SERVICE AGENCY
Provides fiscal and human resources services for boards and commissions.



Human Capital and Planning



Human Capital and Planning consists of the Equal Opportunity Division, Human Resources Division, and Office of Collective Bargaining.

The **Equal Opportunity Division (EOD)** implements and enforces the State's Affirmative Action and Equal Employment Opportunity policies. The division also implements and monitors the State's procurement preference programs for eligible businesses owned by minorities, women, veterans, and socially and economically disadvantaged individuals.

EOD accomplishments for Fiscal Year 2019 included:

- Being on pace to exceed the MBE set-aside goal for goods and services for the fifth consecutive year. The State of Ohio MBE program has a 15 percent set-aside goal for State agencies, boards, and commissions in awarding contracts to certified MBE businesses. In addition, through collaborative efforts with State agencies, boards, and commissions, there has been an increase of unique MBE-certified businesses receiving State expenditures.
- Assisting businesses in applying for the certifications and certificates required to obtain contracts from the State of Ohio. The Business Certification and Compliance Unit processed 499 first-time Minority Business Enterprise (MBE) and EDGE (Encouraging Diversity, Growth, and Equity) program applications, 1,016 recertifications, and 76 cross certifications as well as 375 Veteran-friendly Business Enterprise certifications. The unit also processed 2,407 Affirmative Action Program verification certificates and 2,677 Certificates of Compliance.
- Hosting two Diversity and Inclusion Institutes, which offered 16 classes to more than 100 State employees. The classes aimed to expand the students' knowledge and skills in the areas of diversity and inclusion. In addition, the Affirmative Action and Equal Employment Opportunity Unit introduced the Directors'



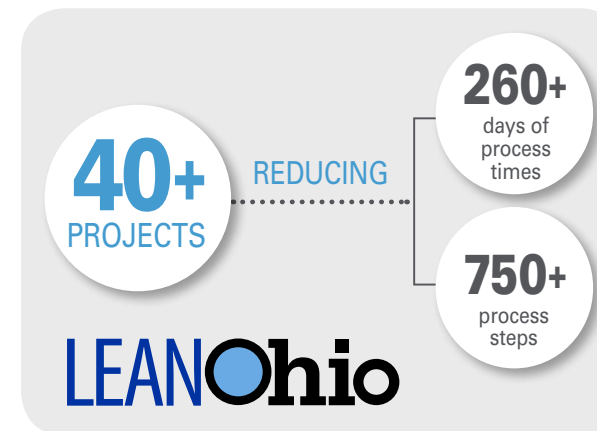
Diversity and Inclusion Roundtable which offered 57 State executive and senior leaders an opportunity to discuss and engage in diversity and inclusion concepts.

- Working with the Ohio Dr. Martin Luther King, Jr. Holiday Commission to present its 20th Annual Statewide MLK Oratorical Contest. Twenty-seven Ohio students presented original speeches inspired by the lessons and legacy of Dr. King on April 12, 2019. First-place finishers have been invited to speak at the January 2020 Ohio Dr. Martin Luther King, Jr. Commemorative Celebration, also sponsored by the Commission.

The **Human Resources Division (HRD)** performs overall administration of the State's human resources operations for approximately 52,000 State of Ohio employees. This division provides services and information to State employees and assists State agencies in conducting human resources functions through services in the areas of benefits administration, drug testing, payroll administration, document management, classification and compensation, central recruiting, training and development, and workforce planning.

HRD accomplishments for Fiscal Year 2019 included:

- Managing the State's benefits package and open enrollment through the Office of Benefits Administration Services. The office strategically bid and evaluated a combined request for proposals that included two medical plan options. As a result, employees were able to choose from an existing Preferred Provider Organization plan and a new High Deductible Health Plan with a Health Savings Account seeded by a contribution from the State. Benefit services also include behavioral health, wellness programming, and new telehealth services.
- Integrating a new disability claim processing system which streamlines the claim data entry process and allows agencies, boards, and commissions to receive instant updates.



- Moving approximately half of the State's workforce to an online Kronos Workforce timekeeping system as part of an effort to reduce the number of enterprise timekeeping systems and associated operational costs.
- Completing more than 40 process improvement projects through the Office of LeanOhio and its network of Lean practitioners. This resulted in more than 260 days of reduced start-to-finish process times and the elimination of more than 750 process steps. The Office of LeanOhio continues to further embed the "continuous improvement mindset" into State agency management and operations. During Fiscal Year 2019, LeanOhio trained 103 State employees through classroom training, and 392 employees completed LeanOhio training through the State's online training platform. The Office of LeanOhio provided belt certification to 40 new State employee Lean Six Sigma practitioners.
- Implementing pilot programs with three agencies to evaluate new exempt information technology classifications. Overseen by the Office of Talent Management, the programs test the concept of building a strong organizational culture through a flexible classification and compensation system in conjunction with a robust performance management and professional development process.
- Launching the State of Ohio LinkedIn pages. LinkedIn assists the State in attracting talent through storytelling about agency mission and culture and posting difficult-to-fill positions in areas such as information technology and health care. The State of Ohio's main LinkedIn page has approximately 15,000 followers. In addition, 16 State agencies, boards, and commissions have affiliated pages.

The **Office of Collective Bargaining (OCB)** directs labor relations and human resources policy for the State of Ohio and is the principal representative for the State of Ohio as the employer in the negotiation of the State's labor contracts.

OCB accomplishments for Fiscal Year 2019 included:

- Reaching agreement on behalf of the State of Ohio for the 2018-2021 collective bargaining term with four unions representing State employees. This includes the Service Employees International Union, District 1199, representing approximately 3,800 employees; the Ohio State Troopers Association, representing approximately 1,700 employees; the Ohio Education Association, State Council of Professional Educators, representing approximately 470 employees; and the Fraternal Order of Police, Ohio Labor Council, representing approximately 530 employees.
- Offering 21 training events to more than 700 exempt State personnel, obtaining an average satisfaction rate of 4.5 out of 5. The training events included OCB Academy, a certificate program offering comprehensive labor relations training to human resources professionals; OH Grievance system training; the Lead Ohio Labor Relations class; Ohio Civil Service Employees Association and District 1199 collective bargaining updates and training; and quarterly meetings.
- Monitoring 4,730 grievances filed since July 1, 2018, for challenges to new contract language, trends, and resolutions. In addition, the Office of Collective Bargaining coordinated mediation and non-traditional and main-panel arbitration for 1,220 grievances. Only 40 of the 103 grievances scheduled for main panel arbitration have gone to hearing. All other grievances scheduled for arbitration were settled or withdrawn prior to the actual hearing date.
- Beginning implementation of a telemediation pilot. Of the 20 cases that were heard via telemediation, 50% were resolved, consistent with resolution rates of cases heard in person. Telemediation makes the process more convenient for participants and saves money. Once fully implemented for the Ohio Civil Service Employees Association and District 1199, telemediation is expected to result in significant savings from reduced release and travel time. For example, eight hours of release per participant to travel to remote locations will be reduced to a half hour of release for the duration of the scheduled telemediation.
- Launching two significant updates to statewide human resources policies. In July 2018, the statewide Drug Free Workplace Policy was updated following the legalization of medical marijuana. The updated policy addresses how medical marijuana will be treated under the State's drug testing program. The Policy Section also updated the Compensatory Time for Overtime Exempt Employees policy, providing greater flexibility for exempt employees and their managers, and serving as a recruitment and retention tool.





General Services Division

The General Services Division (GSD) is comprised of six offices – Fleet Management, Procurement Services, Properties and Facilities, Real Estate and Planning, Risk Management, and State Printing and Mail Services – that perform distinct back-office services as well as the State and Federal Surplus Services Program.

GSD accomplishments for Fiscal Year 2019 included:

- Creating a searchable catalog for eMarketplace which allows State payment card users from 12 early-adopter agencies to order State contract items online.
- Saving agencies participating in the Managed Fleet Program approximately \$6.8 million by effectively providing day-to-day operational services for approximately 3,100 vehicles.
- Ensuring favorable property insurance rates by contracting with an appraiser to obtain professional property valuations.
- Managing a record number of maintenance and capital improvement projects at the nine DAS-managed buildings. Continuing projects include a façade restoration and window replacement project at the James A. Rhodes State Office Tower and elevator modernization at the Vern Riffe Center for Government and the Arts.
- Earning recognition as an Energy Efficiency Champion by AEP Ohio for projects at the Rhodes Tower and DAS offices at 4200 Surface Road in Columbus. AEP Ohio has reported these projects will reduce energy use by nearly 2 gigawatts annually, a savings of more than \$110,000.
- Managing a \$4 million interior renovation at 4545 Fisher Road in Columbus for the Ohio Departments of Rehabilitation and Correction and Youth Services. The improved environment supports collaboration between the two agencies.
- Transferring the Michael DiSalle Government Center, a 500,000-square-foot former State office tower in Toledo, to the Toledo-Lucas County Port Authority. The transfer will save more than \$800,000 annually in future rent costs and alleviate an estimated \$21.4 million in capital costs associated with building operations and maintenance through Fiscal Year 2024.
- Saving customer agencies more than \$6 million through contracted mail presort services with more than 72 million mail pieces processed.
- Negotiating nearly 170 commercial leases for Fiscal Years 2018-2019, resulting in approximately \$2.7 million in cost avoidance for various State entities.
- Developing a centralized process for administering approximately 5,000 State vehicle manufacturer recalls received each year. The Office of Fleet Management's new process notifies each agency when one of its vehicles is affected by a recall.
- Generating nearly \$3.4 million in proceeds by auctioning heavy equipment and 846 vehicles. State and Federal Surplus Services also generated more than \$1 million in proceeds from the auctioning of 2,308 lots of general property at live public auctions. More than 640 surplus items were auctioned online for nearly \$597,000. In all, surplus sales generated more than \$3.3 million in refunds to State agencies.
- Saving government entities through the State and Federal Surplus Services Program, which donates and sells surplus property among political subdivisions. In Fiscal Year 2019, the program conducted more than \$1.2 million in such transfers and sales.

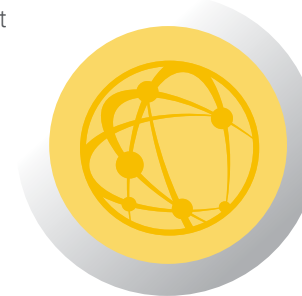


Information Technology

The Office of Information Technology (OIT) delivers enterprise information technology and telecommunication services as well as IT policy and standards, lifecycle investment planning, and privacy and security management.

OIT accomplishments for Fiscal Year 2019 included:

- The State of Ohio maintained its top ranking – an “A” grade – in the Center for Digital Government’s Digital States Survey, thanks to its ongoing dedication to innovation and collaborative IT optimization.
 - The State of Ohio was nationally recognized in November 2018 for its leadership in driving innovation and transformation in human services delivery. The Ohio Benefits project received the 2018 Government Innovation Award for use of robotic process automation to streamline critical county and State processes. Partners in this project included DAS, the Ohio Departments of Medicaid and Job and Family Services (JFS), and all 88 Ohio counties.
- The award, which was presented by government IT publications Federal Computer Week, Washington Technology, GCN, and Defense Systems, recognized innovative projects that are reinventing government and harnessing cutting-edge technologies to transform operations. The Ohio Benefits process automation “bots” also were featured in an article on GCN.com.
- The Ohio Benefits project reached key milestones during the summer of 2018.



In July 2018, the Ohio Benefits project completed statewide deployment of new functionality for Medicaid, SNAP (Supplemental Nutrition Assistance Program), and TANF (Temporary Assistance to Needy Families) benefits. This was the 100th release in the program’s five-year history.

In August 2018, the Ohio Enterprise Document Management System functionality for Medicaid, SNAP, and TANF was deployed in all 88 Ohio counties. This large-scale project finished on time and under budget.



This document management system unified JFS offices throughout the state using standardized technology. This system allows workers to assign and complete casework regardless of geographic location. The system enables immediate access to a shared repository of verification documents associated with a case and customer. It also enhances capabilities of the County Shared Services initiative to transform service delivery and provide a common customer experience.

These achievements transformed and streamlined the human services experience for the more than 4 million Ohioans receiving benefits.

- The DeWine-Husted Administration introduced the InnovateOhio Platform and the vision for how the platform will modernize and improve service delivery at the State of Ohio. This April 2019 announcement represents an ongoing partnership between InnovateOhio and OIT.

The InnovateOhio Platform, established by Executive Order 2019-15D, is a key component of the InnovateOhio vision, helping State agencies improve service delivery by becoming more customer-centric and data-driven.

The InnovateOhio Platform leverages the following two integrated and scalable capabilities that enable the State to better align with Ohioans’ expectations for delivery of services conducted in the digital channel:

- Customer Experience allows rapid and agile online development with State standards based on industry-leading design. It enables single sign-on, maintains compliance standards, and establishes a single-user identity across State systems.
- Analytics and Data Sharing enables secure and efficient data sharing in any format and provides for state-of-the-art advanced analytics to be applied in real time.



Agency Operations



Domestic Violence Resources for Employees

\$3.8 Million

DAS Central Service Agency Saved Boards and Commissions



Agency Operations encompasses the Director's Office and the Administrative Support Division, which set strategic direction and provide agency management and support services.

The **Director's Office** oversees the approximately 800 full-time employees and every division and program throughout the organization. It collaborates with other agencies, boards, and commissions and represents the State on important stakeholder boards and Governor's initiatives.

Director's Office accomplishments for Fiscal Year 2019 included:

- Preparing for and transitioning to a new Gubernatorial Administration. DAS supported the Governor's Office with personnel recruiting, hiring, and the transitioning of agency leaders and senior team members within cabinet agencies. The agency led the development and delivery of a series of career transition workshops and online resources for state employees.
- DAS also played a leadership role in several of Governor Mike DeWine's early initiatives, including:
 - Supporting InnovateOhio with the technology platform for next-generation online customer experiences while providing systems' best-practice levels of security and privacy.
 - Leading the implementation of the Governor's Executive Order aimed at making Ohio an inclusion state for individuals with disabilities.
 - Bringing domestic violence awareness and resources to employees.

The **Administrative Support Division** manages the business and support functions for DAS.

ASD accomplishments for Fiscal Year 2019 included:

- Consolidating the business operations of the DAS Office of Information Technology with the Office of Finance. This restructured Office of Finance is organized to handle all aspects of the agency's financial management. Through its three functional units – Fiscal Operations, Budget and Planning, and Performance and Reporting – the Office of Finance seeks to provide the agency with accurate, timely, and consistent financial services.
- Delivering important and timely information to internal and external stakeholders through the Office of Communications, including through a redesigned myOhio portal for State employees.
- Providing recruiting, personnel management, payroll processing, labor relations, and equal employment opportunity/diversity services as well as employee engagement activities through the Office of Employee Services.
- Protecting the legal responsibilities and rights of DAS through the Office of Legal Services.
- Advancing DAS legislative priorities and budget requests before the members of the Ohio General Assembly and the Controlling Board through the Office of Legislative Affairs.
- Saving 25 autonomous boards and commissions an estimated \$3.8 million by providing shared fiscal and human resources support services through the DAS Central Service Agency.

DAS FY 2019 Spending

The disbursements of the Ohio Department of Administrative Services during Fiscal Year 2019 totaled \$736.8 million.

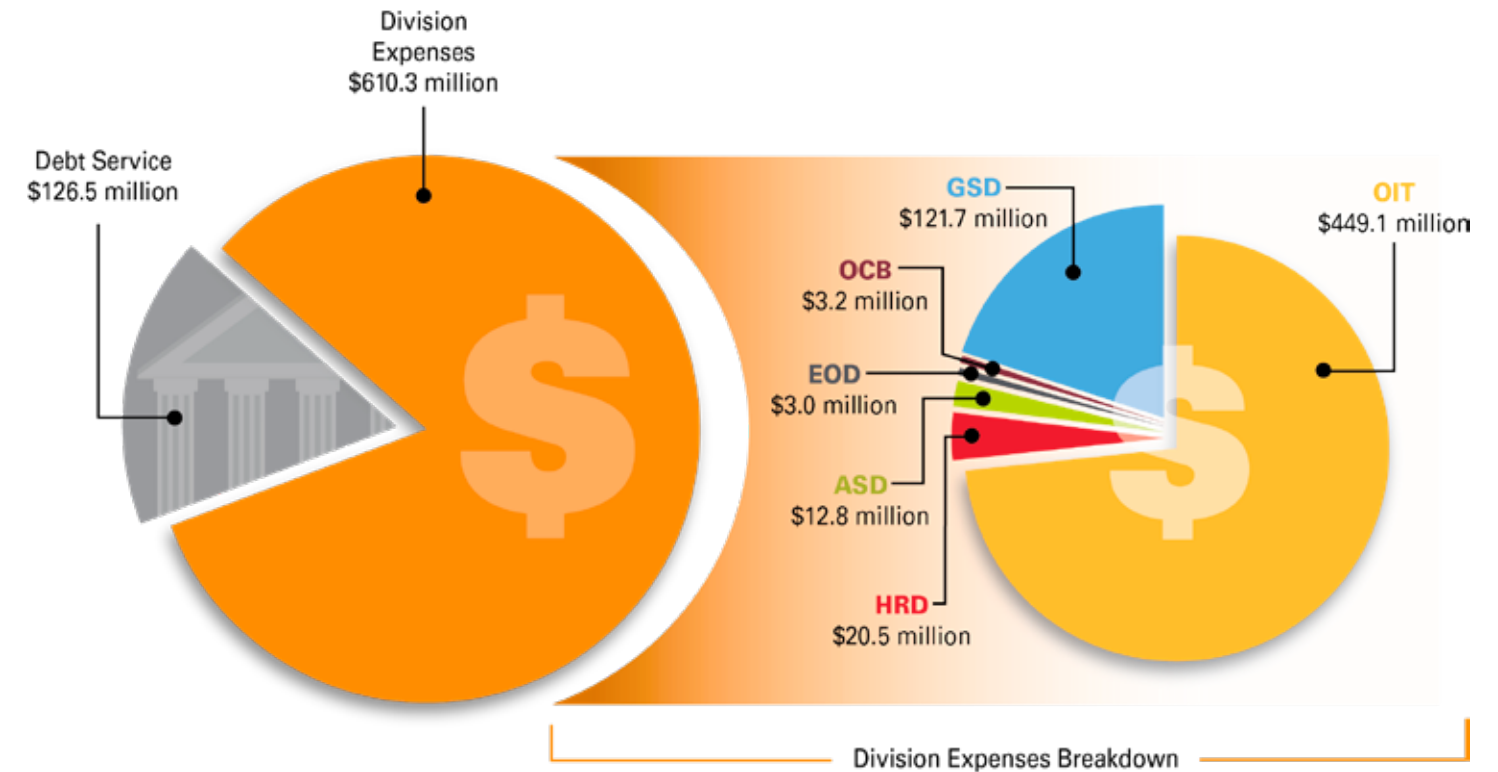
Disbursements included debt service of \$126.5 million, which equaled approximately 17.2 percent of the total DAS disbursements for the year. The remaining disbursements were the expenses of the DAS divisions, which totaled \$610.3 million.

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, \$3.0 million;

General Services Division, \$121.7 million; Human Resources Division, \$20.5 million; Office of Collective Bargaining, \$3.2 million; Office of Information Technology, \$449.1 million; and Administrative Support Division, \$12.8 million.

Of the total division expenses, only 4.2 percent (\$25.9 million) was funded through the State's general revenue fund.

The following chart illustrates the distribution of the disbursements:



KEY

- ASD - Administrative Support Division
- EOD - Equal Opportunity Division
- GSD - General Services Division
- HRD - Human Resources Division
- OCB - Office of Collective Bargaining
- OIT - Office of Information Technology



August 1, 2019

The Annual Report is published by the Ohio
Department of Administrative Services'
Office of Communications.

30 East Broad Street, 40th Floor
Columbus, Ohio 43215

