

Colorado 2009

# Division of Central Services



Good Government Starts Here



## Department of Personnel & Administration

The Department of Personnel & Administration (DPA) is the cabinet department that serves as the business center for Colorado's \$13 billion state government. We are responsible for the largest workforce in the State—60,000 employees—and for managing state facilities and real estate, as well as providing business services ranging from telecommunications and computing to administrative hearings, financial accounting, State Archives, purchasing, collections, insurance and risk management, printing, and motor vehicles. Our job is to make sure state departments and agencies have all of the tools they need to better serve the citizens of Colorado.



*Rich Gonzales, DPA Executive Director*

## Division of Central Services

Focused on creating economies of scale, cultivating strong and sustainable partnerships, and emphasizing quality, the Division of Central Services (DCS)'s mission is to promote the highest possible value for customers, support the most effective use of State government resources and tax dollars, and earn our reputation as Colorado's *"First Choice for Service."*

### What We Offer

- Tailored, internal business support services that enable state agencies to focus critical resources on their core mission
- Cost effective solutions offered at or below private sector rates
- Value-added and streamlined services that save time and create operational efficiencies
- Responsive, award-winning, friendly and professional staff, including subject matter and technical experts at all levels within the organization
- Access to an extensive network of vendors and program partners
- Support and guidance through each stage of the project or ongoing program
- Innovative and forward-thinking programs designed to support the "New Energy Economy," such as alternative fuel vehicles and fueling stations, and energy management programs in facilities

## Good Business Starts Here



Scott Madsen, Division Director

## WHAT WE DO

Created in by statute in 1976, DCS exists to provide centralized business support services at competitive pricing. In order to maximize volume-based savings, all state agencies, except institutions of higher education as allowed under HB 04-1009, are required to participate. For specialized services outside of the scope of our capabilities, Central Services offers agencies access to our extensive range of private partnerships. What's more, if Central Services can't provide the service needed within reasonable timeframes and at competitive pricing, we will provide agencies with a waiver on a case-by-case basis and assist them with finding the most cost effective alternative.

The Division also works closely with other state agencies to deliver services where appropriate. For instance, the Colorado State Patrol provides executive security services within the Capitol Complex, and the Governor's Energy Office partners with State Fleet Management to promote the reduction of vehicle miles and use of alternative fuels to reduce petroleum consumption within the State's 5,900-vehicle fleet. Certain specialized print work is sent to our partners at Auraria Campus and the CCI Print Shop. A list of our partners can be located at the end of this document.

## OUR VALUES

Central Services offers employees, customers and citizens our commitment to:

- Demonstrate concern for cost in every action and decision
- Conduct our operation with integrity
- Build sustainable partnerships with our customers
- Provide excellent service
- Provide a participative team environment based on mutual respect, recognition and opportunities for individual development
- Proactive and innovative approaches to the future



## OUR PROMISE TO OUR CUSTOMERS

Central Services exists to provide customers with the product or service that they need, at a price they can afford, and at a level of quality for which they can be proud. Through our consolidated, volume-based approach, Central Services helps participating state agencies to:

- **COMBINE STATE VOLUMES** to improve purchasing leverage, reduce unit prices, and streamline the ordering, delivery, and payment processes
- **ELIMINATE REDUNDANCY** by creating one contract and solicitation process, providing one shop which minimizes facility costs, improving labor efficiency, reducing and sharing management and administration costs, and reducing the need to invest in duplicative equipment and infrastructure
- **IMPROVE PROFESSIONALISM AND QUALITY** with dedicated functional expertise, improved information and systems, and consistent processes and methods that translate to increased technical expertise and higher quality service
- **REDUCE UNIT COSTS** by maximizing equipment utilization across multiple agency volumes, diluting fixed and overhead costs, and extending large volume pricing to small agencies

## HOW WE DO BUSINESS

The Central Services approach to internal pricing is simple. Rates are set to recover all costs *without profit* while remaining competitive with the private sector. We keep rates competitive by conducting a bi-annual rate comparison study, planning with key customers to manage and grow volumes to create economies of scale, pursuing alternative funding strategies, including grants, and a constant focus on productivity improvement and process efficiency.

## Integrated Document Solutions (IDS)

From design and print to imaging, mail and delivery, IDS partners with state agencies to deliver creative, cost effective solutions for every stage of a document's life. The IDS approach is to help Colorado agencies do business better and faster by taking advantage of 21st century technology and to meet and exceed customer expectations. Through its Pueblo and Denver facilities, IDS documents savings of over \$3 million when compared to private sector rates.

### Services include:

- Consulting and Project Management
- Custom solutions for online and automated business applications
- Graphic design and layout
- Copier Program management
- Data entry and document imaging
- Digital and Off-set printing
- Online document and data storage and retrieval (Electronic Data Warehouse)
- Copying and binding
- Mail security, processing and delivery
- Courier Services

### Key Facts from FY 08

- Outgoing Mail expended over \$6.5 million in postage by sending approximately 17.4 million pieces of mail on behalf of State agencies. Through the consolidation process and pre-sorting equipment in place at North Campus, IDS provided state agencies with a combined savings of just under \$1 million dollars.
- Print Operations produced over 69 million impressions with projects ranging from document copying, social program mailings, brochures, books, letterhead and business cards.
- Data Entry completed 425 million keystrokes, processed 204,000 image forms, entered 190,000 documents online, and logged 241,885 hours of online data entry.
- Scanning captured 5 million images. (Expected to grow to 14 million in FY10)
- Mail Security processed approximately 1.7 million pieces of incoming mail, including x-ray and biohazard scanning for security purposes.
- Mail Delivery made stops to over 400 agency locations throughout Colorado each day to deliver interoffice and postal service mail.
- Our Graphic design professionals were once again honored with regional, national and international awards including the Print Industry Association Mountain States "Pride Award" and international Davey Awards.



## Partnered services in action:

- In June of 2008, the Governor's Energy Office (GEO) contacted IDS to discuss printing and design capabilities for their "Home Energy Kit" project. After reviewing their initial request, it was determined that a larger meeting should occur to explore additional areas where IDS could provide services and create greater efficiencies. IDS presented GEO with a solution encompassing project management, graphic design, printing, mail services, application design and data entry, as well as a workflow diagram tailored to meet their project's needs. The project was rolled out in two phases. The first phase was a pilot consisting of a mailing to 5,000 citizens. Upon the successful completion of the pilot phase, the full-scale project was launched resulting in the mailing of 43,000 application packets and over 11,000 home energy kits to date.
- Upon the adoption of C.R.S. 24-21-201 in July 2008, the Secretary of State's Office asked IDS for assistance in launching an address confidentiality program (ACP). The goal of ACP is to prevent potential abusers from using public records to locate their victims. In order to accomplish that goal, the program offers participants the use of a legal substitute address and a confidential mail-forwarding system. IDS implemented this program at North Campus due to its existing function as the State's mail center and the high level of security on campus. Upon enrollment, the Secretary of State's Office assigns each participant an "apartment number" attached to the North Campus mailing address. IDS Mail Security personnel receive all mail, packages and legal documents such as subpoenas by apartment number; scan it through the x-ray and biohazard detection equipment; scramble it; and then resend the mail to physical locations that are determined by the Secretary of State's Office for further forwarding to participants. The multiple layers of security are unique and serve as a model for other states.
- Faced with a record 11 petitions to be processed within statute-mandated timeframes, the Secretary of State approached IDS in August of 2008 to help verify signatures on Proposed Initiative 82. This initiative failed the random sample test and required manual verification of all 117,000 signatures. With only three weeks from beginning to end, the IDS Pueblo group hired and trained 35 temporary employees and worked two shifts to verify the signatures—all at approximately \$40,000 less than other bids. When the results were later challenged in court, IDS' accuracy helped the Secretary of State defend its decision not to place the initiative on the 2008 ballot. Says the Secretary of State's Christi Heppard, "The IDS team, both senior staff and line workers, were dependable, enthusiastic and ready for the challenge... the assistance of IDS undoubtedly allowed the Secretary to meet statutory obligations and avoid noncompliance."



- Recognizing a huge opportunity to leverage postage discounts and reduce returned mail, the IDS Denver group developed the concept for an address-cleansing program. Partnering with members of the Governor's Efficiency Management Study (GEMS) in 2008, GEMS helped to drive the concept forward by recommending statewide implementation. Collaborating with key customers including the Departments of Revenue, Corrections, Education, and others and the United States Postal Service (USPS), Colorado will become the first state agency to receive an umbrella vendor license with direct access to the USPS' National Change of Address database. Given the high number of citizens and businesses that change addresses each year, access to this database is essential. As of July 1, agencies will be able to verify their mailing lists prior to requesting printing and/or sending out large-scale mailings. For a small initial cost of no more than two cents per address, state agencies can expect to reduce the average 15% of addresses that are undeliverable as addressed, resulting in savings from avoiding spoiled postage and accurately gauging printing needs up front. An initial test of the process with one state agency mailing documented a savings of \$36,000 at a cost of only \$3,000.
- In January 2009, the Department of Revenue (DOR) asked for assistance in converting tax records from the old standard of microfilm to the new standard of digital archiving. Within three months, IDS Pueblo was able to convert over 3.5 million images, and at the same cost as for microfilm. The project was so successful, IDS expects to convert up to 8 million images in FY10. DOR gets the benefit of high quality digital images at the same cost as microfilm and the additional volume for scanning will save other state agencies approximately \$250,000.
- In January 2009, the Colorado Department of Public Health and Environment (CDPHE) requested assistance with storing emergency flu vaccine. IDS accepted an initial shipment of six pallets, although as the public health threat intensified, CDPHE was compelled to acquire additional supplies. IDS received an additional 84 pallets of vaccine, now stored in the secure Mail Security building at North Campus. This partnership supports CDPHE in its mission to prepare for a potential public health emergency by providing a highly secure, easily accessible and inventoried space. In the event of a public health emergency, having this stock on hand would reduce CDPHE's response time by up to 48 hours.
- By investing in new technologies, IDS is able to consolidate and pass on substantial volume savings to customers. For example, IDS replaces the PTI letter sorter every 5 years and a flat sorter every 5-7 years. The combined investment by IDS is approximately \$700,000. Participating state agencies benefit by receiving substantial postage discounts of approximately \$1.2 million per year, or \$6 million over the life of the equipment.

## State Fleet Management (SFM)

Managing the State's current and future vehicle needs, SFM is driving change for Colorado through efficiency and innovation. Established in 1992 by Senate Bill 92-30, SFM's team of 16 employees supports the State's entire fleet of approximately 5,900 light duty vehicles throughout the life cycle of the vehicle. The program is consistently recognized as one of the Top 100 public sector fleets, out of thousands across the nation. This year Colorado was one of only two state to be so honored. SFM also provides extensive support to agencies in complying with the State of Colorado's greening government initiatives and provides annualized savings of nearly \$4 million compared to private sector rates.

### Services include:

- Vehicle acquisition and disposal, including management of vehicle auctions
- SFM/greening initiatives, including alternative fuel research, vehicle technologies, and fueling sites
- Authorization for maintenance and repairs, including glass and tires
- Monitoring of the Governor's "25 in 5" petroleum reduction initiative
- Fuel card management
- Department fleet assessments
- Vehicle rentals and Motor Pool
- Fleet safety and risk reduction

### Key Facts for FY 08:

- At any given time, SFM has approximately 5,900 vehicles in the fleet. In FY 08 those vehicles traveled over 74.6 million miles, and consumed 4.8 million gallons of fuel at a cost of \$13.5 million dollars. Over \$7.4 million was spent on maintenance to keep vehicles running.
- Through the consolidated purchasing process, SFM documented a total savings of \$2 million or a projected \$8 million total savings over the cost of a typical 4-year vehicle lease offered by independent retail companies. Vehicle acquisition is favored over leases except when a specialized, short-term need is identified. This is due to the penalties added at the end of lease

agreements for such items as mileage overages, body and interior damage, and off-road use that are common within the fleet. For example, the Division of Wildlife occasionally leases vehicles for short-term projects, which costs approximately \$1,100 per month, per vehicle. This is approximately three times the cost when compared to the monthly costs for an acquisition. When all costs are compiled and usage needs are balanced for all participating agencies, SFM finds that the acquisition process saves money and provides the State with assets that exceed the life of typical leases.

- Approximately 36,000 requests for repairs and service were received through our Call Center. Our team of four representatives with various levels of ASE certifications also helped agencies to avoid over \$2.2 million in unnecessary repairs and maintenance.
- Over 600 unusable vehicles were disposed of at auction, netting the State approximately \$1 million dollars to offset SFM operational costs.
- In-house accident subrogation avoided over \$55,000 in contracting expenses, providing internal support to state agencies in managing over 854 accident claims.
- As a result of the Governors Efficiency Management study, two State-owned repair facilities were opened at the end of the fiscal year—one in an East Denver Colorado Department of Transportation facility and the other at a Colorado State Patrol facility in Golden. Beginning in FY 09, SFM hopes to document savings over the cost of private repairs and provide another, more convenient option for vehicle users.

### Partnered services in action:

- SFM partners with the Department of Corrections (DOC) to sell surplus vehicles on E-bay and onsite sealed bid auctions. Sales fees are paid to DOC for their services and the State is able to recapture proceeds from sales.
- SFM partners with all agencies that have vehicles by facilitating the Motor Vehicle Advisory Committee (MVAC). The group meets monthly to discuss best fleet management practices and assists SFM to determine the needs of each agency and their program missions.
- Every year, SFM works with agencies to process any approved vehicle replacements. In tandem with Colorado's Greening State Government coalition, SFM supports agencies in their efforts to reduce petroleum consumption by incorporating vehicles that are more efficient and can use alternative fuels. In FY09, this included over 140 hybrids, approximately 400 flex fuel vehicles and 58 diesel engine vehicles.

## Capitol Complex (Building Management Services)

Supporting state agencies within the Denver Metropolitan area, the Capitol Complex group offers full service facility management in 18 core State buildings, including the State Capitol building, Governor's Residence, State Services Building, Human Services Building and others. The group also provides the public with special event permits and information resources.

### Services include:

- Full Service Building Management
- Energy Efficiency and Recycling Programs
- State Employee Parking
- Public Event Permits
- Building Access and Security
- State Telephone Operators

### Key Facts from FY 08:

- A team of 47 journeymen-level HVAC, electrical, plumbing and other specialists responded to an average of 1,200 requests for service each month.
- An average of 18 special events permits were issued to the public each month.
- The new internet-based, searchable contact database was launched on Colorado.gov. Working with state agencies and Colorado Interactive, "Contact Compass" was launched. Over 3,000 contacts and records are currently in the database, which continues to receive regular updates.
- Significant accomplishments in energy management and recycling programs were recorded (please refer to the "Greening" section of this document).

## State Travel Management Program (STMP)

STMP offers value-added, travel-related programs and resources to state and participating local agencies. This award-winning program manages the travel card program and negotiates contracts and pricing agreements for airlines, vehicle rentals, hotels, and travel agencies. Some of the benefits provided by travel agencies within the State price agreements that are not allowed through “internet services,” are guaranteed last-seat availability; mid-travel assistance to State employees; group travel arrangements; and more flexible fare conditions, such as low change fees, free baggage allowance, and pre-negotiated prices for even last-minute bookings.

STMP also provides benefits not available anywhere else including free luggage insurance and liability and Collision Damage Waiver on vehicle rentals. By extending State price agreements to political subdivisions, STMP earns volume credits for the program.

### Key Facts from FY 08:

- The free Collision Damage Waiver benefit documented a savings of over \$1 million in avoided at-the-counter insurance fees. As a result of the claims made against the Collision Damage Waiver, the program also avoided over \$100,000 in damages.
- The program saved \$487,000 in avoided liability insurance over 45,525 vehicle rental days.
- In 2007, the American Society of Travel Agents reported that the median fee for an airline ticket issued by a travel agent was \$32.09. STMP’s contracted travel agency agreements are between \$4.09 and \$9.54 below this cost, per ticket. In FY 08 41,354 airline tickets were issued to State agencies through the program’s contracted travel agents. Conservatively this saved the state over \$169,000 in avoided travel agency fees.
- The Colorado State Travel Program was honored with the “Best Government Travel Program” award by the Society of Government Travel Professionals.

## Central Services Greening Initiatives

Aligned with the model for creating financial and time efficiencies, Central Services has a long-standing tradition of implementing programs to reduce environmental impacts by “going green” wherever possible. From adding vehicles that accept alternative fuels, to experimenting with vegetable-based ink in our Print Shop, and providing recycling in each of our buildings, following are a few highlights of our recent efforts:

- In 2005, Capitol Complex began a program of greening state-owned property that continues through 2009. Two major initiatives are the Performance Contract and pursuing LEED certification within the Capitol Complex.
  - In 2002, Capitol Complex partnered with Chevron Energy Solutions to establish a “Performance Contract.” The Contract was implemented as a three-phase, multi-year project to make substantial upgrades to major building systems at no cost to Colorado taxpayers. The project is currently in the third phase.
  - In 2007, the State Services Building became the 13th building in the nation and first state-owned building to receive Leadership in Energy and Environmental Design (LEED) certification by the U.S. Green Building Council. Since that time, four more properties have achieved the certification including the Judicial Complex, the Human Services Building, the Colorado State Capitol building, and the Colorado Governor’s Residence, with plans to add more buildings underway. The Colorado State Capitol building has the distinction of being the first capitol building to receive the honor, especially notable for building of its age and historical character. LEED certification recognizes improvements and programs that maximize operational efficiency while minimizing environmental impacts.
- In 2008, Capitol Complex removed nearly 260 tons of recycling from its buildings. This number is expected to keep pace or grow—already in the first five months of 2009 over 109 tons of recycling have been removed.
- Partnering with the Governor’s Energy Office, State Fleet Management is working closely with agencies to assist them in meeting the fleet related objectives in the Greening Government Executive Orders D011 07 and D012 07. These orders include a directive to reduce volumetric petroleum consumption by 25% within five years. In June 2009, SFM launched a new online tool that allows agencies to run customized reports to measure their progress in such key areas as reducing vehicle miles traveled and alternative fuel consumption. Data from as far back as 2006 is available for multi-year reporting.

- State Fleet Management continues to work closely with agencies to green the fleet. As of 2009, we have over 1,000 flexible fuel vehicles (FFVs) that accept E-85 (ethanol based fuel). The fleet also includes over 300 Hybrid Electric Vehicles, and our Advanced Vehicle Technology Plan is to convert approximately 100 of these to Plug-in Hybrid Electric Vehicles. Plug-in Hybrid Vehicles can travel up to 100 miles on a single gallon of fuel—nearly double the fuel efficiency compared to non-plug in Hybrid Electric Vehicles and quadruple the average efficiency of standard engines in the fleet.
- In 2008, State Fleet Management opened an E-85 fuel pump at its downtown Denver Motor Pool location, providing a convenient refueling station for FFVs being returned to Motor Pool and other users within the Denver core. Two additional mobile E-85 trailers are expected to be in place in July 2009. State Fleet Management continues to help promote the availability of E-85 through state-wide maps in its cars, by providing links to interactive web-based maps and other resources on its website, as well as working to create partnerships that result in access to alternative fuel-sites across the state.



## Central Services Program Partners

The following represents a partial list of partners that the units of Central Services work with on a regular basis for program delivery, information sharing, greening initiatives, and as our customers.

### Integrated Document Solutions

Colorado Department of Revenue Tax Division  
Colorado Department of Labor and Employment,  
Workers Compensation and Oil and Public Safety units  
Colorado Bureau of Investigation  
Colorado Department of Corrections  
Colorado Department of Natural Resources State Parks  
and Division of Wildlife  
Colorado Department of Education  
Colorado Department of Higher Education including  
Auraria Campus, University of Colorado, Front Range  
Community College, and Pikes Peak Community College  
Colorado Historical Society  
Colorado Department of Human Services Youth  
Corrections, Adoptions, and Mental Health units  
Colorado Department of Law, Peace Office and  
Training Standards unit  
Colorado Department of Local Affairs, Property Tax unit  
Colorado Department of Public Health and Environment,  
Birth, Death and Marriage Records, Health Immunization,  
and Air Pollution units  
Colorado Department of Public Safety  
Colorado Department of Regulatory Agencies  
Colorado Department of Transportation  
Colorado Department of Personnel & Administration  
Colorado Office of the Governor  
Colorado State Treasury  
Colorado Office of Information Technology  
Colorado Attorney General's Office  
Colorado Governors Energy Office  
Jefferson County

### State Fleet Management

Governor's Energy Office  
Denver Metropolitan Clean Cities  
South Colorado Clean Cities Coalition  
North Colorado Clean Cities Coalition  
Department of Energy  
National Renewable Energy Laboratory

Nissan  
Chrysler  
Burt Automotive Group-Toyota  
Hybrids Plus  
Rocky Mountain Institute (RMI)  
Xcel Energy  
City and County of Denver  
National Association of Fleet Administrators  
Rocky Mountain Fleet Managers Association  
National Conference of State Fleet Administrators  
Colorado Department of Corrections  
Colorado Department of Public Health and Environment  
Regional Air Quality Commission  
Colorado Governor's Biofuel Coalition  
The Western Governors Association

### Capitol Complex

Building Owners and Managers Association  
Colorado Office of the State Architect  
Governor's Energy Office  
Chevron Energy Solutions  
CTG Energetics  
U.S. Green Building Council  
Colorado Judiciary  
Colorado State Historical Society  
Colorado Commission for Higher Education

### State Travel Management Program

U.S. Bank  
Avis Rentals  
Budget Rentals  
Enterprise Rentals  
United Airlines  
Frontier Airlines  
Great Lakes Airlines  
Cottonwood Travel  
Boulder Travel  
Carlson Wagonlit Travel  
The Travel Society  
Boersma Travel  
Custom Travel  
New Horizons Travel  
Travel Society  
Frosh Fare Deals  
Adams County  
Jefferson County  
Choice Hotels  
La Quinta Inns

## HOW TO REACH US

### Telephone

Administrative Offices	303.866.3970
Integrated Document Solutions	303.866.4100
State Travel Management Program	303.866.3986
Capitol Complex	303.866.4357
State Fleet Management	303.866.5222

### On the Web

[www.colorado.gov/dpa/dcs](http://www.colorado.gov/dpa/dcs)









Department of Personnel & Administration  
Division of Central Services  
1001 E. 62nd Avenue  
Denver, Colorado 80216

