INTERNAL SERVICE FUNDS REVIEW, FOLLOW-UP

EXECUTIVE APPROPRIATIONS COMMITTEE
STAFF: IVAN DJAMBOV AND GARY RICKS

ISSUE BRIEF

SUMMARY

An Internal Service Fund (ISF) is a state entity that provides goods or services to other government agencies. Each ISF has a rate committee, which reviews and approves the ISF's budget and rates before they are submitted to the Governor and the Legislature for final approval. An ISF cannot operate without legislative approval of its budget, rates, fees, FTE, and capital outlays.

This is a follow-up report reviewing the state's major ISFs. The original report was issued to the Executive Appropriations Committee in 2012. This year, just like in 2012, with some exceptions, ISF customers who responded to our survey indicated that they are satisfied with the ISFs. Most of the respondents perceived that in the last 12 months the services of each ISF have remained the same or have improved. However, the customers' responses also indicated there are still areas where the ISFs can improve. The Analyst recommends the following actions:

- Change the composition of the ISFs' rate committees.
- Require the ISFs and the Division of Finance to change their rules to allow customer agencies a reasonable timeframe to review their invoices and the ability to approve or contest them.
- Require the ISF's to post on their websites current financial statement details.

SERVICES PROVIDED

ISFs employ business practices to take advantage of economies of scale, to avoid duplication of efforts, and to provide an accounting mechanism to adequately identify costs of certain governmental services. ISFs operate on a cost-reimbursement basis recovering costs from user entities through interagency billings.

The state's ISFs are operated by three departments: Department of Technology Services, Department of Human Resource Management, and Department of Administrative Services.

The Department of Technology Services (DTS) acts as Utah's central service provider for information technology (IT) related activities, having consolidated all agency IT functions and employees to provide more efficient and effective use of IT resources statewide. DTS provides over 45 information-related services through rates in 14 categories ranging from enterprise desktop services to hosting and mainframe computing.

The Department of Human Resource Management (DHRM) consolidated all human resource (HR) employees statewide to provide better control and coordination of HR functions. Whereas previously most HR staff in the "field" worked for the agency where they were housed, they now work for DHRM though they may remain in the same location.

The Department of Administrative Services (DAS) operates five ISFs:

- *Division of Facilities Construction and Management (DFCM)* provides building maintenance, management, and preventative maintenance services to subscribers.
- *Fleet Operations* manages the state's vehicle fleet and fuel network infrastructure, as well as the statewide travel office.

- *Purchasing and General Services* provides procurement and contract services, as well as mail, copying, printing, and surplus (both state and federal) services.
- *Risk Management* provides liability, property, and auto physical damage insurance coverage to state agencies, school districts, charter schools, and colleges of higher education.
- *Finance* administers the Purchasing Card (P-Card) program, and beginning FY 2013, provides consolidated budget and accounting services for the Department of Administrative Services.

OVERSIGHT

Rate Committees

State law creates rate committees, composed of user agencies and appointed state officials, to review and approve ISF budgets and rates for submission to the Governor's Office of Management and Budget (GOMB) and the Legislature. The rate committees may approve, increase, or decrease an internal service fund's proposed rates and fees before recommending them to GOMB and the Legislature. The rate committees also review and approve interim rates for new services introduced between annual legislative sessions.

Currently there are three rate committees, one for each department: DTS (UCA 63F-1-302), DHRM (UCA 67-19-11-3, 4), and DAS (UCA 63A-1-114). Each committee consists of at least six members: three from user agencies, the director of the Division of Finance, the director of GOMB, and the director of the department that manages the ISF.

User agencies have commented that they see a potential conflict of interest in having the ISF department directors as voting members of the rate committees. Although statute currently prohibits the ISF department director from chairing the rate committee, membership and the ability to vote on the committee create a perception that the ISF director could sway other committee members to vote in a way favorable to the director's agency.

To mitigate for this, the Analyst recommends the Legislature consider changing the make-up of each of the three rate committees. Three potential options include:

1. Enlarge the each committee to include six or more representatives from user agencies. This will enhance user-agency diversity, participation, and input in the rate-setting process;
2. Replace the ISF department director with an impartial "honest broker," either from inside or outside state government;
3. Make the ISF department director an ex-officio, non-voting member of the committee.

Legislative Oversight

In order to control the size, mission and fees charged to state agencies, the Legislature imposes statutory controls (UCA 63J-1-410) that require ISFs to respond to the legislative budget process. No ISF can bill another agency for its services unless the Legislature has:

- Approved the ISF's budget request.
- Approved the ISF's rates, fees, and other charges.
- Published those annual rates and fees in an appropriations bill.
- Approved the number of FTE as part of the annual appropriation process.
- Appropriated the ISF's estimated revenue based upon the rates and fee structure.

Furthermore, no capital acquisitions can be made by an ISF, and no capital assets can be transferred to an ISF without legislative approval.

FINANCES

Unlike traditional state agencies, Utah budgetary procedures do not require expenses to match revenues for internal service funds. Instead, ISFs are allowed retained earnings from profits or losses incurred. Federal guidelines limit the amount of retained earnings to be between 30 and 60 days of operational costs, depending on the service. ISFs collecting more than federal limits must rebate a portion of the excess to the federal government. Likewise, the Legislature monitors retained earnings balances and often appropriates excesses to the General Fund or reduces rates to state agencies, which result in reduced future retained earnings.

The distribution of actual FTEs and revenues for FY 2013 among the three departments housing the major ISFs is as follows:

- The Department of Administrative Services operates five distinct Internal Service Fund divisions with FY 2013 Actual Permanent FTEs of 235.9 and Revenues of $154,811,400.
- The Department of Technology Services operates the Division of Enterprise Technology Internal Service Fund with FY 2013 Actual Permanent FTEs of 713.5 and Revenues of $122,884,300.
- The Department of Human Resource Management operates the Field Services Division with FY 2013 Actual Permanent FTEs of 109.7 and Revenues of $10,549,100.

Detailed fiscal information on each of the state's ISFs is included in Appendix A.

CUSTOMER SURVEY

The majority of the participants in the follow-up customer survey indicated that they are satisfied with the ISFs. Most of the respondents perceived that in the last 12 months the services of each ISF have remained the same or have improved. However, the customers' responses also indicated there are still areas where the ISFs can improve.

Background

In our initial ISF report in 2012, we included a survey of the user agencies on their experience with the six major ISF: DTS, DHRM, DFCM, Fleet, Purchasing, and Risk Management. The survey results published in that report showed that overall, the ISF customers are satisfied with services they received. The areas with the highest scores were on: level of customer service and accessibility of ISF staff. The biggest concerns expressed in the original survey were with DTS' billing and invoices.

In October 2013, we conducted a follow-up ISF customer satisfaction survey. The survey included 11 questions asking the participants to indicate for each of the ISF the extent to which they agreed or disagreed with the following statements:

- ISF staff are knowledgeable (survey question 3).
- ISF staff are easy to access (survey question 4).
- ISF staff resolves my agency's issues in a timely manner (survey question 5).
- The ISF's invoices provide sufficient detail and are easy to understand (survey question 7).
- The ISF's invoices are accurate (survey question 8).
- ISF staff adequately communicates with my agency's staff (survey question 9).
- ISF staff provides friendly and professional customer service (survey question 10).
- Prices for equipment purchases are as low as or lower than market (survey question 11).
- Equipment is purchased and installed in a timely manner (survey question 12).

- As a result of the ISFs, our agency is better off in terms of receiving quality services (survey question 17).
- As a result of the ISFs, our agency is better off in terms of saving money (survey question 18).

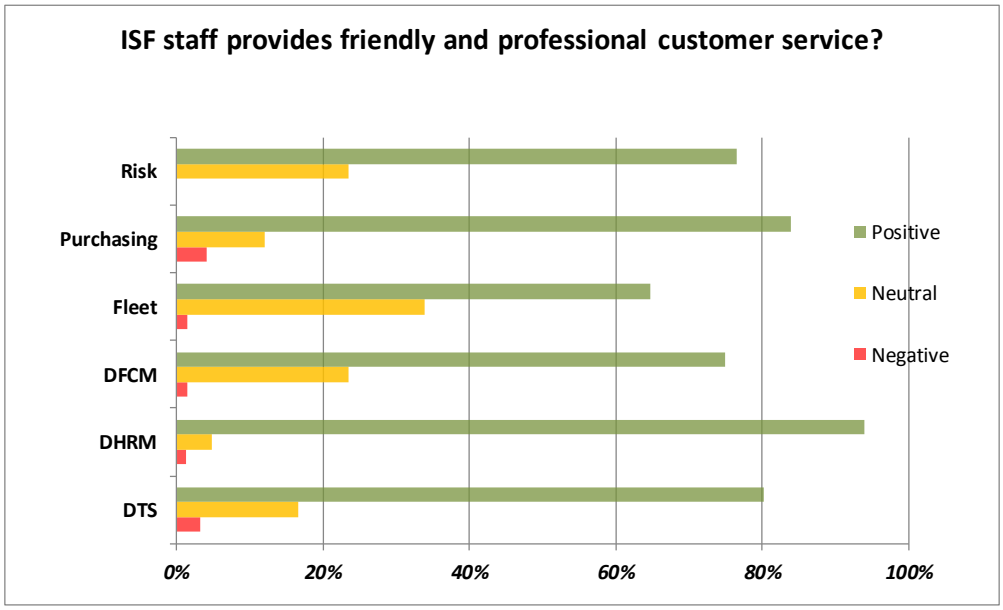
The survey also asked the respondents:

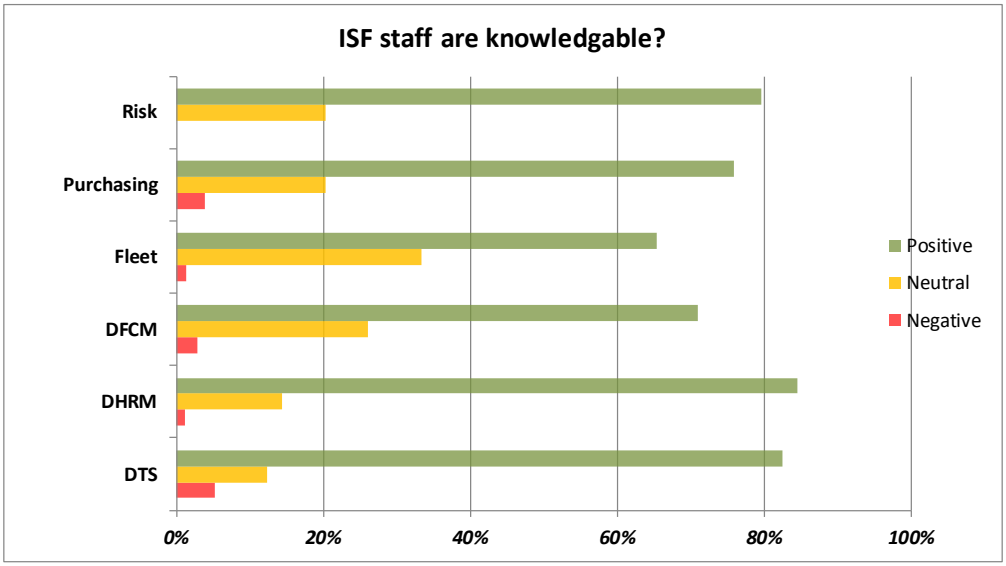
- Is your agency allowed to approve or contest ISF invoices before payments are transferred? (survey question 6).
- Do you feel the ISF process of rate setting is working well? (survey question 13).
- Do you feel the ISF is sufficiently transparent about its operations through posting ISF income statements, balance sheets, statement of cash flow, etc.? (survey question 14).
- What information would you like the ISF to make available to its customers on a regular basis? (survey question 15).
- How have the ISF services changed in the last 12 months? (survey question 16).
- What other recommendations or comments about the ISFs do you have? (survey question 19).

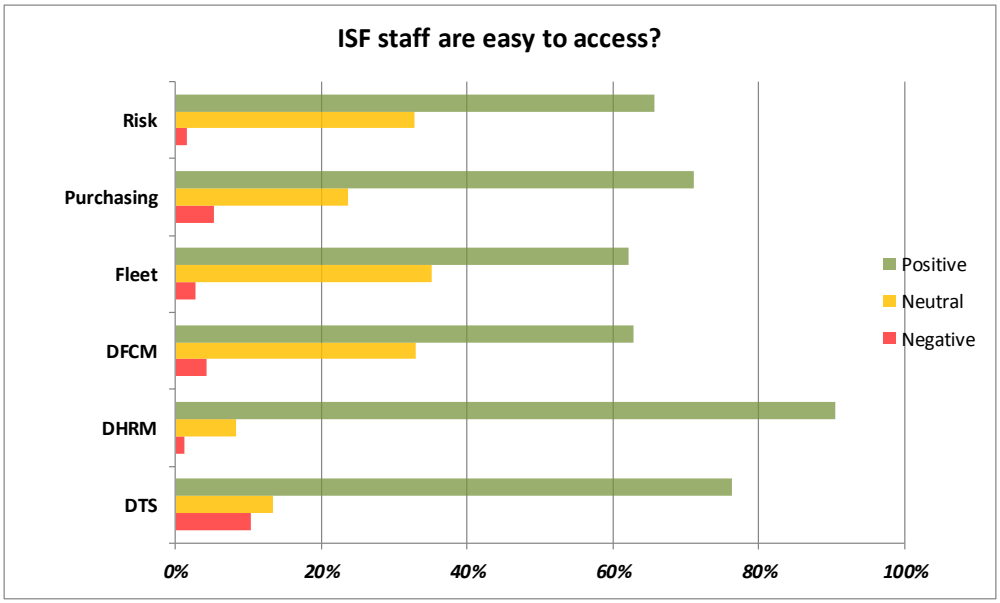
Most of the questions in the survey provided five options to choose from: strongly disagree, disagree, neutral, agree, and strongly agree. For simplicity and better overview, for the graphs in the body of this report, we have combined the "strongly disagree" and "disagree" answers into the "negative" category; and the "strongly agree" and "agree" answers into the "positive" category. However, the graphs in Appendix B contain the detailed responses, as well as the comments from the survey.

Areas with the Highest Scores

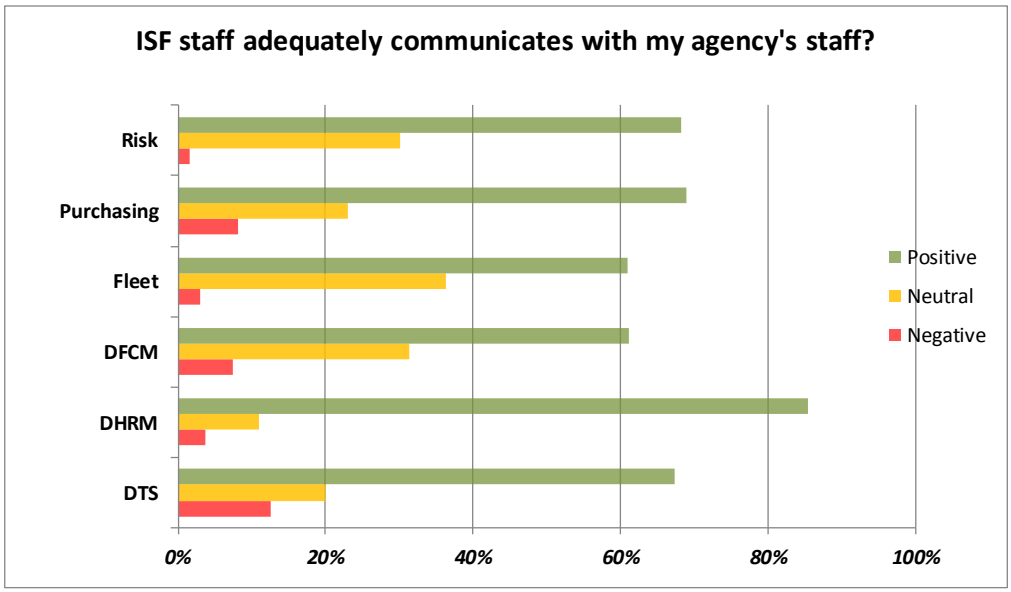
ISF customers from 24 state agencies responded to our follow-up survey. Similar to the responses from last year, the follow-up results showed that, overall, the agencies seemed satisfied with the services provided by the six ISFs. The areas with the highest average scores were as follows: customer service level (survey question 10), knowledge (survey question 3), and accessibility of ISF staff (survey question 4).

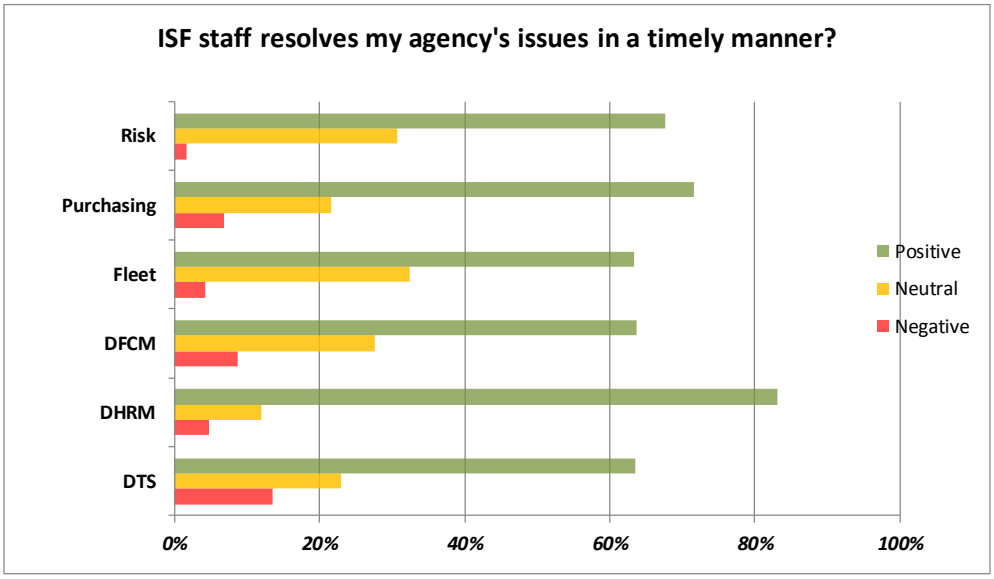




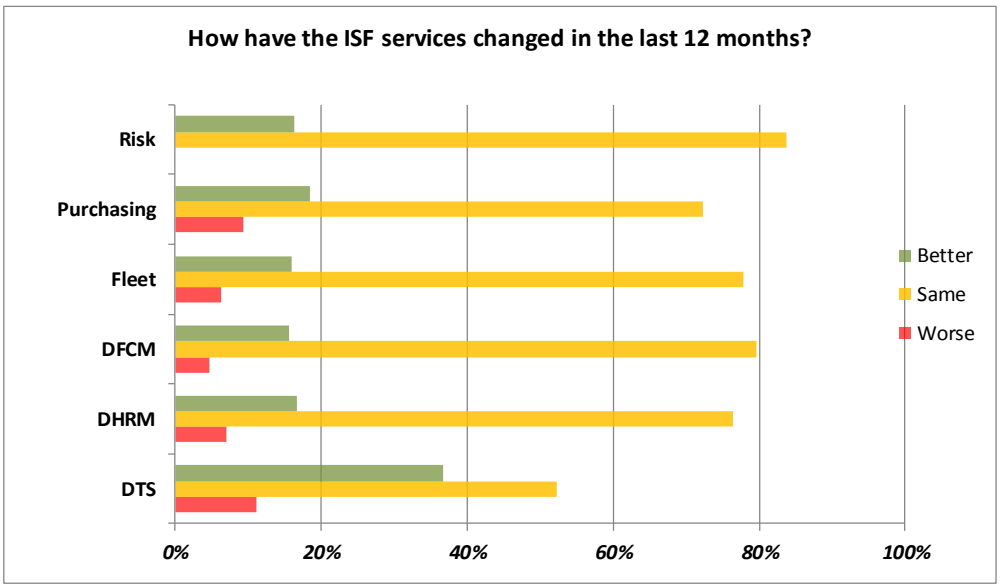


The ISF customers again indicated that most of the ISF staff do a good job communicating with the agencies (survey question 9) and resolve agency issues in a timely manner (survey question 5).



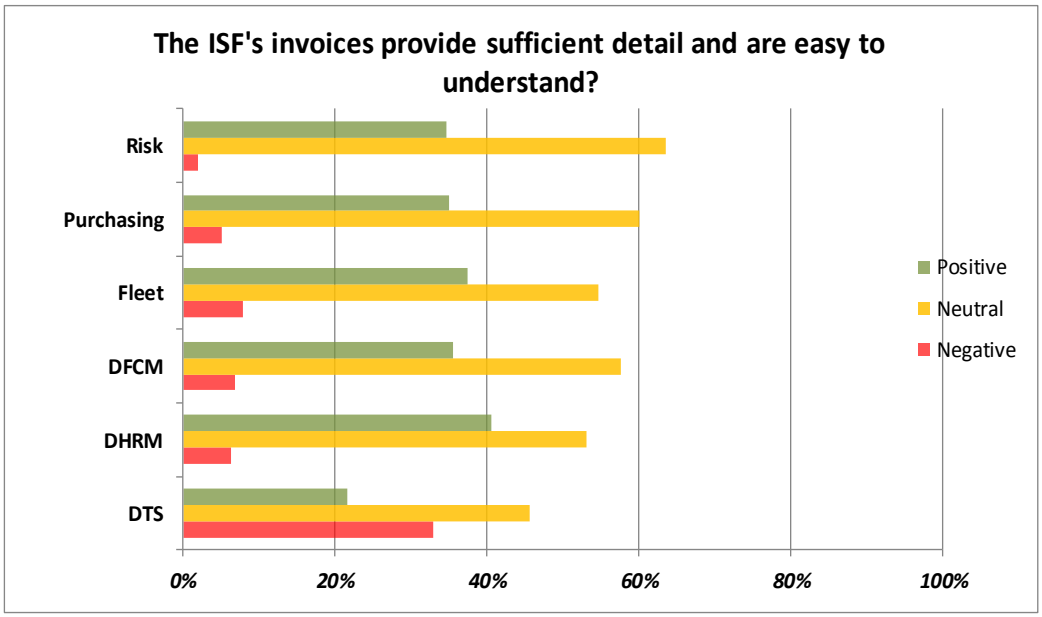


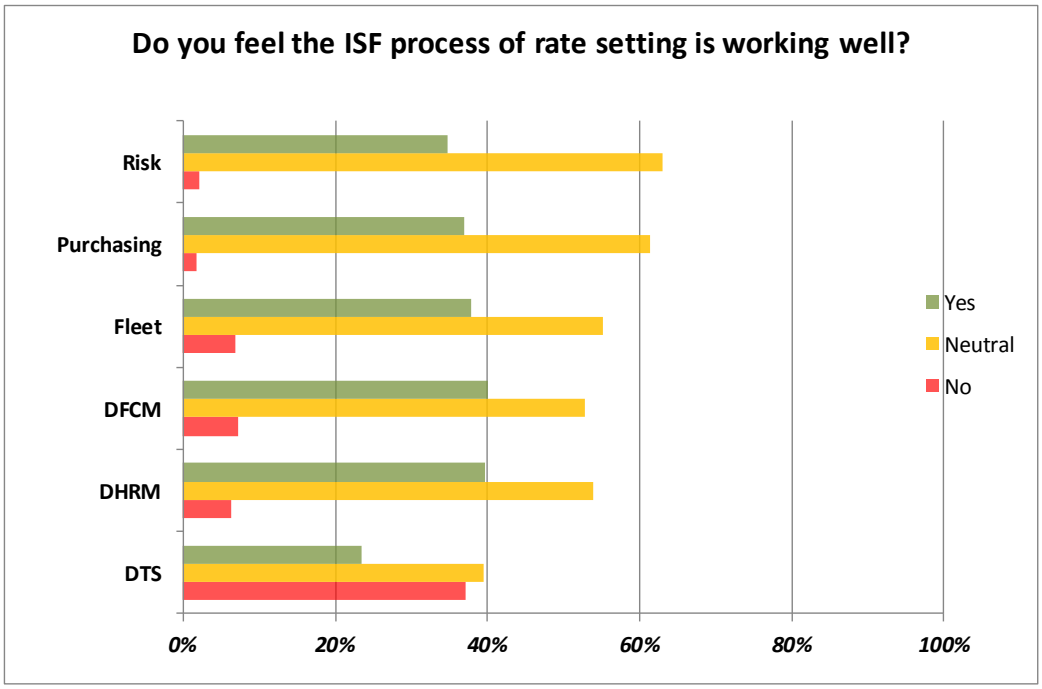
The results of the follow-up survey indicated that most customers have perceived that in the last 12 months the services from each of the ISFs have remained the same or have improved (survey question 16).



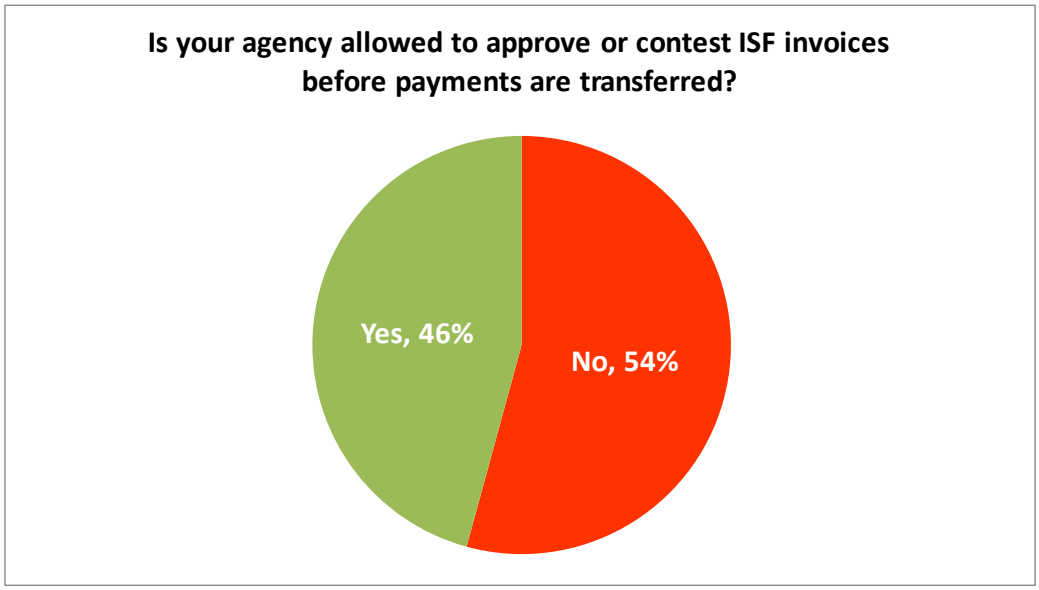
Areas with the Biggest Concerns

The customers' responses also indicated there are still areas where the ISFs can improve. Though to a lesser degree than the in original survey, the follow-up results indicated that customer agencies were still dissatisfied with DTS' invoices (survey question 7) and rate-setting process (survey question 13).



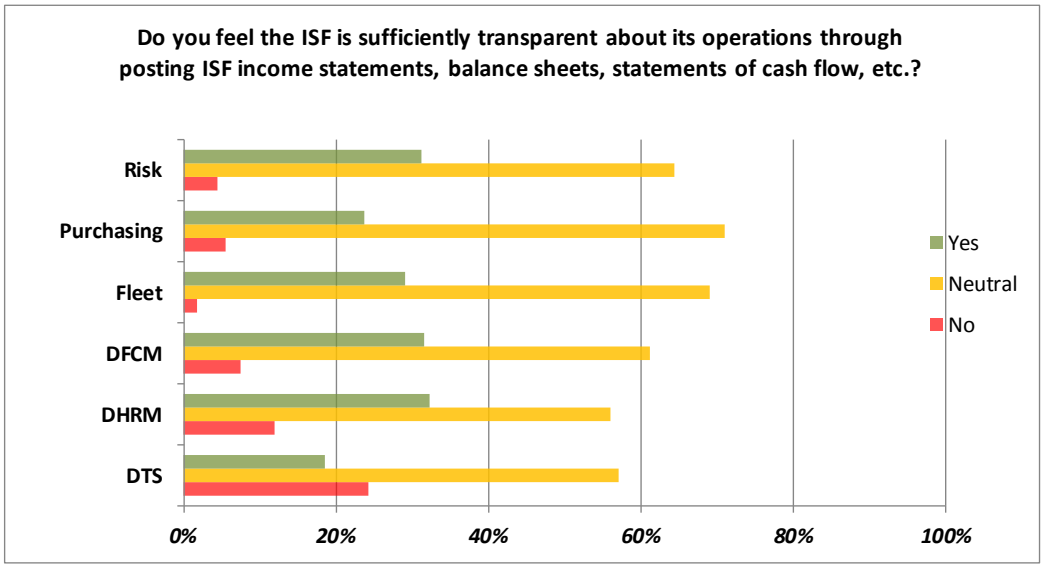


Many customers indicated that their agency is not allowed to approve or contest ISF invoices before payments are transferred (survey question 6).



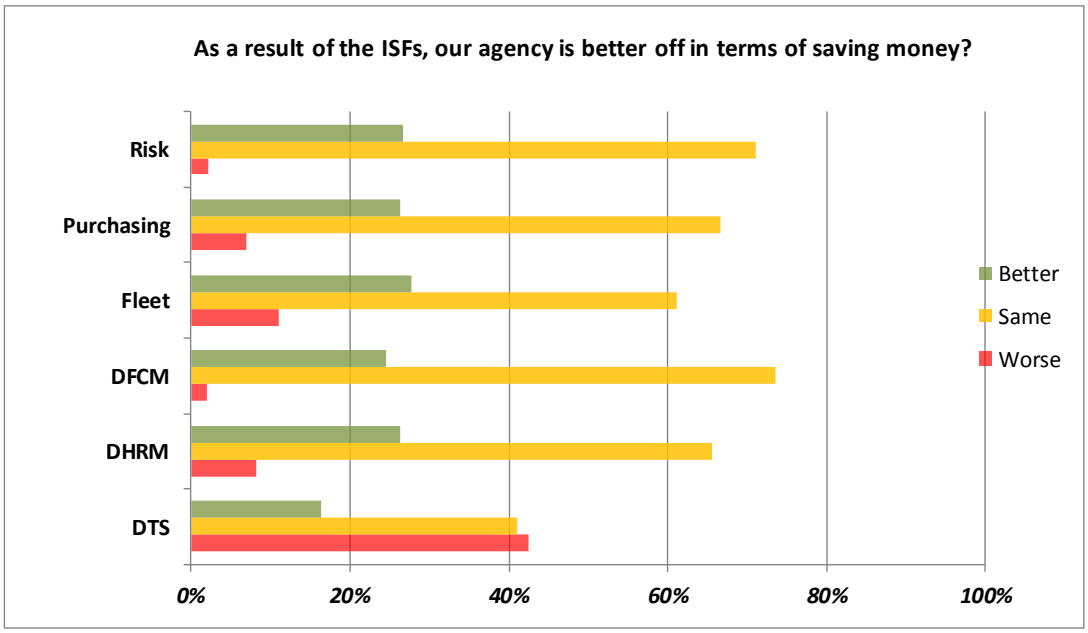
The Analyst recommends the ISFs and the Division of Finance change their rules to allow the agencies a reasonable period to review their charges and then the ability to approve the payment of their ISF bills. Similar to the billings from the private sector, some agencies may sign up for automatic payments while others may elect manual approvals and payments.

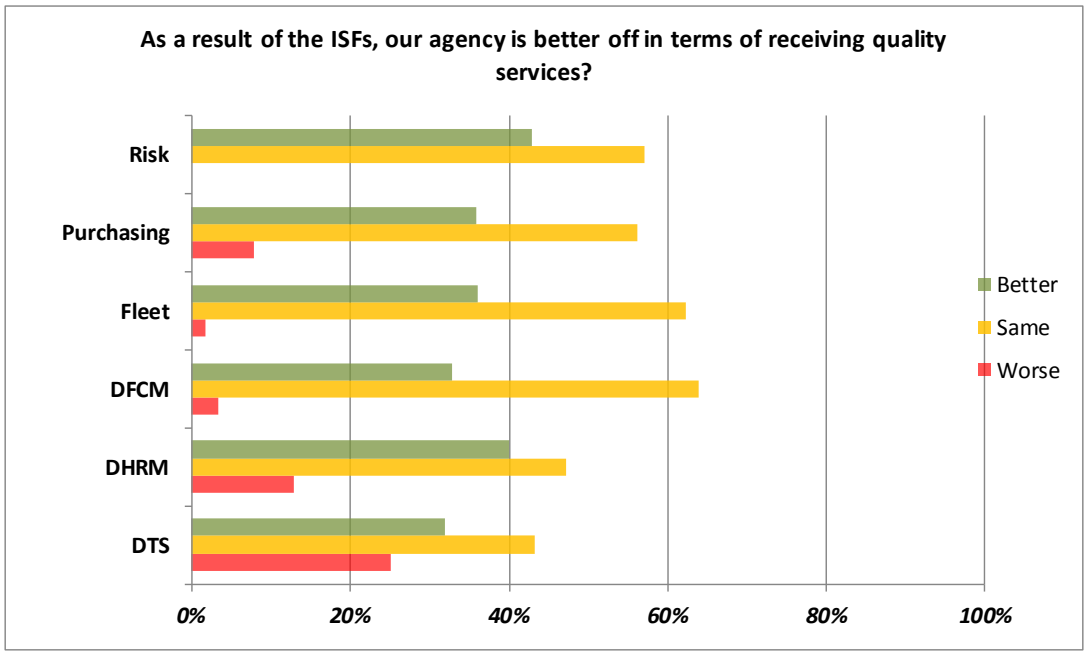
More than with other ISFs, DTS customers felt that the ISF is not sufficiently transparent about its operations (survey question 14).



To enhance transparency, the Analyst recommends that the ISFs post on their respective websites current financial statement details with a minimum of 3 year histories, including income statements, balance sheets, statements of cash flow, etc. This type of information is already being tracked and compiled by the ISFs, they just need to make it available and easily assessable by their customers.

Many customers perceived that as a result of using DTS, their agency is not better off in terms of saving money (survey question 18) or receiving quality services (survey question 17).





RECOMMENDATIONS

The Analyst recommends the Legislature:

- Change the composition of the ISFs' rate committees.
- Require the ISFs and the Division of Finance to change their rules to allow customer agencies a reasonable timeframe to review their invoices and the ability to approve or contest them.
- Require the ISFs to post on their websites current financial statement details.

Appendix A

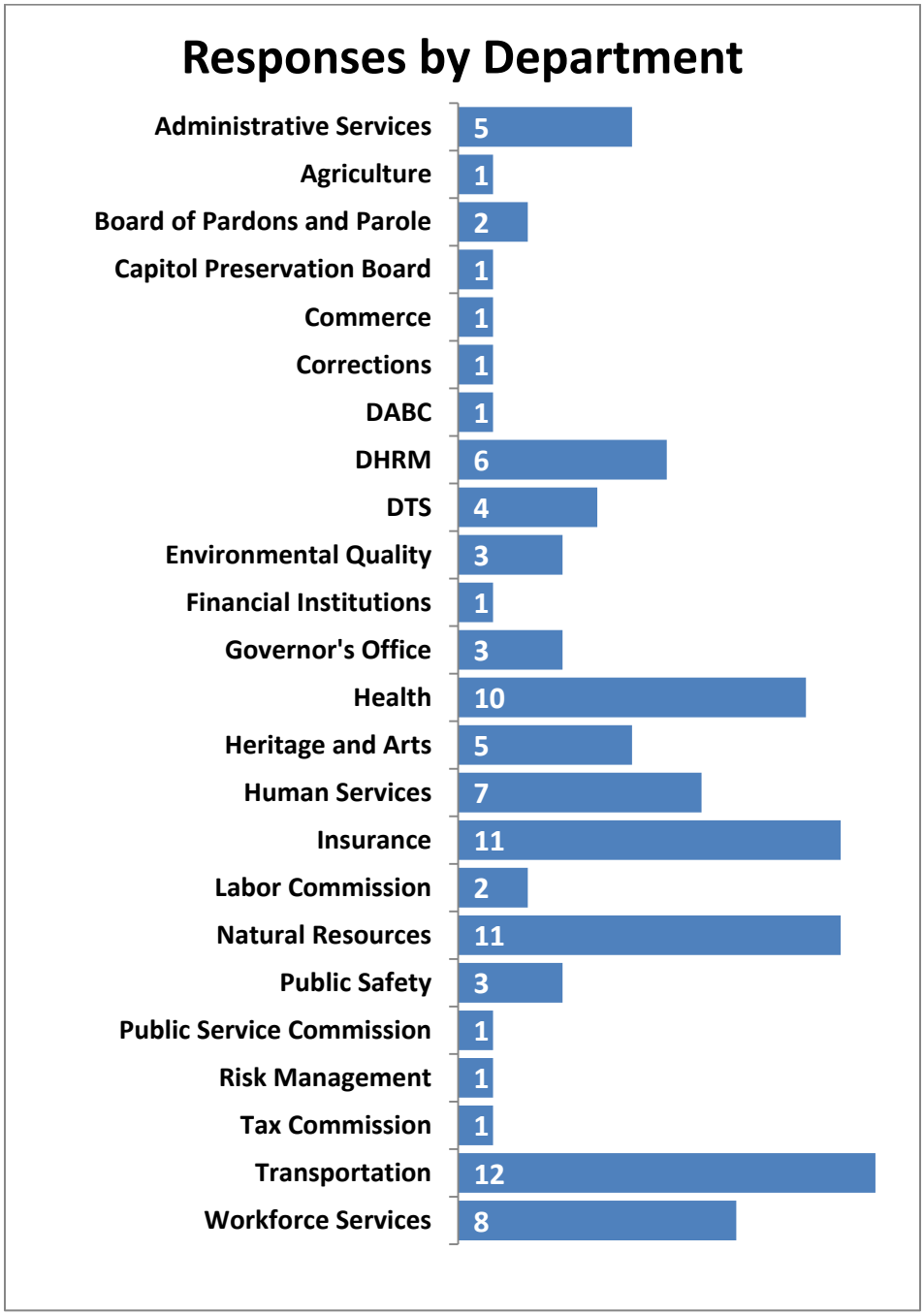
The following table provides a snapshot of each ISF's size and financial position at the end of FY 2013.

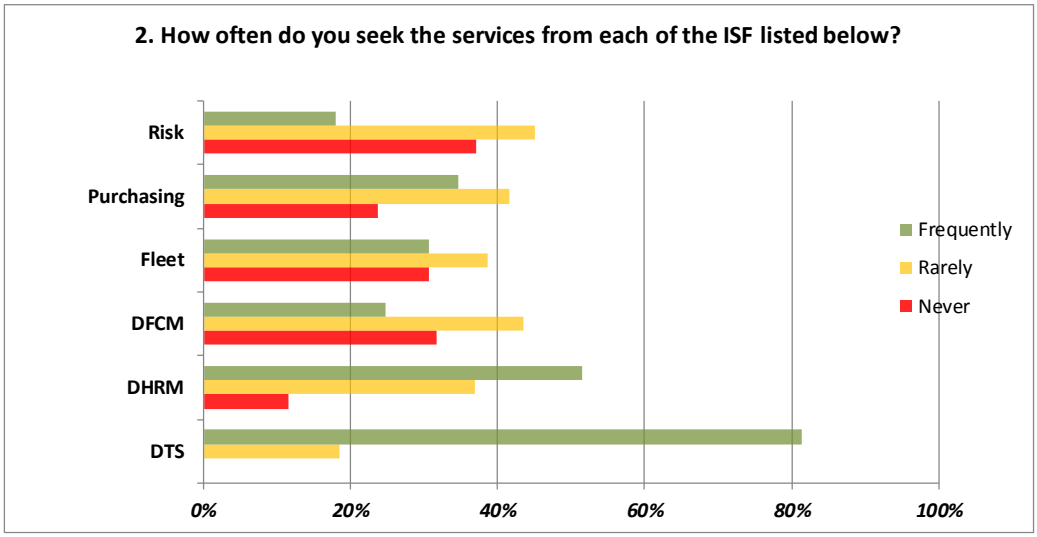
Finances for Internal Service Funds - FY 2013 Actual									
Internal Service Fund	Approved Permanent FTE	Actual Permanent FTE	Capital Outlay	Revenue	Expense	Profit/ Loss	Retained Earnings	Working Capital	Value of Assets
DFCM - Facilities Mgt	135.00	119.85	$37,600	$28,044,400	$29,477,800	($1,433,400)	$1,050,900	$992,200	$58,700
Fin - Purchasing Card	1.00	1.00	$0	$345,000	$387,300	($42,300)	$51,000	$51,000	$0
Fleet - Administration	2.00	2.00	$0	$0	$0	$0	$9,100	$44,200	$0
Fleet - Fuel Network	8.20	8.05	$201,600	$40,920,200	$40,943,400	($23,200)	$3,330,700	$2,528,200	$802,500
Fleet - Motor Pool	14.60	10.00	$20,088,200	$26,774,300	$27,546,400	($772,100)	$463,800	($37,825,100)	$71,653,800
Fleet - Travel Office	1.80	1.80	$0	$502,500	$495,700	$6,800	$17,800	$17,800	$0
GS - Administration	0.00	0.00	$0	$1,400	($8,000)	$9,400	$0	$41,600	$0
GS - Central Mailing	53.50	46.63	$400,000	$13,154,700	$13,049,000	$105,700	$118,300	($431,700)	$801,400
GS - Cooperative Contract	16.50	13.11	$0	$3,193,000	$2,314,400	$878,600	$3,743,700	$3,743,700	$0
GS - Federal Surplus	0.02	0.02	$0	$27,600	$24,500	$3,100	($47,800)	$21,700	$15,200
GS - Print Services	3.00	2.50	$1,749,000	$3,160,100	$2,956,400	$203,700	($168,900)	($1,444,200)	$2,930,700
GS - State Surplus	8.50	5.56	$5,300	$822,000	$762,000	$60,000	$584,800	$264,300	$762,200
Risk - Insurance	25.00	23.36	$255,800	$30,761,400	$35,037,300	($4,275,900)	($870,100)	$33,578,200	$466,700
Risk - Workers' Comp.	2.00	2.00	$0	$7,104,800	$8,044,900	($940,100)	$743,900	$743,900	$0
DHRM - Field Services	141.75	109.73	$0	$10,549,100	$11,088,300	($539,200)	$1,544,200	$1,517,400	$26,800
DTS - Enterprise Services	847.00	713.48	$5,163,900	$122,884,300	$125,393,200	($2,508,900)	$5,130,300	($3,662,800)	$13,562,800

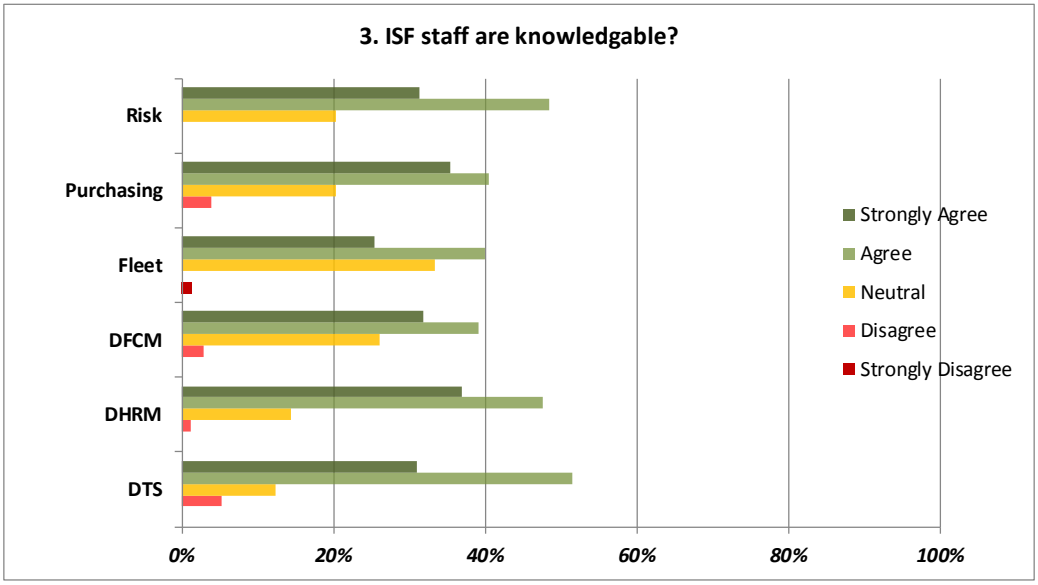
Appendix B

This appendix provides the questions, summary of responses, and comments from the ISF customer survey. In the comments section, we redacted personal information or information identifying the agency of the respondent. As with most surveys, it is likely that comments were made mostly by customers with strong feelings.

1. What department do you work for?







Comments for Question 3.

DHRM - coordinating the onboarding process with ERIC and two new Board Members this year was difficult. The new Board members expected me to handle the paperwork for them (ordinarily I would have), but with the new onboarding process the new Board members had to do the paperwork themselves. One Board member who was previously at [redacted] called onboarding "onerous" and the other one said it was "difficult" and she'd "never had an employer ask for so much information." Neither one appreciated having to take the time to call Eric for help, and it took four months to get them to complete the process. It would help if I could do the onboarding for them instead!

DTS - the staff helping on the phones and online are great. But when you have to work with them on a project it seems to be a black pit - it seems to take days or weeks to get a response
Purchasing - the training that the new staff is receiving is not very good. They do not seem to know what is going on. If they can not get you an answer it takes weeks for them to get an answer form their mentor. With the high rate of turn over it is hard to complete a project as you don't know whom you ar working with half the time

DTS staff are always prompt and thorough when responding to my computer issues. They have a great level of customer service.
Purchasing staff are awesome. They are timely in their responses, very knowledgeable, and are so helpful. I rely on their expertise quite a bit when I am doing RFPs and Sole Source procurement requests. I can't say enough good things about them.

Each of the internal service funds provide essential expertise to our Division.

Experience with DTS for desktop service was poor. Very long time to get installations on new computer. Great for a webinar they helped with.

For DTS, it depends if you are talking DTS that support the [redacted] or DTS Central. Also, what group w/in DTS [redacted].
DTS Apps Support/[redacted] = Very Knowledgeable
DTS Other/[redacted] = Not as helpful/knowledeable
DTS Central = Disconnected w/ customer needs

Have always received prompt, helpful and professional responses from DHRM staff.

I feel that the Fleet personnel in DHS are very unfriendly and lack understanding of problems in areas outside of SLC.

I find the DTS people to be very friendly and helpful, particularly [redacted] and [redacted]

I have had times when two or three different employees in ERIC were unable to answer my questions. At times, I have had issues with effective communication occurring with some DTS staff.

I have received timely answers to my questions, and my meeting have been positive and productive. I have appreciated their expertise. They are not only good at their work, but they have approached their assignments and their interactions with me with a helpful attitude. They are professional in their communications, in their approach to their work. I have really been impressed with how good they perform their jobs. I appreciate their efforts.

I would like to see DTS Staff receive more extensive education in the area of programming and assisting with setup and operation of portable electronic devices (iPad, iPhone). Having greater knowledge and education in this area would valuable in that services to DTS customers would be more timely and accurate.

It is so hard to find the right person in DTS to help me with my questions!

It seems that each purchasing agent has different views on what can/can't be done with conttractss/purchasing. When you ask one, you get answer A, and ask a second you get answer B. It is not consistent.

I've asked for help understanding the best way to handle something from Purchasing and have not received much help. If you are going to start prosecuting people for making wrong decisions, you should be proactive in educating them so they don't.

[redacted] of Risk Management has provided invaluable insight and advice to the [redacted] Program.

My role as both a DAS employee and technology administrator for our division has allowed me to work with these agencies. I have found employees in most as very knowledgeable. Expertise is different depending on who you are working with. I have found that the longer term employees to be better to interact with because they also know how things work together. This allows that expertise to be more pertinent and less time wasted in determining the best course of action to take.

myself and a co-worker has received different responses to the same questions when dealing with Purchasing.

Sometimes I find my children more knowledgable and much quicker to help resolve an issue with my computer, than the DTS staff.

Reports of State owned buildings not being taken care of by DFCM staff only DHS staff. DFCM staff need to learn their own rules.

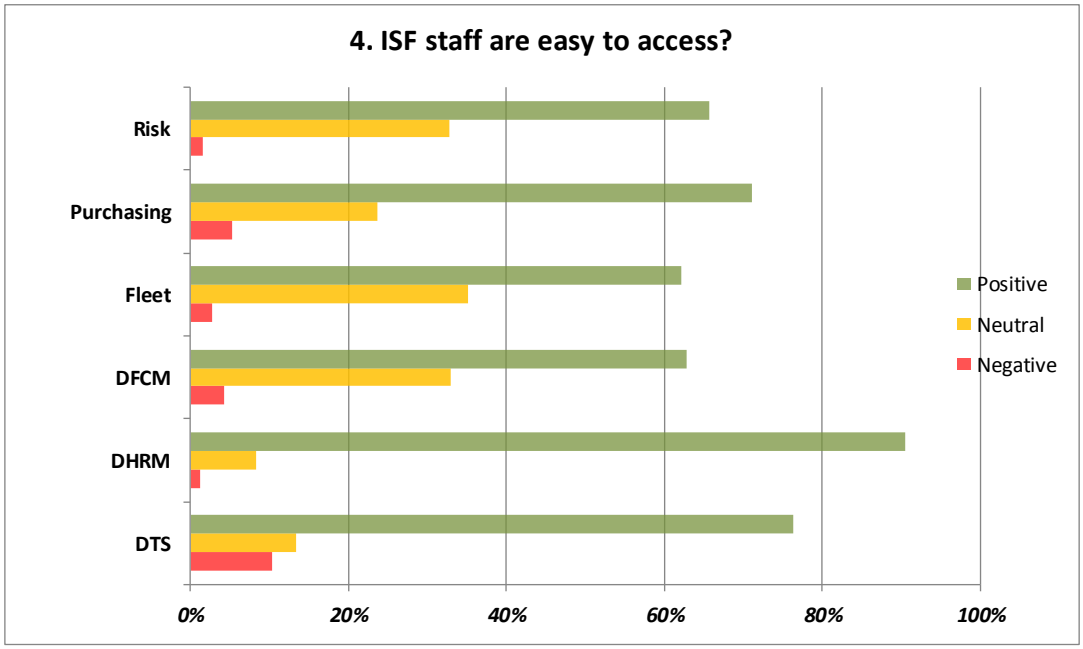
Risk Management is great to work with. They always help me with unique situations and provide guidance.

Some HR personnel are extremely knowledgeable and others not so much.

They are very knowledgeable regarding the IT world, but it should be up to the agency to determine our own business needs. DTS should not determine the business needs of the agency, only how to best deliver the services to meet the needs.

They know their jobs and know what they need to do.

While some staff I strongly agree are knowledgeable, I cannot say that for the group as a whole.



Comments for Question 4.

DTS - Staff are friendly and available. Phone and online support are prompt and friendly.If tech support needs to come fix my computer in person, there is sometimes a wait because the technician is helping someone else.

DTS can become harder to contact as you get shuttled between workers and they have multiple work tickets that are generated. They seem to be more cumbersome in getting direct answers and you are more likely to be shuttled between sections than in the other agencies.

DTS has some staff that are incompetent. Others are very knowledgeable and helpful. Expertise sharing in the Desktop arena is not happening. DTS does not provide enough leadership in emerging technologies. There are a few at DHRM who can be counted upon to help the customer in getting issues resolved. Others are not as knowledgeable.

DTS help desk is available to put in a ticket, but to actually get a warm body to come and help with the problem can take several days or weeks. I do not know how they prioritize tickets, but all employees problems should be dealt with in a timely manner.

DTS is very easy to access. The day to day issues are not a problem it is when you are working on a project that they are hard to access
Purchasing - with the turn over in staff they should communicate who is handling the work that is sent to them. You never know who to talk to and when you get ahold of someone they don't know who is handling your order either

DTS staff assigned to our department is very limited on Friday's. I know myself and others would appreciate greater access to DTS staff on Friday's.

Fleet Operation's employees have been working diligently to improve their customer service and make themselves more available and friendly to customers.

How do I call or email to get DTS help when the email and phone system are what I have problems with.

I am not sure exactly the contact information or problem management services for Fleet Services.

I contacted DTS a few weeks ago to have them help me create secure emails and they NEVER called me back.

In defense of purchasing however, when I've tried to approach them, they were in the middle of major construction and year end, so getting in touch with them was difficult probably due to circumstances.

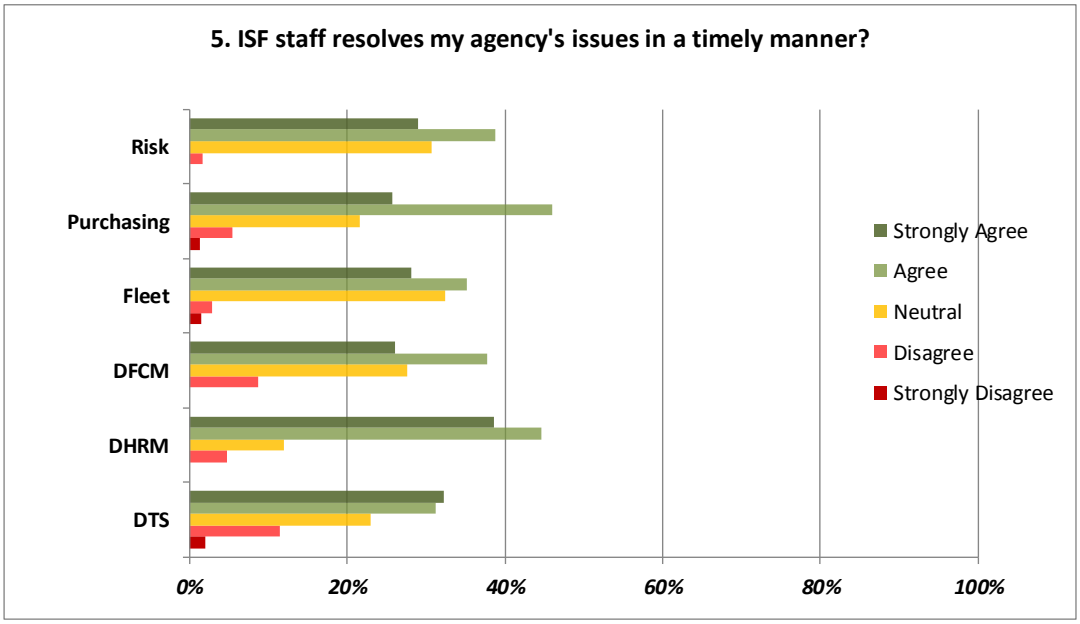
It is difficult to get adequate DTS support on Fridays.

Most ISF staff are very accessible and willing to help.

Purchasing agents that we don't regularly work with often don't return calls, they are essentially an e-mail interfacing agency, but sometimes e-mail isn't sufficient.

Thankfully I don't have to contact purchasing often - only every 2 to 3 years. It is hard to get help from them on contracts because they don't respond to email and phone messages very quickly. I have to plan on multiple revisions while I struggle through writing the contract, and then a long wait time for approval, and then the bid cycle. I usually plan for five months to get the whole process completed, but I think with the bid cycle it should just take two months. It would be nice if the purchasing agents had enough time to answer their phones and take care of people in a timely

manner. I think they need more staff.
The DTS people have always been quite prompt to respond when I have a problem
They each have more than one way to make contact with them.
With either a phone call or an appointment, anyone that we have needed to talk to have been available. I have appreciated their determination to be accessible. They are busy, with many tasks and responsibilities, yet they have made time to address the needs we have. Some times they have had to address questions more than once. Each time they have demonstrated patience, professionalism, and thoroughness. I find this remarkable. Well done. Thank you.



Comments for Question 5.

DFCM - it depends on the Facility coordinator and the communication that my agency receives back from them. There is one of four areas that definitely is slower to respond than the others.

DTS - again on the day to day computer issues they are great. When you work with them on a new purchase it seems to take months
Purchasing - it is very difficult to get answers. The new staff is not properly trained and the higher ups are not available to assist.

DTS timeliness and responsiveness has deteriorated over the past several years. Sometimes it takes days for some simple desktop issues to be resolved. Suggestions: Do not hire anyone who does not have related IT certifications. Since these employees are "at will", the incompetent ones should be terminated promptly. Annual continuing Education hours should be required for all Desktop personnel. Minimum standards for this education must be established. Perhaps the set up of new desktop computers needs to have a private entity involved to help during high volume periods. DTS should be in the forefront of understanding the use of new technologies and how they can help State agencies. As it stands now, employees get the new technology first and then cannot figure out how to make it work with DTS systems. We still have many desktops running Windows XP. Microsoft will end support of this platform in the Spring of 2014. DTS should be leading out in getting these desktops changed out. Instead, they are waiting for requests from agencies.

For DTS, it depends if you are talking DTS that support the [redacted] or DTS Central. Also, what group w/in DTS [redacted].
DTS Apps Support/[redacted] = Very Timely
DTS Other/[redacted] = Not as timely
DTS Central = Disconnected w/ customer needs

I have found that my questions are addressed immediately. I have appreciated this so much. It has really helped move our work along. Thank you.

If all purchasing agents were compared to [redacted] most of them would fall below his timeliness standard.

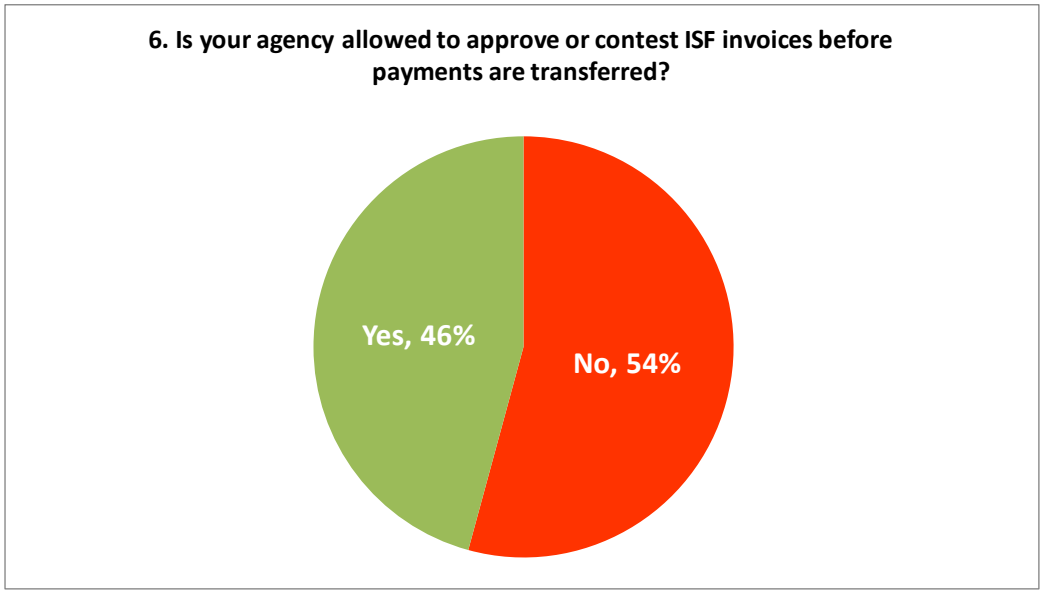
It sometimes takes awhile for a response to agency contracts from state purchasing or fleet e-mails.

see comment box #3 for DTS

See comments on #12 concerning DTS.

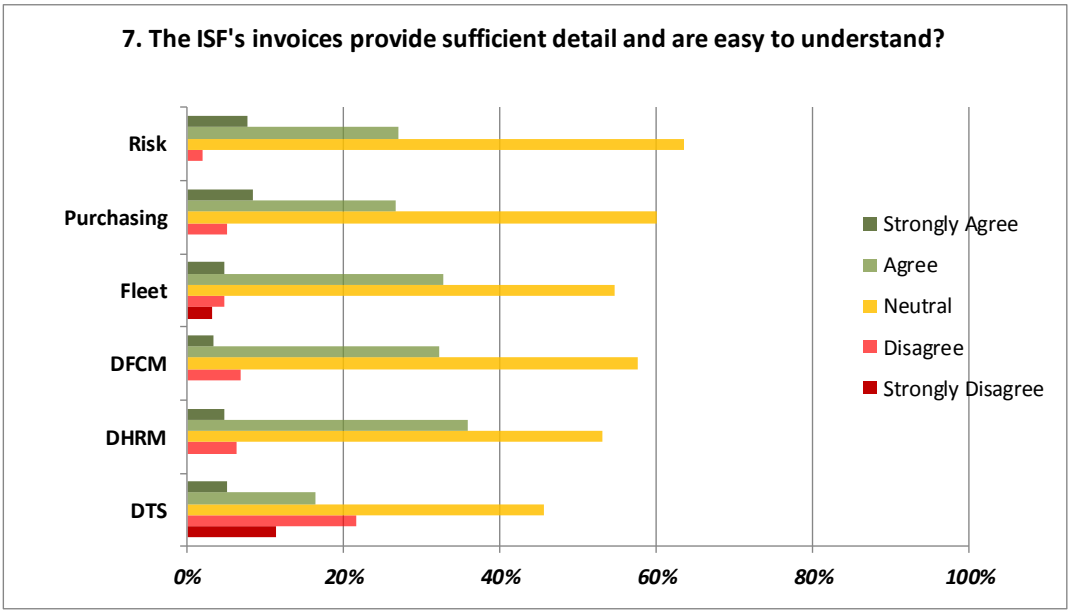
Similar to question 4. DTS is not timely as you have so many online work requests, to fill out only to have many people look at your project and you have to describe problems to each and every one. The best response has been from the smaller agencies that are ISF's. It seems agencies that get over 30 or so people become more fragmented and more sections to deal with in solving problems.

We never had any issues with Purchasing or Risk Management.



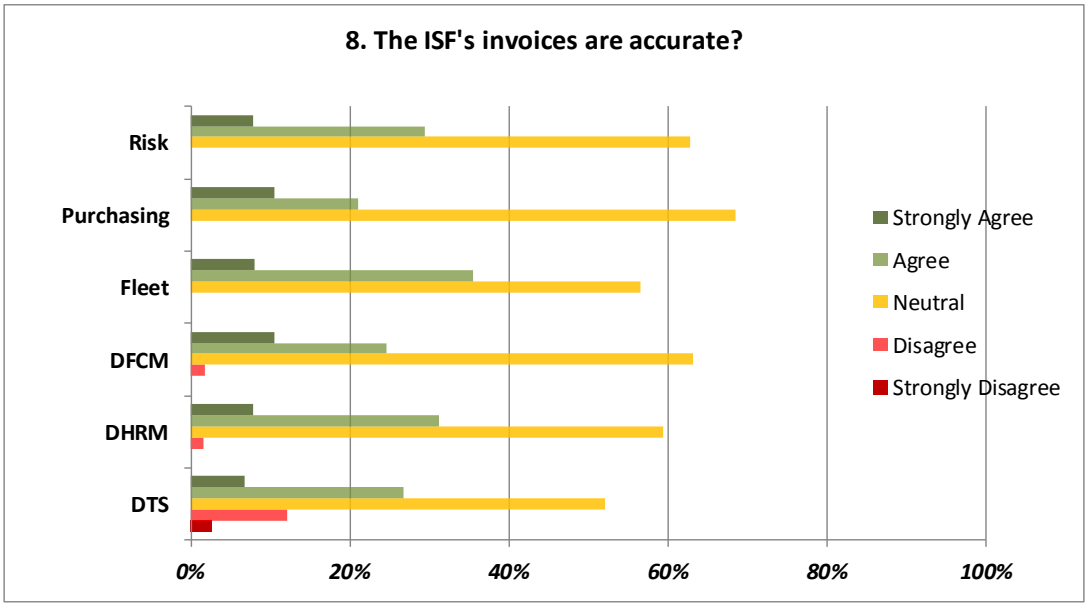
Comments for Question 6.

All contests are done after the initial payment is transferred and checked especially for DTS.
Although we aren't always given opportunity to contest in advance, we have had occasions where credits have been applied later.
And we hate it because the coding is always wrong and there is never any detail or backup (especially DTS)
DTS only.
I find it unacceptable that invoices can be processed without input from agencies.
I have never been asked to approve or contest ISF invoices
Invoices from ISF's don't seem to have the same emphasis on completion by year end as the agency does.
One time last year I received a billing for the entire bureau's reconfiguration that was paid out of my account! I could not dispute the billing because it slid through right at the end of a fiscal year.
Our Comptroller Office routinely reviews billings and has the opportunity to contest invoices, particularly in regards to device counts where a monthly service is charged for each device.
The is no preview option before payments are transferred. However, if there is an issue it is reviewed and adjusted if necessary.
This depends on the service or what has been done. When we have needed verification that has been possible.
This is not a big deal. We are always able to get resolution of erroneous billings after the fact. To do so otherwise would greatly encumber the billing and approval process. Inordinate amounts of time would be required to have agencie employees review and approve each bill. Many of these bills occur in high volumes. Reviewing and contesting invoices will add gross inefficiencies to government. This is a bad idea.
This is still a problem as their charges just hit my budget and I am just supposed to accept them. No documentation is ever sent to the division. I do not like that they have free reign to my checkbook.
Unsure as I do not deal with invoice payments. I set up the work to be resolved and know what we are charged but have never had to contest an ISF invoice. We know what we are spending up front.
We approve invoices. For DTS, there usually isn't much detail. It seems they are in a monopoly-like position though, so there isn't much we can do about it.
We have the ability to approve ITAs before they are paid from our accounts. We also have input on contracts and details.
With the exception of viewing my monthly telephone billing from DTS, I am not directly involved in review of payment of invoices that my department receives from any ISF's.
Yes, we are able to review before approving. However, more communication on DTS projects will be helpful. Additionally, DTS charges are somewhat difficult to determine at times.



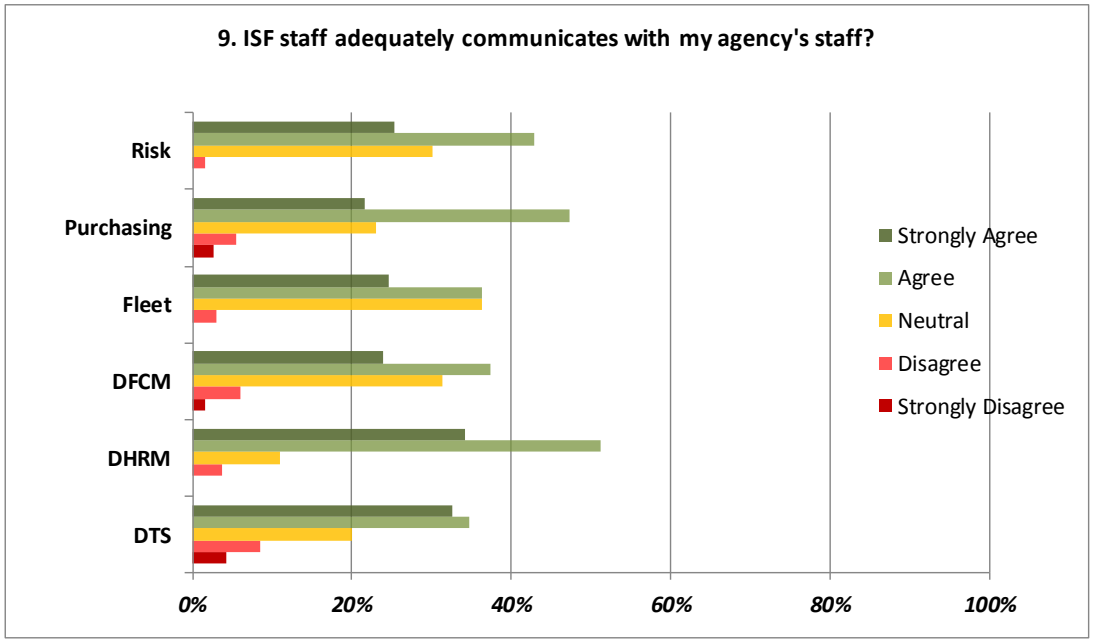
Comments for Question 7.

DHRM, DFCM Maintenance, and Risk Management are just a one-time charge through FINET so this question does not apply. State purchasing charges are wrapped into the contract so this question also does not apply. Therefore, the only two entities would be DTS and Fleet.
DTS can't get their TUAM system to work on any browsers that anyone uses. This is very inconvenient.
DTS invoices and rate structure provide too much detail and are therefore harder to understand. Viewing vendor DTS invoices is very cumbersome.
Each facilities coordinator is different. Some have sufficient detail and others do not.
For DTS, there usually isn't much detail. It seems they are in a monopoly-like position though, so there isn't much we can do about it.
In some cases, more documentation would be nice. We've never had an invoice from Purchasing.
None of the DTS invoices provide sufficient detail. Most of the time DTS cannot tell us what exactly we are being charged for
The DTS ISFs don't help us understand which billing it is for in our billing system. We have asked them to please put our DP-1 #s in the information/detail, and they said they will work on it. If we could have the DP-1 # (our billing #) then we could know asap which billing it is referring to. The other info on the detail isn't that important to us.
The integration of Enterprise rental cars into FINET and the travel authorization process is really lacking (as is overall experience with Enterprise cars).
We do not proceed unless we have a firm invoice.
We get phone calls to tell us that an invoice is coming. We also get emails with details and explanations. If we have questions, we know who to call or email to ask. The responses are always very timely. We feel the communication is very strong here. Thank you for a job well done. I really appreciate that.
What invoices? To find a DTS invoice it takes calling their accounting dept to get them to send it to me. I think there is a system that has all invoices on it, but I have never been given access to.
With the exception of reviewing my monthly telephone charges from DTS, I am not directly involved in review of payment of invoices that my department receives from any ISF's.



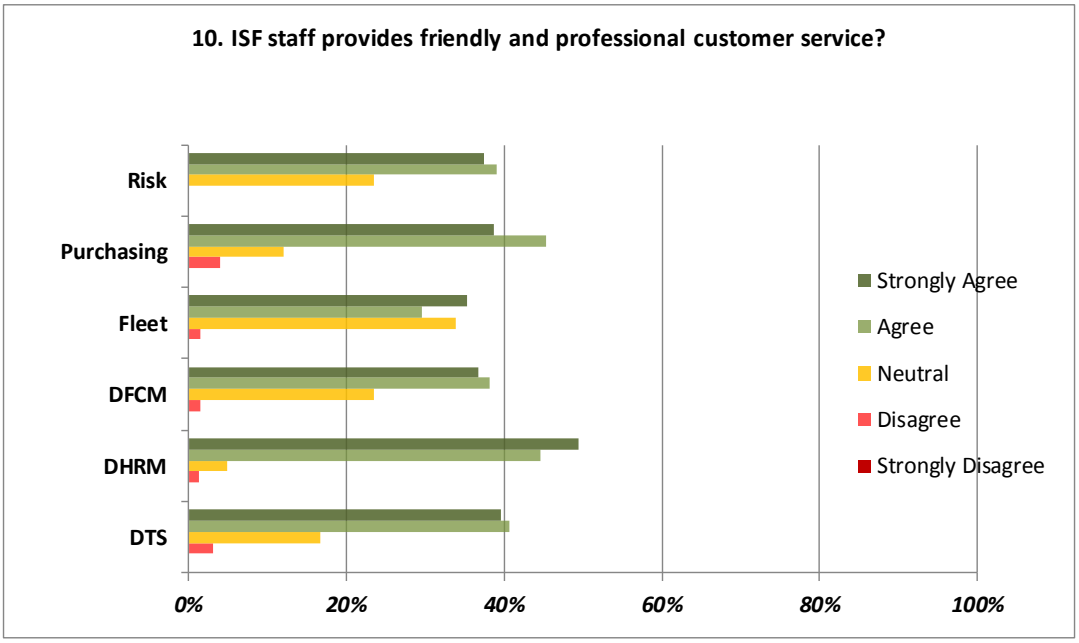
Comments for Question 8.

Again I do not know if they are accurate as I never see the original invoice to compare the charges to. Also I just have to accept that they are charging me correctly for the standard rates because there is never any info to understand what they are billing me for.
All of the invoices that I have seen that I have been responsible for the work done have been accurate.
Have not seen invoices
I don't even know where to find the invoices from each of these ISFs. I know my experience in the past has been extremely frustrating to figure out what costs I am incurred and what I actually get with the costs.
In most cases, invoices are accurate. There is an occasional adjustment that is needed.
Once again, most invoices do not provide sufficient detail so I highly doubt they are accurate
The accuracy of these items makes our job much easier. Thank you for taking the time to make sure the information is accurate.
The current DTS billing system for phone billing is not that easy to navigate. Looking at one time charges for billing of technician labor and parts is cumbersome. I should not have to figure out which elements I want to see on an invoice. I should be able to see all of them, not just some of them. I never see the detail for DHRM billing. This may be the fault of the my department and not DHRM. I like the detail I get for the annual Risk Management assessment. I would like to receive it electronically every time instead of receiving paper in the State mail.
We have no way to determine accuracy. We get billed and there is no other option.



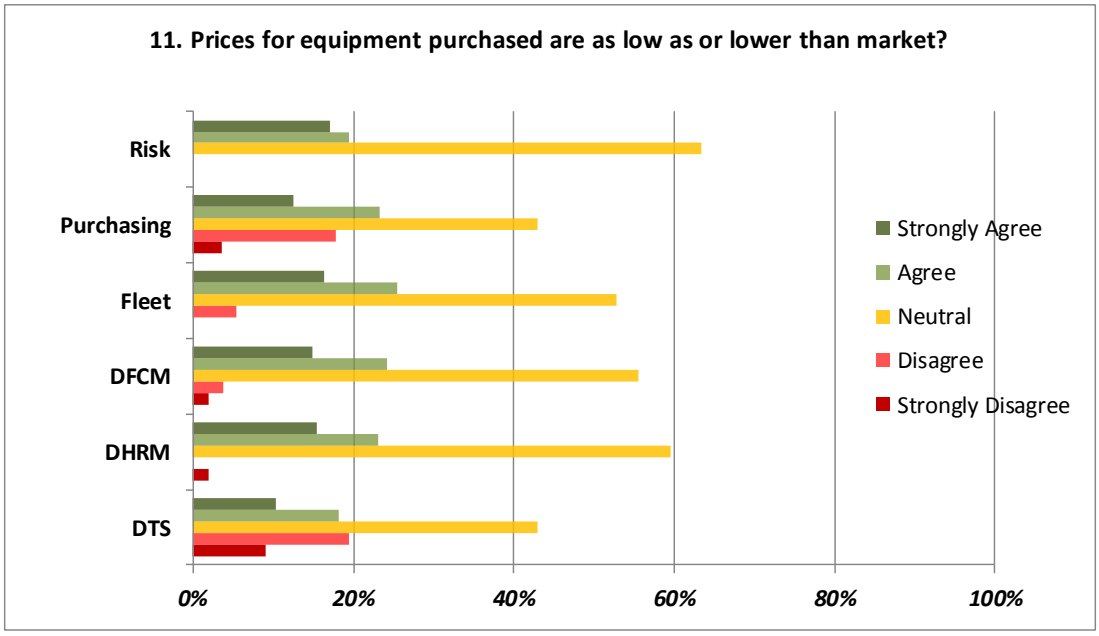
Comments for Question 9.

Communication has always been an issue for the maintenance side. There have been some good improvements recently in some areas. But for the most part, it still needs improvement.
DHRM's responsiveness to online questions is very good.
DTS and DHRM respond quickly to my needs, probably due to the position. However, my staff would disagree with the statement.
DTS does communicate with staff, but it does not always fix the problem.
DTS is great when I reach someone, but they never called me regarding my desire to create secure emails; I have never had any problems with Fleet or Risk Management
Fleet, Purchasing and Risk Management hold several training sessions per year, release news letters, and hold quarterly meetings with customer agencies.
For DTS, it depends if you are talking DTS that support the [redacted] or DTS Central. Also, what group w/in DTS [redacted]. DTS Apps Support/[redacted] = Good communication DTS Other/[redacted] = Okay communication DTS Central = Disconnected w/ customer needs
I have found communication and getting consistent answers from ERIC are sometimes challenging.
Most purchasing agents communicate beautifully that we work with regularly.
Purchasing agents are hard to get ahold of. Their phones go to voicemail, email goes unanswered for up to a week, and when I talk to them I get the impression that they are overloaded and working hard to keep up. On the upside, the agents are apologetic, cordial, and helpful.
Purchasing takes a long time to hear back from. They are too busy for the number of staff they have!
State Purchasing needs to communicate when personnel change and when commodities are changed to a new agent. Sometimes even the new agent does not know they have been assigned a commodity
The strong communication from these areas helps so much. The good communication facilitates understanding, which in turn improves classification and accuracy. Well done. Thank you.



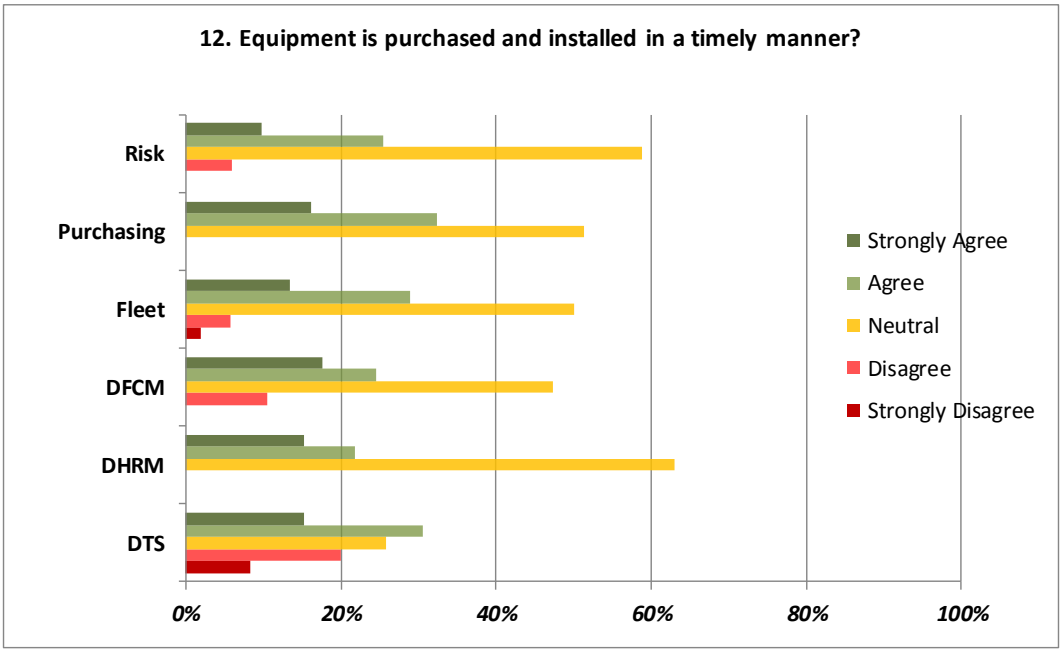
Comments for Question 10.

At Risk Mgmt, I LOVE working with [redacted] and [redacted]. They are both wonderful.
DTS comes across as a we will get to you when we feel like it on projects. Day to day issues they are friendly and professional Purchasing is friendly and professional but really has a hard time giving the same information. If you don't like the answer you get from one agent go to another you will get another answer
Everyone is always helpful and friendly.
For DTS, it depends if you are talking DTS that support the [redacted] or DTS Central. Also, what group w/in DTS [redacted]. DTS Apps Support/[redacted] = Friendly/Professional DTS Other/[redacted] = Not as friendly/professional DTS Central = Disconnected w/ customer needs, most of the time not helpful
Generally DTS responds to computer issues and telephone issues promptly and professionally. DHRM, Fleet, and Purchasing are responsive and professional.
I always have felt that I have been treated in a professional, courteous manner. This has been remarkable to me, since these people face so many pressures and responsibilities. My questions and concerns have always been addressed. Thank you.
I have never had a problem with any ISF staff members. Most go out of their way to be helpful and friendly.
not so sure on 'professional, but certainly on the freindly part
Purchasing is quick to respond if we start something in process and forgot a form or something. DTS has improved by letting us know orders have been out for approval for a long time in Service now. This is very important for those that don't have visibility of orders sitting in the queue.
We call maintenance, they do not call or email back.



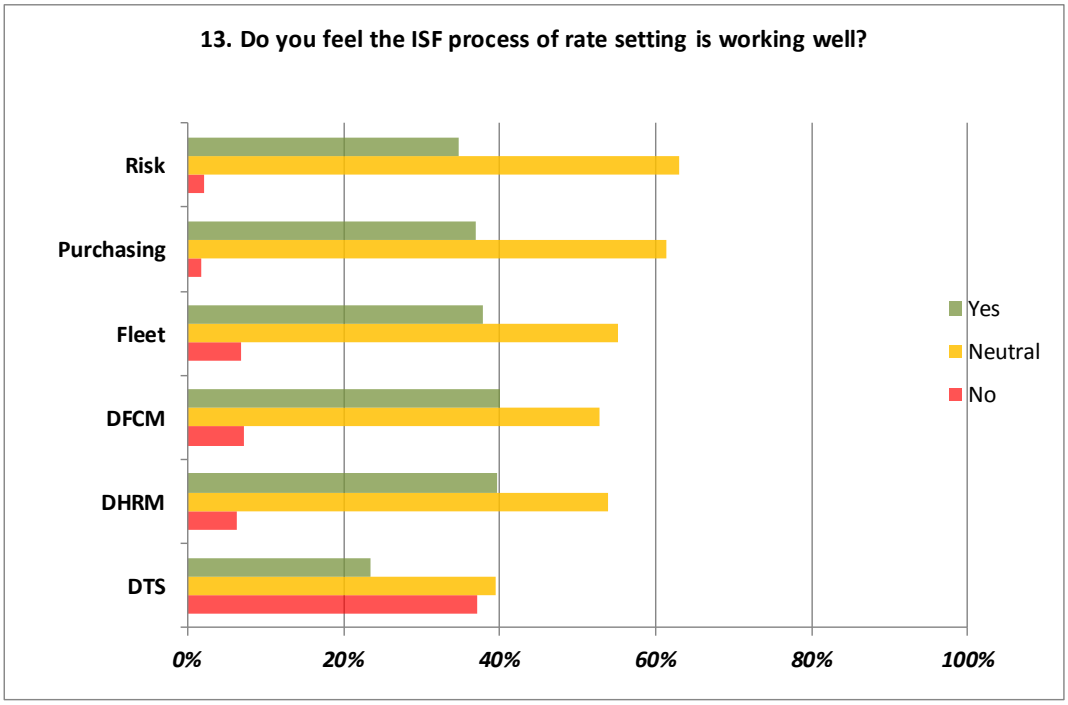
Comments for Question 11.

At times individual items could be purchased at lower costs. However, in the aggregate and on average the state may be purchasing items at a low cost.
Bidding and vendor requirements have been followed. I have felt that these areas have done their best to follow policy, protect the interests of the State, and to find the best solution for our area.
DFCM for procurement is an exceptional partner at our site. No idea on risk premiums competitiveness.
[redacted] does all of the leg work and then DTS charges a 5%-7% markup on all products/licenses/services purchased which makes absolutely no sense. Oh and by the way it takes longer; I guess that's the value add
DTS - [redacted] purchases items that are for traffic and safety use only. There is no reason that we should be paying a monthly fee or have to get permission to use a State contract. We purchase and maintain the product. The original pricing is about the same on most items but when the monthly fee is tacked on it is out of range. In the high population areas the pricing works well but in the rural areas State contracts are not working. To send an employee 60 miles to the nearest contract vendor to pick up a small item it ends up cost significantly more.
[redacted] has stated based on the state contracts that services would be a good price but not the best price since the contracts protect the interests of the state. Vendors are always willing to go lower price but the service would suffer. The question should read that ISF provide good value when taking service and price into consideration.
Regarding DTS, the little I've learned about computer prices leaves me to think we could do much better. This may not be DTS's fault. It may be the nature of our state contracts. My concern with this may be unfounded and cleared up with more information.
Since moving over to [redacted], our OVERHEAD bill for DTS increased to about $4,000 per employee (plus). Essentially, we are paying for the equivalent of 3 FTEs working on HCD programs 40 hours a week. I KNOW that's NOT happening.
the contracted costs may be lower, but by the time ISF staff take their cut - not always.



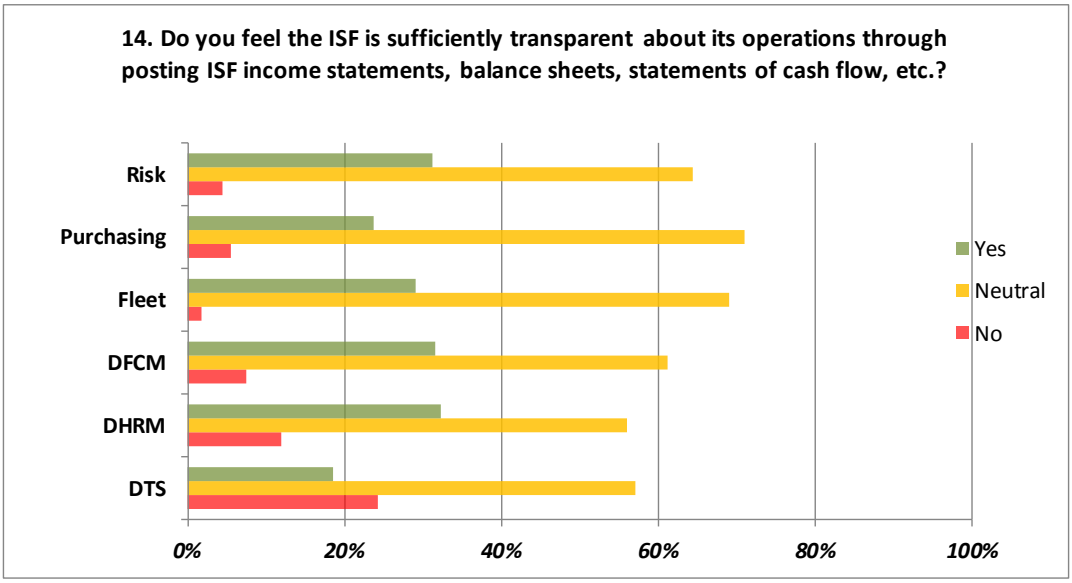
Comments for Question 12.

Both DFCM and DTS have been problematic in getting past the "red" tape and with approvals from so many section heads. This is especially true when working with DTS and Purchasing. Both agencies tell you that you have to get permission from the other before IT type purchases. This leads to many meetings and agreements. I have spent days going back and forth between offices to get signatures.
DTS Desktop Support for hardware and any type of software upgrade is extremely slow and inefficient. I am not sure why DTS does not leverage a great tool in ZENworks, or something else to push out such releases. Is it insufficient knowledge/training, or some other reason
DTS takes 6 months to install new computers. DFCM is awesome--they usually install the same day or if a part needs to be ordered, they will install as soon as it arrives. They also follow up on issues to make sure it is running appropriately.
In recent past, there has been some communication break down as it relates to DTS installing and setting up new equipment and computer program accesses for new hires. Myself and others within my department have voiced our concerns regarding this issue, and we have been assured that DTS is working to improve upon these processes.
Installation has been very good. There are a lot of demands that are often immediate. The response has been very good. This is a big deal. Thank so much for this.
It is not acceptable or reasonable to wait 4-6 months to receive a new computer for employees. Does DTS need additional resources/funding to resolve this on going issue? This issue also results in the State not taking full advantage of the warranty period.
Some disconnect with purchasing personnel & DTS/installation, needs improvement.
Sometimes the process is very timely, sometimes it has been extremely slow.
The fleet cars are nasty dirty! Billing is so slow that sometimes the charges from the previous fiscal year are charged to the next.
The timeliness of phone installations is good. Solutions need to be found to alleviate the continual backlog of setting up desktops and responding to desktop issues.
This question would only apply to DTS and possibly Fleet.
When ergonomic assessments are completed, it's up to agency mgmt to order equipment and see that it gets installed. Employees are constantly following up and saying they don't have the equipment or it's not installed properly or something. I know Tim Villnave has personally gone out to many locations to make sure equipment is installed properly etc, but agency mgmt doesn't always know how to do this.
While equipment is purchased timely, installation can take some time. The centralized configuration process seems to be a bottleneck. Equipment can get delayed while waiting for this process to be completed.



Comments for Question 13.

Agencies need more detail about how the rates and funding impacts are calculated.
Customer service for DHRM is non-existent. It's impossible to know whom to contact with questions. When problems have arisen, no one at DHRM wants to own the issues. DTS overhead costs are insanely high.
DTS could be a little more clear on their rates, they have tried to improve this in the past year. Purchasing is pretty straight forward in their feed and charges.
DTS is always looking to add charges above and beyond the agreed rates.
DTS-[redacted] purchases and maintains traffic and safety equipment - including wire - to use the DTS contracts we have to continue to maintain and pay DTS a monthly fee.
I believe in addition to the Rate Hearings, customer agencies should have opportunities to provide input throughout the year using different resources to do so. These resources could include participating in focus groups, advisory committees, and customer satisfaction/feedback surveys.
I don't believe there are adequate measures in place to encourage innovation. The rates seem to be determined by simply adding up the costs and dividing by the storage space/CPU time/etc. and passed on to the agencies. No real incentive to become more efficient that is apparent.
I feel that this method works well. Thank you.
In lieu of another suggestion I must answer yes to all, however I worry about security/ and risk initiatives that drive the overall cost to the state up and the value obtained. What about AG funding for agencies to pay attorney increases?? can they be
It is pretty hard to tell since basically rates are given to us and we must accept them. We don't know how the rate setting process really works so we have to believe what we get is correct.
Not really, but do we have much input?
The rating settling process has its good points and its bad points. For the most case, agencies are in the dark as to where rates are going and whether or not it's appropriate. The committee gets a lot of information to look at. Agencies only gets what is being proposed.



Comments for Question 14.

Financials and retained earnings are a pretty fair accountability measure.
I feel that all information is available. I also feel that the people in these areas are willing and able to answer any questions or concerns that we may have. Thank you.
I never see any of that information.
I was unaware that information was available.
If an agency has time to sit down and read through each statement, balance sheet, statement of cash flow. Agencies need to be able to get their job done for their client. Having to read each of these items and develop these items takes away from their core mission of providing services to client agencies. This is for the politicians and tax payers more than for the client agencies.
If these statements are posted somewhere, it's a well-kept secret. They are referred to in the ISF committee meetings, so I know they've been produced. But I've never seen them.
No. I would like to know where (on average) $40/hour per DTS staff member is going. We are definitely not getting the A Staff at the Cannon Building, and if DTS Central is capturing/retaining more than 50% of every dollar paid, what is it being used for?
The information posted is not very useful

15. What information would you like the ISF to make available to its customers on a regular basis?

Annual report available for review by all state employees (maybe there is already one?).

Billed hours to specific projects

Comparison data (utilization) among the different peer groups.

Contacts all areas need to have a current contact information available as well as an alternate if that person is not availalbe.

Costs with comparison to outside/alternate vendors.

DTS actual costs directly allocated to the Department

DTS does a really good job of SLA creation and management. DHRM has started the process recently but DAS ISFs really need to do a similar thing of SLA management and come visit the agency regularly.

DTS needs to improve its flexibility. They should also remember we are the client and they should not be telling the business (udot) what is good for them.

How much are we paying for what we get.

I feel that right now we get the right amount of information. Too much information slows us down. Not enough information also slows us down. I appreciate how you are always adjusting to consider new methods, technology, personnel changes, etc. This is a fluid process that requires constant adjustments. Thank you for your efforts here.

I would like to change how our equipment is charged and paid for. It is hard to budget to such a moving target while we use a dual rate program. I fixed fee scenario like a lot of other Western states use would be more desirable.

I would like to know what DTS plans to charge us for server space, etc. BEFORE they start charging us. I need to know for budgeting my grants and surprise expenses can sometimes be hard to absorb especially when you're not sure you're actually getting what you paid for.

I would like to see DTS staff offer more efficient service and greater education to State Employees as it relates to mobile devices (ie; iPad, iPhone).

I would like to see the information identified above.

I would LOVE the ISFs to give the detail that corresponds with our billing system so we could know right away which billing it belongs to.

I'd like to know more about the competitiveness of DTS computer purchases.

Invoices and backup documentation for charges.
DHRM needs to send emails on information, because I do not just go to the gateway to see what is new. Actually I only go to the gateway when I get an email from DHRM to go look at information regarding a subject.

ISF's probably need more aggressive public relations. Instead of waiting for customers to come and ask, send emails to invite them to their websites and view what is available. Advertise. Push themselves. Show what they do. Remind us of what they do.
Also, even though the DAS website has been redone, I find it more difficult to navigate than before.

Simplistic is better. It speeds up the whole process. So clear rates, and services would be the best information. One sheet that covers what the ISF does, what you will get, and the cost. If a new program is offered this should be sent to clients and added to that One Sheet.

Since the rate setting process occurs so close to the end of the fiscal year, it's difficult for the ISF to provide current financial statements in advance for the committee meeting. However it would be nice if the information they share with the committee was as made available at some point for agencies to view.

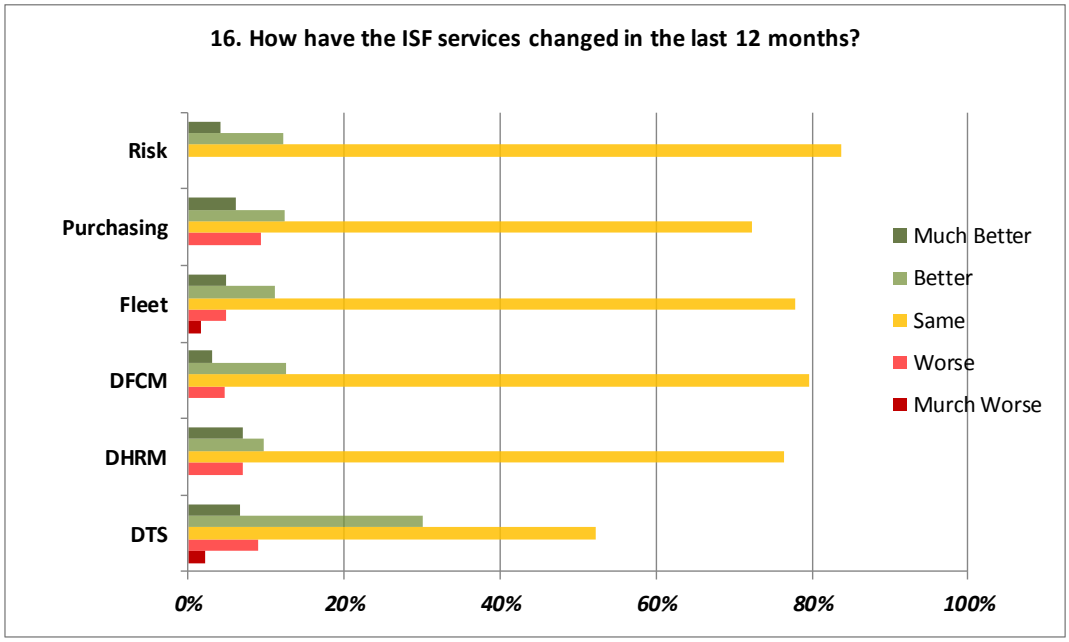
What they are doing to more efficiently serve the agencies, and identify innovative (maybe outsourcing options) efforts that are initiated. I know some of this does exist.

Whatever information the agency is requesting. At a minimum, details for each invoice generated

Who is able to do what when needed

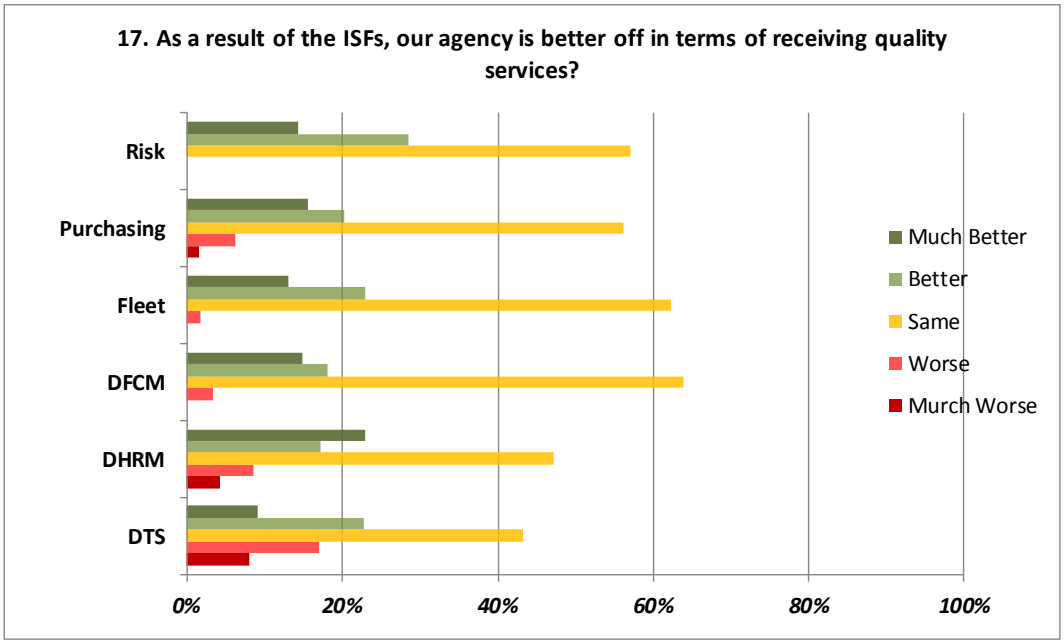
Why they are charging for specific items. Why things costs what they do.

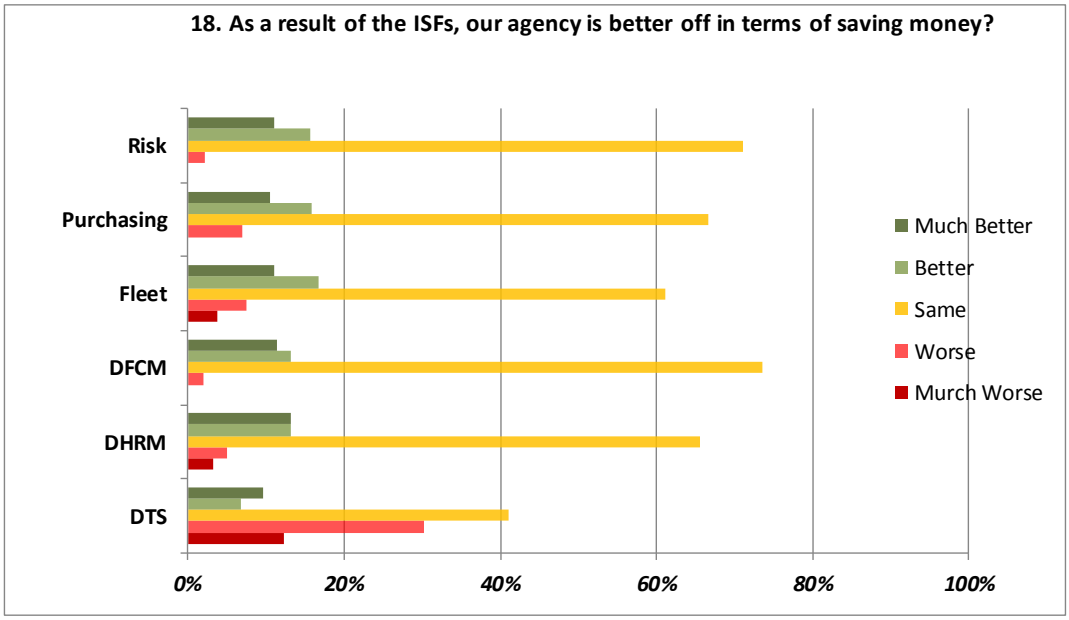
With all ISF's I would guess that customers would prefer getting a single itemized bill from each ISF with YearToDate and LastYearThisMonth summary data. Just like utility bills.



Comments for Question 16.

DFCM: due to management changes delays have been experienced
Better communications and faster procurement of products has been seen.
DTS has a greater focus on security issues and are willing to help the agencies work through the Deloitte Audit findings and recommendations. Purchasing provides the service help to write RFPs saving the agencies time and money. Risk Management provides reports that show how agencies compare among their peer groups in consumption of services.
DTS has seemed to have new people and a fluctuating workforce. Meaning a lot of retraining and learning on the job for their staff. Consistency allows work to flow smoother. Purchasing has refocused on clients and providing core services.
DTS needs more resources for the business Too much work, not enough help
DTS; more issues within the past year (updates, lost files, shutdowns, printer problems, etc). Staff always really pleasant & professional to work with but some weird stuff happening lately that they are having difficulty solving.
Fix the desktop service issues.
I have had great experiences working with staff at State Purchasing to do low bids. My DHRM rep is also very responsive to my questions.
I really like the new DTS online services. It's easy and quick to use and I get a quick response. It's great that Purchasing has streamlined the contract process by allowing and promoting writing contracts for multiple years instead of an initial term plus renewals. It streamlines the contracting process, reduces workload and takes the pressure off of getting hundreds of renewals through at the end of the fiscal year.
ISF are all superior and I don't know of dramatic changes. They do their jobs well.
Service now I believe will be a better tool for DTS as long as it is monitored for aged orders, by DTS and the agency.
Thank you for all your efforts in implementing improvements and for maintaining a high quality of service. We appreciate all the work and resources that go into this.
The level of DHRM service is exceptionally, we have a very good DHRM team assigned to our agency. DTS has improved, particularly with the addition of a DTS manager for developers and a project manager, but it does mean we have fewer people utilized as developers. DTS has improved in their level of service on both desktop and development over the last 12 months.





Comments for Question 18.

Before the DHRM ISF, we didn't pay anything for HR services. Now we are paying for services that use to cost us nothing.

I don't think fleets are all that effective. Agencies should be responsible for keeping their own cars, not renting them from fleet. Let a small Fleet staff handle maintenance and replacement of the vehicles.

ISF's need to show us price comparisons to the market and point out the advantages of using ISF's vs private entities. Advertise this on their websites.

Purchasing has high $ contracts and not enough vendors. DHRM is providing less and less of services for us but are charging same rate. DFCM, maybe they will show up when we call them?

Rates for Workers Comp and Liability Insurance have increased in recent years.

The benefit of an ISF is that they charge enough to stay fluid, their employees understand the state system, and regulations that are in place. The quality is there and the costs stay competitive. Paying an ISF you get that comparable cost and quality services. With a private vendor you get a grab bag of quality and rates that are competitive for private industry which is not always cheaper.

The cost factor is based on having three less employees from DTS assigned to our campus than we employed previously. At an overall cost that is similar. The intangible values from enhanced security offset some of this, but the idea that the agency can draw from any DTS staff is not generally a rare occurrence as far as enhancing internal systems is concerned.

We have dedicated experts that know the details of issues in their respective areas. We do not need to be experts. This prevents duplication and increased expense. Thank you for this resource.

19. What other recommendations or comments about the ISFs do you have?

Audit DTS! Put DHRM agents back in the agencies. Keep them trained but make them employees of each agency.

DHRM should try to help the employees and not try to take on jobs to make more money for them--ie payroll.

DTS needs to improve communication - too many times systems go down or changes are made without informing ups. DTS needs to improve on the time it takes to get new computers configured so they can be used.

Fund the Divisions that generate budget from the restricted account to handle the increase in service fees (DTS, Fleet, etc.)

I am disappointed in DGS fleet not State Fleet. DTS pays to much for equipment and there are many delays when centralized DTS purchasing is used. Employees complain about how long it takes to get computers and software. I think there should be more delegation of purchasing authority.

I have seen most problems come from trying to run an ISF as a fully functioning private business. These are government agencies just funded differently. We cannot treat government as a private business as we provide different services. Putting a government agencies with their quality compared to a private vendor who is purely profit driven is like going to a ear doctor for your heart. Not all doctors are the same and not all government services are like private businesses.

Keep up the great work and keep their customer service at the current superior levels.

thank you for the continuing support!

Thank you for the excellent job you do. Please continue with the excellent service you provide. We really appreciate it.

The GOMB and legislature need to look at what makes sense to fund through rates and what makes sense to fund through direct appropriations to ISF'.s For example, a direct appropriation to DTS to upgrade computers away from the Windows XP platform may go further in getting the State up to date rather than waiting for Departments to come up with the money to make it happen. In tight economies, technology is one of the first things that gets pushed down on the priority list.

The use of an ISFs can be fair and equitable. However, we have very little input as to where rates are going and if new services are needed. Payroll worked just fine without DHRM's involvement. But,since they wanted to provide the service and needed to support their costs, we now have to pay for something we could do for ourselves at no additional cost.