Department of Administrative Services - ISF Budget Overview

INFRASTRUCTURE AND GENERAL GOVERNMENT

APPROPRIATIONS SUBCOMMITTEE

Brian Wikle, LFA

January 2015

Home ▸ COBI 2015 ▾ Infrastructure and General Government ▾ ISF - Administrative Services ▾

Overview | Issues | Performance | Background | Financials

Internal Service Funds (ISF) employ business practices to provide a service or product for other state and governmental agencies. Typical services include motor pools, computer centers, mail processing, facility management, or other large functions that can be centrally coordinated. They are set up 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.

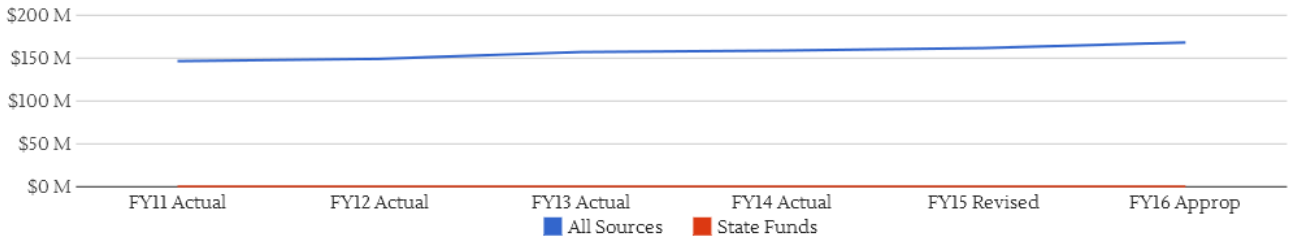
Sources | Uses

Dedicated Credits $159 m; Enterprise Funds $9m

$168 M

FY 2016 Appropriation

Funding History



Home ▸ COBI 2015 ▾ Infrastructure and General Government ▾ ISF - Administrative Services ▾

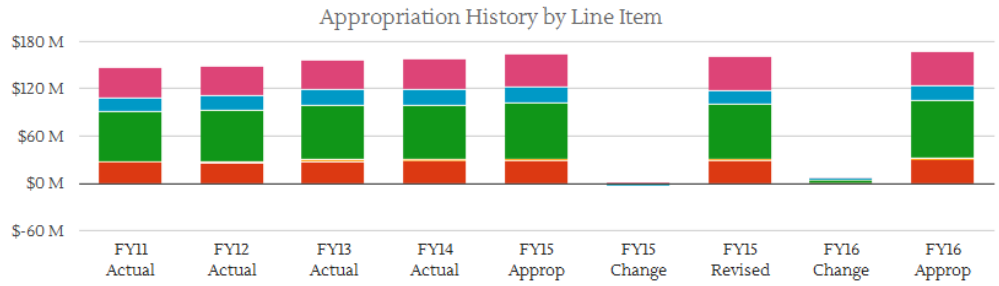
Overview | Issues | Performance | Background | Financials

Dedicated Credits -- Intragovernmental Revenue come from charges to customer agencies. Premiums are collected by Risk Management for its insurance programs. Restricted revenue comes from the Workers Compensation Fund administered by the Division of Risk Management.

Intent Language +

Appropriation Type: Business-like Activities

Display By: Line Item | Funding Source | Expenditure Category



Show Table | Show Additional Information

Line Items	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Approp	FY15 Change	FY15 Revised	FY16 Change	FY16 Approp
ISF - Finance	321,100	1,624,500	1,675,000	1,860,900	(111,500)	1,749,400	42,600	1,792,000
ISF - Purchasing and General Services	19,590,600	20,423,100	19,741,200	19,178,800	(1,371,600)	17,807,200	2,040,300	19,847,500
ISF - Information Technology Services	0	0	0	0	0	0	0	0
ISF - Fleet Operations	65,250,900	68,925,200	69,293,400	71,362,500	(1,888,200)	69,474,300	3,748,600	73,222,900
ISF - Risk Management	37,461,600	38,122,800	39,516,000	42,432,800	1,054,200	43,487,000	265,800	43,752,800
ISF - Facilities Management	26,454,900	28,051,500	28,540,300	29,160,200	3,400	29,163,600	467,600	29,631,200
ISF - DFCM Planning and Design	0	0	0	0	0	0	0	0
Office of State Debt Collection	0	0	0	0	0	0	0	0
Total	**$149,079,100**	**$157,147,100**	**$158,765,900**	**$163,995,200**	**($2,313,700)**	**$161,681,500**	**$6,564,900**	**$168,246,400**

% of Total
44% - Fleet
26% - Risk Mgmt
18% - Facilities Mgmt
12% - Purchasing

Home ▸ COBI 2015 ▾ Infrastructure and General Government ▾ ISF - Administrative Services ▾

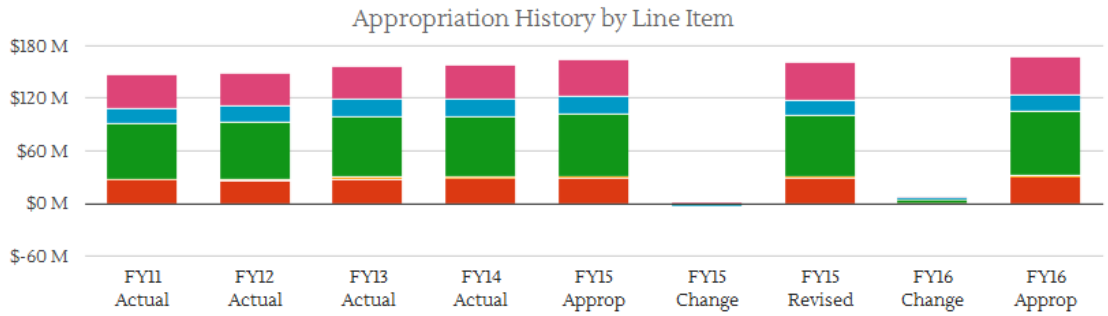
Overview | Issues | Performance | Background | Financials

Dedicated Credits -- Intragovernmental Revenue come from charges to customer agencies. Premiums are collected by Risk Management for its insurance programs. Restricted revenue comes from the Workers Compensation Fund administered by the Division of Risk Management.

Intent Language +

Appropriation Type: Business-like Activities

Display By: Line Item | Funding Source | Expenditure Category



Show Table | Show Additional Information

Other Indicators	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Approp	FY15 Change	FY15 Revised	FY16 Change	FY16 Approp
Budgeted FTE	268.50	271.58	294.60	297.70	298.68	(0.02)	298.66	1.34	300
Actual FTE	230.78	263.08	281.90	278.40	0	0	0	0	0
Authorized Capital Outlay	18,447,627	18,684,500	22,737,500	19,198,200	25,625,100	(10,333,100)	15,292,000	4,358,100	19,650,100
Retained Earnings	21,889,400	16,816,519	9,062,500	7,524,000	5,769,400	448,100	6,217,500	2,405,600	8,623,100
Vehicles	101	124	117	112	119	(7)	112	0	112

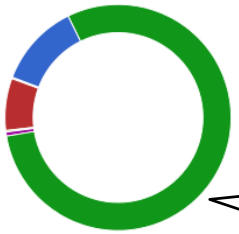
FTEs, capital outlay, and vehicles are authorized in the appropriations bill; additionally, HB 193, 2014 GS requires legislative review of full-time equivalent contract employees -- DAS ISFs report zero for FY 2014 actual, FY 2015 authorized, and FY 2016 requested

Home ▸ COBI 2015 ▾ Infrastructure and General Government ▾ ISF - Administrative Services ▾

Overview | Issues | Performance | Background | Financials

Internal Service Funds (ISF) employ business practices to provide a service or product for other state and governmental agencies. Typical services include motor pools, computer centers, mail processing, facility management, or other large functions that can be centrally coordinated. They are set up 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.

Sources | Uses

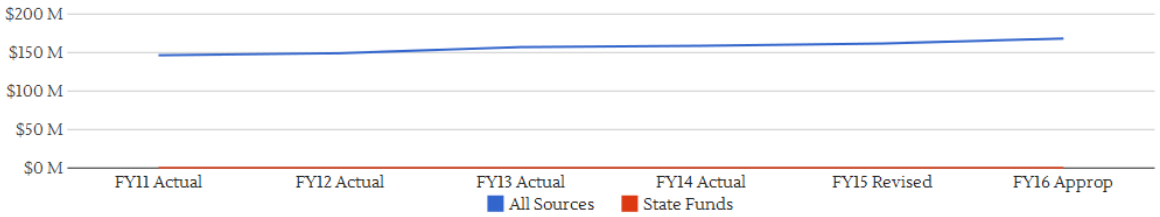


Current Expense $131.4 m (80%); Personnel Services $19.6 m (12%)

$168 M

FY 2016 Appropriation

Funding History



Home ▸ COBI 2015 ▾ Infrastructure and General Government ▾ ISF - Administrative Services ▾

Overview | Issues | Performance | Background | Financials

The following are performance measures tracked within this organization.

- Administrative Costs as a Percentage of Division Costs
- Internal Adjusters Ratings
- Operations and Maintenance Cost Per Square Foot
- Spending Via Purchasing Cards
- Freight and Postage Cost Avoidance
- State Purchasing Cooperative Contracts
- Return on Investment for Motor Pool Vehicles

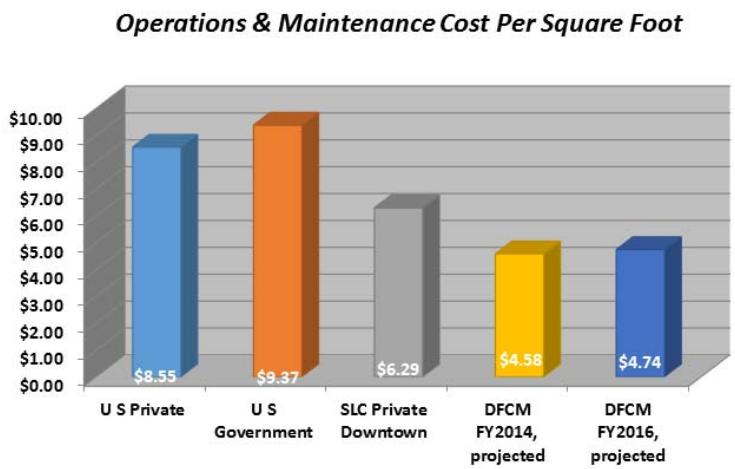
Home ▸ COBI 2015 ▾ Infrastructure and General Government ▾ ISF - Administrative Services ▾ ISF - Facilities Management ▾

Clicking the performance measure on the previous slide takes you from the agency level in COBI to the line item level

Overview | Issues | Performance | Background | Financials

Operations and Maintenance Cost Per Square Foot

For more than 25 years DFCM's actual rate has been lower than market rates according to an annual building association report conducted by BOMA (Building Owners and Managers Association).



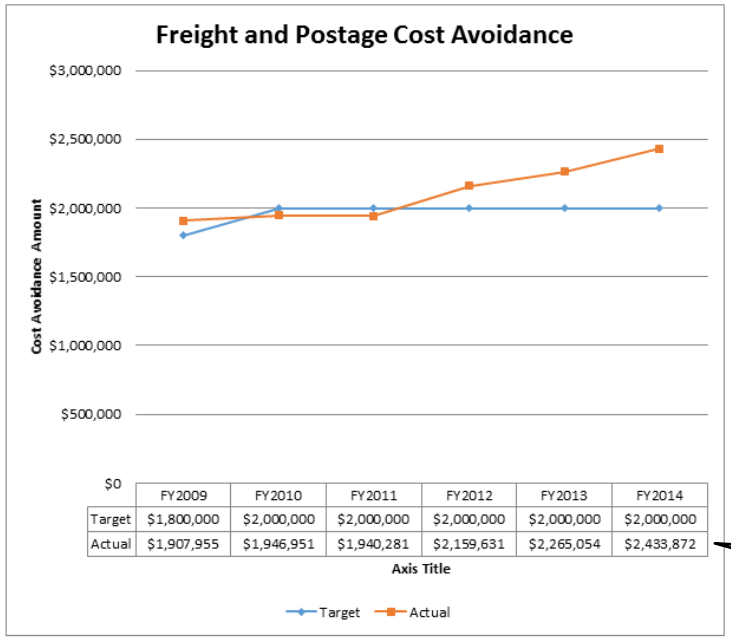
Based on BOMA 2014

Home ▸ COBI 2015 ▾ Infrastructure and General Government ▾ ISF - Administrative Services ▾ ISF - Purchasing and General Services ▾ ISF - Central Mailing

Overview | Issues | Performance | Financials

Freight and Postage Cost Avoidance

State Mail Services is primarily a production environment. Tracking freight and postage cost avoidance is one performance measure as illustrated in the following chart.



	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014
Target	$1,800,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000
Actual	$1,907,955	$1,946,951	$1,940,281	$2,159,631	$2,265,054	$2,433,872

Central Mailing brought about $2.4 m in cost avoidance for freight and postage

CONSOLIDATED FEE CHANGES SUMMARY

Purchasing and General Services, Print Services

- Eliminated the “Debt Elimination” fee

Fleet Operations, Fuel Network

- Raised the charge per gallon to .065 (covers administrative costs)

Risk Management Administration

- Although rates did not change, charges to most agencies increased due to DAS obtaining more accurate data about properties
- Automobile standard deductible increased from $500 to $750

Facilities Management

- Charges to several entities increased