Table of Contents

2 A Message from the Director
4 About Our Department
8 2018 Strategic Plan
10 2018 Accomplishments

Connect With Us in 2019
Follow us on social media to stay up to date on DGS throughout the year.

facebook.com/CalifDGS
twitter.com/CalifDGS
youtube.com/CalifDGS
dgsnewswire.wordpress.com
instagram.com/DGSCalif
For several years now at DGS, we’ve embraced a strategic planning method that keeps us accountable and on track to complete ambitious goals, and each passing year gives us a collection of tangible accomplishments in which all employees can take pride. With this Year in Review, I am proud to share the terrific work DGS completed in 2018.

At the start of each calendar year, we formulate and publish our strategic goals—division by division, with an eye toward breaking each goal into manageable steps. Each step is centrally tracked, progress is made visual to all staff, and goal completion is a team effort. This measured approach has resulted in accomplishments beyond what any of us thought possible. In fact, since our first plan was created in 2016, we’ve completed a total of 146 goals—51 just in the past year.

Some of our completed goals are highly visible: new buildings taking shape in the downtown Sacramento cityscape; a robust travel program that saves the state millions and simplifies travel for all state employees; and streamlined processes that save time and money for architects and speed school construction.

Other achievements are behind the scenes, but create efficiencies and improvements that serve a vast swath of Californians. From small business owners to disabled veterans, from ordinary people affected by building regulations to victims of the devastating wildfires, these completed goals touch nearly every aspect of state government.

We continue to expand our collaboration with other state departments, and to strengthen our relationships with the public and stakeholders. This very publication helps further our ongoing efforts to increase transparency and continuously improve the services we provide. I’m so pleased to share it with you, and I look forward to another year of “excellence in the business of government.”

Sincerely,

DANIEL C. KIM | DIRECTOR
About Our Department
The Department of General Services (DGS) serves as business manager for the state of California.

DGS offers perhaps the most diverse set of services in all of California state government. Our employees do everything from managing construction projects to procuring vital equipment to overseeing a statewide vehicle fleet—and much, much more.

**Executive Office**
- Procurement Division
- Real Estate Services Division (RESD)
- Facilities Management Division (FMD)

**Office of Sustainability**
- Interagency Support Division (ISD)
  - Office of Fleet and Asset Management (OFAM)
  - Office of State Publishing (OSP)
  - California Building Standards Commission (CBSC)
  - Office of Public School Construction (OPSC)
  - California Commission on Disability Access (CCDA)

**Division of the State Architect (DSA)**

**Office of Administrative Hearings**

**Administration Division**
- Enterprise Technology Solutions (ETS)
- Office of Fiscal Services (OFS)
- Office of Human Resources (OHR)
- Office of Business Acquisition Services (OBAS)
- Office of Risk and Insurance Management (ORIM)

**Director’s Office**
- Office of Audit Services (OAS)
- Office of Legal Services (OLS)
- Office of Strategic Planning, Policy and Research (OSPPR)
- Office of Legislative Affairs (OLA)
- Office of Public Affairs (OPA)
Five strategic direction themes illuminated a path followed throughout the year while divisions and offices made progress toward their goals.

STRATEGIC DIRECTION

- **Collaborative**: We solicit input from our partners to collectively improve our outcomes.
- **Consultative**: We offer counsel and advice so our customers can maximize benefit and mitigate risk.
- **Sustainable**: We serve as good stewards of state resources and help “green” government.
- **Data-Informed**: We use and share data to make better decisions for ourselves and our customers.
- **Effective**: We continuously develop ourselves so we can better serve our customers.
Executive Office

DANIEL C. KIM
DIRECTOR, DEPARTMENT OF GENERAL SERVICES

JEFFREY L. MCGUIRE
CHIEF DEPUTY DIRECTOR

JACQUE ROBERTS
SENIOR ADVISOR, EXECUTIVE OFFICE

The senior advisor to the Executive Office serves as a policy and political advisor to further DGS’ policies and initiatives with external stakeholders—including local, state and federal governments and key interest groups.

The senior advisor works with the executive team to develop policy strategies and cultivates relationships that promote DGS’ consultative and collaborative role with clients.

- **DGS’ first Project Labor Agreements for building construction projects established**—For the O Street Office Building and P Street Office Building construction projects, DGS worked with the design-build teams and building trades to establish terms and conditions of employment, including provisions to prioritize hiring apprentices in key targeted categories: women, veterans, public assistance recipients, emancipated foster youth, and those previously incarcerated. This promotes DGS’ collaborative goal as the agreements further the state’s workforce goals.

- **Collaborated and consulted with client departments**—The senior advisor established an executive-level pilot program with five client departments. As a result of this effort, DGS anticipates improved communications and more collaborative solutions to issues that arise. Throughout 2018, DGS executive management met with the California Highway Patrol and the Departments of Consumer Affairs, Motor Vehicles, Social Services, and Transportation. Prior to each meeting, DGS identified key areas of interest and reached out to attendees to include items important to the client department. The meetings addressed upcoming and ongoing projects that benefit from executive-level collaboration, and included an overview of areas of interaction between the departments. These meetings yielded follow-up items that allowed both DGS and the client department to further collaborate on solutions. All departments expressed appreciation for DGS’ initiative to discuss and address issues. The success of this initial pilot will result in continued meetings with these departments and others moving forward.

- **2018 Strategic Plan Goal**
Procurement

The Procurement Division oversees policies and procedures used by all state agencies in their purchasing and contracting activities. The Procurement Division develops innovative procurement solutions including statewide contracts, purchasing portals, and end-user training; and promotes Small Business and Disabled Veteran Business Enterprise participation in state contracting, enabling state agencies to acquire the goods and services needed to serve the people of California.

The deputy director of the Procurement Division acts as the state’s chief procurement officer. In 2018 the Procurement Division continued to serve our customers by implementing new methods to train state buyers, streamlining processes and implementing a new purchasing accreditation process. Below are some of our most significant accomplishments.

- **IT project procurement authority initiated** — As a result of Assembly Bill (AB) 1817, DGS and the California Department of Technology (CDT) worked collaboratively to implement changes to Public Contract Code 12100 by developing policy that clarifies procurement authority related to information technology projects. This collaboration resulted in a process for DGS to consult with CDT when delegating acquisition authority to state agencies. CDT will now be able to better track and monitor IT acquisitions related to an IT project.

- **Developed a procurement planning process** — The Procurement Division developed internal processes and tools to manage procurement planning. This involved creating a calendar similar to that of the Budget Change Proposal cycles and using the State Contract and Procurement Regulation System (SCPRS) data and planning teams from DGS in order to drive strategic sourcing decisions. This will result in more efficient and cost-effective procurements, with the benefits being passed on to the end users of purchased items.

- **Contracts for emergency goods and services prioritized and developed** — The Procurement Division assessed commonly needed items in response to prior state-declared emergencies in order to develop contracts for emergencies (emergency support is an expanding concern in California’s changing climate). This effort will help to facilitate a more effective and efficient response; enable proper oversight for federal compliance; and allow California local governments to use the state’s standardized leveraged procurement agreements.
• **Disabled Veteran Business Enterprise accountability improved** — The Procurement Division established systems and reports to monitor and improve Disabled Veteran Business Enterprise (DVBE) accountability, including a monthly updated online dashboard displaying procurement activities with certified firms as well as other entities, as reported by the awarding departments in the SCPRS. This will improve transparency and accountability with our customers, including Small Businesses and DVBEs, as it reflects what the state is buying and from whom, as well as the volume and type of procurement transactions.

• **Implemented Buy Clean California Act** — The Buy Clean California Act (AB 262) was signed in October 2017. The legislation’s goal is to reduce climate change by limiting the global warming potential (GWP) of select construction materials used on state public works projects after July 1, 2021. The Procurement Division collaborated with impacted agencies, industry trade groups, legislative proponents, and other related parties to understand how to best implement the law. DGS continues its efforts to assist in the procurement of low-GWP materials by requesting information from “software as a service” suppliers. Transparency updates via an external website provide a channel for direct communication with the GWP standards developers.

• **Streamlined acquisitions related to reasonable accommodations** — The Procurement Division partnered with the Department of Rehabilitation, Government Operations Agency, and the California Department of Human Resources to implement streamlined approaches for procuring goods and services for acquisitions related to reasonable accommodations. In addition, the Procurement Division collaborated with external partners to replace the Reasonable Accommodation State Pricing Schedule with a new directory: the California Assistive Technologies, Services and Devices (Cal-ATSD) Supplier Directory. The Cal-ATSD will provide for greater competition from its suppliers; will be easier to use; and will comply with procurement laws and policies.

• **Increased use of Small Businesses/Disabled Veteran Business Enterprises for public works contracts** — The Procurement Division developed Small Business/Disabled Veteran Business Enterprise (SB/DVBE) public works solicitation language and best practices that will increase the successful use of SB/DVBE vendors in public works contracts. The DGS website provides links to sample documents and language for state departments to include in solicitations and contracts.

• **Executive Acquisition Certificate implemented** — The Executive Acquisition Certificate learning path was developed for individuals in supervisory, management and Career Executive Assignment positions to comply with Government Code 19995.4 leadership training requirements. The Executive Certificate aims to provide a high-level look at how the state’s procurement process works. The Executive Certificate consists of five online courses, which can be taken on-demand, 24/7, on different platforms.

• **Succession and workforce plan drafted** — The Procurement Division created a five-year succession and workforce plan for the division. The succession and workforce plan will help to build up our employees’ skill sets and ensure that the Procurement Division continues to provide excellent service to customer departments.

• **Enhanced the Contractors Activity Report for contracts with Small Businesses and Disabled Veteran Business Enterprises** — The Procurement Division and DGS-FI$Cal (Financial Information System for California) developed enhancements to FI$Cal functionality that provide users the ability to identify Contract Activity Report (CAR) procurement transactions that will be pulled into the CAR—Form 810. This rollout provides more comprehensive and robust functionality for statewide CAR reporting for the department's transactions in FI$Cal, thereby streamlining the process from procurement to reporting outputs.
Real Estate Services

The Real Estate Services Division (RESD) is a full-service real estate organization. Its priority is to provide the highest level of customer service in fulfilling state agencies’ facility and real property needs.

Some notable RESD accomplishments this past year included:

- **Risk analysis and standards tool established** — The Project Management and Development Branch (PMBD) created a screening tool that standardizes how projects are reviewed for the purposes of California Environmental Quality Act (CEQA) requirements. It also standardizes how the appropriate CEQA document (Environmental Impact Report [EIR], Mitigated Negative Declaration [MND], etc.) is selected, and establishes a risk analysis to determine the depth of study needed by topic and by project. The time and cost impacts of the risk assessment are also measured, which assists in the risk analysis for evaluating the environmental requirements of a project. This established protocol creates greater consistency and accuracy in meeting CEQA requirements.

- **Implemented a zero net energy screening/scoping methodology** — RESD implemented the zero net energy (ZNE) screening tool and design approaches developed as part of the 2017 Strategic Plan process. This enables more consistent and informed selection of projects, and the scoping procedure helps reduce the effects of climate change. The procedure will assist the design team in determining the likelihood that onsite renewable output can match or exceed a project’s Energy Usage Index (EUI).

- **Quality assurance software implemented** — The Construction Inspection and Management Branch (CIMB) procured software to improve efficiency, communication and collaboration for construction field staff and the project team. The software — Procore Construction OS Quality and Safety — enables access by PCs, tablets, laptops and smartphones. Initial implementation was completed and initial rollout to select projects in area offices has begun.

- **Reviewed Area III and Area IV DGS office operations** — To reduce operational expenses, RESD reviewed operations for location and staff access. CIMB looked into lease alternatives in state-owned buildings to improve access by staff, increase parking facilities, increase access to transit and highways that utilize FasTrak passes, and decrease annual lease expenses, with the intent of reducing fiscal year 2018–19 operational expenses.

- **Developed a new budget package menu** — PMDB worked with Department of Finance (DOF) to establish a new budget package that allows for added transparency with costs and greater agreement about the accuracy of cost estimation for capital outlay projects. The use of a menu in identifying scope elements provides a tool for the project manager to consider all associated project impacts and to ensure the scope of the project is fully captured within the budget package itself.

- **Public works delegation process re-engineered** — The intent of this goal was to change the delegation process to more closely align with statute; to create one delegation process (as opposed to separate processes for DGS-owned and client-owned buildings); and to give departments more opportunities to delegate projects. This has enabled completion of more projects across the state.

- **Streamlined the Real Estate Leasing and Planning Section leasing process** — The Asset Management Branch, utilized LEAN and value-stream mapping to analyze and improve the leasing process. As a result of changes implemented, the leasing process time frames have been reduced, communication between lessors and clients have been enhanced, and overall customer satisfaction has improved.
Facilities Management

The Facilities Management Division (FMD) strives to take care of state assets, ensure a healthy working environment for tenants and staff, and deliver strong customer service.

The strategic direction of FMD is to increase the ability to address deferred and preventive maintenance in buildings while setting the bar for industry standards as they relate to project management, custodial and trades services, and building management.

- Implemented a Customer Service Center and applications – The FMD Customer Service Center (CSC) was created to accept calls from tenants who may be experiencing building issues. The CSC is available around the clock and provides an additional option for tenants who want to speak with an individual or who are having trouble using the tenant portal. The Dashboard application was created as a means to provide visibility of the data being generated within the Maximo application, as well as present the status of the FMD deferred projects list. Within the Dashboard, project updates, project schedules and budgets exist for active projects. Various visual displays are utilized for both Maximo and the deferred projects to provide a fuller picture of the activities. This has improved management of FMD’s assets and provides a quicker response time for tenant and staff concerns.

- 2018 Strategic Plan Goal
Sustainability

The DGS Office of Sustainability is committed to reducing California’s environmental footprint by greening the state’s buildings; reducing greenhouse gas emissions; and reducing water use.

The Office of Sustainability develops and implements clean energy strategies and programs for state buildings. The office strives to lead by example and implements programs in the areas of clean renewable energy development, energy efficiency retrofits, and electric vehicle charging infrastructure development. Additionally, the office provides support in many other areas of sustainability, including zero net energy policy development, Leadership in Energy and Environmental Design (LEED) certification, state buildings benchmarking, and recycling policy development to support DGS and other departments in greening state facilities.

- **Electric vehicle infrastructure advanced** — Transportation contributes 40 percent of the GHG emissions in the state. This goal is an important element of the zero-emission vehicle (ZEV) Action Plan and will help to achieve statewide greenhouse gas (GHG) reduction targets. California has a statewide goal to have 5 million electronic vehicles (EVs) on California roads by 2030. The state must lead by example, supporting the installation of electric vehicle charging stations for both fleet and employees. The Office of Sustainability advanced the state’s goals in transportation electrification in a variety of ways. Our office installed electric vehicle charging infrastructure to support over 1,000 EVs. This infrastructure will facilitate the displacement of harmful, climate-changing air pollutants. In addition, the Office of Sustainability negotiated trailblazing agreements with investor-owned utilities and third parties with vested interests in transportation electrification to build and fund EV infrastructure on behalf of the state of California. In addition to the environmental benefits, these agreements have the potential to yield hundreds of thousands of dollars in savings to the state. The Office of Sustainability entered into an agreement with private companies to build and operate the first direct current fast charger stations at state-owned buildings, revolutionizing the speed at which the state’s fleet of EVs can recharge and continue in service. Lastly, valuable partnerships were formed with Caltrans, California Department of Fish and Wildlife, and other departments to advance the cause of transportation electrification.

- **Energy use reduction goal exceeded** — In spite of increasing the state’s overall building area by 17 percent, DGS led state efforts to exceed the grid-based energy use reduction target of 20 percent established in Executive Order (EO) B-18-12 by 2018, relative to a 2003 baseline. DGS coordinates the statewide implementation of EO B-18-12 through the Sustainable Building Working Group and leading benchmarking efforts.

- **Solar and wind projects created** — The Office of Sustainability began construction on several solar projects and released three new requests for proposals for solar projects at 35 facilities, ranging in size from .02 megawatts (MW) to 8 MW. Combined, these projects can generate nearly 38 MWs of clean, renewable energy. The Office of Sustainability also solicited two large wind turbine projects at two California Department of Corrections and Rehabilitation prisons, with a capacity of generating up to 3.7 MW. These projects make considerable progress toward these facilities reaching the state’s GHG reduction and carbon-neutral goals.
• **Achieved zero net energy in existing building square footage in the DGS portfolio**—Executive Order B-18-12 sets a target to achieve zero net energy (ZNE) for 50 percent of our existing building square footage by 2025. In 2018 we achieved significant progress toward the goal, and we are on track toward achieving our 50 percent target in 2025.

• **Installed 8 megawatts of renewable power generation in 2018**—The Office of Sustainability installed 8 MW of solar and wind generation via power purchase agreements, reducing the state’s GHG emissions and contributing to the state’s 2020 goal of 100 MW of installed renewable power. Installation of 8 MW brings our current total to approximately 50 MW to date. DGS has a goal to install 100 MW of renewables in state facilities by 2021. Clean energy generation is necessary for reducing the GHG footprint of our buildings as well as achieving ZNE in our facilities.

• **New comprehensive waste diversion and recycling policy developed**—With strong support and coordination from the Facilities Management Division (FMD), the Office of Sustainability developed Administrative Order (AO) 18-01. This new policy codifies waste and recycling efforts in state-owned facilities. Several recent pieces of legislation address many different aspects of waste diversion and recycling in the state. AO 18-01 provides comprehensive guidance for all new and existing recycling programs within DGS buildings. Implemented by building managers and their teams, this program addresses recycling coordinators’ roles and responsibilities; creates consistent bins, signs and labels; and establishes measurement and reporting guidance to both satisfy state law and further sustainability efforts at the workplace.
Fleet and Asset Management

The Office of Fleet and Asset Management (OFAM) provides general oversight of the state’s vehicle and mobile equipment fleet, and ensures compliance with state and federal environmental, energy and fiscal policies. It provides a fleet of monthly leased vehicles to support state agencies’ transportation needs; manages DGS’ parking facilities; oversees the reutilization of state and federal surplus property; disposes of state surplus property; manages the state’s travel planning programs; and provides short-term warehouse services.

Some of the more significant accomplishments for 2018 included:

- Increased online auction transactions and revenue statewide—In 2018, OFAM promoted the adoption of a “sell-it-where-it-sits” model for surplus personal property, whereby state agencies post items online for reutilization and auction instead of shipping them to OFAM. Since implementing the online auction system in 2017, monthly statewide revenue generated from online auctions has increased from an average of $23,000 per month to more than $82,000 per month—a 250 percent increase. This increased usage has improved visibility and access of surplus property to bidders, decreased the need to
transport and store surplus goods, and provided state agencies with a financial incentive to reutilize or sell surplus property that may have previously been stored. During 2018, 50 percent of all online transactions were initiated by non-DGS agencies.

- **Realigned service contract renewal dates** — OFAM worked with the DGS Office of Business and Acquisition Services (OBAS) to create a contract sequencing plan that properly distributes contract renewal workload and better aligns contract renewals with OBAS deadlines and workload cycles. This plan eliminates the “peaks and valleys” workload cycle associated with having contracts expire around the same time. This sequencing plan will evenly distribute that workload, making it easier to keep up with contract renewals and new contract solicitations.

- **Implemented a Virtual Card Number program for lodging** — In 2018, OFAM introduced a new and innovative way for state employees to pay for official lodging expenses that will reduce the need for travel advances, lower the financial burden of travel expenses on employees, and limit the state’s exposure to fraud. OFAM contracted for Virtual Card Number (VCN) services that will automate direct billing functionality for lodging expenses, allowing state agencies to pay for authorized lodging expenses directly through an automated process. This will eliminate the need to seek reimbursement and will replace the cumbersome and time-consuming process of filling out and submitting credit card authorizations.

- **Zero-emission vehicle purchasing targets exceeded** — To promote environmental sustainability efforts and to meet executive and legislative zero-emission vehicle (ZEV) purchasing mandates, OFAM has employed strict enforcement and constant promotion of ZEVs with fleet-owning departments. As a result, for the fourth year in a row the state has exceeded the ZEV purchasing requirements issued by Governor Brown in Executive Order B-16-12. In 2018, the state achieved the highest ZEV purchasing percentage to date with a 30 percent ZEV compliance rate, which is double the mandated 15 percent compliance rate. This directly translated to an additional 221 ZEVs being approved for purchase and a total of more than 800 ZEVs in the state fleet.
Office of State Publishing

The Office of State Publishing (OSP) provides innovative printing and communications solutions and services to state, federal, county and city agencies.

For over 169 years, the Office of State Publishing (OSP) has provided critical services to California state government operations. Just as in 1850, OSP remains committed to our customers and their evolving demands for high-quality products and publishing services. In 2018, OSP made some notable strides to become more cost-effective. These include:

- **Real-time performance reports developed** — OSP developed real-time performance reports of its key performance indicators, improving day-to-day decision-making. These reports indicate quantity and value of estimates, bookings, work-in-progress, billing, daily production, and accounts receivable transactions.

- **Obtained additional print work** — OSP took on $4 million of in-plant print work from state agencies and departments, including the Department of Social Services, Department of Veterans Affairs and California Public Utilities Commission. This is part of OSP’s continued effort to build economies around print work for agencies and departments within the state of California, which provides a significant economic benefit to the state.

- **Developed a succession plan** — OSP identified key personnel dependencies and developed strategies for employee development and cross-training opportunities. OSP has an aging workforce with more than 35 percent of employees currently eligible for retirement and an additional 24 percent reaching eligibility within the next 10 years. This plan encourages the preservation of valuable institutional knowledge to maintain efficient operations.

- **New equipment installed to manage output capacity** — During 2018, OSP installed three pieces of replacement mail inserting equipment to reduce the cost per unit produced for its customers and to perform the work as fast as the private sector. Moreover, this increased output capacity allows OSP to take on other new business from state agencies as well as non-state public entities. This is essential, as increased outputs could result in lower rates in the future.

- **IRS 1075 compliance participation** — During 2018, OSP participated in an IRS 1075 audit, and was found to be in compliance. This audit validates OSP’s Digital and Mass Mail operation as a secure printing environment and allows OSP to continue to meet all requirements for the printing and mailing of security-related products. This operation annually produces millions of mail pieces and other vital products with Health Insurance Portability and Accountably Act (HIPAA), protected health information (PHI) and personally identifiable information (PII) for Department of Health Care Services. This approval will allow OSP to take new secured printing business from both state and non-state public agencies.

- **Phase 2 of space consolidation project continued**
  - **(50 percent reduction)** — Phase 2 of the space consolidation project involved securing a new facility for its main plant and finalizing the buildout; moving the fulfillment function; and completing the electrical requirements at 1050 Richards Boulevard in preparation for the next phase of the space consolidation project. This goal results in significant long-term savings to the state.
California Building Standards Commission

The California Building Standards Commission (CBSC) administers the rulemaking process, adoption and publication of the California Building Standards Code (Cal. Code Reg., Title 24).

Significant accomplishments in 2018 included:

- **Exterior elevated elements in Title 24 enhanced** — In response to the June 16, 2015 balcony failure that occurred at the Library Gardens Apartments in Berkeley, California, CBSC developed and approved emergency building standards in 2017. In 2018, CBSC enhanced those exterior elevated elements (EEE) regulations in Title 24, providing statewide building regulations that improve the public health, safety and sustainability for buildings in California. CBSC coordinated with the Department of Housing and Community Development, Division of the State Architect, and Office of the State Fire Marshal to obtain public stakeholder input. This effort resulted in concepts that became code proposals for the 2018 triennial Title 24 code development process. The emergency building standards were enhanced to include recommendations resulting from CBSC’s EEE subcommittee legislative report pursuant to Senate Bill 465 (Ch. 372, Stats. 2016), and state agency and public input. The enhanced regulations will be published in the 2019 edition of the California Building Standards Code, Title 24, California Code of Regulations by July 1, 2019, and become effective January 1, 2020.

- **Triennial code adoption cycle administered** — CBSC administers the many processes related to the development, adoption, approval, publication and implementation of California’s building codes published in Title 24 of the California Code of Regulations. Title 24 establishes the requirements for the safe design, construction, maintenance and alteration of all publicly and privately owned buildings in California. More than 40 rulemaking files were submitted from various state agencies this triennial cycle. CBSC staff reviewed and processed each file, then staff conducted public meetings with public comment periods for the commission’s approval and adoption (December 2018 and January 2019). The adopted rulemakings will be filed with the Secretary of State (January 2019) and published by July 1, 2019, becoming effective January 1, 2020.
Public School Construction

The Office of Public School Construction (OPSC) facilitates the processing of School Facility Program (SFP) construction applications to make voter-approved state bond matching funds available to qualifying school districts. The office implements and administers the $42 billion voter-approved bond program.

OPSC processes grant applications for construction projects, including charter school facilities; career technical education; financial hardship; and health and safety grants; and assists school districts throughout the life cycle of a school construction project. The office provides outreach to small school districts seeking construction funding. OPSC also advises state agencies, school districts, and local auditors in K–12 audit guidelines and procedures. Since 1998 the SFP has provided close to $35.5 billion to construct over 52,000 new classrooms and modernize over 137,000 classrooms. In 2018, OPSC also implemented the Full-Day Kindergarten Facilities Grant Program to provide one-time grants to school districts that lack the facilities to provide full-day kindergarten. OPSC’s mission is to enrich the lives of California’s schoolchildren as stewards of the taxpayers’ commitment to education.

- **School Facility Program Handbook updated and reorganized** — With the passage of Proposition 51 in November 2016, eligibility and funding application submittals have increased significantly and the need for an up-to-date SFP Handbook became urgent. Older programs that are not active were removed, and new program requirements and processes — such as the requirement to update new construction eligibility when applications are processed — were created. The result is an up-to-date and easy-to-read SFP Handbook that is widely used by external stakeholders and OPSC staff. The SFP Handbook provides program details in plain terms and makes it easier for less-experienced stakeholders to understand the program rules, as compared to regulation text.

- **Developed/updated 15 desk procedures** — OPSC developed or updated 15 desk procedures for office processes, aiding existing and new staff in working effectively and efficiently. OPSC has detailed desk procedures for some areas of the office. This goal increased the number of current desk procedures across the office by 15, making it easier for recently hired staff and staff taking on new duties to provide an excellent and consistent work product.

- **Full-Day Kindergarten Facilities Grant Program implemented** — Assembly Bill (AB) 1808 added Article 7 to Chapter 3 of Part 10.5 of Division 1 of the Education Code on June 27, 2018 to create the Full-Day Kindergarten Facilities Grant Program. In a recent survey conducted by the California Department of Education, school districts cited lack of facilities as the main reason for not offering full-day kindergarten on a more widespread basis. AB 1808 was approved to address those needs. The Full-Day Kindergarten Facilities Grant Program makes $100 million available for funding the new construction or retrofitting of new full-day kindergarten classrooms on elementary school sites that currently do not offer full-day kindergarten curriculum. Starting in August 2018, OPSC staff conducted three public stakeholder meetings to vet and receive feedback on proposed program criteria, creation of new forms, and program regulation. At the October 2018 State Allocation Board (SAB) meeting, the new regulations and forms were approved by the SAB and the first funding cycle for the program will open in January of 2019.
• **School Facility Program funding used to assist military base schools** – Similar to past years, OPSC has continued to assist military base schools in obtaining funding through the SFP. Specific projects included funding for seismic mitigation of covered walkways; safety enhancements to an HVAC system that posed a threat to students and staff; replacement of a nonfunctioning sewer system; and more than $11 million at one school for the replacement of buildings with structural deficiencies.

• **Career Technical Education Facilities Grant Program goes online** – Over the past year, OPSC has been working extensively with external contractors to develop a new online submittal platform. The first iteration of the platform was the creation of the Career Technical Education Facilities Grant Program (CTEFP) online submittal system. For the CTEFP funding cycle that took place in early 2018, 38 percent of the applications were successfully submitted electronically. Since then, OPSC has made improvements to the CTEFP module and will continue to use it for upcoming CTEFP funding cycles. In addition to the creation and enhancement of the CTEFP submittal system, OPSC is working to create online submittal systems for all of its programs, as well as all internal and external database systems.

• **Compliance audit goals completed** – OPSC continued to complete compliance audits within budgeted hours for school facility construction projects. Budgeted hours for an audit are determined by the type of grants received for a project by a school district. The implementation of budgeted hours has allowed OPSC to align its audit resources with audit workload. As a result, audit workload is better managed to meet regulatory and statutory deadlines for the completion of compliance audits.

• **K–12 Audit Guide approved and implemented** – Pursuant to Education Code Section 41024, the audit function for SFP has shifted from OPSC to local third-party auditors. All SFP projects that received any funds on or after April 1, 2017 are subject to the performance audit detailed in this Education Code section. The K–12 Audit Guide, Appendix B – School Facility Program Bond Audit, is the guide for the performance audits required in Education Code Section 41024. OPSC worked with the Department of Finance, Education Audits Appeal Panel, State Controller’s Office, Department of Education, and a workgroup of certified public accountants to develop and implement SFP audit procedures for the 2018–19 K–12 Audit Guide. The resulting audit procedures were presented to the Education Audit Appeal Panel to undergo the regulatory audit approval process. The performance audit procedures for the 2018–19 fiscal year were approved and became law on July 1, 2018. OPSC and the Education Audit Appeals Panel are conducting free workshops to provide information to certified public accountant audit firms and local educational agencies regarding the new performance audit process.

• **Conducted outreach with small school districts** – With the passage of Proposition 51 in November 2016 authorizing $7 billion in school facility program funding, there was concern that small school districts would not have access to program information in a timely manner in order to obtain state funding. As a result, OPSC created a Small School District Outreach team to specifically focus on making this information available. OPSC conducted outreach with 233 small school districts through workshops, site visits, phone calls and Zoom meetings.
California Commission on Disability Access

The mission of the California Commission on Disability Access (CCDA) is to promote disability access in California through dialogue and collaboration with stakeholders including, but not limited to, the disability and business communities as well as all levels of government.

During 2018, CCDA vigorously moved forward in its efforts to provide much-needed information, education, outreach and training targeted at making the state accessible for all its citizens, including the nearly 6 million Californians who have a disability and/or provide support for this community.

- **Hosted legislative coffee chat** — CCDA hosted a legislative coffee chat where stakeholders were able to speak directly with Assemblymen Jim Frazier and Tom Lackey and a representative from Senator Richard Pan’s office, Joe Debbs. The stakeholders shared questions and concerns about the growing needs in California regarding disability access.

- **Provided 2017 annual report data to other government offices** — CCDA provided customized 2017 annual report data to the California State Bar, various state agencies and local jurisdictions.

- **Established an electronic document management system** — As phase one of a two-phase goal, CCDA implemented an electronic document management system (EDMS) solution to CCDA’s review of accessibility-related litigation documents. This process is more efficient, environmentally friendly, and promotes better data collection and analysis. This goal is critical to the commission’s mission to identify accessibility issues and provide guidance to specific industries and impacted areas of the state.

**ANGELA JEMMOTT | EXECUTIVE DIRECTOR, CALIFORNIA COMMISSION ON DISABILITY ACCESS**
State Architect

The Division of the State Architect (DSA) provides design and construction oversight for state-owned facilities and public schools.

While DSA continued to maintain its proven success of ensuring the safety of public school construction through stringent oversight and review, significant strides were made in 2018. These accomplishments include:

- **Fully implemented Electronic Plan Review** — DSA fully implemented Electronic Plan Review (EPR) on October 1, 2018. EPR not only provides tremendous savings to clients by eliminating the need to print and deliver paper plan sets, but also increases sustainability through decreased use of paper and reduced carbon emissions that result from paper production and travel. Electronic delivery methods employed by DSA allow its clients to create, store and share construction plans electronically. EPR creates efficiencies for DSA’s clients that significantly reduce the plan review process time, increase uniformity of reviews regardless of which regional office is performing the review, improve the quality of the review, and reduce construction delay and related cost escalations. To fully implement EPR, DSA evaluated the EPR and appointment process and reallocated staff resources to provide for an EPR administrator and two nontechnical administrative positions in each office so that DSA technical staff can focus on plan review responsibilities, decreasing the total time plans are in the DSA office for review.

- **Increased outreach to our clients** — DSA assisted clients in improving the accuracy and completeness of plan submissions, reduced the time required for the plan review process, and ultimately contributed to reduced construction costs. With the implementation of many new processes and procedures, it was imperative that DSA conduct live interactive events with clients to both inform them and receive valuable input. DSA also furthered its partnerships with the California Department of Education and the Office of Public School Construction by conducting joint outreach sessions throughout the state. Five DSA “20/20: Focus on the Future” workshops were held in Bakersfield, Los Angeles, Oakland, Sacramento and San Diego.

- **Project Submittal Appointment Process created** — The Project Submittal Appointment Process generated a median savings of 25 days from the date DSA receives a project plan set to completion of review and return to the client. Rapidly escalating construction costs make the time savings and improvements in the quality of submitted plans especially significant. Prior to the Project...
Submittal Appointment Process, clients submitted plans to DSA at their will; there was no intake process for controlling the flow of submissions. This lack of process resulted in an accumulation of plans waiting to be reviewed by DSA. The amount of time from submission to review of these plans came to be known as “bin time” and provided no means for clients to know when their plans would be reviewed. This new process provided clients the ability to establish a guaranteed appointment for plan review six weeks in advance of their anticipated plan completion date. Additionally, this process provides clients the opportunity to work up to their scheduled submission date, as opposed to the previous process by which once plans were submitted, changes could not be readily made without significant delay in the process.

• **Certification rate improved** — Since implementing the inspection card process for certification of school construction projects in 2013, DSA’s certification rate as of November 30, 2018, increased to 94.2 percent of projects certified within 120 days of completion. Prior to DSA’s initiation of the inspection card process in 2013, that certification rate was only 70 percent.

• **Improved outreach to stakeholders** — DSA ushered in a new era of improved stakeholder collaboration in DSA’s access code development process by conducting Access Code Collaborative (ACC) meetings with a diverse, representative group that provides input and feedback to DSA on proposed amendments to California Building Code (CBC) Chapter 11B regulations that affect individuals with disabilities.
Administrative Hearings

The Office of Administrative Hearings (OAH) serves as a neutral forum for fair and independent resolution of administrative matters for state and local government agencies. OAH is divided into two statewide divisions: The General Jurisdiction Division and the Special Education Division.

For 2018, OAH focused its efforts on bringing greater efficiencies to the services we provide to parties, both internally and externally. We strive to deliver the highest quality administrative hearing services in a secure, cost-effective manner. To this end, in 2018, OAH completed the following:

- **Implemented a new digital hearing recording process** – OAH’s hearing recording system was outdated, extremely unreliable, heavy to transport, and difficult to use. OAH implemented a new digital hearing recording process to improve efficiency and minimize recording failures and errors. Being able to provide a more reliable recording system ensures that OAH is complying with its mandate to properly record hearings and maintain the administrative record. The new system brings efficiencies to OAH hearings and assists administrative law judges who are responsible for recording their own hearings, especially when traveling to offsite hearing locations.
Administration Division

In 2018, the Administration Division focused on delivering administrative services that were effective, customer-focused, modern and transparent. Each Administration Division office strived to be an exemplary model for operations and a statewide leader in administrative services.

Enterprise Technology Solutions

Enterprise Technology Solutions (ETS) provides technology services critical to DGS operations, including systems and enterprise tools development; network connectivity; desktop support; security; technology implementation and strategic planning; and compliance with state information technology policies.

In 2018, ETS completed several new projects and made substantial improvements to the department's technology infrastructure for ongoing sustainability.

- **Completed Windows 10 and Office 365** — ETS upgraded all DGS workstations from Windows 7 and Office 2010 to Windows 10 and Office 2016. The Windows 10 and Office 365 rollout allows ETS to provide a higher level of customer service, giving employees access to current desktop technology to assist them in meeting their business goals through new features with the Windows operating system; assured support for the operating system and office applications; and access to applications, email, and files from any device where there is an internet connection.

- **Implemented automated workflows** — ETS was tasked to implement six automated workflows: four within ETS and two within DGS programs. Workflows for ETS were loaner requests, new hire, personnel exit, and personnel transfer. Workflows for DGS programs covered Financial Information System for California.
(FI$Cal) and Non-competitive Bid Justification. ETS anticipates more consistency, transparency and efficiency for workflows that are automated, and improved data metrics for process improvement and decision-making. Customer experiences were improved across the board.

- **Information Technology Policy Manual published** — ETS electronically published a repository for information technology policy and procedures on the DGS intranet. The site is linked to the DGS Administrative Orders webpage for convenient navigation. Information technology, security and privacy policies are the pinnacle of authority for department compliance with all laws and regulations related to information security and privacy. This ensures that DGS has a platform for compliance with security and privacy regulations.

- **Fleet Asset Management System enhanced** — These enhancements modernized the Fleet Asset Management System (FAMS) application with improved usability, data integrity and security, in addition to new interfaces with the Financial Information System for California (FI$Cal) to improve functionality and consistency of data.

- **Office of State Publishing Imaging and Electronic Document Management System implemented** — ETS implemented a secure and scalable Imaging and Electronic Document Management System (EDMS), meeting the service needs of four representative pilot customers (and future customers) for handling both public and secure documents, such as those that are subject to the Health Insurance Portability and Accountability Act (HIPAA) and IRS Publication 1075. The services delivered via this solution enable state entities to store electronic copies of business records, including those containing sensitive information; maintain retention schedules; search for and retrieve documents electronically; and discontinue storing paper records, freeing up space.

- **Windows server migration completed** — ETS migrated all applications and systems off of Windows 2003 servers to the current Windows server standard. ETS staff built 124 new virtual servers to replace the existing inventory of Windows 2003 servers. The Enterprise Application Management teams also migrated all supported systems or replaced/decommissioned components that were no longer supported. The move to a supported server environment helps ensure the security, maintainability and supportability of the systems on which DGS depends, as well as its underlying infrastructure.

- **Statewide Property Inventory Geographical Information System Map Viewer implemented** — The Statewide Property Inventory (SPI) Geographical Information System (GIS) Map Viewer application is used by the Real Estate Services Division (RESD) and the Governor’s Office of Emergency Services (OES) to respond to statewide emergency requests. The completion of the SPI (internal) map viewer allows RESD to access SPI data remotely; display large amounts of data in a user-friendly format; make better data-driven decisions; improve communication; improve resource allocation and planning; respond more quickly during emergencies; enable transparency; and save costs.

- **ServiceNow implemented** — ETS replaced the out-of-support Remedy ticketing system with ServiceNow, an Information Technology Service Management suite for the entire DGS enterprise that includes incident management and service request processes. Following the ServiceNow implementation, ETS went live with the Service Portal, the New Hire Workflow Automation, the Asset Management Module, and the Non-Competitive Bid Portal. The Service Portal has changed the way DGS staff interact with the ETS Help Desk. Customers have more self-service options available to them; requests and incidents have more visibility to customers; data can be easily reported; and IT service management metrics are more accurate.

---

2018 Strategic Plan Goal
• **Project Accounting and Leave application with Maximo interfaced**—Interfacing the Project Accounting and Leave (PAL) application with Maximo automated the work order time entry process from Maximo Cloud to PAL by eliminating the need for mechanical time cards or time clocks for billable time, and reducing the monthly data entry time. These changes streamlined and improved the processes, including automating the flow of time sheet data, providing summarized view of time data, and eliminating duplicate entry.

• **Updated/developed FI$Cal-related materials**—OFS updated training manuals, procedures and OFS directives for Financial Information System for California (FI$Cal) transactions. The updates help to retain the accounting/fiscal knowledge and document any FI$Cal processes that are specific and unique about each of DGS’ and OFS’ client agencies. As a result of this effort, DGS programs and clients can more closely follow established and standardized processes, leading to greater work efficiencies.

• **Year-end checklist and calendar published**—OFS developed two fiscal year-end checklists and action item calendars (schedules) that reflect new FI$Cal transactions and processes. The schedules, one for the DGS Service Revolving Fund Accounting section and one for the Contracted Fiscal Services section, ensure completion of year-end processing for DGS staff and clients.
• **FI$Cal workgroup created** — OFS created a FI$Cal workgroup to focus on departmental decision-making and reporting needs surrounding the FI$Cal project. The workgroup refreshed the FI$Cal Governance Council to better assist DGS programs in making important business decisions. FI$Cal Governance convenes monthly and focuses on process efficiencies, policy development and making critical project decisions.

• **Improved financial reporting** — The OFS FI$Cal workgroup met with 35 DGS programs and determined there was a need for 102 FI$Cal queries that needed to be developed and documented. This critical function was designed to streamline the ability to obtain fiscal information for DGS programs.

• **Provided PeopleSoft training** — OFS trained all incoming staff during 2018 on PeopleSoft software. As a result of this effort, OFS improved onboarding and productivity for new employees, as they were able to learn the proper way to transact in FI$Cal. Training staff after transitioning to a new system plays an important part in minimizing productivity loss. This goal ensured that staff have the necessary skill level required to do their jobs more quickly and accurately, and they are able to identify any FI$Cal system issues to provide recommendations for a timely resolution.

• **Contracted Fiscal Services supported onboarding Office of Tax Appeals, Cannabis Control Appeals Panel and Agricultural Labor Relations Board into FI$Cal** — The FI$Cal transition for new Contracted Fiscal Services (CFS) clients included Office of Tax Appeals, Cannabis Control Appeals Panel and Agricultural Labor Relations Board. The DGS-FI$Cal team provided support for the configuration, security and integration changes that were critical for CFS to successfully manage the accounting transactions for its clients in FI$Cal. New client contracts for CFS bring in additional revenue for DGS while providing crucial budgeting and accounting support for departments across the state. CFS staff ensure that critical Month-end Close, Year-end Close and reporting deadlines are met for their client agencies and ensure that transactions are accurate and timely in the FI$Cal system.

• **Office of Fiscal Services and Contracted Fiscal Services Year-End Close process successfully supported** — The DGS-FI$Cal team worked diligently to address the issues and defects that impacted both the Office of Fiscal Services' (OFS) and CFS' ability to complete their month-end and year-end processes. The team mediated between DGS home staff and FI$Cal staff in order to analyze, diagnose, escalate and resolve issues that could impact Month-end Close/Year-end Close deadlines. Providing onsite support and working directly with FI$Cal’s Month-end Close/Year-end Close and Business Operations staff significantly improved the ticket resolution time for the defects and incidents that were impacting DGS Year-end close.

2018 Strategic Plan Goal
Human Resources

The Office of Human Resources (OHR) provides services in the areas of recruitment; hiring; benefits and pay transactions; employee training and development; and constructive intervention.

- **Clients trained on hiring documents and process**— OHR created a team to adapt the new electronic hiring process launched at DGS in 2017 to fit its 18 client agencies. OHR held a workshop in July to train the HR contacts from client agencies on DGS’ new hiring process and duty statement template. Clients were trained on the new process and provided with new resources and tools. This new electronic hiring process has simplified the documents required and streamlined the process for OHR staff and their clients, allowing vacancies to be filled more efficiently. Equally important, it significantly reduced process steps from 89 to 12 (an 87 percent decrease) and management reviews from 11 to 3 (a 73 percent decrease).

- **Succession Plan created**— The DGS Succession Plan (DSP) is the road map on how DGS approaches succession planning. The DSP is inclusive, multilayered and robust, aligning talent management with the department’s mission, values and annual strategic goals. Lack of leadership training, knowledge transfer, skills and experience can create gaps in our future workforce. Having this succession plan in place ensures that all levels of DGS’ workforce have access to multiple opportunities and avenues to develop and hone the necessary skills that will guarantee the future of the organization for the coming years.

- **Personnel Operations Manual updated**— The HR Governance Council discussed, edited, and approved the following policy and procedure updates to the Personnel Operations Manual (POM) during the 2018 calendar year: Hire Above Minimum, Examinations, Promotion and Promotion in Place, Retired Annuitants, and Catastrophic Leave. Maintaining an updated POM is imperative in providing DGS personnel and client agencies with the information needed to make informed and defensible decisions and produce quality work products in accordance with personnel-related laws, rules, policies and procedures.

- **Hiring Handbook created**— OHR’s Recruitment Unit created a Hiring Handbook that is intended as a step-by-step guide for supervisors new to the hiring process. Hiring the best and brightest talent is the most important aspect of a hiring manager’s job. The Hiring Handbook is designed to help managers navigate the process efficiently and effectively in order to hire the most qualified candidate.

- **Position Report Dashboard created**— OHR created a dashboard providing position data for all DGS programs. The Position Report Dashboard visualizes the filled, blanket, and vacant positions for each program over the past six months. Data in the report can be filtered by division, office, region, classification and other criteria to allow DGS managers, supervisors, and Employee Resource Liaisons the ability to effectively manage their staffing levels.
Business and Acquisition Services

The Office of Business and Acquisition Services (OBAS) provides DGS divisions and offices support in goods and services procurement, including contract processing from solicitation to contract execution, FI$Cal support, and CAL-Card administration; and Ziggurat business services, including auditorium reservations, cubicle moves, mail delivery, mobile phones, commuter services, security and document reproduction.

OBAS led the way in how government operates by increasing efficiency, thus saving money:

- **Adopted electronic signatures for all commodity and service contracts** — Adopting electronic signatures for commodity and service contracts within OBAS’ authority has created a more efficient contracting process and expedited delivery of services to internal customers. Previously, DGS was mailing contract documents to vendors who had to manually sign them and mail them back to DGS, slowing down the contracting process. With electronic signatures, OBAS has created a more efficient, timely and sustainable process that will set the stage for the rest of the state’s future contracting processes.

- **Contract governance and planning process implemented** — OBAS instituted an internal contract governance and planning process for policies and procedures. The contract governance group meets monthly and consists of representatives from every DGS division. Establishment of this group has enabled refinement of contract policies, processes and planning for major and recurring contracts. Contract governance is an effective mechanism that encourages communication within the department on contracting policies and procedures; encourages planned resources for major and/or recurring contracts; and governs the department’s acquisition program, ensuring consistency and maintaining excellence in the business of government.

- **Procurement accreditation completed** — OBAS completed the procurement accreditation process, ensuring that OBAS is aligned with statewide procurement practices. OBAS was awarded accreditation at Tier 2 level, increasing IT competitive authority from $10,000 to $100,000. Procurement accreditation reduces procurement time frames for internal programs.

- **Reduced organic materials in the waste stream** — OBAS measured waste and recycled materials at DGS, which drove plans to reduce waste tonnage by 35 percent at DGS headquarters, further contributing toward California’s sustainability efforts. Building off last year’s goal (Reduce organic waste), it was important to work toward reducing our waste tonnage by promoting organic waste recycling. The waste audit (performed annually) and report will be conducted and completed in 2019. The waste audit identifies and separates all the materials collected in one day from the trash receptacles and specifies what materials should not be in the waste stream. The total weight of trash, organics and recyclable material is reported as both a percentage and as an annual tonnage estimate. Once conducted, OBAS will report the percentage of waste in comparison to 2017.
Risk and Insurance Management

The Office of Risk and Insurance Management (ORIM) provides a variety of risk management and insurance services to state and public entities with a primary objective of minimizing exposure to losses. Services include insurance procurement and consulting; natural gas fuel price risk management; claims handling; statewide safety training; and emergency management.

ORIM experienced a very busy year in 2018. The office supported statewide wildfires, which taxed ORIM, requiring 24-hour shift coverage at the State Operations Center at the Governor’s Office of Emergency Services. Additional accomplishments are highlighted below.

- **Emergency notification system implemented** – ORIM procured an emergency notification system for all DGS employees. Implementing SendWordNow allows DGS to notify employees of critical emergencies easily and effectively, improving emergency response capabilities and the overall safety of DGS employees.

- **Developed criteria and trained emergency response teams** – ORIM developed and trained two six-person emergency management response teams to staff the State Operations Center during statewide emergencies. As a result of this effort, an adequate number of DGS staff are now available to respond quickly and effectively to large-scale emergency events throughout the state.

KIM HUNT
CHIEF, OFFICE OF RISK AND INSURANCE MANAGEMENT
Audit Services

The Office of Audit Services (OAS) conducts audits of other state agencies to determine compliance with requirements contained in delegations or exemptions granted by DGS. Our audits include a review of the business management functions and services under the purview of DGS.

In 2018, OAS focused its efforts on key areas and goals for conducting more efficient audits for other state agencies to utilize.

- **Helped departments adhere to DGS policy** — OAS collaborated with DGS programs in developing an updated and robust review process (including a revised audit guide) for OAS’ planned audits of other state departments’ business and management functions and services. The intent is to develop a comprehensive statewide program for adherence to state policies and procedures for each DGS program (Legal Services, Fleet and Asset Management, Procurement, Risk and Insurance Management, and Real Estate).

- **Established a review process for external audits** — OAS established a statewide transparent review process for comprehensive external audits, delegated purchasing (including $150K and quality control contract audits), and operational audits that are used by other state agencies. OAS revised all audit guides with updated information, testing criteria and related audit tools, after meeting with those DGS programs with oversight responsibility. This goal was significant given that it created an effective program to ensure that DGS is providing adequate statewide oversight of other state agencies’ programs— as well as DGS’ own internal programs—for business management functions and services.

- **Provided timely audit reports** — OAS created a tracking system to increase its efficiency with reviewing and issuing audit reports. The review process captures the amount of time spent at each step of the audit review. All reports are now issued within an average of 55 days of review. Providing timely audit reports to state agencies and DGS programs will allow for necessary changes to be made, assisting the agency or program to more effectively discharge its area of responsibility without unnecessary delays.
Legal Services

The Office of Legal Services (OLS) provides guidance and training to state contracting staff regarding the state’s contracting and procurement laws and policies, and advises DGS management on myriad legal issues.

Some of OLS’ notable accomplishments in 2018 are summarized below:

- **Intellectual property quarterly newsletter launched** – OLS launched the state’s first-ever “Intellectual Property Quarterly Newsletter,” which helps keep state agencies informed and up-to-date on intellectual property issues that are of interest to the state. This educational newsletter helps protect the state's intellectual property interests.

- **Helped bring e-Signatures to DGS** – OLS participated in the ‘e-Signature’ workgroup, which helped create DGS’ policy to implement the use of e-signatures for DGS procurements. This benefits DGS’ stakeholders by streamlining the contracting process and adding customer-friendly efficiencies.

- **Informal procurement process updated** – OLS implemented an enhanced, streamlined contracting process for non-IT services contracts under $10,000, which may be procured by obtaining an informal price quotation. OLS also provided training to our internal and external customers on this updated process. This makes it more efficient for DGS' stakeholders to obtain important services for state programs.

- **Contracts with University of California and California State University Systems updated** – OLS negotiated with the University of California and California State University systems and end-user state agencies to modify and update the legislatively mandated contract template. Keeping these critical contracts current meets the needs of end users.

- **Surplus real property transactions completed** – OLS assisted RESD in significant surplus state real property transactions, including the former Nelles School for Boys in Whittier: the 75-acre site was sold for $42.5 million and will be developed for residential and commercial use, and several of the onsite historic buildings will be preserved. The San Diego Armory was sold to the San Diego Children’s Center and provides a range of services to over 1,000 children and families. Converting unneeded state property to higher, more beneficial uses is helpful to stakeholders and creates revenue for the state.

- **No-cost real property transactions negotiated** – OLS, along with RESD, also successfully negotiated the no-cost acquisitions of real property, including Sacramento's historic railyards property to expand the Old Sacramento State Historic Park, and property on the University of California, Riverside campus needed to develop the Air Resources Board's new on-campus laboratory. This benefits DGS' stakeholders by providing cost-effective real property acquisitions to meet the state's needs.

- **State’s firefighting helicopter contract upheld** – OLS provided assistance and expertise to defeat a bid protest challenging the state's contract award for firefighting helicopters that are critically needed to replace the state’s aging fleet of firefighting helicopters. This ensured that CAL FIRE was able to carry out its critical firefighting operations.

- **Provided online information and training related to public contracts** – OLS created and will post to DGS’ website educational modules summarizing topics of broad interest and importance to internal and external contracting staff. Materials include interactive testing components to ensure information is successfully conveyed.
Strategic Planning, Policy and Research

The Office of Strategic Planning, Policy and Research (OSPPR) assists DGS divisions and offices with long-term planning; facilitates the creation of the department’s strategic plan; oversees customer survey development and analysis; provides consultative data analysis and process re-engineering; and oversees delivery of departmentwide training initiatives.

In 2018, OSPPR focused on execution of its core duties, delivering a wide range of support and special projects that enable the divisions and offices within DGS to accomplish their business objectives. To diversify its role and abilities as the internal consultant for DGS, OSPPR integrated the DGS University team into its ranks. This addition enabled OSPPR to broaden the services it provides and better leverage analytical, facilitation, and training skills for the benefit of DGS.

- **Formalized the annual strategic planning process** – In 2018, OSPPR refined the strategic planning process and documented repeatable steps, timetables, and definitions for all parties involved with developing and executing the annual plan. OSPPR used lessons learned over the past two years and best practices to update the entire annual strategic planning process, from initial goal setting to closeout of completed goals. The annual strategic planning process requires a significant effort and coordination across all divisions of DGS, so a more efficient and predictable process delivers results while freeing resources to work on other important customer-facing initiatives.

- ** Initiated a departmentwide effort to deliver leadership training for all supervisory employees** – This leadership training provides a basis for improving effectiveness within DGS and for all of our external customers. In 2019, the training will be expanded to all employees to broaden reach and value for DGS.

- **Conducted the 2018 DGS Organizational Health Survey** – OSPPR collected and analyzed survey data from all parts of DGS, resulting in valuable information for the department, divisions and offices in the pursuit of continuing organizational health improvement. OSPPR also created more than 20 detailed reports tailored to organizational units and provided assistance in interpreting the data as well as developing action plans for positive change.

- **Coordinated the internal DGS Strategic Plan update meetings** – OSPPR coordinated content and logistics for more than 60 internal DGS strategic plan update meetings. The meetings bring each division together to build alignment on strategic initiatives and accomplishments, providing an opportunity for all DGS employees to engage directly with the director and chief deputy director regarding the strategic plan and any other issues of concern.

- 2018 Strategic Plan Goal
Legislative Affairs

The Office of Legislative Affairs (OLA) coordinates all legislative activities for DGS, from the development of bill analyses to representing the department at legislative hearings. OLA also coordinates reports to the Legislature.

OLA was busy in 2018. During the second year of the 2017–18 legislative session, 2,637 measures were introduced. OLA monitored and tracked 311 bills affecting issues related to DGS’ jurisdiction or expertise, and engaged with the Legislature on many of them. DGS also provided final recommendations on 42 bills that reached the governor’s desk this year. The governor signed bills proposed by DGS to update procurement statutes, revise recertification requirements for Division of the State Architect project inspectors, and dispose of the Santa Ana State Office Building and other surplus property. The governor also signed trailer bill language negotiated by DGS and the Department of Technology to revise information technology procurement statutes, and language developed by DGS and Caltrans to address implementation issues in last year’s Assembly Bill 262, the Buy Clean California Act.
Public Affairs

The Office of Public Affairs (OPA) is responsible for news media relations; managing DGS social media channels; guidance on writing according to DGS style; providing photography resources and video production; and website management oversight.

OPA works hard to elevate the remarkable accomplishments of each division and office within the department.

- **Website redesign implemented** — In 2018, OPA worked closely with Enterprise Technology Solutions and DGS website content managers on the enormous task of redesigning the department’s external website. The innovative design with improved navigation will launch in 2019.

- **Provided essential writing, editing and project management services** — OPA provided major assistance with writing, editing and managing the publication of the 2018 Strategic Plan and 2017 Year in Review booklets, as well as the 2018 Drive Green California booklet, and provided support for the associated 2018 AltCar Expo at the State Capitol. OPA also played a key role in the 2018 DGS Values Awards, including producing multiple videos and a presentation celebrating award winners.
GAVIN NEWSOM
Governor

MARYBEL BATJER
Secretary, Government Operations Agency

DANIEL C. KIM
Director

Department of General Services
707 3rd Street
West Sacramento, CA
95605-2811

www.dgs.ca.gov