Biennial Report, Fiscal Years 2010/2011
About This Report

This report is a high-level summary of Shared Services provided to the DNR for each of eight Service Level Agreements (SLAs) for fiscal years (FY) 2010 and 2011, as well as service outcomes, goals, key performance indicators, and revenue and expenditures. Key performance indicators (KPIs) are those metrics selected by each SLA administrator to best visually illustrate SLA service level performance.

For further detail or a breakdown of services provided to each division during these fiscal years, DNR staff should refer to the SLAs themselves at intranet.dnr.state.mn.us/omb/osgb/index.html or contact these SLA administrators:

Management Resources (Safety, Fleet, Facilities and Materials Management SLAs): kent.lokkesmoe@state.mn.us

Management Information Services SLA: robert.maki@state.mn.us

Management & Budget SLA: denise.anderson@state.mn.us

Human Resources SLA: denise.legato@state.mn.us

Communications & Outreach SLA: chris.niskanen@state.mn.us

Questions about the report itself? Contact colleen.coyne@state.mn.us
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Message from Commissioner

Tom Landwehr

Welcome to our first formal look at the DNR’s transition to a Shared Services business management system, as profiled by the outcomes of our FY2010 and FY2011 service level agreements.

The department’s Shared Services system meets the needs common to all parts of our organization, such as human resources and facilities management, in a collaborative way. This allows for sharing best practices, processes, resources and technologies, resulting in increased efficiency.

Over the years, DNR leadership has adopted this common business practice and made it a priority to put the concept to work here. In Governor Mark Dayton’s words, we have been creating a new way of doing business for state government.

But Shared Services is more than a smart way of doing business. It is, above all, about improving what we do and how we do it. The goal is to deliver better customer service by creating a business relationship (Service Level Agreement) between staff performing internal functions and their customers, the six DNR divisions and the Commissioner’s Office.

You may be wondering what all this has to do with natural resources. Our new Operations Services Division, led by Laurie Martinson, and our Shared Services business system ensures that employees who are best at their job, such as business managers, do that job on behalf of the whole department. This frees up our natural resources managers to excel at what they do: conserving and managing the state’s precious natural resources.

Although we are still in early days with our consolidated system, we’ve seen much progress already. Throughout this report you will see examples of fuel, energy, and money saved, processes streamlined, and more efficient approaches to the business of running a large and complex state agency.

I welcome your feedback. If you have questions about our Shared Services system, or insights into how we might do things better, please send them to me at tom.landwehr@state.mn.us or to our DNR employee suggestions box at http://intranet.dnr.state.mn.us/suggestion/index.html.
Note from Director Laurie Martinson

I am pleased to present the Fiscal Years 2010 and 2011 DNR Shared Services Outcomes Report. This report highlights the accomplishments of the past two years. Also, it recognizes the hard work of the talented staff in the Operations Services Division who administer our Service Level Agreements and contribute every day to the success of the department. At the same time, this report provides an opportunity to look to the future and continuously improve the services that we provide.

The core principles of DNR Shared Services are to meet the needs of our customers and to add value by supporting the efficient and effective delivery of department programs. Through Shared Services, DNR staff are given the resources and tools they need to do their job. For example, DNR is recognized for having one of the top fleet programs in the country. We have earned this reputation because of our focus on continuous improvement in the areas of cost containment, quality products, and sustainable choices. In another example, a “department” rather than a “division” approach resulted in the appropriation of more than $100 million in bond funds in the 2011 session. These funds will be used to advance the work of the department.

The Office of Communication and Outreach has ramped up services within existing budgets. It is providing more communication planning and more news releases, and expanding our offering of social media services. The Office of Management and Budget Services supported a period of unprecedented growth in department spending, from a FY08/09 budget of $670 million to a FY10/11 budget of $900 million.

Over the past year our Human Resources staff supported several new initiatives within existing operating budgets. These have included an early retirement incentive; the hiring of additional staff related to Clean Water and Parks and Trails Legacy Funds; and support for the department through the shutdown. Management Information Services staff continue to expand and modernize the department’s technical capabilities to improve information access, both internally and to our public customers.

Each bureau has demonstrated an ability to effectively adapt to the changing needs of the department.

So, what does the future hold? The Operations Services Division recognizes that we need to strengthen the role of DNR internal customers in the design and delivery of services. Without our customers’ active collaboration and trust, we cannot be successful.
We recognize the need to provide efficient business processes and eliminate any unnecessary steps. We must align our services to support the department priorities as outlined in our four-year priorities document, *Conservation that Works*.

As you will see from this report, we are striving to develop evaluation measures and metrics that quantify Shared Services outcomes whenever possible. Our long-term goal remains the same, to support the department in achieving a high level of performance underpinned by the shared services we provide.

We will continue to strive to provide professional and high quality services to support the conservation mission of the department and to model the kind of efficient and effective governance that we owe to the citizens of Minnesota.

[Signature]
Introduction to Shared Services

Shared Services is a business management system that enables core services to be provided on behalf of an entire organization. The funding and resourcing of these services is fairly allocated among all those who use them.

The type of service and its cost is agreed upon in a Service Level Agreement (SLA). An SLA describes the working relationship between those providing and those using the services, outlines how products and services will be paid for, and includes ways to measure service effectiveness. An SLA also specifies the standards of service and may cite services that are not included as part of the agreement.

A Shared Services system involves more than just centralizing or consolidating similar activities in one area. It means running these activities like a business and delivering services to customers at a cost, quality, and timeliness that is highly competitive with other alternatives. The focus is on adding value to the work of the organization by improving, innovating, integrating and streamlining core business functions.

The private sector uses Shared Services methods widely. In fact about half of all Fortune 500 companies use the Shared Services business model.* Other government agencies also are adopting the approach.

The DNR has been moving to a Shared Services business system for the past several years. Business section managers have produced SLAs in cooperation with the divisions and with the assistance of their Shared Services Advisory Groups.

The Advisory Groups, composed of members from throughout the department, study and recommend the SLAs for approval to the senior-management-level Shared Services Board. The DNR commissioner has final approval authority over each SLA.

In 2010, the Shared Services team produced its first annual report, summarizing outcomes from the FY09 SLAs. This consolidated report summarizes the outcomes for the FY10-11 SLAs and establishes goals for the future.

*Encyclopedia of Business, 2nd ed.
## Shared Services Financial Summary
### Fiscal Years 2010-2011

### Shared Services
Fiscal Year 2010

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<thead>
<tr>
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<td>600</td>
<td>695</td>
<td>5,038</td>
<td>114</td>
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<td>9,000</td>
<td>627</td>
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<td>Expenses &amp; Transfers</td>
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<tr>
<td>HR</td>
<td>(2,152)</td>
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<tr>
<td>OMBS</td>
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<td>(275)</td>
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<td></td>
<td></td>
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<td></td>
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<tr>
<td>MR - Facilities</td>
<td></td>
<td>(4,178)</td>
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<td>MR - MIS</td>
<td>(5,700)</td>
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<td></td>
<td>(1,206)</td>
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<td>MR - Fleet</td>
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<td></td>
<td></td>
<td>(8,623)</td>
<td>(7,712)</td>
<td>(770)</td>
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<tr>
<td>Transfers $^1$</td>
<td>(27)</td>
<td>(217)</td>
<td>(9,000)</td>
<td>(7,712)</td>
<td>(770)</td>
<td>(200)</td>
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<td>(17,623)</td>
<td>(7,712)</td>
<td>(770)</td>
<td>(1,681)</td>
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<td>467</td>
<td>6,038</td>
<td>1,402</td>
<td>1,248</td>
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$^1$ $27k$ is for government affairs. $9m$ is transfer to capital equip. fleet for vehicle purchases. $277k$ is error correction to other MR acct.
## Shared Services
### Fiscal Year 2011

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<tr>
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<th>Base SLA's</th>
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<td>467</td>
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<td>OCO</td>
<td>2,702</td>
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<tr>
<td>MR - Safety</td>
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<tr>
<td>MR - Procurement</td>
<td>499</td>
<td></td>
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<tr>
<td>MR - Facilities</td>
<td></td>
<td>4,492</td>
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<tr>
<td>MR - MIS</td>
<td>6,134</td>
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<tr>
<td>MR - Fleet</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ENTR/OHF Supp. Agrmnts</td>
<td>315</td>
<td></td>
</tr>
<tr>
<td>Federal Indirect</td>
<td>253</td>
<td></td>
</tr>
<tr>
<td>Billing credit to divisions</td>
<td>(500)</td>
<td></td>
</tr>
<tr>
<td><strong>Total Billed Receipts:</strong></td>
<td>18,493</td>
<td>4,492</td>
</tr>
<tr>
<td><strong>Total Resources Available:</strong></td>
<td>19,956</td>
<td>4,959</td>
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<tr>
<td>Expenses &amp; Transfers(^1)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HR</td>
<td>(2,440)</td>
<td></td>
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<tr>
<td>OMBS</td>
<td>(5,598)</td>
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<td>OCO</td>
<td>(2,563)</td>
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<tr>
<td>MR - Safety</td>
<td>(764)</td>
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<tr>
<td>MR - Procurement</td>
<td>(531)</td>
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<td>MR - Facilities</td>
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<td>(4,409)</td>
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<td>MR - MIS</td>
<td>(6,097)</td>
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<tr>
<td>MR - Fleet(^4)</td>
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<td>(10,076)</td>
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<tr>
<td>Transfers(^2)</td>
<td>(28)</td>
<td>(9,405)</td>
</tr>
<tr>
<td><strong>Total Expense &amp; Transfer:</strong></td>
<td>(18,021)</td>
<td>(4,409)</td>
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<tr>
<td><strong>Balance 6/30/2011:</strong></td>
<td>1,935</td>
<td>550</td>
</tr>
</tbody>
</table>

1 Severance costs incurred by the bureaus and paid from the corpus include:
   - HR - $64
   - OMBS - $151
   - OCO - $14
   - MR - $188

2 $28,000 is for government affairs / $9.36 m is transfer to capital equipment fleet for vehicle purchases and $40,000 is for SWIFT training equipment.

3 The funds received from the ENTF/OHF Supplemental agreements is for work to commence over a 3 year period.

4 Expenditures include $281,000 of encumbrances that have been canceled. The ending balance without the $281,000 is $770,000.
Management Resources (5 SLAs)

Safety

I. Summary of Services

Safe work is synonymous with a productive workforce, and it is a DNR core principle to eliminate all accidents and resulting injuries.

The Safety Program SLA supports DNR’s outdoor recreation, economic development, and conservation mission by encouraging and maintaining a healthy and productive workforce. DNR management recognizes that DNR employees are the department’s most valuable resource in achieving conservation results, and that safety is everyone’s responsibility. The belief that all accidents can be prevented and injuries avoided underlies the department’s preventative efforts, and is imperative to good business practice.

The FY10 and FY11 SLAs moved safety and prevention forward by providing focused training at key organizational levels. This encouraged a “safety first” environment for program design and customer service delivery. Staff continues to ensure that program costs are proportional to DNR needs.

The DNR employs 3,500 people and adds another 800 during peak activity seasons. Employees work 4.5 million hours, reporting to work in hundreds of work locations. They engage in work fighting fires, growing trees and fish, providing law enforcement, managing outdoor recreation, regulating business activities and doing office tasks. Employees manage 5 million acres of land and more than 1,300 miles of trails, operate 5,000 pieces of equipment, and drive 16 million miles a year in the process.

The Safety Program SLA outlines the following services to the department:

Avoiding accidents and the resulting injuries

The DNR is building a strong safety and health framework that helps agency supervisors ensure that no one gets hurt.

Health and safety risks are mitigated through supervisor and staff consultation and training, on-the-job safety analysis and audit, and awareness and wellness initiatives.

Claims management focused on accident recovery and remedy

In the event of an accident, program staff report incidents, investigate and review accidents, and manage both medical and liability claims.

Emergency preparedness focused on competent response

The Safety & Health Program provides principal policy and guidance for DNR’s emergency management function. Program staff ensures compliance with the Governor’s Executive Order on Emergency Preparedness and with the Minnesota Emergency Operations Plan. Program staff are responsible for all-hazard emergency planning, management and support, which positions DNR to respond appropriately to any

<table>
<thead>
<tr>
<th>Safety scope</th>
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<tbody>
<tr>
<td>4.5 million employee hours worked</td>
</tr>
<tr>
<td>4,000+ employees dispersed from 200 worksites working on 5 million+ acres of state lands</td>
</tr>
</tbody>
</table>
Above and Beyond
In FY11, we achieved full commitment and took the important first steps toward having all DNR supervisors involved in safety training. Supervisors around the agency are receiving the tools they need to improve their supervisory skills by keeping their work force safe.

II. Outcomes

- Staff managed approximately 680 injury claims and more than 150 non-DNR-employee incident reports. These were reviewed for risk management analysis.
- Newly updated procedures were implemented for handling explosive materials.
- Supervisor participation in online safety class continues, with additional participation by safety committee members.
- Four employees received 248 hours of training to earn their Emergency Manager Certification through the Department of Homeland Security and Emergency Management; all regional directors and MR regional managers were trained in emergency response procedures.
- Well-trained DNR staff were able to effectively participate in and provide emergency coordination for two Red River flood seasons and regional tornado events. Safety trainers were instrumental in enhancing the DNR’s regional preparation and response capabilities in areas such as the availability of shared resource lists.

Other accomplishments:

- Manager Inspection and Audit Program established.
- Executive Leadership Workshop developed and delivered by an industry-leading safety training firm.
- Manager and Supervisor Safety Training Workshop developed and in progress.
- Ergonomics assessments completed (50 or more statewide) and area evaluators trained in ergonomics.
- Improvements made to planning for and handling tort claims.
KPI 1: Rising workers’ compensation costs are a particular concern. In FY11, DNR experienced a significant increase. A substantial fraction of these costs are attributable to tick-borne diseases. However, relative to the overall increase in medical costs, DNR’s cost experience is relatively flat.

Total Direct Workers’ Compensation Costs

<table>
<thead>
<tr>
<th>Year</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 07</td>
<td>$1,200,000</td>
</tr>
<tr>
<td>FY 08</td>
<td>$1,200,000</td>
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<tr>
<td>FY 09</td>
<td>$1,200,000</td>
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<tr>
<td>FY 10</td>
<td>$1,400,000</td>
</tr>
<tr>
<td>FY 11</td>
<td>$1,600,000</td>
</tr>
</tbody>
</table>

Emergency Response:

- DNR-required emergency manager training maintained (two trainers in the DNR).
- Radiological Emergency Preparedness Training conducted and tabletop exercises developed for recovery phase of nuclear incident emergency response.
- 150 enforcement officers trained in Employee Right to Know and Hazardous Spill Response.
- DNR Interagency Coordinating Group (internal emergency response) procedures training completed.
- Regional directors and MR regional managers trained in emergency response procedures.

III. Goals

- Better loss control management to reduce the number of employee injuries and to help reduce workers’ compensation claims.
- Greater participation by managers in audits and inspections.
- All supervisors complete safety training in FY12.
- Strive to achieve zero accident work environment, where all employees are free from injury.
- Continuously communicate our safety commitment to employees, citizens and stakeholders.
- Charter and launch an effective Executive Safety Committee to integrate safety into daily work activities.

IV. Key Performance Indicator Charts
KPI 2: The total incident rate shows an upward trend. Our goal is to reduce this rate to 5.0 in FY12 and 4.0 in FY13—continuing toward zero injuries.

Total Incident Rate (TIR)

*KPI 3

Cost of Workers’ Compensation Per Full-Time Equivalency (FTE)
I. Summary of Services

The Fleet Program SLA outlines cradle-to-grave fleet management services that facilitate safe, efficient, low-cost equipment and transportation solutions enabling DNR staff to accomplish their jobs.

This SLA supports the key departmental values of cost containment, safety, and environmental responsibility and guides the DNR in modeling the way in safety and sustainable energy use while maximizing natural resource program results.

By linking DNR values to overall Fleet Program priorities and goals, staff has established business principles that ensure that program costs are proportional to DNR activities.

DNR’s fleet includes 1,688 road vehicles, 1,510 off-road vehicles, and 1,681 trailers/attachments. More than 16 million miles are driven by DNR employees each year. Annually, Fleet Program staff manages expenditures of nearly $20 million and assists the department in a variety of things such as financial analyses and feasibility studies of equipment investments, managing fleet acquisition and life cycles, as well as equipment and fleet operations.

Fleet Program major expenditures include equipment replacement, maintenance and repair, fuel, insurance, and administration. Administration costs, including salaries, are approximately 8 percent of fleet operating expenses.

A key strategy to controlling fleet costs at the Division level is the Division’s “equipment plan,” which describes how the Division plans to deploy fleet equipment to meet its mission.

II. Outcomes

• Fleet rates in FY11 did not increase, despite a significant increase in fuel costs.

• Insurance: DNR reduced insurance costs via better driving, enabling DNR Fleet to be in the most favorable rate grouping (Tier 1)—the highest and best rating. This saved the department approximately $200,000 in insurance costs for FY11.

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Fleet scope

| 5,000 pieces of equipment (approximately 1,700 road, 1,500 off-road, and 1,700 trailers and attachments) |
| 16 million miles driven total |
| FY11 fleet miles driven declined 4.9 percent from previous year |
• **Condition of road vehicles:** By closely managing equipment life cycles and thanks to an improved market for used equipment, the Fleet Program auctions resulted in $700,000 more revenue than estimated. This increase in revenue offset other operating expenses, such as fuel.

• **Utilization:** DNR fleet miles declined 4.9 percent from previous year.

• **Miles per gallon:** DNR launched the five-year sustainability plan, which strives for increased miles per gallon with a target of 16 miles per gallon for DNR’s light road vehicle fleet.

### III. Goals

- Increase equipment sharing to reduce costs and broaden access to any DNR-owned equipment. While equipment sharing between workstations, divisions and regions has become more commonplace, there is opportunity to do more.

- Testing new vehicle technologies and new fueling infrastructures can help the DNR evaluate options that will work for us and lead us into the future.

- Retain Tier 1 insurance grouping.

- Reduce miles driven and increase utilization rates.

- Sustain or increase the resale value of all vehicles.

- Reduce fleet energy use by 4 percent per year through behavioral changes and more efficient vehicles.

- Reduce fleet greenhouse gas emissions through the use of renewable and alternative fuel vehicles.

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**Above and Beyond:**

Seeking to reduce costs to DNR, the Fleet Program initiated a new auction location in New Ulm as a venue to sell fleet equipment to the public. More than 700 bidders and nearly $700,000 in revenue resulted. In addition to reducing transportation costs by selling locally, DNR received top dollar for used equipment. The increased revenue was used to offset other costs, including fuel.
IV. Key Performance Indicator Charts

**KPI 1**

**DNR Total Fleet Fuel Energy**

- **Fiscal Year**
  - FY08
  - FY09
  - FY10
  - FY11

- **MMBTU**
  - CY 05
  - CY 06
  - CY 07
  - CY 08
  - CY 09
  - CY 10
  - CY 11
  - CY 12
  - CY 13
  - CY 14
  - CY 15

**Fleet Fuel**

**20% Target**

**KPI 2**

**Total Fuel Consumed**

- **Gallons**
  - FY08: 1,459,364
  - FY09: 1,396,471
  - FY10: 1,476,065
  - FY11: 1,316,048

From FY08 to FY11, the DNR fleet's total fuel consumption decreased ten percent.
Fleet Vehicle Cost Comparison for 2011 models
(Costs associated with 12,000 miles of annual use)

Dollar Costs:

- DNR
- Runzheimer Midwest
- Enterprise long term rental
- AAA
- IRS Reimburse

KPI 3: The cost performance of the DNR fleet continues to outperform the regional cost performance for like equipment, as found in the Midwest rate standard (known as the Runzheimer Indicator). Rates continue to beat regional and national costs. Thanks to DNR making good business choices, debt-free financing, managed lifecycles, low insurance premiums and good maintenance practices, DNR provides a safe, reliable, fuel-efficient fleet for natural resource work at the lowest cost.
V. Revenues and Expenditures

FY11 Income

- Internal Fleet Billings: $16,049,091
- Equipment Sales: $2,107,356
- Upfront Acquisition Funds: $2,262,964

FY11 Expenses

- Fuel: $11,378,192
- Maint Repair and Supplies: $3,114,506
- Salary, fringe and operation costs: $3,114,506
- Vehicle and equipment replacement: $1,317,780
Facilities

I. Summary of Services

Facilities management is vital to the success of any organization because it provides a safe, accessible and environmentally sustainable working environment to support staff productivity, and provides high-quality public facilities.

The Facilities Program SLA supports DNR’s mission by designing, constructing and operating facilities (buildings and recreational sites) that support natural resource work and model the way in energy use. The services provided include capital planning, design, construction administration, building occupancy and operation, and energy leadership. The goal is to maintain DNR assets at an optimum level, and provide appropriate facilities to support the natural resources work of the department.

Annually, facilities staff design and administer construction of over 800 projects ranging in cost from $2,500 to over $5 million for a total annual output of over $35 million. In addition, we manage the operation and maintenance of about 2,700 buildings with a replacement value of almost $500 million, provide office efficiency planning for over 75,000 square feet of office space, manage over 100 leases, and play a lead role in the statewide development of a computer-aided facility management system. Staff also chair several committees on Americans with Disabilities Act (ADA) issues, and participate in developing strategies to minimize the spread of invasive species.

There are four sources of revenue for the Facilities Program: Legislative bonding appropriations, professional design services, facility management charges, and one-time funds (see graph B, page 25). Facility management charges include:

- Maintenance fee based on the number of square feet assigned to or occupied by a division.*

- Technical Assistance and feasibility study charges are based on a 4-year rolling average of use.

Examples of one-time funds are federal grants and funding, project-specific funds from the Minnesota Department of Transportation, and a Renewable Development Fund grant from Xcel Energy.

<table>
<thead>
<tr>
<th>Facilities scope</th>
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</thead>
<tbody>
<tr>
<td>2,700 buildings</td>
</tr>
<tr>
<td>2.9 million square feet of floor space</td>
</tr>
<tr>
<td>200 site locations statewide</td>
</tr>
<tr>
<td>$500 million estimated replacement value of buildings</td>
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</tbody>
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* Rent and direct cost plans are internally billed and are not part of the SLA.
The Facilities Program SLA provides the following services to the department:

**Capital Development and Planning**
- Feasibility studies and pre-design consultation
- Office design and space planning
- Division facility planning

**Design and Construction Management**
- Facility and site design
- Contract specification and administration
- Construction management

**Facility Occupancy and Operation**
- Facility commissioning
- Code compliance
- Energy use and control
- Capital maintenance and repair
- Facility and site custodial care
- Hazardous materials removal
- Lease management
- Asset demolition or divestiture

**II. Outcomes**
- Overall, DNR reduced energy usage by an estimated 2.4 percent from FY10 to FY11.

**Customer satisfaction:**
- At the request of division customers, designed and constructed over 800 projects, ranging from camper cabins and water access sites to major trail projects and visitor centers.
- Provided divisions with planning and predesign information on over 450 projects.
- Demolished 48 buildings, renegotiated leases, consolidated offices, and implemented more efficient office designs, resulting in $550,000 in facility savings.

**Renewable energy:** Implemented renewable energy systems, from geothermal to solar, as a standard on all new and renovated building projects. As a result, DNR has over 150 kilowatts (kW) of solar energy capacity (200,000 kWh per year); it receives more of its energy from solar photovoltaic systems than most facility complexes in Minnesota.

**Other accomplishments:**
- Developed a master contract for the inspection and repair of wood trestle bridges, which resulted in work being done faster and much more cost effectively.
- Developing an asset management system that will, when fully operational, tie together in a single location all of DNR's built assets, and document cradle-to-grave information on each.
III. Goals

- Reduce deferred maintenance needs by effectively allocating facility management and asset preservation dollars to the highest priority projects, as established by Regional Directors.

- Improve the environmental sustainability of all buildings and sites by using energy scorecards and locally-developed site sustainability plans. In addition, design new buildings with energy-efficient materials and renewable energy generation in pursuit of “net zero” energy use.

- Establish master contracts that reduce time needed to address facility needs.

- Improve the availability of quantitative data for several performance measures; for example, hard data is needed to show that the Professional Service Charges are 15 percent or less of total project cost. Spot-checking indicates that the program achieved this goal in FY10-11, but better data is needed.

- Develop a more systematic approach to building assessment and the approval of subsequent work plans that would increase transparency and better align repair and replacement decisions with key department strategies and goals.

- Reduce facility energy use by 4 percent per year through energy efficiency initiatives in new and existing building.

- Derive 8 percent of the total energy used by facilities from on-site renewable energy systems by the year 2015.

Above and Beyond

The New London Dam was reconstructed in 2010-11. The dam now meets modern dam safety standards for spillway capacity, stability, and seepage. Its enhanced appearance and recreational amenities make it an attraction for the city of New London. Also the dam can now be operated using much less Fisheries staff time. The final construction cost of the project was approximately $2,700,000.
IV. Key Performance Indicator Charts

**Building Condition**

KPI 1: Building condition is based on repair costs compared to the cost to replace the building. 

*Note: Due to new acquisitions or demolitions, the number of buildings is constantly changing.*

**Deferred Maintenance Needs**

KPI 2: DNR has managed to reduce the backlog of deferred maintenance. Deferred maintenance as a percentage of replacement value has been reduced through significant increases in funding. A decline in deferred maintenance against increasing costs reflects DNR’s ongoing commitment to provide high quality workplaces and great public facilities.

*Includes additional sites*
V. Revenues and Expenditures

A. FY 11 Facility Management Program Expenses

- Salaries & Operations Expenses: $1,459,085
- Facility Maintenance & Technical Assistance / Feasibility Studies: $4,326,435
Annually MR collects funds from each division for the maintenance and repair of buildings occupied by that division. MR also collects funds for technical assistance and feasibility studies requested by that division. Together, these two accounts form the Facility Management Account.
Materials Management

I. Summary of Services

The efficient procurement, tracking and management of materials enable the DNR’s day-to-day business activities to function smoothly, economically and in compliance with state laws and rules.

The Materials Management SLA supports DNR’s outdoor recreation, economic development and conservation mission by developing and applying purchasing mechanisms that result in safe, environmentally responsible and quality product acquisitions.

Also, the Materials Management Program guides and assists the department in asset tracking and inventory accountability, as well as cost-effective and efficient management of surplus items and disposal.

In 2011, the Warehouse filled 860 orders, delivered 297 different products to 348 locations. On average, the Materials Management Program guides purchases of $46 million annually. Staff tracks more than 18,000 fixed assets.

Procurement

Materials Management staff applies their expertise to specification development by consulting with divisions. They develop Requests for Proposals or Bids, and evaluate responses.

Materials Management generates the professional/technical contracts for architects and engineers, LiDar, IT and other professional services needed to support the work of the DNR. This includes the development of RFPs, coordination of evaluations, contract preparation, work in conjunction with OMB and Dept. of Administration at all stages.

Materials Management, in conjunction with OMB, provides annual training to staff needing to learn DNR-authorized local purchasing and training to maintain staff certification.

Fixed Asset Inventory Management

Materials Management purchases, receives, identifies for inclusion in asset inventory and assigns assets to divisions. Coordination of the annual inventory follows. Changes in asset status are tracked and audited. At the end of an asset’s useful life to DNR, Materials Management supervises the disposition of the asset through reuse, auction, surplus or disposal of the asset.

Specialized Commodities Purchasing

In addition to purchasing assets, Materials Management handles the purchase of bulk commodities, specialized equipment such as lab microscopes or decontamination units for boats. Materials Management works with the Uniform and Sign Committees to establish standards. In turn these standards are used in the purchase of signs and uniforms.

Materials Management manages the DNR Warehouse in conjunction with Minnesota State Industries for the benefit of DNR operations around the state.
II. Outcomes

- **Inventory Accuracy:** Completed the most comprehensive, coordinated fixed asset inventory effort ever undertaken in the DNR. This inventory located 18,000 assets in at least 500 locations statewide, with more than 98 percent accuracy.

- **Delivery Timelines:** An improved processing method for professional and technical contracts has reduced turnaround time for consultant signatures by an average of five days.

- **Other accomplishments:**
  - Purchased $11,000,000 in Fleet assets—a $2,000,000 increase over 2010.
  - Doubled the amount of non-Fleet purchases ($11,000,000), compared to $5,500,000 in FY10.
  - Phase I SWIFT implementation accomplished (Phase II is ongoing).
  - 125 purchasers trained in SWIFT over 2½ months, each receiving 4-6 days of training.
  - Developed or maintained Master Contracts for statewide use, such as gravel, prairie seed (by group and species), fingerlings, office supplies, and furniture, etc. These enabled simple, fast and cost effective purchasing options for users.

III. Goals

- Redesign inventory and property management procedures to accommodate the seasonal workloads of DNR’s field staff and ensure 12 annual site audits are performed.

- Establish measurements to meet green purchasing requirements: 50 percent of purchasing categories are to have green purchasing requirements by the end of FY15.

- Streamline purchasing procedures by eliminating redundancy and using new technologies.

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**Above and Beyond:**

When Chronic Wasting Disease was discovered in the deer population of southeastern Minnesota, freezers were quickly needed to store the carcasses until testing could be completed. Materials Management expedited the leasing of freezer trailers, ensuring they were on site just in time for the controlled hunt.
Management Information Services

I. Summary of Services

The Management Information Services (MIS) function aids DNR staff and leadership in making well-informed, effective and timely decisions, and in accessing key business technologies while managing costs. The function also connects Minnesota citizens with our wealth of public data.

The MIS Service Level Agreement provides for leadership in the development, coordination and deployment of Information Technology services. In this role, the SLA establishes standards across its operational technologies to achieve economies of scale and service quality that would be difficult to achieve on a division basis.

MIS provides a full range of Information Technology services in support of the DNR mission, including data center administration, communication network administration, videoconferencing infrastructure and support, business software hosting, computer technical support, Geographic Information Systems (GIS) support, Web hosting services and content coordination, software development and data management, and project management and consulting. Related support services include Records Management coordination and operation of the DNR library.

The bureau maintains more than 400 individual network devices and 230 computer servers across 192 individual worksites. MIS also administers the DNR website, one of the most heavily used sites in Minnesota state government, with more than 60 million page hits per year. Staff in our computer technical support area uses state-of-the-art tools to respond to over 14,000 requests for assistance per year.

The department’s GIS infrastructure and support network is probably the most sophisticated system of its kind in this part of the country. It includes the DNR Data Deli portal, which distributes more than a Terabyte of GIS data per year to educators and natural resource business partners across government and industry.

MIS has aggressively pursued open source technologies as the basis for its business application hosting services. The goal is to create a high performance system with virtually no software license fees. We pride ourselves on delivering succinct, innovative technology solutions to address DNR business requirements.

II. Outcomes

MIS outcomes for FY10-11 SLAs include:

- Continuous improvement of network connectivity while keeping connectivity costs flat for the past 4 years.
• Upgraded 50 percent of data center computer servers to a new high performance platform.

• Expanded system storage by 20 percent.

› According to InfoTech Research group, the MIS Bureau’s rate for Computer Technical Support services ($374 per computer per year) is roughly one-third to one-sixth the typical cost ($1200-$2400) per year of providing the same service in government organizations of comparable size.

• Released three public-access mobile application prototypes that point the way toward information access for the next generation of DNR customers.

• Implemented a new customer resource management system, “GovDelivery,” to improve web-based communications, and collect and organize information on our public customers.

• Responded to 14,500 documented requests for computer support service.

• Revamped the department’s computer virus protection system to a less expensive, high performance platform.

• Installed a new computer setup system that (when fully operational) will decrease new computer setup times by 50 percent.

• Completely redesigned the department GIS data management architecture to take advantage of the latest software and database technologies and set the stage for integration with other state agencies.

• Rolled out new versions of the most popular desktop GIS productivity tools.

III. Goals

• MIS will pursue gains in both efficiency and results in the current biennium. First and foremost will be the bureau’s response to the State IT Consolidation mandate, which seeks to revamp service delivery at the agency level. Our objectives in the consolidation are to maintain or improve service levels, increase alignment between IT and department strategic directions, and create a generally more mature services model in pursuit of department continuous improvement values.

Above and Beyond

In FY11, the DNR’s aging GIS data and application environment was systematically replaced with many new natural resource data sources, updated GIS desktop software, and revamped documentation and user support resources. The new system is expected to form the basis for a new approach to GIS resource sharing across Minnesota state agencies in the coming years.
• Data center operations will continue to move toward a smaller energy footprint with improved disaster recovery capabilities and simplified network architecture.

• Roll-out of a new enterprise file management strategy is planned. This strategy places increased emphasis on project and program-based collaboration, as well as support for formal records management processes and the long-term archiving of scientific and public policy results.

• In the GIS area, department staff will continue expansion of its new data and application architecture with an eye toward becoming the nucleus of an interagency system of GIS services and support.

• Mobile applications are poised to expand with a new web-based environment to enable both internal and external development.

• A multi-year project will start this biennium to consolidate and unify the department’s web-mapping capabilities into a comprehensive system supporting recreation outreach.

• Support watershed and landscape approaches to natural resource planning and integrated management, using GIS analysis and decision support systems to maximize investment and outcomes.

• Develop new applications and update web-based opportunities to support outdoor recreation efforts.

• Enhance on-line information and natural resource data access to citizens and stakeholders.
IV. Key Performance Indicator Charts

**KPI 1:** Market comparison between key MIS job-task rates and contractor rates available through the OET ASAP program for selected job categories.

In aggregate, MIS services rates are well-aligned with average contractor rates available through the ASAP program (the state’s principal IT contracting mechanism), with some variation within individual categories.

**Number of DNR Website Visits**

KPI 2: This shows rising website visits. A visit is one continuous interaction with the website that could involve views of many web pages.
KPI 3: DNR website statistics demonstrate the continued vitality of the resource in the face of major societal pressures.

KPI 4: This chart documents the availability of various electronic resources to DNR and public customers. These resources were highly available during the monitoring period.
KPI 5: Average age of computing infrastructure components. Lower equipment age averages translates into lower incidences of failure, lower support costs, and higher overall workforce productivity.

**Core Physical Servers:** Equipment in this category demonstrates overall excellent health. (94 Devices)

**Core Network:** Equipment in this category demonstrates generally good health. (222 Devices)

**Field Network:** Equipment in this category demonstrates generally good health, owing primarily to a major 80 site upgrade process conducted in the summer/fall of 2010. (548 Devices)

**Personal Computers:** Despite significant gains in this area, the department’s personal computing fleet remains well-below the optimal demographic. The Computing Equipment Fleet (CEF) program is currently targeting the oldest equipment for replacement, which should result in significant gains in the current fiscal year. (3,425 Devices)

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KPI 6: Fiscal year 2011 included a significant increase in the percentage of DNR network connections capable of authenticating into our internal network. This advance creates a generally unified set of capabilities across our user base for the first time in the department’s history.
I. Summary of Services

The Management & Budget SLA provides for Office of Management & Budget (OMBS) staff to oversee the preparation of the DNR’s biennial budget while managing the department’s revenue, expenditure, audit, policy and planning functions, and more.

OMBS provides integrative fiscal and management leadership and assistance to enable the DNR to responsibly and efficiently achieve its mission. Annual funding required to support this SLA is $6.04 million (FY11). In fiscal year 2010 and 2011, OMBS accomplished significant results during a time of change. Some major accomplishments include:

- OMBS has provided fiscal and management leadership to the department during a time of significant budget growth and change. DNR’s annual expenditures increased by $161.8 million (23 percent) over the FY08-09 Biennium (see KPI 1). Capital Bonding Expenditures increased by $68.8 million (62 percent) (see KPI 2). Revenue increased $5.1 million (1 percent) (see KPI 3). OMBS supported this growth with strategic organizational changes and process improvements.

- OMBS led the development of DNR’s new Outcomes Tracking System, working closely with divisions to effectively and efficiently measure and track departmental results. The Outcomes Tracking System provides a common reporting platform for tracking expenditures made and results achieved by DNR programs and related projects. It increases outcomes reporting efficiency while providing increased transparency. This allows DNR to demonstrate accountability to results as expected by the public, stakeholders, and legislators.

- These accomplishments are supported by a large volume of activity that we strive to continuously improve. For example, in the last year, OMBS provided fiscal management services for 1,012 appropriations in 50 different funds, processed over 150,000 expenditure transactions, processed 2,479 contracts, and lead or co-lead 15 agency-level projects. We converted over 1,500 customers and 500 open account receivable invoices to the SWIFT system (Statewide Integrated Financial Tools).

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1 Sixty percent of the FY10-11 increase in annual expenditures came from non-grant expenditure growth.
II. Outcomes

OMBS adds value to the work of DNR and its divisions in five service areas. Here is an overview of each service area and accomplishment highlights from FY10-11:

**Budget and Financial Analysis**

includes results-based budget development, financial analysis and reporting for internal decision making and external communication, and financial compliance and reporting.

Outcome highlights:

- Presented its second “Budgeting for Results” to the 2011 Legislature to effectively communicate the connection between funds and conservation results achieved by DNR.
- Developed an agency-wide tool for calculating the amount of shared support service costs to allocate to projects. This will help OMBS accurately estimate the full costs that are direct and necessary to support projects and help DNR continue the shift towards new funding sources.
- Significantly reduced staff time and steps necessary to attain federal spending authority through the Legislative Advisory Commission.

**Business Operations**

provides a variety of core services. These include accounting and financial services, training, direction and oversight, developing departmental administrative/fiscal policies, contract and grant administration/development, and financial system and security services.

Outcome highlights:

- Implemented new business processes, including launching the Statewide Integrated Financial Tools (SWIFT) at DNR.
- Implemented a Central Office consolidated accounts payable unit to make this process more efficient at the department level.
- In FY10-11 OMBS processed 8 percent more contracts while providing increased customer service, implementing process improvements, and increasing contract quality (see KPI 4).

### Above and Beyond

In FY11, the regional business offices processed 484 Commissioner Bid projects, which was an increase of almost 40 percent over both FY09 and FY10. This helped meet customer needs and is a direct result of new legislation providing additional project funding to DNR units.
Internal Audit provides independent and objective assurance and consulting throughout the department. It has implemented a risk-based approach of financial reviews designed to identify significant control deficiencies. It has also provided tools to directors, managers and supervisors responsible for maintaining an effective internal control system.

Outcome highlights:
- Developed an audit strategy and annual audit plan; hired specialists to refocus the unit on customer service and leadership in addition to audits and investigations.
- Provided training and leadership to program staff and management to assess risks and control structure deficiencies.
- Established corrective action plans to resolve control deficiencies and to communicate results to executive management.
- Continued to lead research efforts to understand trends in nature-based outdoor recreation and support new agency-wide approaches to increase citizen participation.
- Managed the interdisciplinary Climate and Renewable Energy team (CREST) and implemented a process that connects agency climate and energy strategies to actions and then uses performance measures to report results. Led creation of the department’s first comprehensive report on climate change, *Climate Change and Renewable Energy: Management Foundations*. Designed and conducted the first ever survey of DNR staff knowledge of and priorities for climate change response.

Policy, Research and Planning performs integrative services including department-wide strategic planning, organization performance analysis and measures, management of interdisciplinary priorities and initiatives, intergovernmental coordination and public participation, and research.

Outcome highlights:
- Completed a Parks and Trails Legacy Plan in collaboration with the Parks and Trails Division and an advisory group. This plan articulated a 25-year vision for Minnesota’s parks and trails.
- Continued to lead research efforts to understand trends in nature-based outdoor recreation and support new agency-wide approaches to increase citizen participation.
- Managed the interdisciplinary Climate and Renewable Energy team (CREST) and implemented a process that connects agency climate and energy strategies to actions and then uses performance measures to report results. Led creation of the department’s first comprehensive report on climate change, *Climate Change and Renewable Energy: Management Foundations*. Designed and conducted the first ever survey of DNR staff knowledge of and priorities for climate change response.

Grants and Management Support Services provides leadership in grants management and shared services support. This includes the development and adoption of department-wide grant management best practices and procedures, pass-through grants administration, business process improvements, and support of the shared services governance system.

Outcome highlights:
- Completed contract management services, training and communications, reimbursement services, and fiscal and close-out services.
- Implemented improvements and set the stage for transitioning grants unit to OMBS budget and financial analysis unit.
III. Goals

Our goals for improvement are focused in the following areas:

- Bureau performance indicators: continue to develop and improve our set of performance indicators to track progress in our service level areas.

- SWIFT: continue to assist our staff and customers in the transition to this new system.

- Grants management: provide enhanced departmental grants management leadership and assistance to DNR grants coordinators; improve the consistency of grant payment processes for the Outdoor Heritage Fund and Environment and Natural Resources Trust Fund; promote high customer service satisfaction with grant recipients while ensuring we meet fiscal and legal obligations for grants management.

- Management services: provide improved departmental leadership in the following areas: management analysis and business planning, continuous improvement and innovation, and DNR’s project management infrastructure; help DNR units streamline operations and redesign business processes, integrate continuous improvement in their day-to-day work, and apply project management tools toward desired outcomes.

- Performance management system: update Conservation Agenda Part II, Budgeting for Results; develop and implement an agency-wide management system to help track progress and bring accountability to “Conservation that Works” strategy implementation.

- Comprehensive policy and procedures system: lead an initiative to design and implement a unified and comprehensive system for managing, communicating, and maintaining department policies and procedures.

- Establish strategic framework for DNR that reduces dependence on general fund for delivery of conservation programs.

- Continue and enhance “Science Chat” WebEx’s (on-line meetings that staff can view from wherever they are) to support interchange of information about the best available science and technology among staff.
KPI 1: Actual expenditures from nine major funds are an important indicator of fiscal activity at DNR and related fiscal management assistance performed by OMBS. DNR’s FY 10-11 annual expenditures increased by $161.8 million (23%) over the FY 08-09 biennium. Sixty percent of the FY10-11 increase in annual expenditures came from non-grant expenditure growth.

KPI 2: Capital bonding expenditures support work that has a long-term impact such as infrastructure improvements, land acquisition, and groundwater monitoring. These expenditures also create jobs and drive economic development throughout the state. OMBS leads the development and presentation of the capital bonding budgets and provides essential fiscal management services. DNR’s Capital bonding expenditures increased by $68.8 million (62%) over the FY 08-09 biennium. This builds on an increasing trend in capital bonding expenditures over the previous decade.
KPI 3: Revenue deposited by DNR into various funds is an indicator of fiscal activity at DNR and revenue processing and related fiscal management assistance performed by OMBS. In FY 10-11 revenues (with intra-agency payments removed) increased $5.1 million (1%) over the FY 08-09 biennium.

KPI 4: OMBS provides departmental contract administration services, working with staff to ensure that contracts are consistent with the law and executed successfully. In FY 10-11 OMBS processed 8% more contracts while providing increased customer service, implementing process improvements, and increasing contract quality.
Human Resources

I. Summary of Services

Human Resources (HR) professionals focus on the department’s greatest resource of all—its staff.

As outlined in its SLAs, HR serves as a business partner to managers and supervisors in delivering on the recreation, economic development and conservation mission of the department with management- and employee-centered services.

HR’s services include staffing, employee and labor relations, staff development and training, performance management, payroll and transaction processing, affirmative action, benefits administration, classification and compensation, organizational design and development, and policy and procedure development and implementation.

HR provides advice and consultation to managers and supervisors at all levels within the department, as well as staff, in ways that reflect organizational values and standards to ensure cost-effective service delivery.

Annually, HR staff provides services to approximately 4,000 employees across the DNR by processing more than 70,000 payroll checks, 16,000 employee actions (hires, promotions and leaves of absence), 600 job audits and postings, and 55 internal investigations. In addition, HR staff offer advice and consultation to managers and supervisors in the areas of employee relations, labor relations, ethics, work group and organizational design, and employee development.

II. Outcomes

- Converted Parks & Trails Division seasonal staff and Forestry staff to self-service payroll, freeing up additional work time for division staff, supervisors and HR.
- Coordinated 66 work-out-of-class appointments in response to the departure of 100 DNR staff, due to the Early Retirement Incentive.
- Realigned the intern hiring process to track recruitment efforts, which helps the department reach out to and hire a broader base of student applicants.
- Produced and conducted webinars for system administrators, managers and supervisors that explained the Enterprise Learning Management system (ELM).
- Provided an ELM “help desk” to respond to questions and concerns.
- Introduced e-learning to the DNR through Skillsoft. Staff met individually with division management teams to explain the concept and invite participation. At rollout, provided an orientation session on how to maximize usage.
Above and Beyond

In a satisfaction poll conducted at the conclusion of the Team Leader webinar series, 80 percent of participants indicated they learned something new and found the series helpful.

• Converted all hard copy personnel files to electronic storage, creating space and efficiency in providing access to files.

• Restructured department IDs and staff/position records to accommodate reorganizations of the Parks, Trails, Ecological Resources and Waters divisions.

• Administered the Early Retirement Incentive program for the department.

• Regularly adjusted processes to reflect customer feedback and improve effectiveness and efficiency.

• Tracked services via an activity and customer base so that accurate service level reporting can be provided to divisions.

• Conducted monthly payroll audits to assess accuracy of performance; appropriate adjustments made.

• Completed Affirmative Action reporting on time and accurately, which reflects the department’s Affirmative Action activity as required by law and policy.

• Assessed training and development activity feedback, which provides an indicator of program effectiveness and customer satisfaction.

III. Goals

• Increased use of technology to expedite document management for customers.

• Improved tracking of HR activity relative to SLA core services and customer demand/usage.

• Increased management reporting of employee-related data for use in organizational decision-making.

• Support a diverse, productive and respectful workforce.

• Create a more flexible workforce and develop new models to hire, train and utilize staff across division lines.

• Develop the next generation of DNR leaders at all levels.

Human Resources provides employees personal and professional developmental opportunities such as the Leadership Program.
IV. Key Performance Indicator Charts

KPI 1: This chart shows the volume of positions submitted for review and classification by Human Resources as well as the number of postings. While FY11 postings increased by 28% that figure may be artificially low due to the slow down in hiring in anticipation of the shutdown.

KPI 2: This chart shows the number of job applicants reviewed by Human Resources staff for all job postings. The dramatic increase from FY 10 to 11 is due to adding intern positions to the posting and tracking process in order to improve recruitment, diversity and reporting in all job categories.
KPI 3: This chart reflects a fairly steady number of payroll checks issued between FY 10 and 11, while the number of payroll adjustments, i.e. corrections to payroll requiring HR intervention increased by approximately 20%.

KPI 4: This chart shows the number of actions required by HR staff to accomplish changes related to both individual employees and positions. The dramatic increase in activity reflects the mergers and reorganization of divisions, which requires individual transactions for each affected position. Also included are changes in funding codes due to SWIFT implementation which were handled by both HR and fiscal staff.
KPI 5: This chart shows the fluctuation and unpredictability of internal investigations from year to year. While the number remained relatively stable from 2008 to 2010, there was a 22% increase from FY 10 to FY 11.

KPI #6: This chart shows the distribution of internal investigations across divisions and bureaus. Significant increases occurred in several units with others showing marked decreases.
Communication & Outreach

I. Summary of Services

Communication provides a critical link between DNR staff, between the core functions of the DNR, and between the department and the public.

Office of Communication & Outreach (OCO, formerly Information & Education) SLAs reflect staff commitment to add value by providing innovative media, outreach, communication, and select program administration services to all divisions and bureaus, to the offices of the Commissioner and Governor, and to the public.

OCO’s SLAs support DNR’s mission and priorities with strategic communication planning and issue management services; proactive internal/external messaging; media outreach, media buying, and marketing; and regulation book advertising services. Social media and web content support is part of our work, as is regional communications coordination. We are expert at outdoor education; volunteer management; writing, editing, graphics and multimedia production; boat and water safety administration/outreach; intellectual property and data practices coordination; and providing an efficient one-stop-shop for all public information.

Annually, staff answer more than 130,000 phone calls and 35,000 emails, and distribute more than 600,000 informational items to 200,000 citizens and stakeholders. We help staff recruit and manage DNR’s 30,000 volunteers, produce six issues of the Minnesota Conservation Volunteer magazine (reaching more than 145,000 subscribers), share DNR’s messages with the media via more than 500 news releases, and complete more than 200 graphics, audio, video and photography projects yearly. OCO’s annual $2.7 million Shared Services budget was invested in staffing costs, rent, equipment and supplies to support these activities.

Some units were funded partially or completely outside of Shared Services, such as Boat & Water Safety, Outdoor Education and Minnesota Conservation Volunteer magazine (funded by readers since 2003). A variety of indices ensured fair cost allocation across divisions.

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<thead>
<tr>
<th>Communication &amp; Outreach scope</th>
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<tbody>
<tr>
<td>130,000 phones calls and 35,000 emails answered</td>
</tr>
<tr>
<td>600,000 informational items distributed to 200,000 citizens and stakeholders</td>
</tr>
<tr>
<td>30,000 volunteers managed</td>
</tr>
<tr>
<td>6 issues of Minnesota Conservation Volunteer magazine with 145,000 subscribers</td>
</tr>
<tr>
<td>500 news releases, and more than 200 graphics, audio, video and photography projects annually</td>
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Video and photo services provide cost-effective and professional visual communication products for the department.
A quick turnaround from state government shutdown to completion of exhibits at DNR State Fair building challenged both Creative Services and program staff. Six photographs were merged to create the background in this display.

II. Outcomes

OCO outcomes based on the FY10-11 SLAs include:

- Serving as a high-quality, cost effective resource for the DNR. For example, our Creative Services Unit saved the department almost $400,000 in FY11 alone. This is compared with the cost of comparable services as purchased from outside vendors.

- Achieving an average customer service product satisfaction rating of at least 90 percent.

- Keeping fatal and non-fatal boating accidents well below the national average. In calendar year 2010, both Minnesota’s fatality rate and non-fatal accident rate per 100,000 registered boaters were about one-fourth of the national average. This is a result, in part, of the coordinated efforts of all DNR units involved in the program, as well as collaboration between the sheriff’s offices and other safety organizations. The unit’s award-winning print, radio and TV ads yielded more than 45 million gross media impressions (very rough estimate of viewers/readers/listeners) over FY10 and FY11.

- Collaborating on agency-wide communications strategic planning by assisting with or writing more than 35 communications plans over the biennium.

- Planning and coordinating the agency’s entrée into social media.

- Supporting outdoor education through partnerships with outside organizations and programs, including the Master Naturalist Program, a joint program of the U of M and the DNR.

- Coordinating special events such as State Fair, Northwest Sportshow, Game Fair and others.

Above and Beyond

OCO news and graphics can instantly respond to crisis communications situations. For example, when new evidence of Asian carp in Minnesota waters surfaced, a team quickly organized a news conference, produced a news release and media advisory, supplied supplemental video and photos to media outlets, worked with the Web Team to add significant new website content, and shot new video and still images.
• Ensuring that agency outreach is integrated, focused and measurable.

• Providing data practices, intellectual property and copyright management. In just the first nine months of FY 2011, staff addressed 90 data practices requests.

• Coordinating graphic production and advertising sales for DNR regulation books. In FY11, advertising brought in more than $100,000.

III. Goals

Communication & Outreach is examining processes for efficiency, tailoring products to more closely meet the needs of divisional staff, improving staff skills and resources, and innovating to reach new audiences. In the future, we will:

• Improve assessment and evaluation of customer needs and the ability to tailor our services to those needs. Enhance customer satisfaction.

• Improve dashboard metrics and the development of quantifiable targets to better evaluate progress against customer-centered goals.

• Improve project coding compliance and implement activity codes to further detail specific communication services provided to DNR divisions.

• Lead and participate in outreach to enhance public awareness of such critical issues as aquatic invasive species.

• Encourage the current and next generation of conservationists with timely and innovative communication approaches.

IV. Key Performance Indicator Charts

Survey Rating of Product or Service

KPI 1: Based on FY 2011 OCO customer service SurveyMonkey data.
KPI 2: The seasonal nature of boating is indicated in the peaks of course completion. Customers can take the course at home on CD, or opt for the on-line course. The on-line course has become increasingly popular.

KPI 3: January 2011 marked the start of the automated daily data practices report. Standardizing the process and providing additional training and support has raised staff awareness of statutory requirements and DNR compliance.
KPI 4: Call volume peaks often reflect distribution of hunting regulations and the start of upland game and deer seasons. Average hold time is leveling off with implementation of the automated call tree in March 2010. Walk-in traffic, not shown here, is at about 3,000 individuals quarterly.

KPI 5: Although the number of total work hours does not vary the number of projects completed will, according to the time spent on each unique project. This can make it difficult to anticipate service demand.
KPI 6: As social media, podcasts, videos and other methods of news communication grow in popularity, we may see an overall slight decline in release numbers. However news releases remain an essential part of our communication efforts.

KPI 7: Video communication is increasingly popular and often a preferred method for users of smart phones and tablet computers. It will figure heavily into future communication efforts. Total cumulative views of DNR YouTube videos surpassed the 220,000 mark in mid-FY12.
V. Revenues and Expenditures

Based on approximately $2.7 million in Shared Services income
The Way Forward
Conclusions and Next Steps

In fall 2011, Shared Services leaders from corporations such as McDonald’s, Hewlett Packard and others met at an annual Shared Services conference. They all agreed that best practice for a successful Shared Services program includes an effective governance system, the use of detailed Service Level Agreements and routine performance reports.

This performance report is a good start on our road to Shared Services operational excellence. But we have a long way to go. We must:

• Improve our SLAs to include better key performance indicators.

• Become more customer-centric by listening and responding to the needs of those we support.

• Continue to establish metrics that show how much we’ve done, and implement quality measures to show how well we’ve done.

• Engage in strategic planning to ensure our products and services complement the DNR’s natural resource priorities.

Operational excellence is one of the four goals in DNR’s Conservation that Works document for good reason: An efficient, effective, innovative business foundation is critical to achieving all other agency goals and our conservation mission. We will continue moving forward to attain that excellence.