ABOUT THIS REPORT

The shared services in this report are the basic services that support the day-to-day operations of the DNR. Shared services staff make certain you have a pair of tick gaiters before you go into the field and that your lights and computer will come on when you flip the switch. In other types of work, such as budget preparation, human resources, labor negotiations, legislative relations and media relations, shared services provide the firm foundation for the agency’s overall business success.

This report is a summary and financial overview of all the support that Operations Services Division (OSD) provided to the DNR over the FY12–13 biennium.

You will see information from the FY12–13 service level agreements (SLAs) for communications; human resources; safety; facilities; fleet and materials management; management and budget; and management information services. Also included are key accomplishments for FY12–13 and charts showing key performance indicators (KPIs) for each service section.

These indicators are visual reminders of the range of services OSD provides to our customers.

Indicators show the following:
• Efficiency: Minimizing cost, time or waste.
• Customer impact: Presenting feedback from internal staff or external customers.
• Natural resource outcomes: reducing fossil fuel use, for example, or advising the public of a change in legislation.

Find out more on the DNR website at www.dnr.state.mn.us/sharedservices/index.html. The website has links to the previous outcomes report and FY12–13 SLAs, where section chiefs include more detail about their services. For additional information about this report, contact marcia.honold@state.mn.us.
# TABLE OF CONTENTS

Glossary of Terms ................................................................. 2  
Commissioner’s Letter ......................................................... 3  
Note from Director Laurie Martinson ................................. 4  
How Does Shared Services Governance Work at the DNR? .... 5  
Shared Services Financial Summary FY 12–13 ..................... 6  
Office of Communication and Outreach ......................... 8  
Human Resources ................................................................. 15  
Management Resources  
  Safety .................................................................................. 21  
  Facilities .............................................................................. 26  
  Fleet ................................................................................... 31  
  Materials Management ...................................................... 37  
Office of Management and Budget Services .................. 41  
Management Information Services (MN.IT) .................. 50  
Just the Beginning ................................................................. 56
GLOSSARY OF TERMS

- **Conservation that Works (CTW)** is a document that outlines the agency’s key areas of focus and strategies to achieve success.

- **Customers** are internal DNR staff and leadership, external visitors and the citizens of Minnesota.

- **Key performance indicators (KPIs)** are metrics selected by each SLA administrator to show annual progress in areas that are important to customers.

- **Lean, Kaizen, and Continuous Improvement techniques** are ways to create more customer value with fewer resources.

- **Operations Services Division (OSD)** is the DNR’s newest division. OSD has five sections: Office of Management and Budget Services (OMBS); Human Resources (HR); Management Resources (MR); Operations (OS); and the Office of Communication and Outreach (OCO). The first-ever FY 14–15 Shared Services SLA includes appendices that reference each of these sections and the services they provide.

- **Service level agreements (SLAs)** are contracts between the service providers and the commissioner.

- **Shared services** are the department’s centralized business services.

For information about the DNR’s shared services governance framework, see page 5.
COMMISSIONER’S LETTER

As I write this, we have been looking back at a highly productive year at the DNR. For example, in 2013, the agency preserved more than 21,000 acres of conservation lands, and initiated two major research projects to determine what’s killing the state’s iconic moose.

We updated our endangered species list, and celebrated the opening of a new swinging bridge to replace the flood-damaged structure at Jay Cooke State Park. We worked with other agencies to prepare a 2,000-page supplemental draft environmental impact statement for Minnesota’s first proposed copper-nickel mine and processing plant.

We installed six renewable energy systems at sites across the state, fought the spread of zebra mussels and carp, and were named a Beyond the Yellow Ribbon company for supporting our military members and families.

And I am proud to say that now hunters and anglers can, for the first time, purchase licenses on their smartphones with a new mobile application. This innovation was recognized as one of six winners of a 2013 Governor’s Continuous Improvement Award, which honors achievements that are improving Minnesota government services.

What does all this have to do with our shared services outcomes? Everything. Shared services are the bedrock on which we construct our outstanding scientific, recreation, safety and communications achievements.

Without safe and efficient facilities and resources, we could not have reached more than 166,000 students with our Archery in the Schools program. With the help of our Grants Management and Human Resources staff, we hired enough people to conduct 322 invasive species inspections statewide. And I could not have drafted this letter without the computer support of MN.IT at the DNR.

The more we enhance the efficiency and quality of the department’s “behind the scenes” business applications, the stronger and more nimble we become as an agency. That means better government for a better Minnesota.

I would like to thank Operations Services Division Director Laurie Martinson. She provides the strong hand at the tiller that has fully integrated Lean, Continuous Improvement, operational excellence and shared services principles throughout the DNR.

Thank you, too, for your interest in and dedication to the state’s natural resource heritage. Together we are making a difference.
NOTE FROM DIRECTOR
LAURIE MARTINSON

Welcome to the FY12–13 DNR Shared Services Outcomes Report. I hope you can see yourself and your division’s priorities represented throughout this report. The employees of the Operations Services Division (OSD) are here to make your jobs more efficient and effective and help you succeed.

Through Voice of the Customer sessions and surveys, you told us what you needed and we listened. You told us we must have more transparency, better customer responsiveness and value.

To address your concerns we have:

- Recalibrated our key performance indicators (KPIs). The KPIs we developed for our Service Level Agreement (SLA) and this report do a better job of measuring what is most important to you on an ongoing basis.
- Improved customer service and made advancements in Continuous Improvement. This has included a focus on innovation and streamlining through Lean and Kaizen projects, such as the procurement Kaizen event. In fact, FY13 was a banner year for “Better DNR” Continuous Improvement work, which is supported by OSD’s Office of Policy and Planning. Eight large-scale projects were completed agency-wide.
- Improved service delivery to the field by establishing regional managers.

The success of any shared services governance system relies on communication, trust, leadership, team commitment and a focus on Continuous Improvement. We know the path to success from looking at other organizations worldwide that have successful shared services operations. I can tell you that OSD has come a long way in achieving these elements of success.

We have more work to do to fully integrate shared services into DNR culture. We must stay on track and remain dynamic and responsive. And we have to continue to maintain strong lines of communication between you and our OSD staff.

This second biennial report is a step toward reinforcing and improving our relationship with you. I would very much like to hear your feedback about how we are doing. Please email me directly at laurie.martinson@state.mn.us.

Finally, I would like to thank DNR Assistant Commissioner Mike Carroll. Mike shepherded OSD through a year of change and growth, and we are grateful for his assistance.

Laurie Martinson
HOW DOES SHARED SERVICES GOVERNANCE WORK AT THE DNR?

The DNR’s shared services governance took its place in agency policy when the commissioner signed internal operational order 122—Shared Services Governance Framework—in 2012. This order spells out the roles and responsibilities of staff and executives within the system and explains why shared services are important to the agency’s future.

Here is a glimpse at some of the basics that support the DNR’s shared services environment:

**Shared services**, the department’s centralized business services, are managed by the Shared Services Governance Board. These services are centralized to help the department accomplish its natural resources mission and to meet the needs of department employees in a responsive and efficient manner. Examples of DNR shared services include budget and financial work, planning and management, safety, and more.

**Our governance framework** establishes the roles and responsibilities for the Shared Services Governance Board, advisory groups, staff liaisons, service providers, and senior managers. This framework provides the structure required for financial management and business operations, decision-making, delivery, reporting and evaluation of services, and internal controls.

**Service level agreements (SLAs)** are contracts between the service providers and the commissioner. The SLAs summarize the authorities that the commissioner delegates to the service providers and describe the financial and service relationship between service providers and DNR divisions. The Shared Services Governance Board reviews and recommends approval of SLAs.

**The shared services financial management structure** is designed on a fee-for-service basis and is administered through the SLAs. The complex financial and operating environment of the department is considered when determining service indices and rates. DNR leadership establishes rates and fees that recover the full costs of providing the services. This revenue model provides benefit to the agency since it is stable, manageable and scalable.

The DNR has been evolving its shared services structure, with outside assistance from professional associations and peer mentoring organizations, since about 2006. In 2011, the establishment of the Operations Services Division provided the necessary foundation to better integrate shared services agency-wide. This shared services structure puts process efficiency and innovation front and center.
## SHARED SERVICES FINANCIAL SUMMARY FISCAL YEARS 12-13

**Shared Services**
Fiscal Year 2012

<table>
<thead>
<tr>
<th>Upfront Billing</th>
<th>Bill for Service</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ops Support</strong></td>
<td><strong>MR - Facilities</strong></td>
</tr>
<tr>
<td>Beginning Bal:</td>
<td></td>
</tr>
<tr>
<td>7/1/2011</td>
<td></td>
</tr>
<tr>
<td>Bal Fwd/Back</td>
<td></td>
</tr>
<tr>
<td>after Close</td>
<td></td>
</tr>
<tr>
<td>1,935</td>
<td>550</td>
</tr>
<tr>
<td>144</td>
<td>69</td>
</tr>
</tbody>
</table>

**Resources:**

- **HR:** 2,776
- **OMBS:** 5,352
- **OCO:** 2,629
- **MR - Safety:** 722
- **MR - Procurement:** 503
- **MR - Facilities:** 4,492
- **MR - Fleet:**
  - 16,954
  - 1,261
  - 846
- **ENTF/OHF Supp Agrmnts:** 629
- **Federal Indirect:** 346
- **SW Indirect:** 62
- **Billing credit to divisions:**
  - Transfer In:
    - 88
- **MN.IT@DNR:** 44

**Total Billed Receipts:**

<table>
<thead>
<tr>
<th>All Dollars in 000's</th>
<th>13,063</th>
<th>4,492</th>
<th>17,042</th>
<th>1,261</th>
<th>846</th>
<th>4,907</th>
<th>5,900</th>
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</thead>
</table>

**Total Resources Available:**

<table>
<thead>
<tr>
<th>All Dollars in 000's</th>
<th>15,142</th>
<th>5,111</th>
<th>24,006</th>
<th>1,261</th>
<th>1,618</th>
<th>5,561</th>
<th>5,900</th>
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</thead>
</table>

**Expenses & Transfers**

(Exp include Encumbrances)

<table>
<thead>
<tr>
<th>All Dollars in 000's</th>
<th>HR (2,352)</th>
<th>(1)</th>
<th>OMBS (5,439)</th>
<th>(208)</th>
<th>OCO (2,594)</th>
<th>MR - Safety (642)</th>
<th>MR - Procurement (501)</th>
<th>MR - Facilities (3,924)</th>
<th>MR - Fleet (18,948)</th>
<th>(753)</th>
<th>(1,335)</th>
<th>MN.IT@DNR (1,017)</th>
<th>(5,900)</th>
</tr>
</thead>
</table>

**Total Expense & Transfer:**

<table>
<thead>
<tr>
<th>All Dollars in 000's</th>
<th>(11,563)</th>
<th>(3,924)</th>
<th>(18,948)</th>
<th>(753)</th>
<th>(1,335)</th>
<th>(4,726)</th>
<th>(5,900)</th>
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</thead>
</table>

**Balance as of 8/22/2012**

<table>
<thead>
<tr>
<th>All Dollars in 000's</th>
<th>3,579</th>
<th>1,187</th>
<th>5,058</th>
<th>508</th>
<th>283</th>
<th>835</th>
<th>0</th>
</tr>
</thead>
</table>

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1. **MR - Fleet:** Cap Equipment combined in main Fleet account, Comp Equip Fleet started in FY12
2. **Fleet - $40 repayment of loan to Off Equip, $48 refund from shops for duplicate billing**
3. **$35 covers partial payment to Washington office.**
4. **Original Supp amount was for $124 and $506, refunds were given in FY13**
5. **Statewide Indirect Costs received from division then paid to MMB; expenditure included in OMBS total**
6. **Initiatives approved for FY12:** Accts Payable $25; Cont Imprvmt $100; Reg Planner $50; SWIFT $60.8**
7. **Initiatives approved for FY12:** NE Fiber Project $285; MN.IT DNR accounts split into separate appropriations in FY13 but are shown as split in FY12
### Shared Services

**Fiscal Year 2013**

<table>
<thead>
<tr>
<th>Beginning Bal: 7/1/2012</th>
<th>3,579</th>
<th>1,187</th>
<th>5,058</th>
<th>119</th>
<th>508</th>
<th>283</th>
<th>835</th>
<th>-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bal Fwd/Back after Close</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Resources:

- **HR**: 2,852
- **OMBS**: 5,776
- **OCO**: 2,733
- **MR - Safety**: 725
- **MR - Procurement**: 513
- **MR - Facilities**: 4,431
- **MR - Fleet**: 20,667
- **ENTF/OHF Supp Agrmnts**: 131
- **ENTF/OHF Refunds**: (91)
- **Federal Indirect**: 372
- **SW Indirect**: 53
- **Billing credit to divisions**: 50
- **MN.IT@DNR**: 1,515
- **MN.IT@DNR1**: 6,233

<table>
<thead>
<tr>
<th>Total Billed Receipts:</th>
<th>13,064</th>
<th>4,431</th>
<th>20,667</th>
<th>2,123</th>
<th>1,552</th>
<th>6,113</th>
<th>6,283</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Resources Available:</td>
<td>16,643</td>
<td>5,618</td>
<td>25,844</td>
<td>2,551</td>
<td>1,835</td>
<td>6,948</td>
<td>6,283</td>
</tr>
</tbody>
</table>

#### Expenses & Transfers

(Exp include Encumbrances)

- **HR**: (2,681)
- **OMBS**: (6,501)
- **OCO**: (2,776)
- **MR - Safety**: (680)
- **MR - Procurement**: (504)
- **MR - Facilities**: (5,092)
- **MR - Fleet**: (22,177)
- **Transfers**: (85)
- **MN.IT@DNR**: (1,420)
- **MN.IT@DNR1**: (6,034)

<table>
<thead>
<tr>
<th>Total Expense &amp; Transfer:</th>
<th>(13,227)</th>
<th>(5,092)</th>
<th>(22,177)</th>
<th>(2,394)</th>
<th>(1,419)</th>
<th>(5,619)</th>
<th>(6,034)</th>
</tr>
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<tbody>
<tr>
<td>Balance as of close:</td>
<td>8/22/2013</td>
<td>3,416</td>
<td>526</td>
<td>3,667</td>
<td>157</td>
<td>416</td>
<td>1,329</td>
</tr>
</tbody>
</table>

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1 MN.IT at DNR moved to separate appropriation to facilitate OET consolidation and tracking IT expenses
2 MN.IT $50 initiative approved to fund Data Center Disaster Recovery initiative
3 $35 covers partial payment to Washington office; $50 for Data Center Disaster Recovery initiative
4 Involved for $163, only $131 paid ($33 not paid)
5 Statewide Indirect Costs received from division then paid to MMB; expenditure included in OMBS total
6 Initiatives approved for FY13: eHNA $50, ELM $111
7 Initiatives approved for FY13: Reg Planner $100; WIRES Upgrade $250; SWIFT $100; Contracts $100; Business Training $100; One Stop Shop $125
8 Initiative approved for FY13: Volunteer Alumni Assoc $30
I. Purpose
Strategic, well-executed communication and outreach efforts are essential to the department’s success. Strategic communications help ensure government transparency and accountability. The agency relies on communication services to build public awareness, trust and support. These three elements enhance citizen involvement in the ongoing stewardship of Minnesota’s natural resources.

II. Office of Communication and Outreach Scope
The Office of Communication and Outreach (OCO) scope of services includes agency-wide communications administration and leadership; news and editorial; advertising sales and purchasing; creative services; Information Center; regional communications; volunteer programs; boat and other public safety marketing and outreach; outdoor education collaboration with University of Minnesota; and data practices program management.

III. FY12–13 Key Accomplishments
Some of the most important communication accomplishments that OCO achieved in FY12–13:

- Developed 200 communication plans, key messages and talking points to provide leadership, quality and consistency in communications—especially in crisis communications.
- Executed more on-site media interviews, teleconferences and press conferences than ever on such issues such as aquatic invasive species prevention and the new wolf season.

Just the Facts
- 1.4 million brochures distributed by Information Center over FY12–13.
- 27,000 volunteers provided $6.8 million in services in FY12.
- More than 19,000 Twitter users now follow the agency’s four accounts.
• Logged more than 400,000 YouTube views and generated almost 66,000 social media “followers” while coordinating the agency’s adoption of social media.
• Created a more effective agency-wide data practices system, including a new electronic request-tracking process.
• Co-developed the agency’s first event-focused safety plan. The FY12 State Fair Safety Plan set a high bar for just-in-time safety training for event staff and volunteers.
• Refined quick-turnaround video production to create more focused, compelling and powerful communications.
• Wrote, edited and produced the DNR’s first Biennial Shared Services Report.
• Participated in Culture of Respect outreach with communication and graphics support.

IV. FY12–13 Office of Communication and Outreach Deliverables

In the FY10–11 Biennial Report, OCO committed to achieving a number of goals (in italics). Here we review the steps we’ve taken toward achieving those goals:

Examining processes for efficiency; tailoring products to more closely meet the needs of the divisions; improving staff skills and resources; and innovating to reach new audiences.

› Creative Services developed a job log and tracking process that improves the efficiency and transparency of graphics, video and photo projects. The unit collaborates with customers to ensure a good match between the message and the medium (which is the best way to communicate the message, from videos to brochures to signage).
› OCO now requires all section staff to complete Lean training to achieve greater efficiency and Continuous Improvement. So far, 23 percent of staff has taken the course.

Use of social media has increased our ability to reach new, younger audiences.

Improving assessment and evaluation of customer needs and the ability to tailor our services to those needs.

› The Creative Services Unit led the way in meeting with internal customers to evaluate future needs. Other OCO units will follow.
› OCO perceived a need to respond more quickly and more proactively to DNR’s news and information priorities. This was achieved by better coordinating and standardizing work.
› OCO has established a pattern of conducting at least one internal or external customer service survey each biennium.

Enhancing customer satisfaction.

› In FY13, OCO invited external customers who email requests to the Information Center to tell us about their experience. The results were good, but we are working toward achieving even higher ratings.

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

› OCO’s KPIs will serve as our dashboard metrics. We revised these metrics based on feedback from our customers. We will update them annually and post them on our Intranet site.

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

› News and Editorial staff started cost coding to identify media-related service trends in the divisions, particularly in regional communications.
Creative Services now codes by type of project. This provides an added level of transparency and accountability to our customers.

Leading and participating in outreach to enhance public awareness of such critical issues as aquatic invasive species.

- OCO has enhanced media staff roles to create a more nimble and responsive team. Staff can coordinate off-site media events and in-house news conferences within hours rather than days, and make better use of multimedia communications. This ensures issues such as aquatic invasive species, wolf season management and other critical agency initiatives are efficiently managed.

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

- DNR’s younger, more diverse audiences shape their own “news feeds” using their mobile devices. Our social media presence requires us to distill data into newsy tidbits that foster an ongoing interest in the outdoors.
- OCO collaborates with other divisions and with MN.IT to help the DNR reach its goal of making all of its publicly available electronic information accessible to everyone.

Above and Beyond
Unique achievements and little-known efforts

The DNR’s partnership with the University of Minnesota Extension has been particularly fruitful. About 206 Master Naturalist instructors and 1,440 volunteers have been trained as of fall 2013. To maintain certification, each Master Naturalist donates 40 hours per year to help natural resource organizations statewide.
KPI #1: Data practices requests are increasingly popular tools used by the public to access government information. The number of these requests continues to grow. The requests managed through OCO do not include the many requests for Electronic Licensing System private data, HR personal data, or Lands & Minerals Division appraisal data, which are handled at the division level.
KPI #2: OCO leads, collaborates and supports media activities throughout the department, acting as an internal news bureau. Here we see a general growth in the number of articles about the DNR, reflecting an expanded media outreach and array of media tools. Peaks in “impressions” (total potential news readers/viewers) represent periods when OCO did major media outreach events including the July 2012 moose survey results. The DNR leads state agencies in the number of media contact reports, and is second only to MnDOT in the number of news releases distributed to media. Successful media outreach helps the DNR achieve its mission.
KPI #3: The Creative Services Unit’s (CSU) cost per hour is consistently lower than the average estimated cost if an external agency were used. DNR’s actual costs using CSU are about 60% of the estimated market cost. The estimated market rate was based on multiple task rates of external agencies from video, photo-retouching, photography, creative conceptualizing, and production.
KPI #4: This chart shows email trending upward as a percentage of total contacts starting late in FY12 and a relatively stable number of overall inquiries, which approaches 200,000 per year. This figure translates into about 25,000 contacts per year for each Information Center customer service associate. The associates’ efficiency and expertise means division staff can significantly reduce the amount of time they spend responding to external inquiries. DNR’s call center is occasionally referenced as a model for other agencies.

**Three week government shutdown
**Over 186,000 AIS stickers distributed in April 2012
I. Purpose

Human Resources (HR) is a business partner to managers, supervisors and staff in providing professional services that help the department achieve its recreation, economic development and conservation mission. HR provides advice and consultation to DNR employees in ways that reflect organizational values and standards and that ensure cost-effective service. Staff is counseled in the areas of employee relations, labor relations, ethics, work group and organizational design, and employee development.

II. Human Resources Scope

HR’s services include staffing; employee and labor relations; staff development and training; performance management; payroll and transaction processing; data maintenance and reporting; affirmative action; benefits administration; classification and compensation; organizational health and development; employee training; investigations; and policy/procedure development and implementation.

III. FY12–13 Key Accomplishments

Some of the most important accomplishments that HR achieved in FY12–13:

- Implemented your suggestions for improvement from the Employee Suggestion Box:
  - Streamlined the hiring process for temporary employees.
  - Simplified an interactive position description form.
  - Worked to better align job requirements with military skills, resulting in DNR’s designation as a “Beyond the Yellow Ribbon” employer.
  - Improved new employee onboarding experience.
  - Revisited hiring needs resulting from consolidations and mergers.

- Established a DNR recognition program including Annual Commissioner’s Achievement Awards.
- Assisted in the design and development of the Statewide Enterprise Learning Management (ELM) System; served as pilot agency for testing and implementation.
- Helped divisions hire the best people to fill vacancies within the DNR. In FY13, the DNR posted 900 job openings and screened more than 29,000 interested applicants (KPI #2).
- Continued work on the development of an electronic HR position tracking system. This will allow supervisors to better track position activity and allow HR to maintain improved position filling data.
- Developed and implemented data security training to ensure staff can identify and work appropriately/legally with private data.
- Represented the DNR on the steering team for the Statewide Benchmarking Study on HR Processes to streamline and improve government administrative processes.
- Developed and implemented an agency quarterly achievement award process to recognize employee achievements in contributing to the mission and goals of agency.

Just the Facts

- Each year HR staff provides services to about 4,500 employees by processing more than 73,000 payroll checks.
- Staff executes 14,000 hires, promotions and leaves of absence each year.
- HR completes 750 job audits and position postings annually.
- 49 internal investigations completed.
Represented the agency on multiple bargaining teams to ensure the agency’s issues and concerns were addressed in union contracts that both sides can support.

**IV. FY12–13 HR Deliverables**

In the FY10–11 Biennial Report, HR committed to achieving a number of goals (in italics). Here we review the steps we’ve taken toward achieving those goals:

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

› Sponsored a project team to implement an Electronic Hiring Needs Assessment System (e-HNA). This will streamline the hiring needs process by integrating hiring needs data into one system, thereby eliminating paper waste and wait times.

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

› HR worked closely with the Workforce Management Advisory Group to refine and develop key performance indicators used to measure the effectiveness and efficiency of our work.

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

› Completed two compensation studies (natural resource workers and nursery field workers).

› Adjusted pay rates to allow divisions to hire and retain employees.

› Completed multiple class studies and large audit requests, which ensure alignment of those classifications/positions to similar positions within the agency (KPI #1).

*Supporting a diverse, productive and respectful workforce.*

› Re-established diversity recruitment and retention by meeting with our diversity councils.

› Developed quarterly hiring reports providing data to DNR senior leadership on workforce diversity and affirmative action progress.

› Provided project management support for the Culture of Respect by facilitating the executive steering team and designing implementation strategies.

› Designed and implemented an e-learning course, *Self Managing Conflict*, in response to Culture of Respect recommendations.

The DNR was one of the first state agencies designated a “Beyond the Yellow Ribbon” company for supporting our military members and families.
Create a more flexible workforce and develop new models to hire, train and use staff across division lines.

› Expanded classroom and on-demand learning opportunities for DNR employees (e.g. ELM, Century College).

Develop the next generation of DNR leaders at all levels.

› Implemented new supervisor orientation, which provides information to new supervisors to assist them in their supervisory roles.

› Developed an agency supervisor mentoring program for implementation in FY 2014.

› Continued to support and/or administer other agency recognition programs such as Employee Length of Service Awards and the Commissioner’s Awards.

Above and Beyond
Unique achievements and little-known efforts

• HR provided necessary agency services during the three-week state shutdown and managed return to work issues, labor relations and unemployment compensation claims for all DNR employees. Managing through the state shutdown caused a backlog of time-sensitive transaction level work that required immediate response when we returned to our jobs. This is an example of how HR staff can efficiently re-prioritize and dedicate additional time and resources to managing critical processes when crises arise.

• HR was able to respond to many requests for services. These included helping create the MN.IT HR Office; answering requests for large-scale classification audits; complying with bargaining units’ need for additional meet-and-confer meetings; and serving as a pilot for statewide projects with the potential to improve services to all agencies.
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. The number of positions needing audits has increased significantly over the last two fiscal years. This happens when new positions are created by divisions and result in major classification studies. Postings were up due to increases in budget and staff turnover.

KPI #2: This chart shows the number of job applicants reviewed by Human Resources’ staff for all job postings. The number of applicants increased in FY 12 by 27% over FY 11, paralleling an increase in positions posted. The number of candidates decreased about 3% in FY 13 from FY 12, even though the number of positions posted increased. It is unclear why the number of candidates decreased, but it may be due to more postings open only to current DNR and/or state employees. Also, it could be a sign that the economy is improving and there are fewer candidates looking for jobs.
KPI #3: HR processed a lower number of payroll checks in FY12 than FY13 due to the state shutdown. The number increased in FY13 in comparison to previous years due to a surge in position filling. Special payroll adjustments include adjustments made by HR staff due to special circumstances, usually related to paid off-time when employees separate from the agency. These adjustments require significant HR staff time to process. Payroll adjustments spiked in FY11 due to the number of employees separating under the Early Retirement Incentive and have since decreased.

KPI 4: This shows the number of actions required by HR staff to accomplish changes related to both individual employees and positions. The dramatic increase in activity for FY 11 is due to the mergers and reorganization of divisions, which meant that employee and position records had to be updated. HR and fiscal staff processed position funding changes due to SWIFT implementation. The number of employee transactions continued to increase over FY 12 and FY 13 as more positions were filled, resulting in more appointment processing, probationary periods, salary progressions, and other work.
KPI 5: This chart shows the fluctuation and unpredictability of internal investigations from year to year.
SAFETY

CTW Strategy 4.2: Build a DNR workforce that is safe, respectful, and flexible. Specifically, we will strive to achieve a zero-accident work environment and continue to emphasize an environment where all employees are free from injury.

I. Purpose
Safe work is synonymous with a productive workforce. The DNR strives to eliminate all accidents and resulting injuries. This principle serves as the foundation of the department’s preparedness, response and prevention efforts and is central to the DNR’s business practice.

II. Safety Program Scope
Safety Program scope includes safety communications; proactive safety planning; accident prevention; incident reporting; management and analysis; regional safety committees; worker’s compensation claims management; and emergency preparedness management.

III. FY12–13 Key Accomplishments
Some of the most important safety accomplishments the program achieved in FY12–13:
• Listened and implemented your suggestions for improvement from the Employee Suggestion Box:
  ◦ Added a safety statement to the DNR Workplace Behaviors.
  ◦ Increased availability of height-adjustable tables and sit-to-stand desks.
  ◦ Revived the “Go for the Gold” championship through the regional safety committees to promote health and wellness.
  ◦ Improved safety and health dashboard with rotating health and safety tips from the Executive Safety Committee.
• Updated policies and procedures, such as the employee right-to-know requirements; seasonal employee training guide; tick policy; and personal protective equipment guides.
• Improved safe operation of watercraft through employee watercraft training. To date, the DNR has trained 60 watercraft field instructors statewide.
• Responded to customer needs for flexible, cost-effective training by expanding online course opportunities (e.g., explosive handler training and skid steer operations) and leveraging resources with other agencies (U.S. Fish and Wildlife Service—equipment training).
• Trained DNR responders for emergency radiological responses through hands-on practice and evaluative exercises with FEMA (Federal Emergency Management Agency) and HSEM (Homeland Security Emergency Management).
• Updated the DNR emergency response guides and maintained duty officer contact lists for coordinated responses to emergencies and natural disasters.
• Complied with the Governor’s Executive Order on Emergency Preparedness and the Minnesota Emergency Operations Plan. This ensures that the DNR can orchestrate

Just the Facts
The DNR had 242 workers’ compensation claims in FY12-13, a 9.5 percent decrease over FY10-11. Even one injury is too many, so we have made several process improvements and stepped up agency-wide SAFECOM (short for Safety Communiques). These are near-miss or close-call incident reports.
a safe, effective and efficient response to any emergency, such as the Duluth flood, Karlstad fire, or the July 4th blow-down, which occurred during the state shutdown.

- Coordinated DNR’s workers’ compensation claims and managed care services to ensure best possible care for injured employees.

**IV. FY12–13 Safety Program Deliverables**

In the FY10–11 Biennial Report, Safety Program staff committed to achieving a number of goals (in italics). Here we review the steps we’ve taken toward achieving those goals:

*Better loss control management to reduce the number of employee injuries and to help reduce worker’s compensation claims.*

- The safety program achieved some gains in the reduction of worker’s compensation claims. The DNR’s overall worker’s compensation claim and cost per full-time equivalent (FTE) decreased from FY11 to FY13. This is an area of focus and concern for the Safety Program and will be a high priority for evaluation in FY14 (see KPI charts 1, 2 & 3).

- DNR set a new record for safety in FY12. The department’s OSHA recordable incident rate dropped from a high of 11 when we first started tracking in 1987 to a low of four in 2012. This meant that in 1987, 11 out of 100 DNR staff required medical assistance and/or missed some work because of an injury. In 2012, that number was four out of 100. The incident rate for FY13 increased to about six out of 100. We hope this is an anomaly and will be taking steps to reduce this rate.

*Greater participation by managers in audits and inspections.*

- This continues to be a growth area for the department. Safety staff will be taking a closer look at this goal and participation rates over the next biennium.

*All supervisors complete safety training in FY12.*

- DNR contracted with DuPont Corp. to deliver safety training to supervisors. This was initiated in FY11 and completed in FY12.
Strive to achieve zero accident work environment, where all employees are free from injury.

› Connected the Central Office Safety Team with injured employees and their supervisors to investigate incidents and ensure corrective/preventive actions have been taken.

› Produced SAFECOM forms to learn from incidents that resulted in minor or no injury or equipment damage, and plan to take future preventive action.

› Led a coordinated effort to provide real-time safety fact sheets and materials to improve employee safety, such as severe weather awareness information and heat advisory warnings. Developed timely safety and hazard fact sheets for flooding and clean-up response, and seasonal communication materials such as the DNR Employee Tick Disease Risk Map.

Continuously communicate our safety commitment to employees, citizens and stakeholders.

› The central office safety team includes division representatives, floor representatives, (and regional and divisional safety committee input). The team produces a quarterly safety newsletter. Regional safety committees are critical to the success of the program since they have particular insight into the field risks staff face every day.

Charter and launch an effective Executive Safety Committee to integrate safety into daily work activities.

› The Executive Safety Committee was re-activated in FY 13.

Above and Beyond

Unique achievements and little-known efforts

Safety collaborated with the Ecological and Water Resources Division to develop new employee right-to-know training on poisonous and hazardous plants. This benefited all field staff who do burning, invasive plant control and habitat restoration, among others.
Key Performance Indicator Charts

**Cost of Workers' Compensation Per Full-Time Equivalency (FTE)**

KPI #1: Worker’s compensation costs are an indication of the effectiveness of the safety program and employees following safety procedures. The trend is moving in the desired direction.

**Safety Survey Results**

KPI #2: Comparing safety survey questions from 2005 to 2013, a higher percentage of respondents indicated in 2013 that they followed safety rules, that their supervisor enforced safe working practices, and that their co-workers followed safety rules.
KPI #3: The goal is to achieve a decreasing incident rate and work toward zero injuries. Working safely continues to be a challenge and remains a priority for the department.

Total Incident Rate (TIR)

* Total Incident Rate (TIR) = Total # OSHA recordables * 200,000 / Total # of work hours
CTW Strategy 3.6: Leverage the capital budget process to further DNR’s contributions to Minnesota’s economic development. DNR’s capital investments create jobs and drive economic development throughout the state. Develop bonding proposals that conserve natural and recreational resources and provide statewide economic returns consistent with strategic priorities. Ensure DNR work facilities are adequately maintained.

I. Purpose
The Facilities Program supports the DNR’s outdoor recreation, economic development and conservation mission by providing facilities (buildings and recreational sites) that are safe, accessible, support natural resource work, and model the way in environmental sustainability and energy use. By linking DNR values to overall facility program priorities and goals, program staff provides guidance to establish design parameters and customer service delivery standards.

II. Facilities Program Scope
The Facilities Program provides two main types of services: maintenance and renovation of DNR buildings, and the design and construction of new buildings and recreational facilities. Maintenance work is funded by the Facility Management Account and the design of new buildings and recreational facilities is funded by the Professional Services Account. Scope includes capital planning, design, construction administration, building occupancy and operation, and energy leadership.

III. FY12–13 Key Accomplishments
Some of the most important accomplishments the Facilities Program achieved in FY12–13:
- Built expanded library space through a cooperative agreement with the Minnesota Pollution Control Agency, resulting in improved library resources and service hours.
- Launched the Facility Committee, comprising regional and division staff, to develop a greater understanding of the operation and management of our facilities and construction activities.
- Created the Five-Year Plan for Sustainable Fleet, Facilities and Purchasing Operations.
- Designed and constructed more than 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 over 50 buildings, renegotiated leases, installed over 200 kW of solar photovoltaics, consolidated offices, and implemented more efficient overall designs.

Just the Facts
- 2.9 million square feet of office space managed at over 200 site locations statewide.
- Facilities staff manages the operation and maintenance of more than 2,700 buildings with a replacement value of almost $500 million.
- The program coordinates office efficiency planning for more than 75,000 square feet of office space and oversees more than 100 leases.
- Staff demolished 102 obsolete buildings over the biennium at a cost of slightly more than $2 million.
IV. FY12–13 Facilities Program Deliverables

In the FY10–11 Biennial Report, the Facilities Program committed to achieving a number of goals (in italics). Here we review the steps we’ve taken toward achieving those goals:

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

› Prioritized the spending of $17 million in asset preservation funds. These funds are used on more than 1,000 buildings throughout the state to repair roofs, replace windows, remedy code deficiencies and improve the energy efficiency and renewable energy profiles of structures.

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

› 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.

› Rely on master contracts for professional services when needed to deliver supplemental engineering, architectural, and construction design services. (See KPI #2, Professional Services.)

Improve the availability of quantitative data for several performance measures

› The Facilities Program worked closely with the Asset Management Advisory Group to improve the key performance indicators and the availability of data. The FY14–15 Shared Services SLA has a more defined set of indicators to help measure performance into the future.

Improve the environmental sustainability of all buildings and sites by using energy scorecards and locally-developed site sustainability plans. In addition (and as required by law and Governor’s Executive Order), design new buildings with energy-efficient materials and renewable energy generation in pursuit of “net zero” energy use.

› Implemented renewable energy systems, from geothermal to solar, as a standard on all new and renovated building projects. As a result, DNR has more than 300 kilowatts (kW) of solar energy capacity, or 515,000 kWh per year. We receive more of our energy from solar photovoltaic systems than most facility complexes in Minnesota.

This new visitor center at Tettegouche State Park was one of the more than 800 projects designed and constructed in FY12-13.
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.

- Actively participated in developing a statewide building condition assessment module. This tool clearly identifies, categorizes, and creates cost estimates for all building maintenance needs.

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

- The Facilities Program continues to focus on reducing energy use. More needs to be done, both on the part of the program and DNR employees, to meet this goal in 2015.

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

- The DNR was just shy of deriving 1 percent of total facility energy from on-site renewable energy systems at the end of FY13. The agency has 25 renewable energy systems, which ranks it among the top 20 system owners nationwide. The DNR’s renewable energy initiative received a boost in 2012 when an 82 kilowatt system was installed at the Region 4 headquarters in New Ulm.

Above and Beyond

Unique achievements and little-known efforts

Facilities staff annually design and administer construction of more than 800 projects. This includes the construction of bridges, state trails, water accesses, harbors, dams, hatcheries and water control structures. Projects range in cost from $2,500 to over $5 million, for a total annual output of more than $35 million.
**Key Performance Indicator Charts**

**DNR Facilities Energy Data**

KPI #1a: This slide shows the actual energy used by DNR facilities in each of the noted periods. These figures are not “normalized” for weather conditions, and reflect the mild winter of FY12. Learn more about DNR’s energy saving work: [http://www.dnr.state.mn.us/energysmart/index.html](http://www.dnr.state.mn.us/energysmart/index.html).

**Renewable Energy Generation**

KPI #1b: This slide shows a dramatic increase in the amount of renewable energy generated by DNR’s renewable energy systems. Cutting overall energy use and increasing the use of renewables is a key agency priority.
KPI #2: This shows the hourly rate that MR staff charged to divisions for professional services in comparison to the average rate charged externally for comparable services. MR’s rates are compared to those of firms listed on the Department of Administration’s Master Roster. These companies have staff with experience levels similar to DNR staff.

KPI #3: The Facility Program seeks to spend at least 75% of funds from the Facility Management Account on project costs. The additional 2-10% is for administrative costs such as: rent, training, agency direct and indirect costs.

Note: In the FY10–11 Biennial Report, facilities included ratings on building condition and deferred maintenance needs. Due to statewide changes in the methodologies behind these ratings, consistent data was not available for the FY12-13 report.
I. Purpose
The DNR’s award-winning Fleet Program, which received honorable mention in the 2013 100 Best Fleet Programs in North America, keeps staff on the move with the right vehicles and types of equipment for every job, and with low-cost equipment and transportation solutions. Fleet supports the key values of cost containment, safety and environmental responsibility.

II. Fleet Program Scope
Fleet scope includes cradle-to-grave fleet management services such as financial analyses and feasibility studies of equipment investments; managing fleet acquisition and life cycles; and coordinating other aspects of equipment and fleet operations. A key strategy to controlling fleet costs at the division level is the “equipment plan.” This plan describes the division’s long-term strategy for deploying vehicles and equipment to achieve its natural resource mission.

III. FY12–13 Accomplishments
The outcomes the Fleet Program achieved in FY12–13:
- Implemented your suggestions for improvement from the Employee Suggestion Box:
  - Improved turn-around time for new replacement vehicles by dedicating resources for up-fitting of vehicles.
- Expedited vendor payments for repairs by working with vendors to accept the fleet card when possible.
- Implemented purchasing improvements recommended during the February 2012 Kaizen event.
- Reduced insurance costs by training staff and encouraging better driving behaviors.
- Managed fleet rate increases. In FY13, fleet rates increased by only 2.6 percent despite significantly higher fuel costs.
- Strong equipment life cycle management and equipment/vehicle maintenance resulted in significant auction revenues of over $2 million annually.
- Managed declining fleet mile usage—fleet miles declined 6 percent from 2008.
- Launched a five-year sustainability plan, which strives for increased miles per gallon (MPG) with a target of 16 MPG for the DNR’s light road vehicle fleet.

- Just the Facts
  - Major fleet program expenditures range from fuel cost ($4.4 million in FY13) and maintenance and repair, to such things as equipment replacement ($10.4 million in FY 13).
  - Staff manages 5,000 pieces of equipment made up of approximately 1,600 on-road vehicles, 1,700 off-road vehicles and 1,800 trailers and attachments.
  - DNR employees logged about 16 million miles in FY13, a figure that has remained stable over the last four years. Energy use has declined over that time, as has the number of “private car” miles.

- CTW Strategy 4.3: Improve efficiency of DNR’s resource management, operations, and business practices. Create a better DNR that continually seeks opportunities to improve and innovate the ways we deliver conservation programs and customer service, internally and externally.
• Increased efficiency with a preventive maintenance focus. Part of this focus includes having regional shop employees maintain and service DNR vehicles.

IV. FY12–13 Fleet Program Deliverables

In the FY10–11 Biennial Report, the Fleet Program committed to achieving a number of goals (in italics). Here we review the steps we’ve taken toward achieving these goals:

* Increase equipment sharing to reduce costs and broaden access to DNR-owned equipment. While equipment sharing between workstations, divisions and regions has become more commonplace, there is opportunity to do more.
  ‣ The DNR now participates in a quarterly interagency coordination meeting focused on sustainable environment and renewable resources investments. Part of this activity includes a “fleet council” which facilitates interagency sharing of equipment and expertise.

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.

  › The DNR purchased its first all-electric vehicle in 2002. Now, 21 DNR facilities have at least one all-electric vehicle.

Retain Tier 1 insurance grouping.

  › The DNR fleet remains in the most favorable rate grouping, Tier 1, which is the highest and best rating. This saves the department about $200,000 in insurance costs each year, which keeps fleet costs low.

Reduce miles driven and increase usage rates.

  › Miles driven have remained stable over the past several years. Private car miles (more expensive overall than fleet car miles) have decreased.

Sustain or increase the resale value of all vehicles.

  › DNR equipment is most commonly sold via auctions put together by the Department of Administration (DOA). The DNR conducts and/or participates in approximately 14 auctions each year. The DNR pays a fee of about 10 percent to DOA/Material Management Division to conduct the auctions, and they have been successful in gaining good returns. Sale values often exceed National Automobile Dealers Asso-

The DNR has reduced fleet greenhouse gas emissions through the use of hybrid vehicles. With the Chevrolet Volt, staff can drive 35 miles on a single electric charge with zero emissions.
Reduce fleet energy use by 4 percent per year through behavioral changes and more efficient vehicles.

- OSD developed a formula for a new metric which applies to on-road vehicles only (miles ÷ MMBTU). MMBTU is a measure of energy, so the metric shows energy used per mile. This is a more effective way to account for the energy content of different types of fuel and for different vehicle uses, as well as for unanticipated travel needs. This metric can be improved by changing our work habits—by pooling equipment at a central site, for example, and using the most fuel-efficient vehicle for the task—without sacrificing the quantity and quality of miles traveled.

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

- The DNR's three Chevrolet Volts are plug-in hybrid vehicles that can travel 35 miles on a single electric charge. For example, a staff member can travel roundtrip from the central office in St. Paul to Fort Snelling State Park with zero emissions. When powered by gas, the Volt gets 38 miles per gallon on the highway.

Above and Beyond

Unique achievements and little-known efforts

The Fleet Program's New Ulm public auction location has been a hit. The stellar results of the first auction (more than 700 bidders and nearly $700,000 in revenue) continued throughout FY12 and FY13.
**Key Performance Indicator Charts**

### Average Miles-per-gallon of All Fleet Vehicles Under 14,000 Gross Vehicle Weight Rating (GVWR)

- **FY2010**: 14 average miles per gallon
- **FY2011**: 14 average miles per gallon
- **FY2012**: N/A*
- **FY2013**: 16 average miles per gallon

*A new fleet data system was implemented part way through FY12, so data is incomplete or not available for that year.

**KPI #1:** The average MPG for light vehicles is trending up as more fuel-efficient vehicles enter the fleet.

### Fuel Consumption

- **FY2008**: 1,300,000 gallons of fuel
- **FY2009**: 1,200,000 gallons of fuel
- **FY2010**: 1,000,000 gallons of fuel
- **FY2011**: 1,000,000 gallons of fuel
- **FY2012**: N/A*
- **FY2013**: 1,000,000 gallons of fuel

*A new fleet data system was implemented part way through FY12, so data is incomplete or not available for that year.

**KPI #2:** Light vehicle total fuel consumption has been trending down as hybrids and electric vehicles with better fuel economy enter the fleet.
KPI #3: The utilization percentage is a comparison of the actual miles driven in the fiscal year compared to the number of miles that users anticipated driving. The goal is to reach 100% utilization, which would mean usage estimates correctly reflect actual vehicle usage, which helps fleet accurately plan for vehicle costs and life cycles. Currently customer usage estimates are higher than actual usage. Note: during FY2012 there was a three week government shutdown.

KPI #4: The bars show the average age of the DNR's light vehicles. Fleet staff has initiated an aggressive approach to selling replacement vehicles when the market value is high. Staff also is committed to reducing vehicle down time for repairs, and to replacing units before major mechanical issues develop.
KPI #5: 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 the DNR’s good business choices, debt-free financing, managed lifecycles, low insurance premiums and good maintenance practices, the agency provides a safe, reliable, fuel-efficient fleet for natural resources work at the lowest cost.
I. Purpose

The Materials Management Program purchases goods and services for the DNR while striving for best value. Staff experts include buyers, contract administrators and inventory specialists. They maintain accurate knowledge of strategic sourcing, specification development and contracting, specialized commodity purchasing, and inventory and surplus disposal. Materials management ensures that the DNR’s day-to-day business activities function efficiently and cost-effectively.

II. Materials Management Program Scope

Materials management includes procurement services; fixed asset inventory management; and specialized commodities purchasing. Program staff continues to manage the DNR warehouse in conjunction with Minnesota State Industries to achieve prompt delivery of goods, such as safety products, to agency staff around the state.

III. FY12–13 Key Accomplishments

Some of the most important Materials Management Program achievements in FY12–13:

- Implemented your suggestions for improvement from the Employee Suggestion Box:
  - Established contracts for heavy equipment rental.
  - Improved purchasing processes (Kaizen event recommendations).
  - Reviewed the uniform policy, reassessing full-time and part-time uniform requirements/categories and securing new uniform contract.
- Reorganized and streamlined procurement services. Starting in FY14, all procurement activities for commodities and services will be managed under one manager and report directly to the chief financial officer. The goal is to improve customer service by reducing complexity for our internal customers purchasing goods and services.
- Redesigned warehouse online ordering system to better serve customer ordering needs. This process improvement increased the availability of environmentally sustainable products and safety equipment and achieved cost savings for our customers.
- Worked with management and budget to mentor staff assigned as DNR authorized local purchasers, and provided training to maintain staff certification.
- Developed new master contracts for statewide use. These covered such things as fire extinguisher service and training, yurt purchases, and copy machine repair, and they facilitated simple, fast, cost-effective purchasing option for users.

Just the Facts

- Staff managed 19,000 fixed assets.
- Annual purchases for 2012 totaled $37 million.
- In 2013, $61 million in purchases were made.
- On average, Materials Management Program staff guided purchases of $46 million annually.
• Filled 868 warehouse orders in 2012 and 1,225 in 2013. Orders covered about 300 different products.
• Executed purchases totaling $98 million for the biennium.
• Tracked more than 19,000 fixed assets.

> The DNR continues to work with the SWIFT Team to create comprehensive reports for accurate and timely inventory reports to accomplish inventory review during the non-peak season.

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

> The DNR now acquires wood products and paper that have third-party certification, proving they are environmentally friendly.

Streamline purchasing procedures by eliminating redundancy and using new technologies.

> Materials management staff participated in an agency-wide Kaizen event to review purchasing at the $2,500 level. This yielded 24 recommendations for improvement.

IV. FY12–13 Materials Management Program Deliverables

In the FY10–11 Biennial Report, the Materials Management Program committed to achieving a number of goals (in italics). Here we review the steps we’ve taken toward achieving those goals:

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

> Staff conducting the 2012 inventory process reviewed 19,000 assets in 500-plus locations statewide with 97 percent accuracy. See KPI charts 1a and 1b.

Above and Beyond

Unique achievements and little-known efforts

• Materials Management staff took part in a statewide Kaizen event as part of the SWIFT phase II implementation for the electronic purchasing approval process. Staff developed an online purchasing training module in collaboration with the Office of Management and Budget Services. This innovation will help reduce travel and out-of-office time; create a more comprehensive way to monitor purchasing authority; and provide just-in-time training opportunities.

• Staff acquired a “safe boat” purchased with grant funds from the federal government for use by the Enforcement Division in a limited timeframe. Also, staff streamlined processes for boat purchases so that boats are placed into service sooner—in the spring versus late fall.
KPI #1a: The delivery timeframe chart above tracks the time it takes to acquire an item. The $2,501 to $10,000 price category increased from FY10 to FY13, partially due to a process change where the DNR started encumbering all warehouse orders. The $10k category decreased partially due to events in SWIFT taking less time to process versus MAPS.

KPI #1b: The purchasing volume chart tracks the number of requests received in the unit. Due to the structure of a biennium and the potential loss of certain funds at the end of each biennium, the work load in the second year typically increases.
KPI #2: This is an indicator of environmentally sustainable purchasing. It shows total dollars spent to purchase 100% recycled paper and FSC certified products that are environmentally safe and that reduce the DNR’s carbon footprint. We need to continue to procure products that help sustain our environment.
CTW Strategy 4: DNR will have operational excellence with a focus on Continuous Improvement in service to its conservation mission.

I. Purpose

The Office of Management and Budget Services (OMBS) provides fiscal and management leadership and assistance to enable the DNR to responsibly and efficiently achieve its departmental goals. OMBS oversees the preparation of the DNR’s biennial budget process and finances while managing many of the department’s critical functions such as revenue, expenditure, internal audit and management services.

II. Management and Budget Services Scope

OMBS provided services in several areas: budget and financial analysis, financial operations, grants management, management services (management improvement, policy, research and planning, and legislative affairs) and internal audit.

As a part of the design of OSD, a new section (operation services) was created at the end of FY12 to lead the management services and internal audit functions. This was done so that OMBS could focus on the integration of the DNR’s procurement services into OMBS starting in FY14. This transition took the better part of FY13 and has resulted in a better-aligned organization.

III. FY12–13 Key Accomplishments

Some of the most important OMBS achievements in FY12–13:

• Implemented your suggestions for improvement from the Employee Suggestion Box:
  ◦ Modified the DNR’s cell phone policy.
  ◦ Facilitated the Kaizen event on water appropriations permitting for the Ecological and Water Resources Division.
  ◦ Improved the use of SWIFT through the SWIFT stabilization plan. Reached out to other state agencies to assist with a consistent implementation of the plan.
  ◦ Provided online training for over 500 authorized local purchasers and 1,600 purchasing card users in the DNR.

Just the Facts

• The DNR had a 21 percent increase in total funding (including bond funds) from FY12 to FY13.
• OMBS updated customer data for 1,500 customers for the DNR’s revenue system upgrade.
• OMBS managed a combined $618 million in DNR revenue over the course of FY12–13 with more than $19 million more collected in FY13. This represents a 3 percent increase in collected revenue between the two fiscal years.
• Encumbered funds for more than 425 grant projects.
• OMBS processed more than 830 construction and service contracts statewide over the biennium.
• Improved the function and reporting capabilities of the commissioner’s suggestion box.
• Included a representative of the State Wildlife Action Plan on the Natural Resources Conservation Service regions State Technical Conservation Committee. This allowed us to better communicate the action plan and to implement goals on private lands.
• Held “Voice of the Customer” discussions with DNR divisions and regions to learn more about customer needs and expectations.

• Financial Services Accomplishments
  • Improved the prompt payment percentage by 10 percent between FY12 and FY13 and handled an increase of 16,000 payments into SWIFT (the state’s new financial accounting system).
  • Managed the implementation of SWIFT through Phases 1 and 2, resulting in significant improvement in reporting, coding, and usability.
  • Revised and implemented financial policies to ensure compliance with state regulations. Examples include grants management, payment request preparation approval, DNR purchasing card use, employee business expense and disaster policies and procedures.
  • Improved budget services by implementing the Budget Planning and Analysis System for the FY14–15 biennial budget process.
  • Increased availability of internal audit services by creating:
    • Audit service form and work tickets for service requests.
    • Annual Risk Assessment Plan.
    • Internal website (intranet).
    • Increased training opportunities for DNR staff.

• Management Services Accomplishments
  • Co-led an effort to enhance DNR’s Outcomes Tracking System, which serves to inform the public about DNR’s investments of Legacy Amendment Funding and other natural resource appropriations.
  • Supported Parks and Trails Legacy Funding Work Group consensus recommendation for allocating the Parks and Trails Legacy funding, which the state legislature adopted in its final budget recommendation.
◦ Created Operational Order 27—DNR Internal Policy Framework, which seeks to unify the department’s policies and procedures.
◦ Supported the senior managers’ design and development of Conservation that Works: DNR Four Year Priorities.
◦ Paired regional planners with Ecological and Waters Resources staff to strengthen the DNR’s Aquatic Invasive Species program.
◦ Co-led a process to review, refine, and re-charter the Forest Resources Issues Team management process.
◦ Co-chaired and managed the DNR’s Climate and Renewable Energy Steering Team, responsible for coordinating the department’s response to climate change and energy issues.
◦ Dedicated staff resources toward the department’s highest priority Continuous Improvement projects.
◦ Provided strategic planning, policy development and support for the DNR’s Strategic Land Asset Management Program.
◦ Made improvements to the DNR’s internal legislative work based on division feedback. This was accomplished in part by a new online legislative contact log.
◦ Designed and managed the Commissioner-sponsored Conservation Science Chats to disseminate and discuss the latest conservation science and policy innovation work.

◦ OMBS worked with each of the sections in OSD to develop and improve FY12–13 and FY14–15 key performance indicators. These indicators are listed throughout the biennial report and are included in the FY14–15 Shared Services SLA.

SWIFT: continue to assist our staff and customers in the transition to this new system.
◦ OMBS placed a high priority on customer training as OMBS staff worked to develop a better understanding of the new SWIFT system. OMBS evaluated current business practices based on customer and staff feedback and made changes to adapt to new SWIFT guidelines.

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 the 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.
◦ Reorganized the DNR Grants Unit with a specific focus to provide departmental grant oversight and guidance to all DNR grant staff.
◦ Improved customer service relationships with grant recipients. Survey results improved in both FY12 and FY13.

IV. FY12–13 Office of Management and Budget Services Deliverables

In the FY10–11 biennial report, OMBS committed to achieving a number of goals (in italics). Here we review the steps we’ve taken toward achieving those goals:

Continue to develop and improve our set of performance indicators to track progress in our service level areas.

Provide improved departmental leadership in the following areas: management analysis and business planning, Continuous Improvement and innovation, and the 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.
OMBS provided integrated resource management leadership and policy support to the department in FY12–13. This included work with the Senior Management Team, Operations Managers Team, Regional Management Teams, Climate Change and Renewable Energy Team, Forest Research Issues Team, Strategic Land Asset Management Leadership Team, Statewide Interdisciplinary Review Service, Shared Services Governance Board, Project Management Community of Practice and others.

The Better DNR Initiative supported leadership efforts in Continuous Improvement, innovation, and project management. With assistance from OMBS, the department trained, sponsored and completed eight larger-scale Continuous Improvement projects. These resulted in improvements in online permitting, records management, land acquisition, aquatic plant management, land surveys, financial management and purchasing.

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.

- The Outcomes Tracking System won one of just five Governor’s Awards for innovation and Continuous Improvement in 2012.
- Led the semi-annual Conservation that Works performance reporting.
- Led the update for Conservation that Works, Version 2, with the Senior Managers, Operations Managers, the Goal 2 Work Group, among others.

In late 2012, the Strategic Conservation Agenda website was developed using data now tracked and stored in the Outcomes Tracking System. Developing the complex website involved working with software developers, web designers, and conservation experts. Staff designed dynamic pages for each of the 90 indicators published in the paper version of the Conservation Agenda.

The grants outcomes website, a product of the outcomes tracking system, was significantly revised during the last biennium.

In 2012, we designed a prototype interactive map which displays outcomes tracking system data by location. This special format allows users to see how projects are distributed across the state.

Lead an initiative to design and implement a unified and comprehensive system for managing, communicating, and maintaining department policies and procedures

- The newly developed DNR Internal Policy Framework program (Operational Order 27) will help us achieve this goal. It involves the design, implementation, and on-going management of a unified and comprehensive system for managing, communicating, and maintaining department policies and procedures.

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

- Supported a collaborative process to develop Parks and Trails Legacy funding allocation that was collectively developed by the department, Metro Regional Park and Trail providers, and the Greater Minnesota Regional Parks and Trails providers.
▶ Improved the biennial budget process by refining DNR’s Budgeting for Results legislative report and presentation, and incorporated a results-based accountability framework. This made it easier for legislators to understand the DNR’s natural resources’ funding needs and outcomes/ accomplishments.
▶ Developed a funding formula for measuring the direct and necessary costs associated with constitutionally dedicated funds. This has reduced the DNR’s reliance on other funds to support these important appropriations.

Continue and enhance “Science Chat” WebEx’s (online meetings that staff can view from wherever they are) to support interchange of information about the best available science and technology among staff.
▶ OMBS and the Conservation Science Chat advisory team hosted 13 Science Chats in FY12–13. These monthly webinars provide broad dissemination and discussion of the latest conservation science, management innovations, and policy topics throughout the department. Effective June 28, 2012, Science Chat episodes transitioned to the WebEx platform, making them interactive and available to all staff.

Above and Beyond

Unique achievements and little-known efforts

At the beginning of FY2012, the State of Minnesota experienced a state government shutdown. Dozens of staff from OMBS and others in the Operations Services Division provided outstanding leadership, support, direction, and materials development to prepare for idling DNR operations. This included the daunting task of preparing for the shutdown, managing DNR operations at idle, and then restarting agency functions when operations resumed.
KPI #1: This graph illustrates the percent of invoices paid within 30 days of receipt from FY08-FY13. The prompt payment percentage dropped in FY12 because of the state shut-down and transition to SWIFT, the state’s new financial accounting system.

KPI #2: If a division finds an error in an expenditure they approved that has already been processed, OMBS must go back and correct the expenditure. A single expenditure may have multiple lines that need to be corrected. The graph above shows the total percentage of expenditures and lines that OMBS has corrected after a payment was already processed. This only reflects errors that are found after a payment is approved and processed; it does not include errors that OMBS corrects before a payment is processed.
KPI #3: This graph illustrates the capital bonding expenditures from FY2003-FY2013.

KPI #4: 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. The graph illustrates total revenue processed from FY2003-FY2013.
KPI #5: Expenditures are an important indicator of fiscal activity at DNR and related fiscal management assistance performed by OMBS. The graph shows the history of expenditures by fund from FY2003-FY2013.

![DNR History of Expenditures by Fund](chart)

KPI #6: DNR’s Policy and Planning services provide strong value when compared to similar services in the public, NGO, and private sectors.

![Professional Services Rate Comparison: DNR Planning and Research](chart)
KPI #7: DNR’s Continuous Improvement efforts seek to promote a culture of improvement through formal training and a collaborative approach to projects.
I. Purpose

MN.IT staff aid DNR employees and leadership by delivering the information processing and communications infrastructure that every large business requires to operate. The service portfolio is comprehensive and includes a variety of sourcing strategies designed to optimize price-performance. These services also extend outside the organization with MN.IT serving as a business partner for public customer outreach and external information access.

MN.IT provided leadership in the development, coordination and deployment of information technology (IT) services. In this role, the SLA established standards across its operational technologies to achieve economies of scale and service quality that would be difficult to achieve on a division basis.

II. MN.IT Scope

MN.IT offers a full range of IT services in support of the DNR mission. This includes data center administration, communication network administration, videoconferencing support, business software hosting, computer technical support, Geographic Information Systems (GIS) support, web hosting services and content coordination, software development and data management, and IT project management. The team maintains:

- 400 individual network devices.
- 250 computer servers.
- 192 individual network worksites.
- IT service desk, which responds to 16,000 requests per year.

Just the Facts

- MN.IT professional services work volume increased by 30 percent from FY12 to FY13.
- The DNR’s computing network exceeded 99.9 percent availability in FY13.
- The DNR websites and key business applications exceeded 99.8 percent availability in FY13. Web pages receive about 56 million hits annually.

Also, MN.IT administers the DNR website, one of the most heavily used sites in Minnesota state government. Staff in our computer technical support area use state-of-the-art tools to provide flexible support capabilities for a mobile workforce.

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.

MN.IT 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.
III. FY12–13 Key Accomplishments

The outcomes we achieved in FY12–13:

- Guided development of the department’s new Land Records System toward a fall 2013 release—the culmination of a six-year effort.
- Successfully built and released version 1 of the Minnesota Permitting and Reporting System (MPARS)—the largest internally developed business system the department has ever undertaken.
- Created the first modern DNR IT project and product portfolio and enabled collaboration across all business units to keep it up to date.
- Released Mobile Lake Finder, version 2—a cross-platform mobile website with all the popular functionality found on the main web application, plus special regulations associated with current location.
- Set the stage for a massive 22 site network infrastructure upgrade in northeastern Minnesota.
- Stabilized the fledgling Computing Equipment Fleet (CEF) program and ramped up personal computer replacement purchasing to 200 units per quarter.
- Expanded enterprise storage capacity by 25 percent.
- Unified IT support request management across all service areas (personal computers, telecommunications, video, business applications, GIS, web, networks, training).

IV. FY12–13 MN.IT Deliverables

In the FY10–11 Biennial Report, MN.IT committed to achieving a number of goals (in italics). Here we review the steps we’ve taken toward achieving those goals:

MN.IT 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. 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.

- Enterprise consolidation advanced cautiously during the FY12–13 biennium, with a focus on financial management transformation and consolidated services design. MN.IT staff participated actively

MN.IT provides a full range of IT services. The service desk responds to about 16,000 requests per year.
in these processes, advocating for DNR business interests. The biennium proved to be a very active time for process consolidation, with development of a comprehensive product and project portfolio for the site, and institution of common IT services request procedures across the domain.

Data center operations will continue to move toward a smaller energy footprint with improved disaster recovery capabilities and simplified network architecture.

› Replacement of legacy equipment with modern more energy-efficient hardware is ongoing, with the conversion of an additional 30 percent of server resources in the biennium. Staff is making incremental progress in disaster recovery planning. The department network architecture continues to advance into a more standardized profile.

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.

› We started work in this area in the spring of 2013 with the designation of a full-time document management coordinator. Work is moving forward on a document management platform. MN.IT also guided the managed roll-out of Microsoft SharePoint as the department’s project collaboration platform.

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

› Staff made incremental progress with the release of new Mobile Lakefinder. Meanwhile, our content management strategies incorporate the needs of the mobile user on decisions in both page layout and navigation.

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.

› MN.IT made good progress with designating a dedicated resource for developing a department recreation base map. A base map shows background reference information such as roads and landmarks. This new base map will be the centerpiece of all department online mapping applications, including those intended for mobile platforms.

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

› The GIS team has been heavily involved in the development of the department’s land asset management strategy, an important integrated management initiative.
Develop new applications and update web-based opportunities to support outdoor recreation efforts.

*The MN.IT* team has continued to respond to customer requests for recreation program application development and enhancement.

Enhance online information and natural resource data access to citizens and stakeholders.

*Efforts in this area are ongoing.*

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Above and Beyond

*Unique achievements and little-known efforts*

*In FY12–13, MN.IT@DNR collaborated on the completion of the Statewide High-Resolution Elevation (LiDAR) project, establishing a foundational view of the Minnesota landscape for a wide array of natural resource planning activities.*
Key Performance Indicator Charts

**Overall Rating of the Quality of Service Received From IT Staff at DNR**

- **Excellent**: 50%
- **Good**: 44%
- **Fair**: 5%
- **Poor**: 1%

KPI #1: In a 2012 MN.IT @ DNR customer satisfaction survey, 95% of respondents rated the quality of service received from IT staff at the DNR as good or excellent.

**Professional Services Rate Comparison: MN.IT @DNR**

KPI #2: MN.IT @ DNR’s cost per hour for various IT services is consistently lower than the average contractor cost.
KPI #3: During fiscal year 2013, the percentage of visits from mobile and tablet devices increased. Mobile and tablet devices accounted for 34.3% of the visits to DNR’s website in July of 2013. Total DNR traffic (not shown on this graph) also increased during fiscal year 2013.
Conclusions and Next Steps

With the Operations Services Division firmly established and the shared services framework now part of agency policy, we are on our way toward improving our culture of business efficiency and innovation here at the DNR.

Last biennial report we committed to improving our SLAs, becoming more customer-centric, measuring what counts, and doing the planning we need to succeed. We have made gains in each of these areas. Of most significance, though, is that we have developed and implemented strategies to open the lines of communication between our operations staff and our internal and external customers.

For the coming biennium we will be tackling several new challenges:

• Redesign the internal web page so that it is easier for staff, supervisors and managers to find the information they need about the services we provide.
• Continue to find ways to engage with and listen to our customers to improve service delivery.
• Identify several Continuous Improvement projects that meet customer expectations for transparency and value.

Shared services can only succeed on the basis of communication and trust. We have taken the first steps that are just the beginning of a new way of doing business. But we cannot rest on our successes. We intend to prove over and over again that we provide the best, most responsive service for the best rates with a highly skilled business staff that remains consistently in tune with the needs of our customers.