

DNR Shared Services Outcomes Report



Biennial Report
Fiscal Years 2014-2015



About This Report

The Minnesota Department of Natural Resources (DNR) uses a shared services approach to support its operations. The Operations Services Division (OSD) is responsible for delivering these services to our division customers.

The shared services we provided in FY14-15 were:

- Human Resources
- Safety
- Facilities Management
- Fleet
- Materials Management
- Management and Budget Services
- Policy and Planning
- Communication and Outreach
- Management and Information Services

This report summarizes the work of OSD over the FY14-15 biennium (July 1, 2013 to June 30, 2015), and highlights some of the important work we have done to accomplish the mission of the agency.

Each of these services are provided according to Service Level Agreements (SLAs), which clearly set expectations for the service providers (us) as well as the customers (all DNR staff). In the following pages you will find information about the steps we have taken to meet the expectations in the SLAs.

Also included are charts of our “Key Performance Indicators” (KPIs), which we use to:

- Visually represent the services provided
- Quantitatively measure the impact we have in key areas
- Track changes in service demand over time to help inform future decisions

Find out more on the DNR website at www.dnr.state.mn.us/sharedservices/index.html. You will also find links to the previous outcomes reports and FY14–15 SLAs.

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OSD Programs Working Together: These photovoltaic panels at Afton State Park came online in December 2013. Our facilities program was responsible for designing and building the array, our policy and planning office leads the Energy Smart program pictured, and our Creative Services Unit worked with staff from Parks and Trails to exhibit the information.

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Letter from Commissioner Tom Landwehr

The FY14-15 biennium stands out for me as one of growth and accomplishment. We tackled many high-visibility projects, involved more Minnesotans than ever in our work, and made solid progress on the goals we laid out in our Conservation Agenda.

Operational excellence is one of these goals. Excellent workplaces are inclusive and emphasize open communication, teamwork, good customer service, transparency, and continuous improvement. Our Shared Services team (the majority of staff in our Operations Services Division) sets the tone for department excellence. And while we are not yet where we want to be, we are getting there.

Here are a few examples of successes made possible by Shared Services staff:

- We rolled out our Culture of Respect initiative and are molding a workplace where all employees feel respected and valued. We improved departmental tools, processes, procedures, and policies to help staff manage workplace conflicts and improve professionalism, civility, and respect. Our new employees have given us great feedback about our commitment to workplace respect.
- We started a program to improve job interview opportunities for individuals with disabilities. We have a formal partnership with the Minnesota Department of Employment and Economic Development (DEED) that guarantees DNR interviews for all qualified applicants referred by DEED's Vocational Rehabilitation Services. Since February 2015, the partnership has resulted in 15 interviews, two hires, one internship and one independent professional services contract
- We recognized that our employees are at high risk for tick-borne illness. We created a communication campaign and training, and increased tick protection for staff. Since 2013, our total tick-borne illness costs have decreased 45% and our program is a model for other organizations.
- We developed a Capital Asset Report that outlines the steps needed to improve and maintain the condition of our capital assets so that they are safe, accessible, support employee productivity, and model the way in environmental sustainability and energy use.

Outcomes like these prove that by centralizing our efforts and sharing our core services among all divisions, we are making the DNR a better place to work.

This Shared Services Biennial Outcomes Report walks you through some key achievements and challenges over the biennium. I invite you to take a look and learn a bit more about how we manage these services at the DNR.

Best wishes,



Note from Director Laurie Martinson

I am pleased to present the FY14-15 Shared Services Outcomes Report to you. Our focus in the Operations Services Division (OSD) is to provide you with excellent service that helps your program accomplish its goals. Our contributions can be seen in all four of the goals the agency set for the Conservation Agenda. We directly or indirectly support all of the natural resources goals that make Minnesota such a great place to live.

Near the end of the FY12-13 biennium, OSD launched a survey to ask our customers how they think we are doing. The results of that survey have significantly shaped our efforts to improve services in FY14-15. Through the survey, we learned that you are generally satisfied with the level of service you receive, but there is room for improvement:

- You want to better understand how to access our services.
- You want us to improve how we communicate about why and how we make decisions about services.
- You want us to reduce the time it takes to provide many of our services.

This report, our third since becoming a division, is filled with examples of the steps we have taken to address your concerns and improve our services. We continue to adopt shared services best practices, and strive every day to work with you, our customers and colleagues, to advance the mission of the Department of Natural Resources.



Operations Services Division
Director Martinson

Shared Services Governance Overview

Shared services, the department's centralized business services, are overseen by the Shared Services Governance Board made up of leaders from across the agency. 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. More information about the governance framework can be found in Operational Order 122.

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. DNR leadership establishes rates and fees that recover the full costs of providing the services. The complex financial and operating environment of the department is considered when determining service rates. This revenue model provides benefit to the agency since it is stable, manageable and changes according to service demand.

Shared Services Financial Summary Fiscal Years 14-15

Shared Services

Fiscal Year 2014

All Dollars in 000's

	Based On Upfront Billing			Based on Bill for Service		
	Ops Support 2001-8900	MR - Facilities 2001-8938	MN.IT Common Svcs-2001-9900	MR - Fleet 2001-8930	MR - Comp Equip Fleet 2001-8931	MR - Radio Mgmt 2001-8934
Beginning Bal: 7/1/2013	3,416	526	249	3,667	157	416
Bal Fwd/Back after Close	325	248	15	88	204	10
Resources:						
OSD	12,681					
MR - Facilities		4,560				
MR - Fleet ¹				18,260	1,936	1,195
ENTF/OHF Supp Agrmnts	440					
Federal Indirect	487					
SW Indirect ³	69					
Billing credit to divisions						
Transfer In ²						
MN.IT@DNR			6,476			
Total Billed Receipts:	13,677	4,560	6,476	18,260	1,936	1,195
Total Resources Available:	17,418	5,334	6,740	22,015	2,297	1,621
Expenses & Transfers (Exp include Encumbrances)						
HR ^{4,5}	(3,018)					
OMBS ^{4,5}	(4,731)					
OCO ^{4,5}	(2,957)					
MR - Safety	(691)					
MR - Procurement	(528)					
MR - Facilities		(3,991)				
MR - Fleet				(21,184)	(2,083)	(27)
OSD						
Policy and Planning ^{4,5}	(2,226)					
Transfer Out ²	(49)					
MN.IT@DNR ⁶			(6,443)		(122)	(850)
Total Expense & Transfer:	(14,200)	(3,991)	(6,443)	(21,184)	(2,205)	(877)
Balance as of close 8/16/2014	3,218	1,343	297	831	92	744

1 MR -Fleet: Cap Equipment combined in main Fleet account, Comp Equip Fleet started in FY12

2 Transfer to Leadership, appropriation R298902

3 Statewide Indirect Costs received from division then paid to MMB; expenditure included in OMBS total

4 Initiatives extended from FY13: Wires Upgrade \$250; SWIFT Project Manager \$100; eHNA Hiring Process Tool \$50,000; Enterprise Learning Management \$111; Volunteer Alumni Association \$30; Continuous Improvement \$100

5 Initiatives approved for FY14: One Stop Shopping for Recreation \$125; Continous Improvement \$100; Project Management Training \$75; BPAS \$10; Federal Aid Coordination \$90; Contracts \$80; ELM \$180; Business Training Services \$100

6 MN.IT Initiatives approved for FY14: Adobe Enterprise License \$8; IT Server Administration (2 years) \$110

Shared Services

Fiscal Year 2015

All Dollars in 000's

	Based on Upfront Billing			Based on Bill for Service		
	Ops Support 2001-8900	MR - Facilities 2001-8938	MN.IT Common Svcs-2001- 9900	MR - Fleet 2001- 8930	Comp Equip Fleet 2001-	Radio Mgmt 2001- 8934
Beginning Bal: 7/1/2014	3,218	1,343	297	831	92	744
Bal Fwd/Back after Close	359	154	33	338	81	20
Resources:						
OSD	12,682					
MR - Facilities		4,627				
MR - Fleet				24,339	2,327	1,040
ENTF/OHF Supp Agrmnts	623					
Federal Indirect	493					
SW Indirect ³	75					
Billing credit to divisions						
Transfer In ²	203					
MN.IT@DNR ¹			6,360			
Total Billed Receipts:	14,076	4,627	6,360	24,339	2,327	1,040
Total Resources Available:	17,653	6,124	6,690	25,508	2,500	1,804
Expenses & Transfers (Exp include Encumbrances)						
HR ⁴	(3,052)					
OMBS ⁴	(5,577)					
OCO ⁴	(2,918)					
MR - Safety	(637)					
MR - Procurement	(255)					
MR - Facilities ⁴	(78)	(4,983)				
MR - Fleet				(22,695)	(1,884)	(28)
OSD	(125)					
Policy and Planning ⁴	(1,755)					
Transfer Out						
MN.IT@DNR ⁵	(75)		(6,597)		(150)	(999)
Total Expense & Transfer:	(14,472)	(4,983)	(6,597)	(22,695)	(2,034)	(1,027)
Balance as of close 8/16/2015	3,181	1,141	93	2,813	466	777

1 MN.IT at DNR moved to separate appropriation to facilitate OET consolidation and tracking IT expenses

2 Transfer from Data Governance R298903 to Shared Services R298900

3 Statewide Indirect Costs received from division then paid to MMB; expenditure included in OMBS total

4 Initiatives approved for FY15: Plain Language \$35; Active Directory \$120; Beyond the Yellow Ribbon Training \$75; Electronic Information Accessibility \$150; Culture of Respect \$50; WIRES Upgrade \$120; Facilities Data

5 MN.IT Initiatives approved for FY15: IT Services Support Augmentation \$75; IT Server Administration (2 years) \$110

Professional Services

These services are billed separately from shared services based on utilization

Fiscal Year 2014

All Dollars in 000's

	Based on Bill for Service			
	OMB Prof Svcs 2001-8901	All Other OSD Prof Svcs 2001-8901	MNIT Prof Svcs 2001-8901	MNIT Prof Svcs 2001-9902
Beginning Bal: 7/1/2013	57	900	277	95
Bal Fwd/Back after Close		27		3
Resources:				
HR				
OMBS	274			
OCO		24		
MR		4,161		
OSD		18		
Transfer In				
MN.IT@DNR				1,690
Total Billed Receipts:	274	4,203	0	1,690
Total Resources Available:	331	5,130	277	1,788
Expenses & Transfers (Exp include Encumbrances)				
HR				
OMBS	(276)			
OCO		(21)		
MR		(4,412)		
OSD		(13)		
Transfer Out				
MN.IT@DNR				(1,783)
Total Expense & Transfer:	(276)	(4,446)	0	(1,783)
Balance as of 8/16/2014	55	684	277	5

Professional Services

These services are billed separately from shared services based on utilization
 Fiscal Year 2015 **All Dollars in 000's**

	Based on Bill for Service			
	OMB Prof Svcs 2001-8901	All Other OSD Prof Svcs 2001-8901	MNIT Prof Svcs 2001-8901	MNIT Prof Svcs 2001-9902
Beginning Bal: 7/1/2014	55	684	277	5
Bal Fwd/Back after Close		28		
Resources:				
HR				
OMBS	256			
OCO		71		
MR		4,967		
OSD		18		
Transfer In				
MN.IT@DNR				1,470
Total Billed Receipts:	256	5,056	0	1,470
Total Resources Available:	311	5,768	277	1,475
Expenses & Transfers (Exp include Encumbrances)				
HR				
OMBS	(248)			
OCO		(58)		
MR		(4,672)		
OSD		(18)		
Transfers				
MN.IT@DNR				(1,565)
Total Expense & Transfer:	(248)	(4,748)	0	(1,565)
Balance as of close 8/16/2015	63	1,020	277	(90)

Human Resources

Purpose

Human Resources (HR) supports the work of the department by providing professional workforce-related services to managers and supervisors. We provide cost-effective service and consultation to DNR employees in ways that reflect organizational values and standards. We advise staff in the areas of employee relations, labor relations, ethics, work group and organizational design, and employee development.

Human Resources Scope

Our shared services include:

- Affirmative action and diversity
- Benefits and leave administration
- Classification and compensation
- Data maintenance and reporting
- Employee and labor relations
- Employee training and development
- Internal investigations
- Management consultation
- Organizational health and design
- Payroll and transaction processing
- Performance management
- Policy/procedure development and implementation
- Staff development and training
- Staffing

Just the Facts

- Services are provided to about 4,500 employees throughout the year.
- More than 73,000 payroll checks are processed annually.
- Approximately 14,000 different employee transactions are executed each year, i.e. hires, promotions, transfers, leaves.
- HR completes 1100 job audits and position postings annually.

FY14–15 Key Accomplishments

Some of our most important accomplishments in FY14-15 include:

Beyond the Yellow Ribbon: The DNR took several actions in FY15 to bolster employment of veterans, including a “recruit, employ, and retain” initiative implemented by Human Resources. The aim of the project was to establish consistent interview and hiring processes for veterans that apply for DNR jobs. Eighty-five veterans were hired by the agency in FY14-15.

Collective Bargaining: Represented DNR management interests on statewide collective bargaining teams for five labor contracts and negotiated agency supplemental agreements for three contracts.

Culture of Respect: Our staff continued to provide support to the Executive Steering Team for Culture of Respect.



The Culture of Respect Executive Steering Team has identified ongoing dialogue between supervisors and staff as a high priority. In response, each spring HR creates tools designed to facilitate these discussions.

Developing Leaders: We help divisions identify and develop current and future leaders. A new project was designed and implemented to assess supervisory skills for this purpose. The skills assessment can be used to inform hiring decisions and training.

Diversity and Inclusion: Our staff worked to charter the Executive Steering Team for Diversity and Inclusion and began work on a project to partner with the Leech Lake Tribal College to create dedicated internships for students.

eTrack Implementation: The hiring process underwent a major overhaul. We implemented the eTrack system to streamline the hiring process for supervisors.

Federal Compliance: Federal healthcare requirements for employers changed in this biennium. We incorporated these complex regulations into the department's hiring process.

New State Hiring System: A new statewide hiring system will be rolled out in late 2015. We participated in the design and development of this system to ensure it meets the needs of potential DNR employees.

Online Training: Recently, we developed new online training for:

- Individual Employee Development Planning
- Managing Time and Priorities
- Onboarding New Employees
- Generational Diversity
- Family Medical Leave Act (FMLA) webinars for supervisors and employees

Orientation for New Employees and Supervisors: Attendees completed a short survey at the end of each session to measure the effectiveness of our orientation sessions for new employees and supervisors. The overall value of the course, out of a scale of 1 (little value) to 10 (high value), was ranked by all participants as 7.7 for New Employee Orientation and 8.9 for New Supervisor Orientation.

Organizational Learning and Development: We updated our Organizational Development and Learning intranet page to provide easier access and more relevant information. Our staff also supported the Executive Steering Team for Organizational Learning and Development.

Partnership with DEED: We began a new partnership with the Department of Employment and Economic Development (DEED) to match qualified job applicants, who are disabled, with job opportunities. This innovative partnership has already earned recognition from leaders across the state.

FY14–15 HR Goals

In the FY14–15 Service Level Agreement, we committed to achieving a number of goals (*in italics*). Here we review the steps we've taken toward achieving those goals:

Goal 1) *Facilitate DNR's workforce talent management through assisting supervisors in acquiring, developing, retaining and managing agency human resources to achieve accomplishment of DNR's mission.*

We completed approximately 2200 job audits and position postings, and managed 50,000 individual applications for employment.

Goal 2) *Ensure DNR employees receive timely and accurate pay and benefit information.*

We processed 147,000 paychecks in the biennium and managed over 300 cases of Family Medical Leave.

Goal 3) *Provide leadership, advice, and consultation to DNR management to ensure understanding and compliance with all applicable employment and labor laws, rules, and policies, etc.*

We advised in 75 management review meetings for internal investigations to determine appropriate next steps.

Goal 4) *Track delivery of core HR services relative to customer demand/usage.*

We compiled data for our Key Performance Indicators (KPIs) in order to track our success.

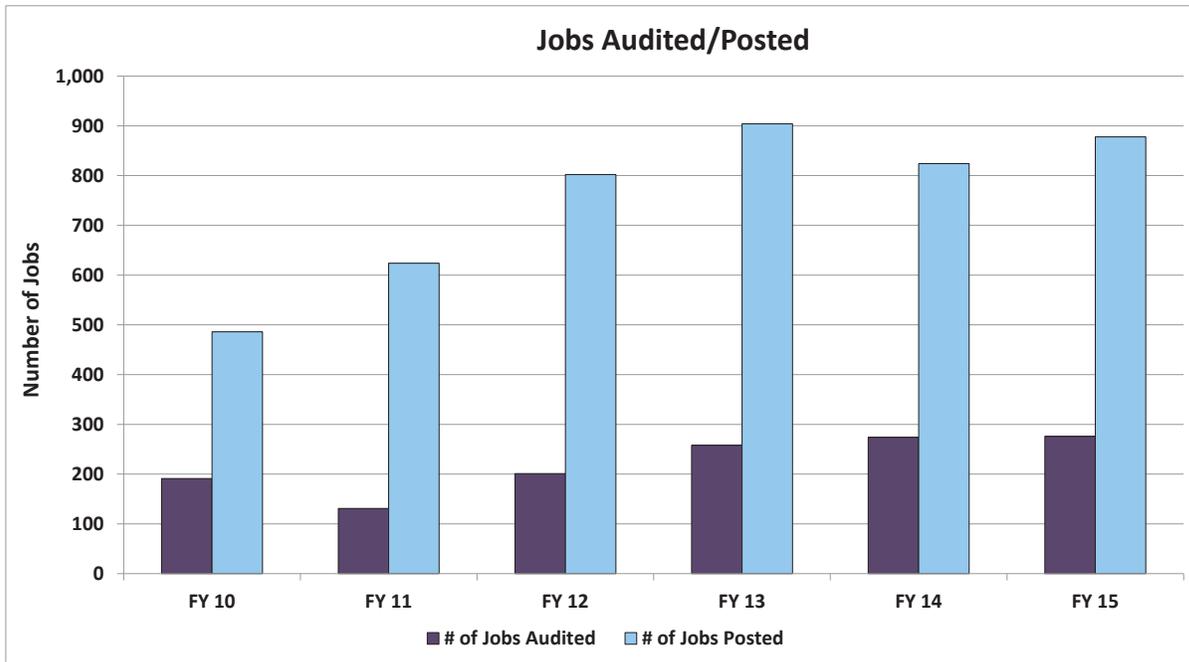
Goal 5) *Provide management reporting of employee-related data for use in organizational decision-making.*

We compiled and analyzed workforce data for Executive Insight Reports presented to Division Leadership to help provide some historical context around division operations. Additionally, we prepared and communicated regular employee data reports to supervisors.

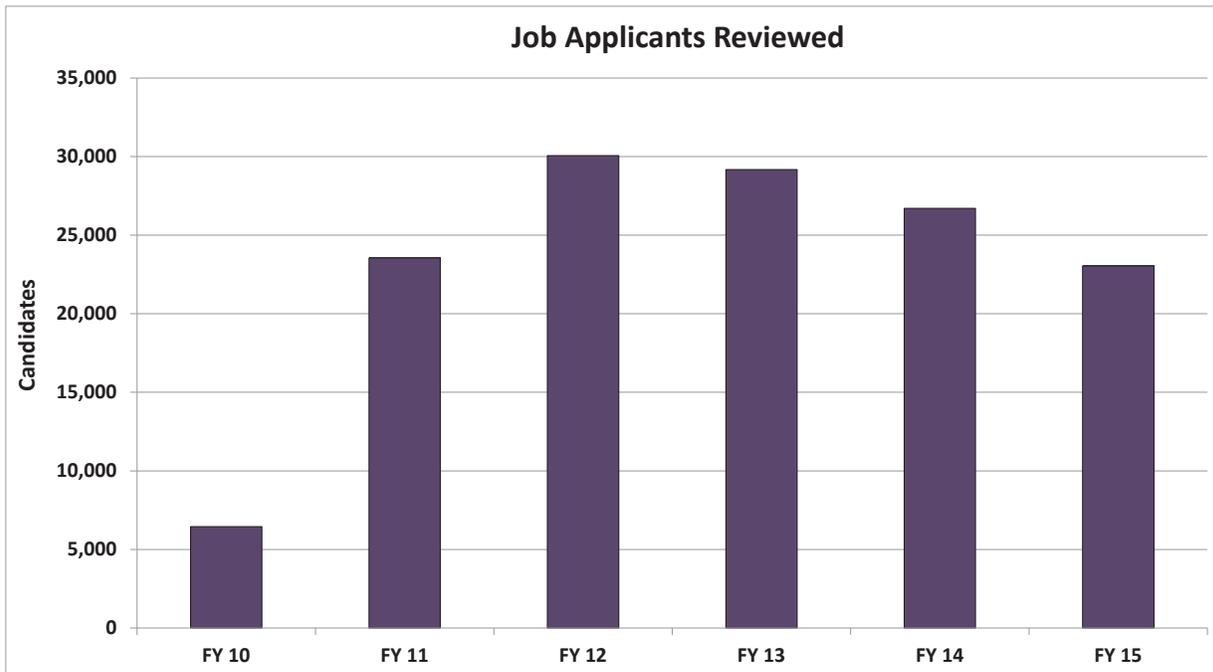
Goal 6) *Develop DNR leaders through delivery of supervisory orientation and training.*

New Supervisor Orientation sessions were held each quarter. Sixty-six new supervisors attended. We also piloted a mentoring program for seven pairs of supervisors and mentors.

Key Performance Indicator Charts

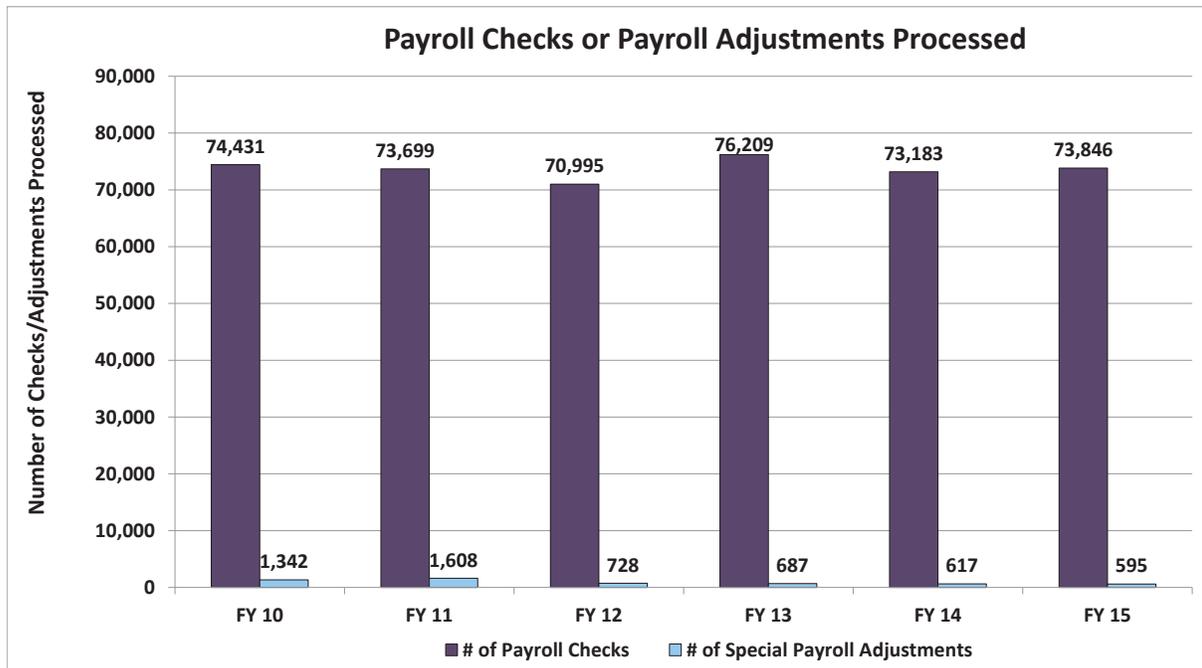


KPI #1: This chart shows the volume of positions submitted for review and classification by Human Resources as well as the number of postings. The number of positions needing audits increased in FY14/15 due to new positions created by divisions and classification changes. Postings increased due to vacancies resulting from retirements and staff turnover.



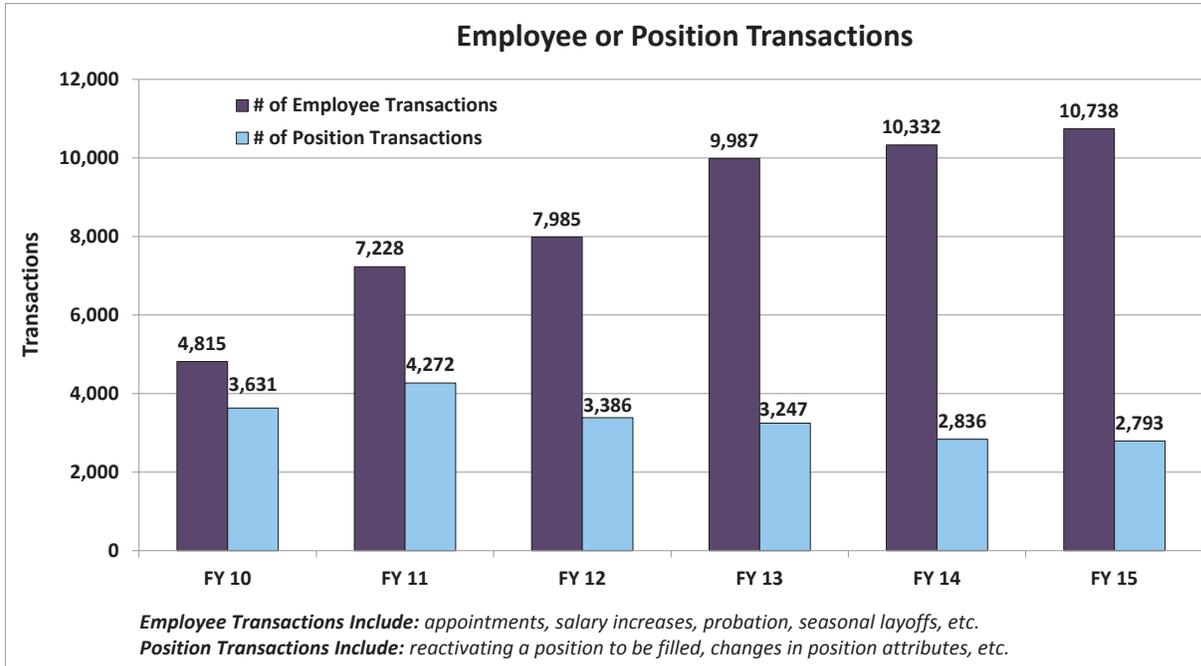
KPI #2: This chart shows the number of job applicants reviewed by Human Resources' staff for all job postings. It is unclear why the number of candidates decreased, but it may be due to more postings open only to current DNR and/or state employees. Also, it could be a sign that the economy is improving; there are fewer candidates looking for jobs; and that competition for science, technology engineering, and math positions is increasing.

Key Performance Indicator Charts



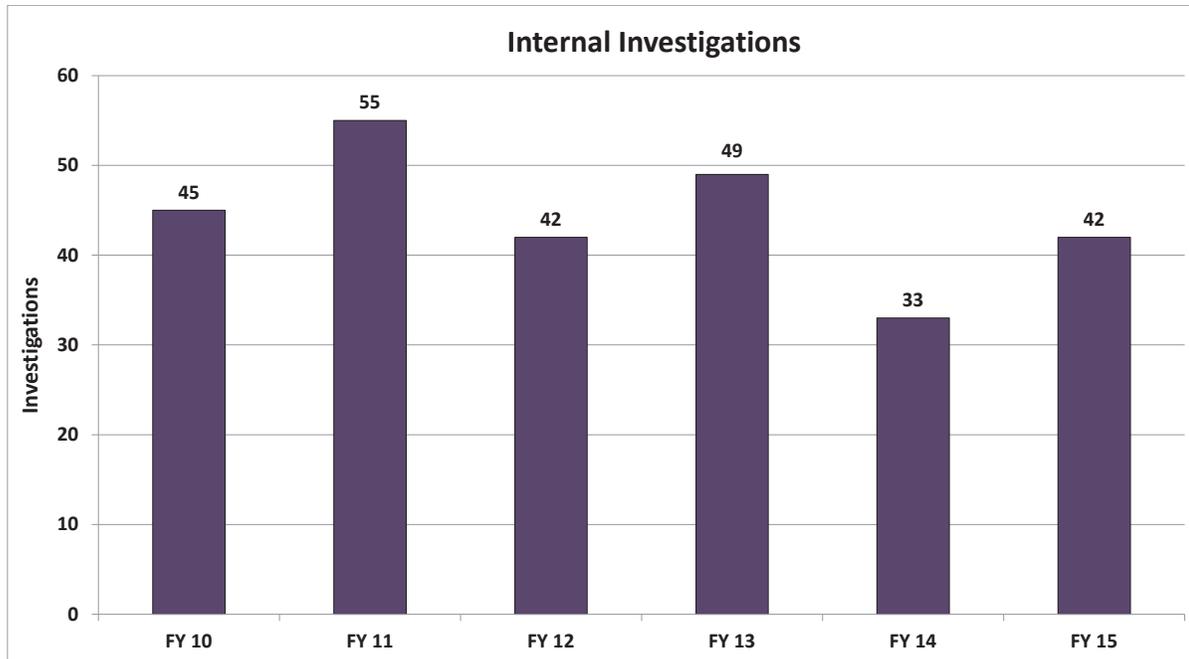
KPI #3: The number of payroll checks increased in FY13 due to a surge in position filling. Special payroll adjustments require significant HR staff time to process. Payroll adjustments spiked in FY11 due to the number of employees separating under the Early Retirement Incentive and have since decreased. Many DNR staff transferred to MN.IT in FY14 and are not reflected in the numbers above, but human resources continues to process payroll for them.

Key Performance Indicator Charts

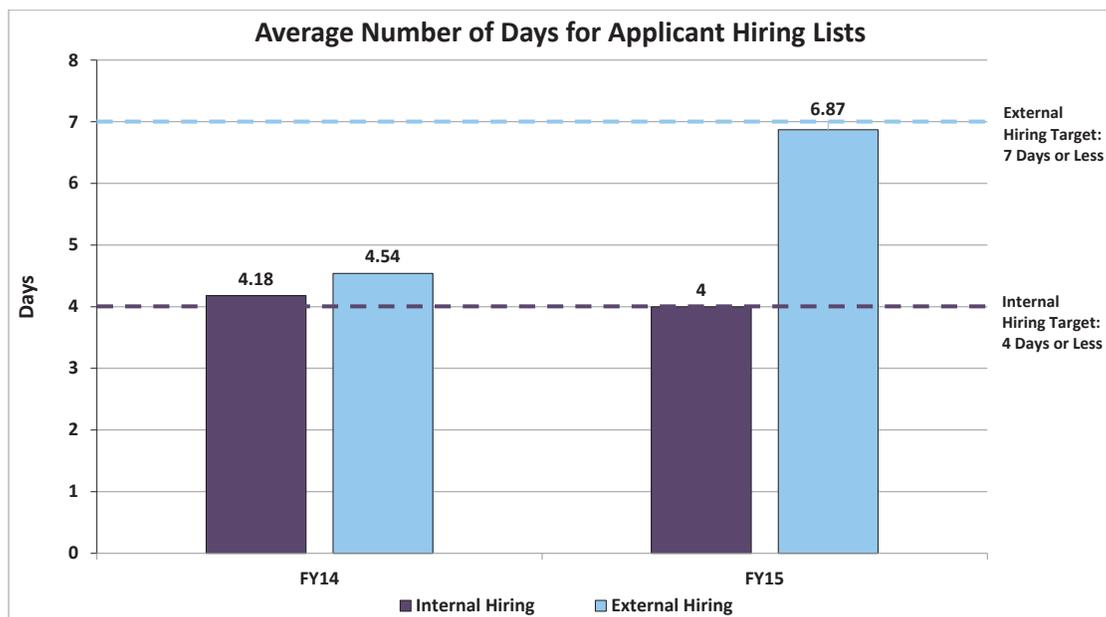


KPI #4: This shows the number of actions required by HR staff to accomplish changes related to both individual employees and positions. The dramatic increase in activity for FY 11 is due to the mergers and reorganization of divisions, which meant that employee and position records had to be updated. HR and fiscal staff processed position funding changes due to SWIFT implementation. The number of employee transactions continued to increase over FY12-13 as more positions were filled, resulting in more appointment processing, probationary periods, salary progressions, and other work. The increases in FY14-15 are related to changes in Employer Shared Responsibility for health insurance, as well as a jump in Family Medical Leave Act (FMLA) and leaves of absence.

Key Performance Indicator Charts

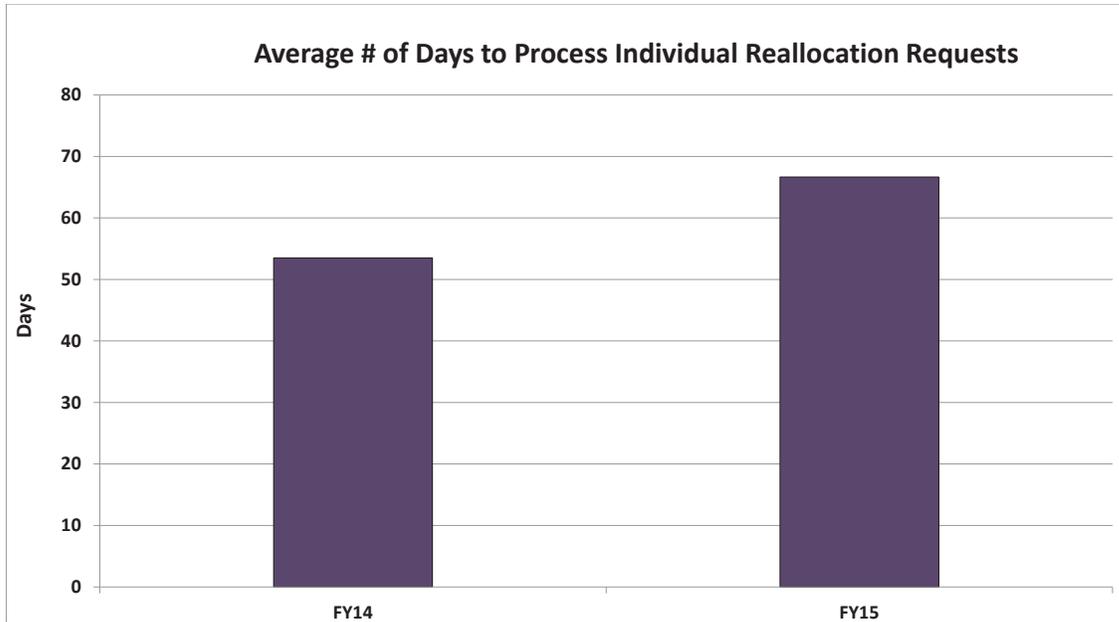


KPI #5: This chart shows the fluctuation and unpredictability of internal investigations from year to year.



KPI #6: This indicator measures the turnaround time from the closing data of the position to submission of a candidate list to the hiring supervisor, which is important to supervisors in filling their staffing needs. Despite some increases, we continue to meet our processing time goal of less than four business days (internal) or seven business days (external).

Key Performance Indicator Charts



KPI #7: This indicator measures the turnaround time from submission of accurate and complete documentation by supervisors to determination by HR of the appropriate classification. The goal is to keep the processing time to approximately 30 business days. We received a significant increase in the number of job audit requests in FY15 that were submitted during our normal spring hiring push. Program managers generally prioritized hiring over reallocations, which delayed processing time during that time.

Safety

Purpose

Safe work is synonymous with a productive workforce. The DNR is committed to creating a workplace that is safe, healthy and injury-free. Safety is essential to all our business functions and is never compromised under any circumstance

Safety Program Scope

Our shared services include:

- Accident prevention
- Emergency preparedness management
- Incident reporting
- Management and analysis
- Proactive safety planning
- Regional safety committees
- Safety communications
- Worker compensation

Just the Facts

- The DNR had 283 workers' compensation claims in FY14-15
- There was a 14% decrease in workers' compensation claims between FY14 and FY15

FY14–15 Key Accomplishments

Some of our most important accomplishments in FY14-15 include:

DNR MnSafe Annual Report: Earlier this year, the Commissioner signed and submitted the DNR MnSafe Annual Report to the Governor. The report includes the DNR's Objectives & Goals for FY16. Our unit also compiled data from fleet incidents and injuries from last year and developed an annual report that division leaders can use to identify opportunities for improving safety.

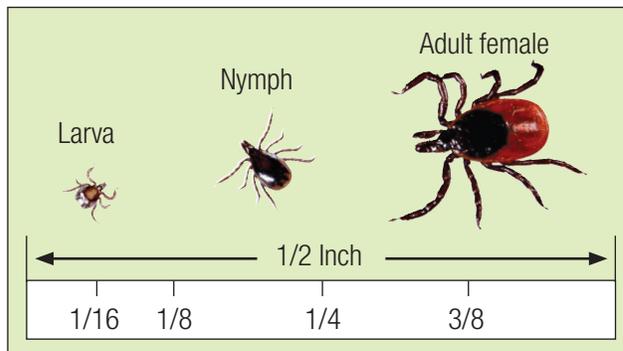
Ergonomics: We improved our process to help employees find a solution faster. Individuals can now complete a self-assessment and/or an online survey to provide information to meet their needs.

Reducing Incidents: The Safety team conducted preventative inspections of facility areas and made recommendations for corrective actions. We also spent time to inform management and staff on ways to reduce their risk of injury and incident by sharing statistics and continuous communication.

Reducing Tickborne Illness: Tick populations continue to increase in Minnesota, but sensible prevention approaches led to a reduction in tick related incidents in FY14-FY15. Since 2013, the costs related to tickborne illness have decreased by 45%.

Safety Team: The Safety unit made some changes in FY14-FY15. We filled several vacancies and, at the recommendation of the shared services board, created a new Training Specialist position. Since these positions were hired, we've measured a 14% reduction in injuries compared to the same time last year. We attribute the reduction to increased awareness, communication efforts, and outreach initiatives by the Safety team.

Blacklegged tick life stages



Tick prevention strategies are working to lower the number of tick related incidents. The Safety program will continue its awareness and training efforts to provide direction for what methods are available to minimize exposure to tickborne illness.

FY14–15 Safety Program Goals

In the FY14–15 Service Level Agreement, we committed to achieving a number of goals (*in italics*). Here we review the steps we've taken toward achieving those goals:

Goal 1) *Employee accidents, injuries, occupational health conditions, and disabilities are prevented.*

We took actions to make sure potential hazards are identified and corrected. An example is new leadership training to provide the knowledge and concepts needed to effectively manage safety situations.

Goal 2) *Equipment and property damage is minimized.*

We were able to identify some injury trends by analyzing incident reports. We provided recommendations to division leaders to address these trends, and worked with them on updating procedures to make jobs safer. Additionally, we worked collaboratively with the Fleet program to develop equipment operation training and task books.

Goal 3) *Hazardous materials have no adverse human or environmental impact.*

Employees use guidelines that we developed when handling, storage, transportation and use of hazardous materials. This ensures that they will comply with all laws and regulations, and remain safe. Additionally, we offer specific training for positions that use hazardous materials.

Goal 4) *Workers compensation and tort claims are managed and costs are contained.*

We managed employee and public claims effectively by continually monitoring costs and providing recommendations to reduce the risk of a claim. We consistently report claims to divisions so that they can respond in a timely manner.

Goal 5) *Manage claims for damage, liability and workers' compensation to limit economic losses.*

We partner with the Department of Administration, Risk Management Division to reduce DNR exposure to economic losses.

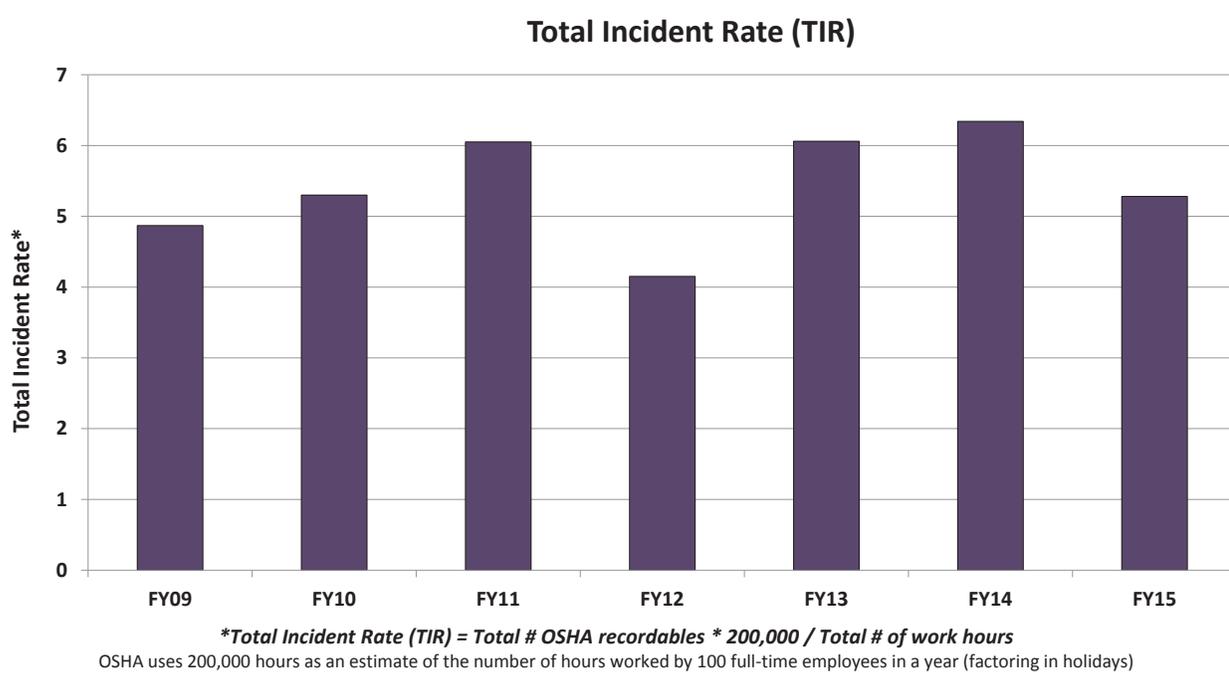
Goal 6) *DNR responds effectively to emergencies.*

We provide guidelines for sites to help them prepare for any type emergency. Additionally, we are the lead unit for exercising the DNR Emergency Preparedness Plan so that DNR can identify areas for improvement when it comes to emergency response.

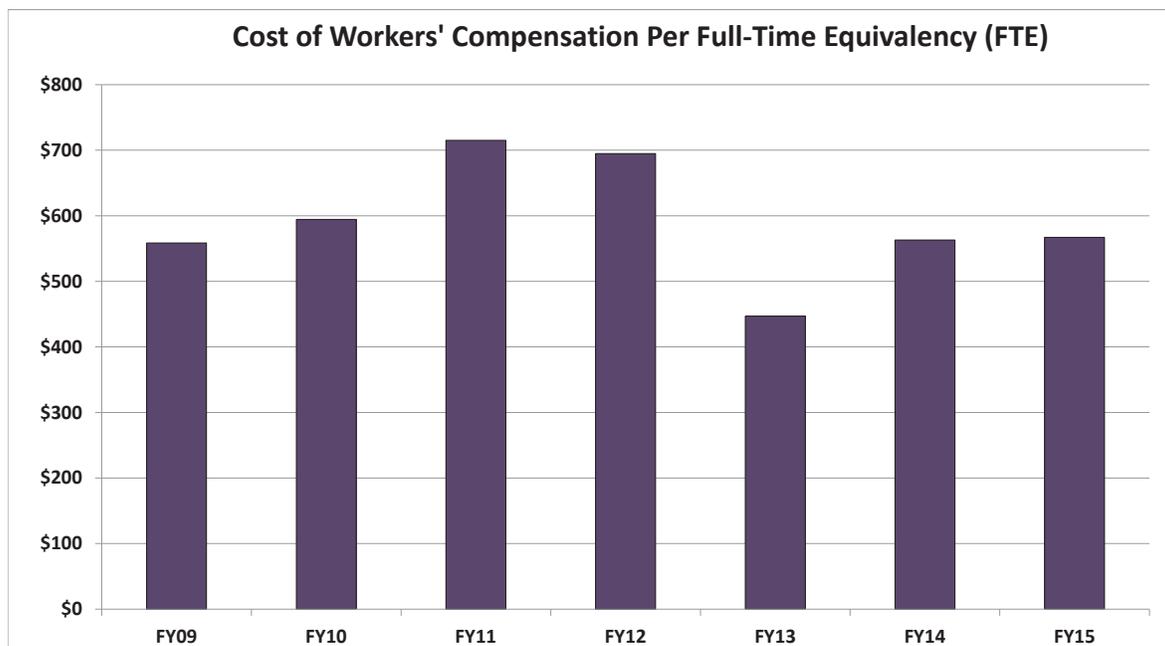
Goal 7) *Develop, coordinate and comply with emergency preparedness response programs.*

During statewide emergencies, our unit is the point of contact to the State Emergency Operations Center. The safety plans we manage are regularly updated to comply with changes from the Homeland Security Emergency Management and state statute.

Key Performance Indicator Charts



KPI #1: 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



KPI #2: 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.

Facilities Management

Purpose

The facilities program supports the DNR's outdoor recreation, economic development and conservation mission by providing buildings and recreational infrastructure and other natural resources capital assets that are safe, accessible, support natural resource work, and model 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.

Facilities Program Scope

Our services include:

- Maintenance and renovation of DNR buildings.
- Design and construction of capital assets including new buildings, recreational infrastructure and other agency infrastructure.

Just the Facts

- The DNR has 1.226 million square feet (SF) of “report-to-work” space in 342 buildings, and an additional 1.661 million SF of building space, for a total of 2.887 million SF in 2,714 buildings.
- DNR's buildings are supported by an infrastructure that includes sewer and septic, water and utility services, parking, sidewalks and other site amenities.
- DNR has 107 leases with outside entities, and 26 leases for outside entities in DNR-owned buildings.
- DNR owns and maintains land and/or buildings with:
 - 46 residences, including 38 (90,000 SF) that are classified as essential, and 8 (20,000 SF) that are classified as unessential.
 - 94 “inactive” buildings.

- The International Wolf Center at Ely and Wildlife Research Center at Carlos Avery. These are owned by the DNR and operated by the tenants.

FY14–15 Key Accomplishments

Some of our most important accomplishments in FY14-15 include:

Capital Assets: The following examples (with associated costs) highlight key design and construction projects done on DNR

- Trails:
 - Willard Munger State Trail (\$1.355M): Multiple repairs due to slumping soils after storm events.
 - Brown's Creek State Trail (\$1.364M): New 6.5 mile section of Willard Munger State trail along the path of the former Zephyr Line. Included repair of bridge over TH95, new bridge over Co. Hwy 15/Manning Ave, and new trail connection to Gateway Trail State trail.
 - Itasca Bike Trail (\$1.535M): Rerouted 6 miles of the old bike trail that removes steep hills and tight corners that were safety issues.
 - Cuyuna State Recreation Area (SRA) (\$1.242M): New trailhead to accommodate 30 – 35 trailer parking stalls, add a vault toilet and picnic shelter.
 - Paul Bunyan State Trail (\$1.243M): Federal funded project for 6 miles of new trail at Crow Wing State Park.
- Bridges:
 - Steamboat Bridge (\$366,000): Historic Restoration of bridge on the Heartland State Trail over Steamboat Bay on Leech Lake.
 - Dick's Parkway Bridge (\$343,000): Beltrami Island State Forest, bridge on Dick's Parkway over the Roseau Flowage.
 - Red Bridge (\$636,000): Replacement Bridge on the Heartland State Trail over the Fish Hook River in Park Rapids.

- Gandy Dancer State Trail Bridge (\$577,000): Cooperative project with Wisconsin for crossing the St. Croix River.
- Buildings:
 - Yurt Campgrounds (\$336,000): At Cuyuna Country State Recreation Area, Afton and Glendalough State Parks.
 - New Tettegouche State Park Visitor Center (\$6.969M).
 - Ray Berglund State Wayside Rest (\$362,000).
 - Grand Marais Field Office (\$477,000).
 - Rehabilitation of the historical Lady Slipper and Lakeside Lodges at Gooseberry State Park (\$484,000).
 - Total rehabilitation of the Minnesota State Fair Aquarium (\$154,000).
- Design and Construction:
 - Successfully used the new ‘Best Value’ solicitation process for the campground construction at Lake Vermilion-Soudan Underground Mine State Park (\$7.165M).

Emergency Repairs: Regional facility staff responded to:

- Storm damage at Itasca, Minneopa, and Brainerd (\$222,000)
- Leaking water main to Douglas Lodge (\$50,000)
- Frozen pipes at multiple locations in the winter of 2013-14 (\$31,000)
- Septic system failure at Split Rock Trail Center (\$5,000)
- Culvert collapse at Luce Line Trail (\$23,430)
- Failing bridge abutments in Fort Ridgely SP: \$5,500 for removal of bridge and abutments. The bid for new bridge is due March 2016 (estimated \$341,000)
- Replacement of many water heaters and furnaces (\$100,000)

Energy Savings: DNR produced over \$100,000 worth of electricity from renewable sources in FY14-15. In FY14-15 we expanded our wind and solar electric capacity by almost 200 kilowatts and began Guaranteed Energy Savings Projects at Fergus Falls, Detroit Lakes, Region 2 Headquarters, Brainerd, Region 3 Headquarters, and Hutchinson.

Facility Condition Assessment (FCA):

DNR participated in a statewide project to assess the condition of state-owned buildings. All DNR buildings received a score from 1 (unacceptable) to 5 (excellent). The results are in Table 1 on the next page.

Maintenance Projects: We completed over 250 large maintenance projects (costs > \$2,500), and hundreds of smaller projects (costs < \$2,500).

Our regional facility staff plan and manage repair and maintenance projects for:

- Parking lots and sidewalks
- Doors and windows
- Electrical and mechanical systems
- Roofs of all kinds
- Thermal and moisture protection
- Miscellaneous building and site needs.

Leasing and Space Planning: We saved DNR divisions over \$100,000 in up-front furniture costs through effective use of surplus furniture. We negotiated lease agreements for new office space at 9 sites (see Table 2), provided office design at several sites to accommodate more staff, and reduced heating, cooling and other operating costs. Office layouts have increased collaboration space, accommodated the right mix of people and provided for increased natural light and views to the outside. Additionally, skillful lease negotiations will lead to significant annual savings in lease costs.

Table 1.

FCA Rating:	1	2	3	4	5	
	Unacceptable	Poor	Average	Good	Excellent	Total
Total DNR Buildings	204	533	969	744	264	2714*
ENF	1	3	7	11	2	24
EWR	0	0	2	2	0	4
FAW	52	71	80	65	24	292
FOR	19	50	70	46	23	208
LAM	1	0	1	4	0	6
OSD	0	2	1	1	0	4
PAT	113	368	760	600	181	2,022
Reg Ops	9	22	47	24	18	120

*DNR totals do not match division totals because active building counts change over time. Division numbers are as of 10/1/2015.

Table 2. New Office space provided from July 1, 2013 to June 30, 2015

Site Name	# staff	Sq. feet	Divisions served
Bemidji	4	2,260	Ecological & Water Resources
Detroit Lakes	3	2,298	Ecological & Water Resources
Duluth	4	1,998	Ecological & Water Resources
Lake City	5	4,900	Ecological & Water Resources
Mankato	8	3,680	Ecological & Water Resources, MN.IT
Minnesota Book Store	5	2,529	Parks & Trails, MN.IT
Park Rapids	7	1,161	Ecological & Water Resources, Parks & Trails
River Bend	33	10,510	Ecological & Water Resources, MN.IT

FY14–15 Facilities Program Goals

In the FY14–15 Service Level Agreement, we committed to achieving a number of goals (*in italics*). Here we review the steps we've taken toward achieving those goals:

Goal 1) *Facilities that are safe, accessible, and environmentally sound.*

- We demolished 57 DNR buildings that were unsafe and would be too expensive to renovate.
- We completed 57 roof projects and 47 envelope (exterior of the building) projects.
- We completed 34 projects at many sites to increase accessibility for individuals with disabilities including Split Rock Lighthouse, Afton and Great River Bluff State Parks; Peterson hatchery; and the Brainerd Office.

Goal 2) *Buildings that support natural resource work and model environmental sustainability and energy use.*

- Energy star rated equipment was used whenever replacements were necessary.
- Through the Guaranteed Energy Savings Program, we developed projects to address energy savings (e.g. lighting upgrades, building envelope weatherization, mechanical upgrades for energy efficiency, and installation of solar panels at selected sites) at 6 DNR sites.
- Photovoltaic (solar) systems were installed at Itasca, Tower Underground Mine, Jay Cooke, and Afton State Parks.
- Office spaces were redesigned in Central Office, Region 3 Headquarters, and multiple leased properties.

Goal 3) *Constructed sites that encourage and enhance outdoor recreation*

- Major projects were completed on Itasca Bike Trail, Gitchi Gami, Paul Bunyan, Willard Munger, Blazing Star, and Luce Line State Trails.
- We replaced or repaired over 35 bridges on trails throughout the state.
- Three state parks received Yurts, and new camper cabins were built in Forestville/Mystery Cave State Park.
- Over fifty other projects were completed and include pond and site repairs, adding electricity to campgrounds, installing electric fish barriers, and work on day-use areas at Lake Vermilion State Park and La Salle State Recreation Area.

Goal 4) *Deliver built facilities that meet project requirements, are within budget, and on schedule.*

A few examples of projects include:

- Coon Rapids Dam – \$16,000,000 to replace the gates and construct fish barriers
- Eveleth Office Building – \$135,000 to replace the roof, windows and doors
- Region 2 Headquarters – \$300,000 to replace the roof
- Region 3 Headquarters – \$175,000 to upgrade the HVAC (heating, ventilation and air conditioning) system
- Lake Bronson – \$21,500 to restore masonry

Goal 5) *New buildings or those where major remodeling occurs will incorporate energy efficiency and carbon reduction strategies, and strive toward “net zero”.*

- The new office at Glenwood was designed to be a LEED Gold building and is expected to operate at maximum energy efficiency.



The Lady Slipper Lodge is one of several Historic Civilian Conservation Core (CCC) buildings in Gooseberry Falls State Park that needed repairs to remain safe and functional for park visitors. Examples of work done included interior and exterior log repair, lighting upgrades, replacement of cedar shingles, and restoration of doors and windows. Restoration work was completed in late 2014, and the building is open to all park users.

- The new sanitation buildings at Lake Vermilion Soudan Underground Mine State Park will use grey water (treated water from sinks and showers) for toilet flushing.

Goal 6) *Administer all DNR leased facilities.*

We continue to administer all DNR leases and, when possible, work to reduce the costs of leases through negotiations.

Goal 7) *Professional Service rate shall be a minimum of 10% less than that charged by private sector design professionals.*

This goal was met. The fees of private consultants that we regularly work with range between \$125 - \$150 per hour for senior staff and over \$200 per hour for principals. Our rate was \$80 per hour in FY14 and \$85 per hour in FY15.

Goal 8) *Buildings will be inspected every biennium to determine maintenance needs.*

Report-to-Work buildings will be inspected annually. Other buildings will

be inspected on a 2 – 5 year rotation, or as the need arises.

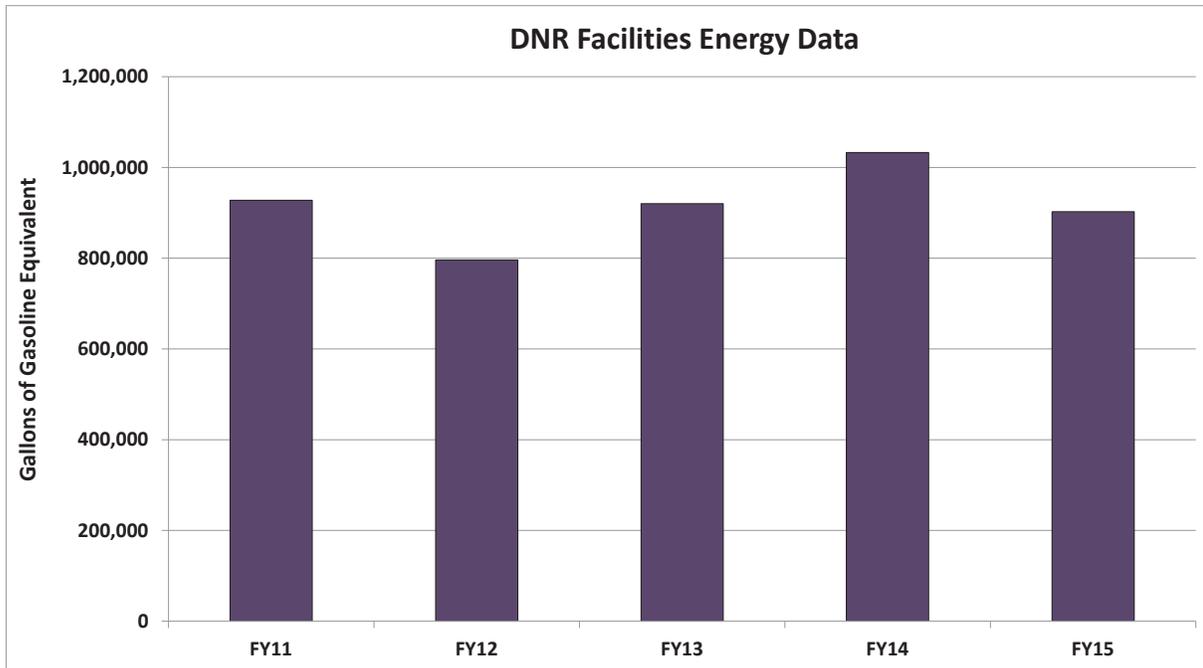
Goal 9) *Divisional fund expenditures for building maintenance will be 75% of the contributions to the Facilities Management Account (FMA) based on a 5 year rolling average.*

During the five year period FY11-15, the FMA collected \$16,463,144.47. Of this amount, \$15,646,388.93 was used for building maintenance, and \$816,755.54 for general operating expenses. An average of 95% of FMA funds was spent on building maintenance.

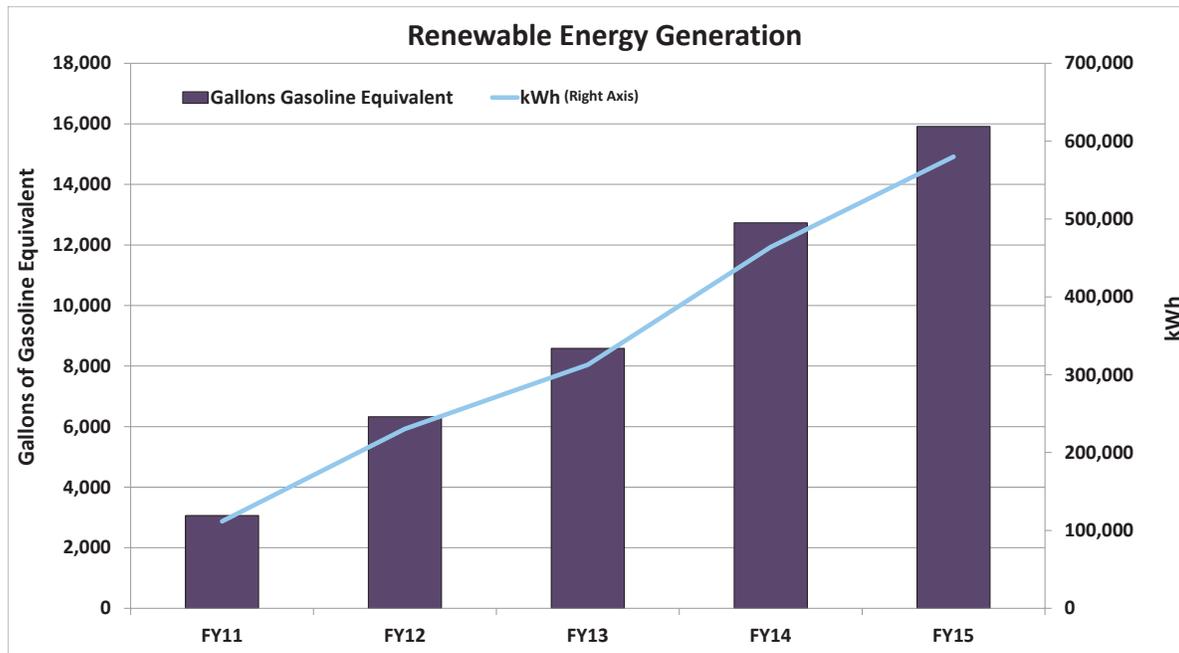
Goal 10) *Building energy use will meet energy reduction goals of Exec. Orders 11-12 and 11-13.*

DNR continues to make strides toward meeting the goals by concentrating on the simple, effective solutions such as energy audits; implementing suggestions from building personnel; replacing energy-using equipment with Energy Star rated equipment; and designing and constructing new buildings that will operate very efficiently.

Key Performance Indicator Charts

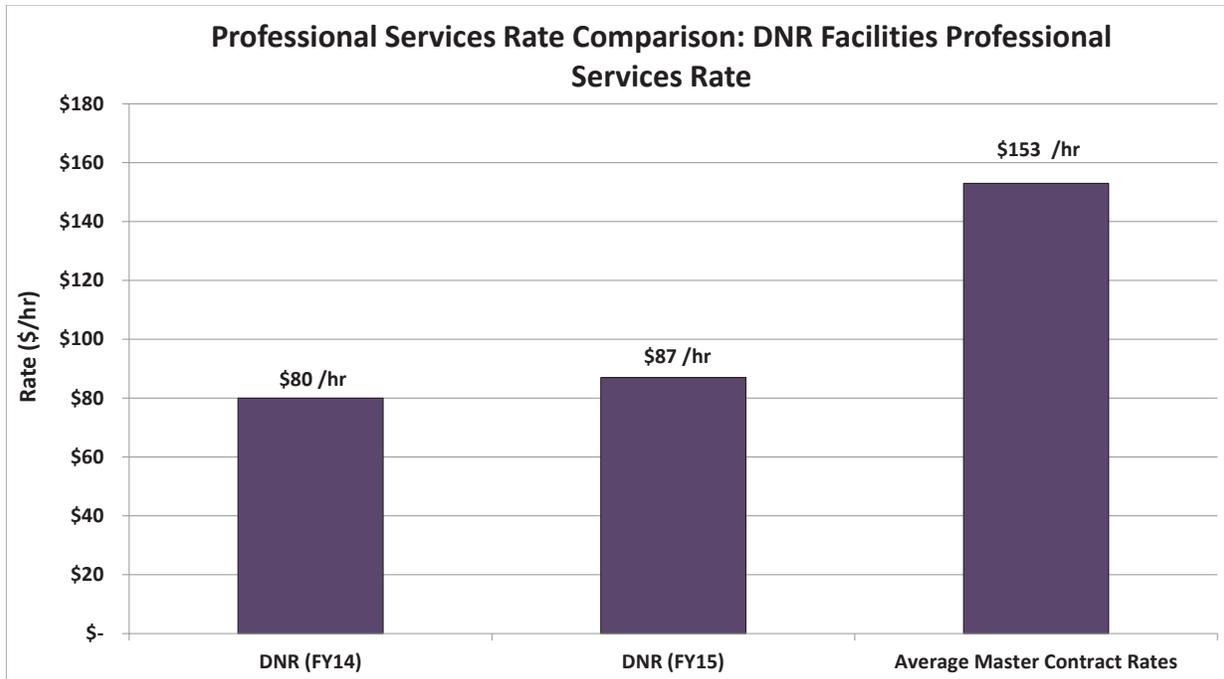


KPI #1a: This slide shows the actual energy used by DNR facilities in each of the noted periods. These figures are not “normalized” for weather conditions, and reflect the mild winter of FY12. Learn more about DNR’s energy saving work: <http://www.dnr.state.mn.us/energysmart/index.html>.

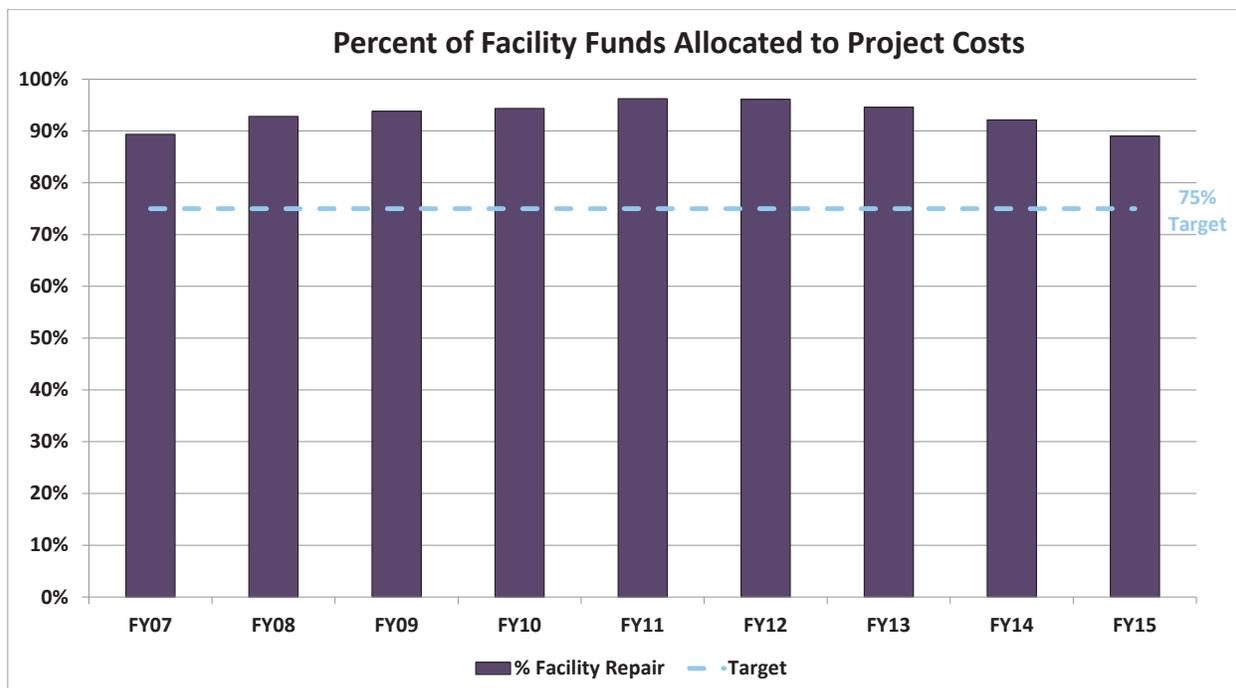


KPI #1b: This slide shows a dramatic increase in the amount of renewable energy generated by DNR’s renewable energy systems. Cutting overall energy use and increasing the use of renewables is a key agency priority. In FY15, 1.76% of DNR’s energy used in facilities came from on-site renewable systems.

Key Performance Indicator Charts



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 remaining costs include things like rent, training, agency direct and indirect costs.

Fleet

Purpose

The DNR's Fleet Program keeps staff on the move with safe, reliable and cost efficient equipment right-sized for the job. We routinely engage our customers via a DNR Fleet Committee that helps us develop and seize opportunities to improve the effectiveness of DNR's fleet and the policy that guides the program and equipment use. The Fleet Committee has developed a 5-year strategic plan with three core values that guide our work:

- Safety
- Cost Efficiency
- Environmental Responsibility

A very specific goal is to never have an equipment failure be the cause of an equipment accident: timely preventative maintenance and inspection is a key tactic in this effort.

Scope

Our shared services include:

- Cradle-to-grave fleet management
- Financial analysis and planning
- Feasibility studies of equipment investments
- Managing fleet acquisitions, life cycles and replacements
- Coordinating other aspects of equipment and fleet operations

Just the Facts

- Major fleet program expenditures include equipment replacement (\$10.5 million in FY 15), fuel (\$3.4 million in FY15) and maintenance and repair (\$3.9 million in FY15).
- DNR's fleet includes 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 15.6 million miles in FY15, a figure that has remained relatively stable over the last four years. Energy use has been declining over the past ten years, as has the number of "private car" miles.

FY14-15 Accomplishments

Some of our most important accomplishments in FY14-15 include:

Fleet Auctions: Continuing good performance from auction events (\$2.3 million in FY15) results in revenue helpful in keeping fleet rates low despite increases in equipment costs.

Fleet Safety: DNR is the best of all the state agencies in terms of fleet safety (as measured by insurance premium costs and dividends).

Improved Training: We work with field staff so that they get the best productivity from their equipment as well as to ensure safe operations. Towing and Trailing Safety Training is a good example, with 800+ DNR staff so far completing such training.



DNR staff and interested buyers endured over four hours of wind-driven rain at an equipment auction in June 2014 at the Brown County Fairgrounds in New Ulm. Despite the weather, the DNR earned over \$500,000. The results show the confidence our customers have in the value and quality of the DNR equipment put up for auction.

Improved Fuel Economy: All cars ordered in FY15 had fuel economy ratings greater than 40 mpg, and light road fuel economy has improved 7.9% over FY13 (16.2 mpg compared to 17.5 mpg in FY15).

Preventative Maintenance: Improving communication and awareness of DNR preventative maintenance procedures is leading to reduced costs and more reliable equipment.

FY14–15 Fleet Program Goals

In the FY14–15 Service Level Agreement, we committed to achieving a number of goals (*in italics*). Here we review the steps we've taken toward achieving those goals:

Goal 1) *Fleet program strives to be rated among the best fleets in North America*

We work to improve fuel economy, acquire green vehicles, and improve preventative maintenance as well as safety.

Goal 2) *Department-wide equipment plan results in 75% use rate*

We continued to emphasize equipment planning; divisions in FY15 improved utilization to 80% of their planned utilization.

Goal 3) *Exceptions to standard selections are fewer than 5% of requests.*

The Fleet Committee involves field staff when recommending which standard vehicles to offer, helping us to make sure the vehicles will meet their productivity needs, are safe, fuel efficient and cost effective.

Goal 4) *90% of seasonal equipment needs are met with reasonably appropriate equipment.*

We focused on reducing emissions, improving reliability, and reducing costs of our seasonal equipment in two ways:

- Set fleet policy to encourage divisions to share equipment and increase utilization.
- Added new fuel efficient vehicles to the seasonal loaner pool.

Goal 5) *Vehicle purchase prices are at least 10% less than retail*

Timing acquisitions and leveraging our buying power is important for getting the best price. For example, sedans and light trucks are typically bought at 20 to 40% below MSRP.

Goal 6) *95% of replacements occur at set lifecycle*

Effective planning helps divisions get the vehicles they need, when they need them. We work with divisions to forecast equipment needs in the effort to ensure replacements are available before the old one fails.

Goal 7) *Increase equipment sharing to reduce cost and broaden access to any DNR-owned equipment.*

Use fleet rate billing structure to incentivize sharing of equipment.

Update and expand pool vehicle options to ensure fuel efficient vehicles are readily available.

Goal 8) *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.*

When developing our selector list, we make every effort to ensure economical and fuel efficient choices are available to our customers.

We regularly consult with fleet industry leaders to identify the upcoming opportunities for fuel efficiency and reduced energy costs.

Goal 9) *Retain Tier I insurance grouping.*

This goal continues to be met. Two of the most important steps that we take are to require Defensive Driver training and Towing and Trailer safety training.

Goal 10) *Reduce miles driven and increase utilization rates.*

To reduce costs and enable access and more efficient use of equipment, we encourage divisions to pool and share equipment. Another important piece is for employees to use more electronic meeting resources such as Lync and video conferencing.

Goal 11) *Sustain or increase the resale value of all vehicles.*

Our vehicles typically maintain their value relatively well. Several key tactics in this effort include:

- Preventative maintenance not only ensures reliable and safe equipment for us, it enables equipment to retain its resale value

- Effective lifecycle management focused on timely replacement
- Replaced vehicles are quickly moved to auction to reduce depreciation

Goal 12) *Adhere to the DNR Conservation agenda by improving fuel efficiency, reducing greenhouse gas emissions of DNR fleet equipment.*

When selecting vehicles to offer, we work with field staff to identify opportunities for using smaller, more fuel efficient vehicles. We create our list of available vehicles based on the most fuel efficient, cost-effective options that are able to accomplish the work.

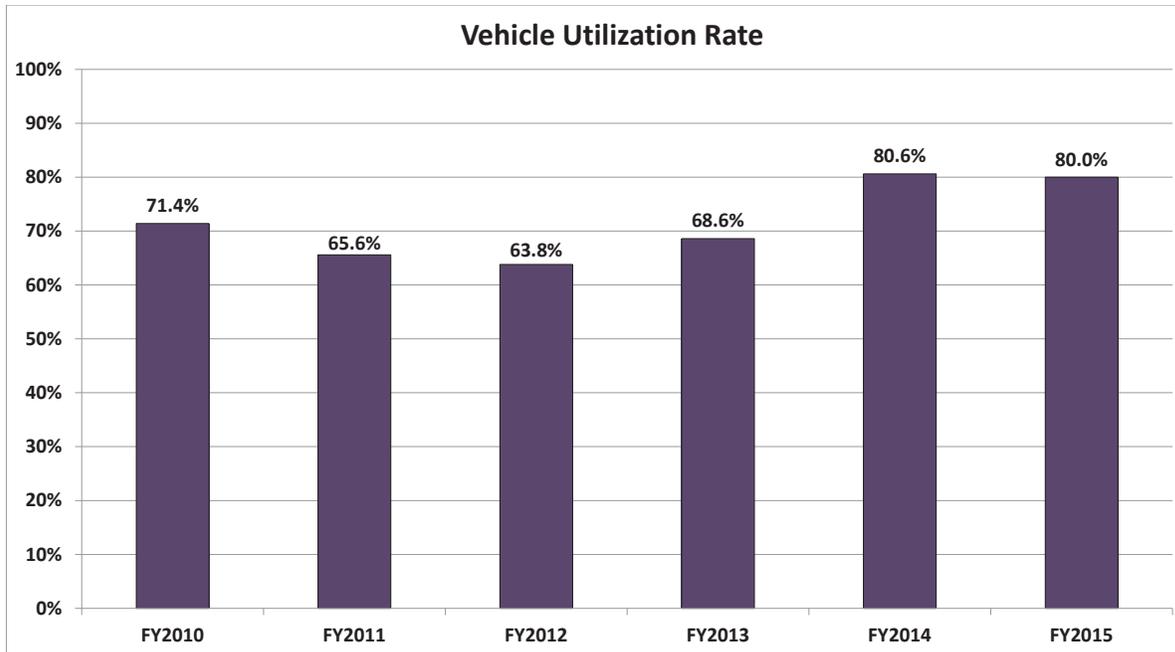
Goal 13) *Reduce fleet energy use by 4 percent per year through behavioral changes and more efficient vehicles.*

All cars acquired in FY15 were rated at 40 mpg or higher and light truck fuel economy continues to improve. As mentioned above, we also continue to encourage equipment sharing so that staff have access to the most fuel-efficient vehicles.

Goal 14) *Reduce fleet greenhouse gas emissions through the use of renewable and alternative fuel vehicles.*

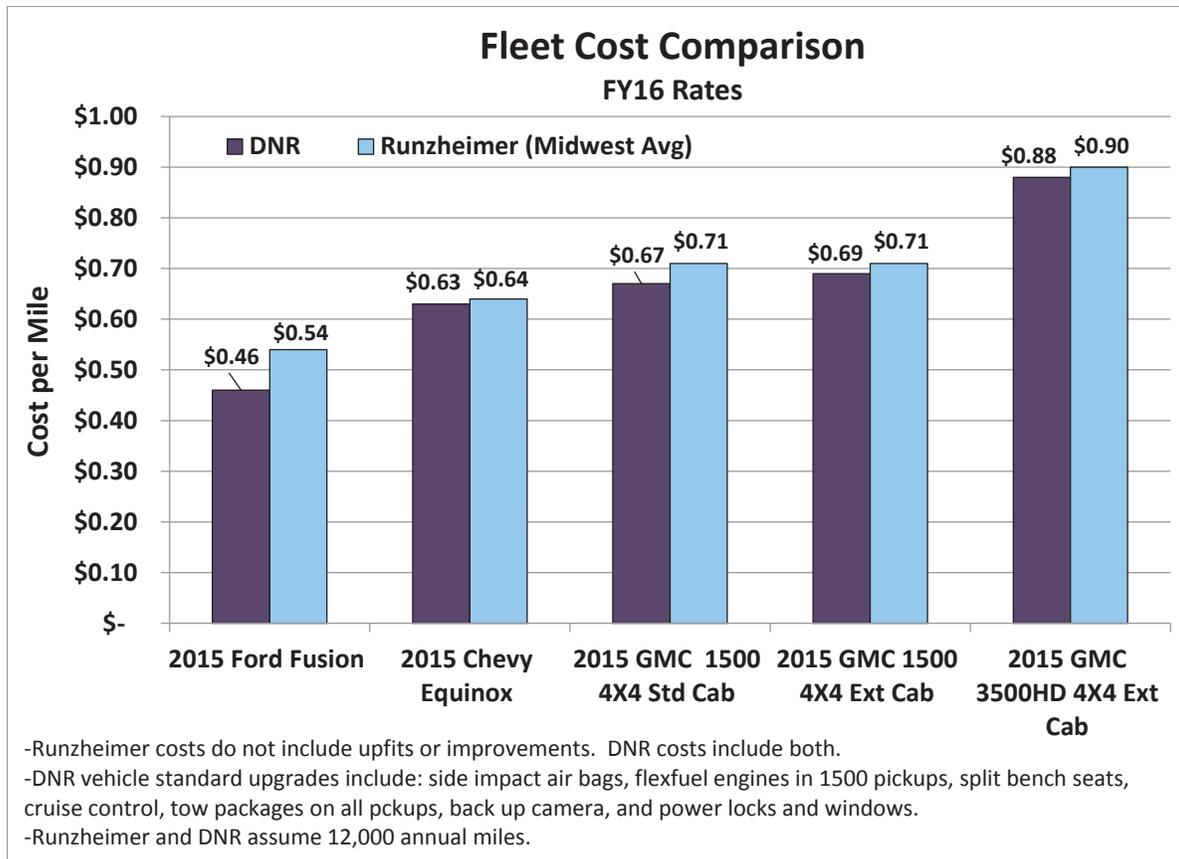
We continue to acquire fuel efficient vehicles compatible with B20 or E85 in order to reduce our emissions.

Key Performance Indicator Charts



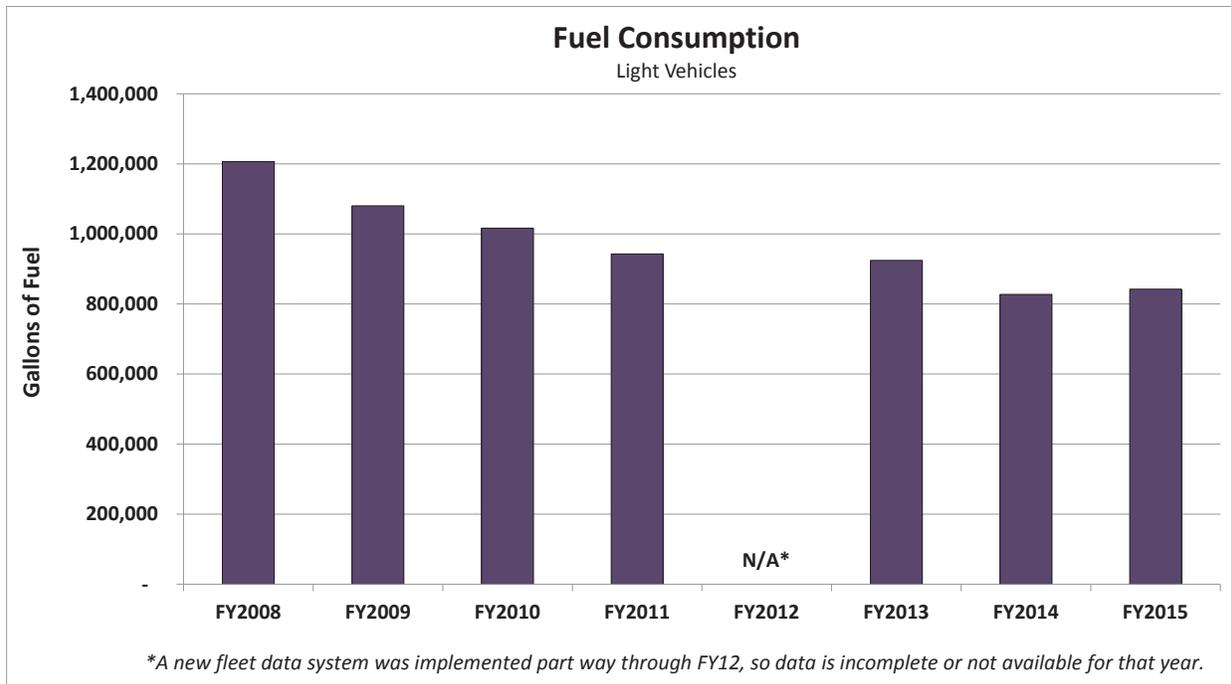
KPI #1: The utilization percentage is a comparison of the actual miles driven in the fiscal year compared to the number of miles that users anticipated driving. The goal is to reach 100% utilization, which would mean usage estimates correctly reflect actual vehicle usage, which helps fleet accurately 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.

Key Performance Indicator Charts

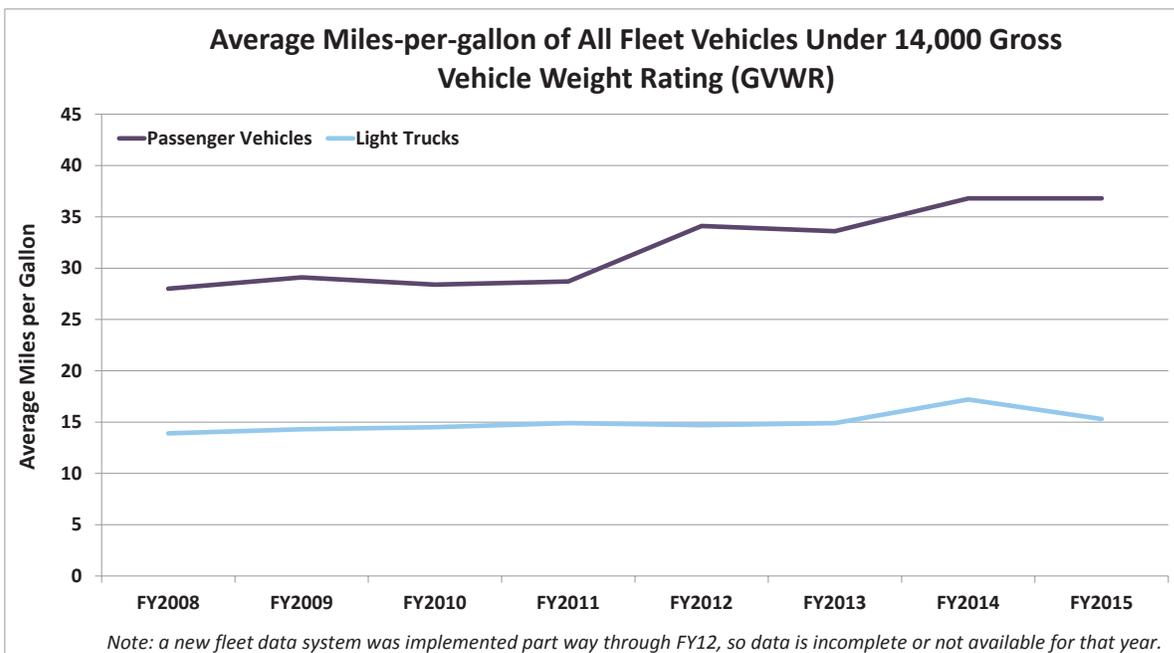


KPI #2: The cost performance of the DNR fleet continues to outperform the regional cost performance for like equipment, as found in the Midwest rate standard (known as the Runzheimer Indicator). Rates continue to beat regional and national costs. Thanks to the DNR's good business choices, debt-free financing, 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.

Key Performance Indicator Charts

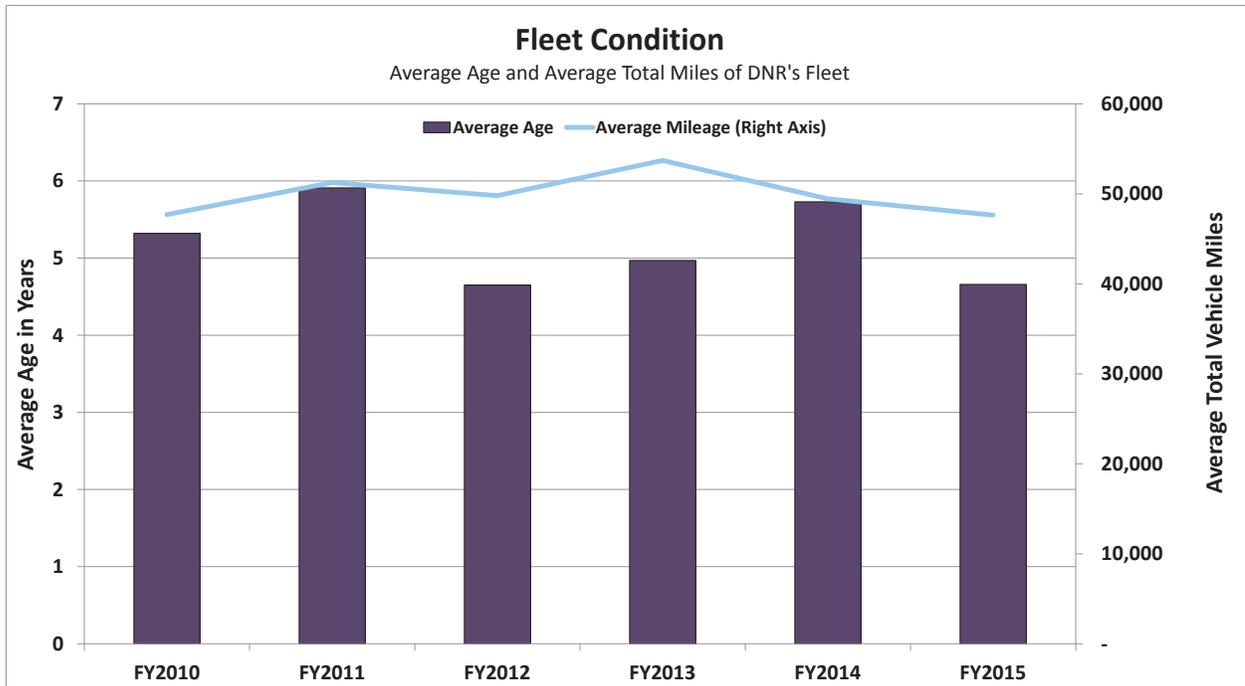


KPI #3: Light vehicle total fuel consumption has been trending down as hybrids and electric vehicles with better fuel economy enter the fleet.



KPI #4: The average MPG for light vehicles is trending up as more fuel-efficient vehicles enter the fleet.

Key Performance Indicator Charts



KPI #5: 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.

Materials Management

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.

Materials Management Program Scope

Our shared services include:

- Inventory management
- Managing the DNR Warehouse to achieve prompt delivery of goods, such as safety products, to agency staff around the state.
- Procurement services
- Specialized commodities purchasing

Just the Facts

- On average, Materials Management Program staff guided purchases of over \$337million annually, including nearly 19,000 purchase orders
- Staff managed 19,000 capital assets and inventoried 14,000 items each year
- There are over 2,000 people in the DNR with some level of purchasing authority

FY14–15 Key Accomplishments

Some of our most important accomplishments in FY14-15 include:

Annual Asset Inventory: Our staff coordinate, track, and manage the annual inventory of DNR assets. By switching to a SharePoint based system, we have reduced the amount of time it takes to complete the inventory while achieving an accuracy of over 99.6% each year.

Created New Unit: We merged contract and procurement staff into one purchasing unit to improve customer service and reduce complexity for our customers.

DNR Warehouse: We made several improvements to the warehouse:

- Began invoicing twice each month
- Resolved issues related to backorders
- Updated the website to include pictures, pricing, and availability

Legislative Initiative: We obtained legislative authority to align service certification requirements with single bid limit.

Process Improvements: We took several steps to improve our processes:

- New process maps to help end-users navigate each purchasing process.
- Initiated a Pre-Inventory verification process to record items as they are being put away for winter storage.
- Began process improvement work to increase merchandise options on the DNR warehouse.
- Completed procurement analysis with recommendations for streamlining DNR processes.
- New MN-IT procurement procedures for IT related procurement consolidation
- New CEF and Radio budget development process with quarterly status reviews

Purchasing Limits: Purchasing limits had historically differed from P-card limits. We adjusted the limits so that they are now the same.

Purchasing Training: We updated our training format from classroom to online.

Sensitive Assets and Capital Assets:

Statewide policy for sensitive assets recently changed. We updated the agency’s Materials Management Policy to comply with the changes. At the same time we adjusted our definition of capital assets to make our annual inventory more efficient.

Uniforms: We revised the Operational Order and Division policies for uniforms to clarify roles and responsibilities. We also finalized and implemented the new uniform contract.



The purchasing unit, supervised by Sally Dybdal (pictured), helps employees get the clothes, safety gear, and other materials they need to do their jobs.

FY14–15 Materials Management Program Goals

In the FY14–15 Service Level Agreement, we committed to achieving a number of goals (*in italics*). Here we review the steps we’ve taken toward achieving those goals:

Goal 1) *Acquired goods and services meet safety, reliability and cost expectations.*

We improved our safety standards on equipment tie-down straps to reduce the risk of damage.

Goal 2) *Services are efficient, timely and cost effective.*

- We merged into one unit to simplify access to services, and improved the process for ordering and receiving. Staff can now send inquiries and requests to a central inbox rather than to individuals. This system has resulted in more efficient and timely service.
- Converted training from classroom to online to maximize ease and access.
- Procurement Advisory Group: We created a group with representation from each division and region to formulate and implement new and improved purchasing methods. These changes will ensure efficiency, consistency, accountability, and transparency in procurement practices across the department.

Goal 3) *Legal and ethical standards for responsible business and procurement are upheld.*

- Central office procurement staff conduct periodic monitoring of purchasing activity across the state, to ensure compliance with State and agency policies and procedures.

- Our new purchasing card sleeves are designed to help reduce accidental use of state purchasing cards.

Goal 4) *Assets are accounted for throughout their lifecycle to protect investment, maximize use and optimize condition.*

- Our annual inventory process was switched from manual reporting to a Sharepoint portal to decrease paperwork and increase accuracy.
- Adjusted the property management policy to increase the minimum threshold definition for capital assets.

Goal 5) *Bulk purchases leverage volume purchasing power to drive down costs.*

On average we save 53% per item purchased in bulk thanks to the electronic interoffice online requisition (EIOR) system that was implemented during the biennium.

Goal 6) *Warehousing unique products to meet DNR needs in a timely, cost effective manner.*

We added new items to the DNR warehouse including:

- Emergency bags for fleet vehicles
- Personal protective equipment bags
- New and updated logo-wear options

Goal 7) *Quality signage easily identifies statewide DNR identity using cost effective production and materials.*

- Added improved reliability standards into our requirements when purchasing signs.
- Made timely, large volume signage purchases to react to regulation changes.

Goal 8) *Research product development.*

We assisted with the research and selection of:

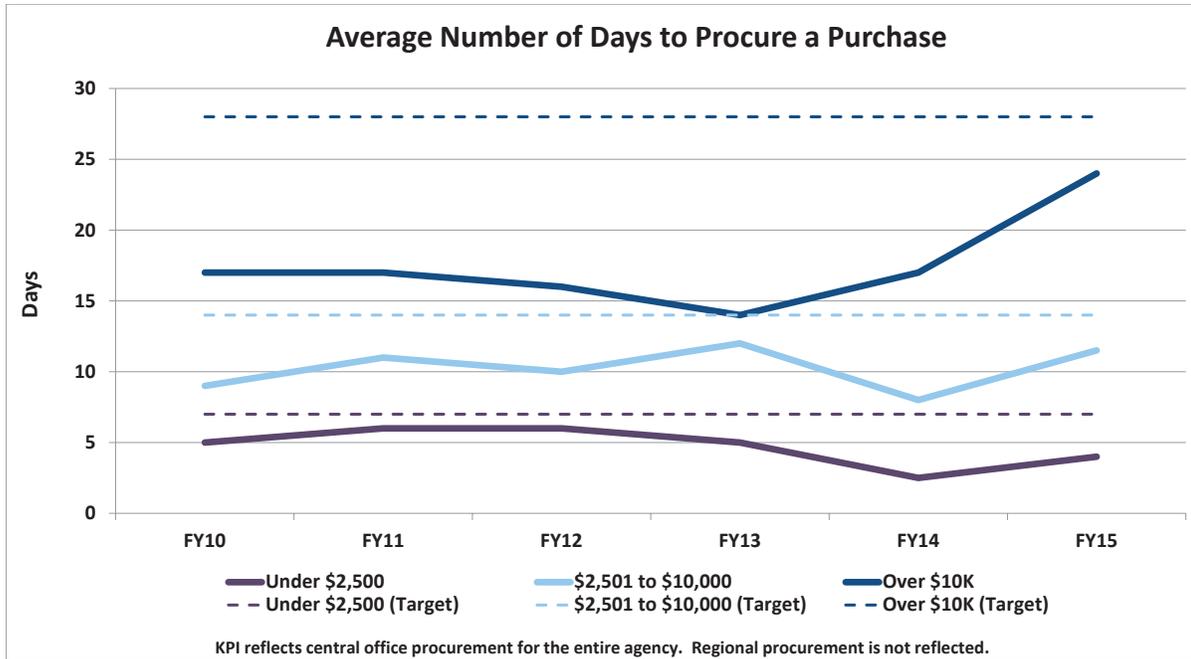
- New yurts and furnishings at three state parks
- The DNR Central Office first floor remodel including gallery furniture and decorations

Goal 9) *Implementation of the DNR Conservation Agenda through environmentally sustainable product purchasing.*

Assisted with the research and procurement of a number of products that are an environmentally sustainable including:

- Revised Op Order #130 to include recommendations regarding the use of products that contain neonicotinoids.
- Carpet on boat trailers removed to assist in the prevention of the spread of invasive species.
- Biodegradable signage & wood routed signs are now produced using thermal wood.
- UV protection items added to warehouse (boonie hat, fishing shirt).
- Eliminated soap products containing Triclosan which poses health and environmental risks.

Key Performance Indicator Charts



KPI #1: The delivery timeframe chart above tracks the time it takes to acquire an item against established goals. Several orders had to be re-bid in FY2015, or converted into contracts which stretches out the process.

Bulk Savings on Select Warehouse Items

Item Description	Bulk cost	Retail cost	Savings Difference
One gallon gas can	\$ 62.40	\$ 155.50	\$ 93.10
Polo shirts	\$ 14.30	\$ 34.99	\$ 20.69
Toilet paper 2 ply jumbo 8x1000 8/cs	\$ 15.83	\$ 30.99	\$ 15.16
Sunblock SPF50	\$ 7.99	\$ 11.99	\$ 4.00
Tow strap 2x30	\$ 27.19	\$ 44.99	\$ 17.80
Broom	\$ 8.64	\$ 15.99	\$ 7.35
Splash proof goggles	\$ 6.97	\$ 11.99	\$ 5.02
Hazardous spill kits	\$ 67.32	\$ 107.99	\$ 40.67

KPI #2: By purchasing in bulk we can show the cost savings between retail and bulk purchasing. The DNR warehouse purpose is to purchase safety and special equipment in bulk and to it has readily available to DNR staff throughout the state at a reduced rate. Several commonly purchased items were chosen for the table above. Retail Cost was estimated by visiting several prominent online retailers and using an average advertised price.

Key Performance Indicator Charts

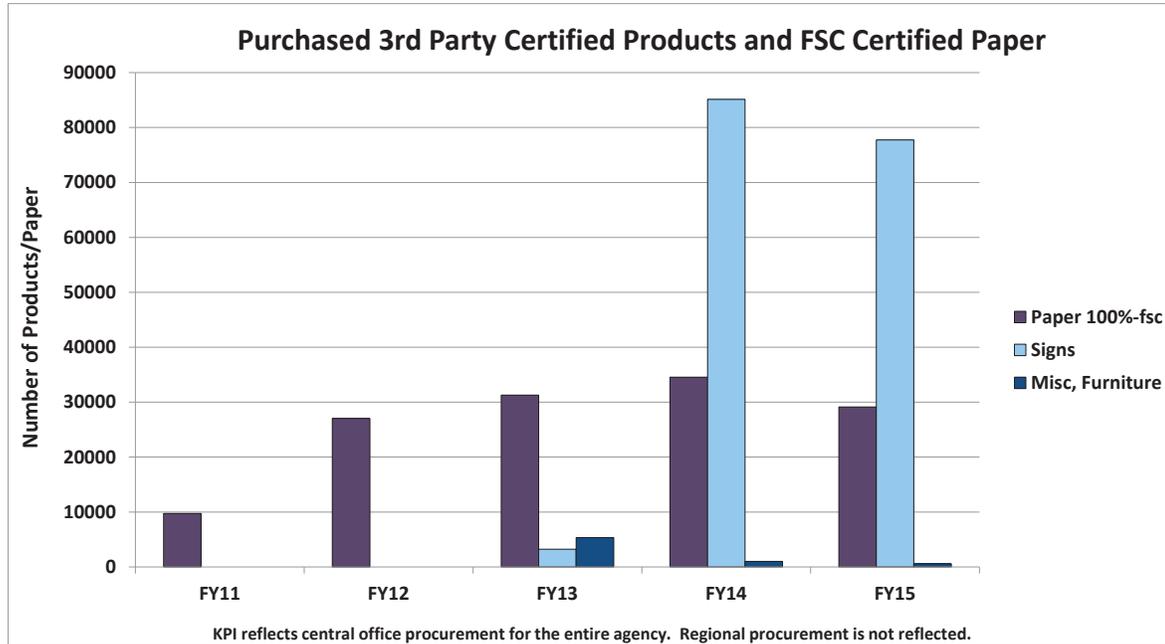
Bulk Savings on Select Warehouse Items

Description of good or service needed	Low Bid	High Bid	Savings Difference	% Savings
Aerial mapping camera	\$ 37,545	\$ 40,117	\$ 2,572	7%
Boat, motor, and trailer	\$ 19,279	\$ 19,923	\$ 644	3%
Boat, motor, and trailer*	\$ 22,136	\$ 27,467	\$ 5,331	24%
Electrofishing units	\$ 9,656	\$ 29,118	\$ 19,462	202%
Firefighting pump	\$ 32,130	\$ 45,500	\$ 13,370	42%
Firefighting pump*	\$ 24,000	\$ 26,027	\$ 2,027	8%
Fish distribution tank	\$ 14,568	\$ 17,331	\$ 2,763	19%
Fish tracking devices (pit tags)	\$ 19,800	\$ 20,350	\$ 550	3%
Laboratory equipment (microscope)	\$ 14,156	\$ 18,542	\$ 4,386	31%
Lake aeration pump	\$ 10,824	\$ 11,250	\$ 426	4%
Lumber for bridge project	\$ 14,617	\$ 18,584	\$ 3,967	27%
Park grills	\$ 12,080	\$ 36,772	\$ 24,692	204%
Pressure washer	\$ 9,020	\$ 11,320	\$ 2,300	25%
Printing for boat & water safety booklet	\$ 9,344	\$ 17,200	\$ 7,856	84%
Printing for management guides	\$ 14,024	\$ 29,520	\$ 15,496	110%
Printing for state park vehicle permits	\$ 26,062	\$ 30,992	\$ 4,930	19%
Printing for trout angling booklet	\$ 11,250	\$ 14,386	\$ 3,136	28%
Printing for walk in access booklet	\$ 31,305	\$ 45,868	\$ 14,563	47%
Refrigerated bakery case	\$ 9,974	\$ 12,676	\$ 2,702	27%
Skid steer (Bobcat)	\$ 22,805	\$ 22,898	\$ 93	0%
Snowmobile helmets	\$ 22,554	\$ 28,392	\$ 5,838	26%
Trailer	\$ 10,645	\$ 12,036	\$ 1,391	13%
Tree removal service	\$ 5,050	\$ 22,000	\$ 16,950	336%
Utility vehicle	\$ 22,700	\$ 25,929	\$ 3,229	14%
Water storage tanks for fire fighting	\$ 20,608	\$ 47,999	\$ 27,391	133%

* Items may have similar descriptions but different specifications which explains the price and savings differences.

KPI #3: The table above shows 25 items or services that were purchased in FY14-15. Soliciting multiple bids increases the likelihood of getting a lower price. These 25 items or services resulted in savings of almost \$200,000 for the agency.

Key Performance Indicator Charts



KPI #4: This is an indicator of environmentally sustainable purchasing. It shows total dollars spent to purchase 100% recycled paper and Forest Stewardship Council (FSC) certified products that are environmentally safe and that reduce the DNR’s carbon footprint. In FY14 we changed the materials that we used on wood routed signs to thermal wood produced in Minnesota.

Asset Inventory Results Summary

Period	# of items for verification	Accuracy %
CY 2014	15,134	99.61%
CY 2013	13,894	99.77%

KPI #5: The accuracy percentage above shows that over 99% of all DNR items required to be inventoried are accounted for. This includes items that were reported as stolen, and items that were recovered. Items identified that were missed in the conversion to SWIFT were not calculated in the accuracy. This was a system issue and not a tracking or an accountability issue.

Management and Budget Services

Purpose

The Office of Management and Budget Services (OMBS) provides fiscal and management assistance to enable the DNR to responsibly and efficiently achieve its goals. We lead the DNR's biennial budget process and financial operations and manage many of the department's critical functions such as revenues, expenditures, internal audit, and procurement services.

Management and Budget Services Scope

Our shared services include:

- Accounting operations
- Budgeting and financial reporting
- Grants management
- Procurement.

Just the Facts

- DNR's FY 14-15 expenditure total not including revolving funds was \$1.011 billion, a 10% increase over FY 12-13 spending of \$918.3 million.
- The DNR is a very complex agency. Its budget operates using:
 - 51 funds
 - 876 unique appropriations
 - Over 1400 allotments
 - 270 revenue source codes
- For the FY14-15 Biennium we processed:
 - Over 2250 contracts including 480 construction and service contracts
 - An average of 64,754 payments each year
 - 89,319 revenue transactions totaling \$712 million (a 15.2% increase over last biennium)

FY14–15 Key Accomplishments

Some of our most important accomplishments in FY14-15 include:

Administrative Policy Updates: We participated in a comprehensive review of DNR's administrative policies. We revised or created 15 policies related to grant management, federal grants, emergency purchasing, cross-divisional severance, direct and necessary cost allocations, and purchasing card reimbursement.

Biennial Budget: We coordinated a streamlined and transparent supplemental and biennial budget process including:

- Budget and Planning Analysis System (BPAS) uploads
- Forecast updates
- Budget narrative creation
- Legislative budget presentations
- Fiscal notes
- Legislative session tracking
- Session reference books for legislative and senior manager teams
- Budget implementation including revised fund availability and spending plan processes

Contracting and Procurement: We merged our contract and procurement staff into one purchasing unit to improve customer service and reduce complexity when purchasing goods and services.

Land Asset Reporting: Began to address a long standing land asset reporting issue, correcting disposition values to meet reporting requirements going back over ten years.

License System Processing: We processed over 1600 agent agreements for the electronic licensing system.

Process Improvements: We took several steps to improve our processes:

- Created process maps for Professional Technical and construction contracts
- Finished a Six Sigma Blackbelt project for FEMA grants that resulted in better coordination of FEMA grant tracking and project close out procedures.
- Reconciled billing processes under MNIT, CEF, Cell Phone and Radio programs, ensuring appropriate billing to program areas.
- Worked with the fleet program on a Kaizen event to improve the process for paying fleet bills.

Procurement Training: We trained over 500 authorized purchasers, supervisors and 1600 P-card holders.

Prompt Payment: Our prompt payment goal of 98% was achieved for first time since SWIFT was implemented in 2012.

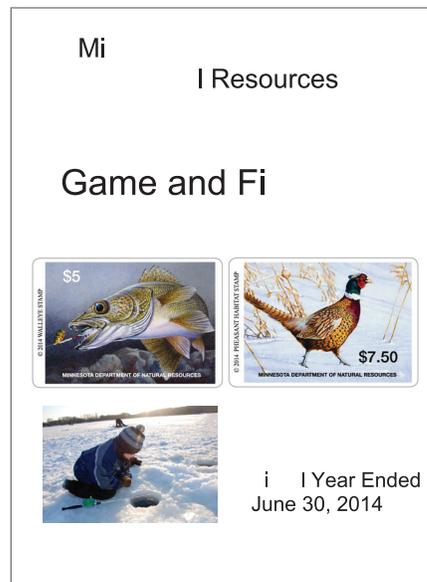
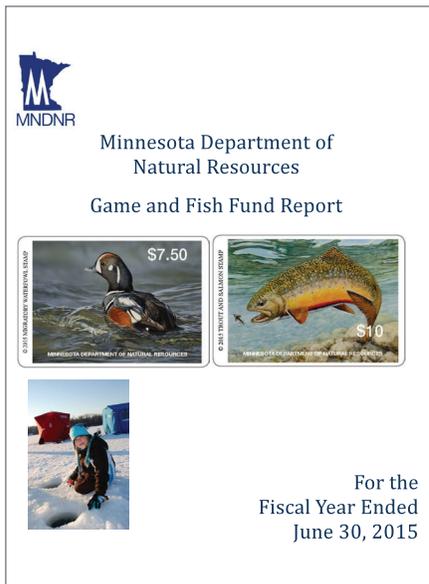
Purchasing Cards: We created a purchasing card sleeve to help reduce accidental use of state purchasing cards.

Section Restructure: We changed the makeup of our section by eliminating a management position and creating an additional supervisory position. Restructuring and hires have allowed for a successful transition from loss of long-time management staff and more direct oversight of operations.

Shared Services Funding: At the request of the Shared Service Board, we presented options for changing the funding of shared services. The method approved by the board has been implemented.

FY14–15 Office of Management and Budget Services Goals

In the FY14–15 Service Level Agreement, we committed to achieving a number of goals (*in italics*). Here we review the steps we've taken toward achieving those goals:



OMB leads the effort to prepare the Annual Game and Fish Fund report. The report fosters discussion on the planning for future operations, setting priorities, and articulating outcomes for the fund. In short, the report is a tool for the DNR to encourage and foster open communication about the management of the state's game and fish natural resources.

Goal 1) *Fiscal integrity of the DNR organization*

- Implemented a certification process for internal agency-wide billings. The certifications are reviewed to ensure payments represent reasonable allocation and follow agency policy on use of constitutional funds. Once payments are made, we review the payments against the certifications.
- Continue to assist divisions with periodic budget reviews to identify and problem solve any budget issues that arise during the year.

Goal 2) *Efficiency in operations and management of resources*

- Contract and purchasing staff were merged into one unit during the FY14-15 biennium and all procurement services are now under one manager. The new unit offered customers a single entry point into procurement so there was less confusion about which OSD program to contact with questions.
- Our interim procurement manager completed an analysis that identified ways to streamline purchasing, align DNR with statewide purchasing authorities, and options to consolidate some purchases. These steps increased efficiency for certain levels of purchasing.
- Restructuring our section has reduced management costs and allowed us to align our services more directly with our customers' needs.

Goal 3) *Transparency with information*

- The Regional Business Managers and Financial Leadership Oversight Workgroup (FLOW) now meet regularly. We use the meetings to review financial policy or procedure changes proposed by OMBS, Minnesota Management and Budget or the Department of Administration. In addition, the meetings provide an opportunity to discuss best practices among the divisions for business operations.
- Gave presentations to senior managers, the Shared Services Board and the Legislative-Citizen Commission on Minnesota Resources (LCCMR) about shared services, direct and necessary costs, and allocation procedures. The presentations explained our procedures and helped the groups understand how we maintain equity and transparency.

Goal 4) *Integrated budgeting services*

We began a review of the biennial and supplemental budget processes from beginning to end to find ways the process can be better coordinated, can incorporate the agency's strategic frameworks into the process, and reduces complexity in the agency's budgeting process.

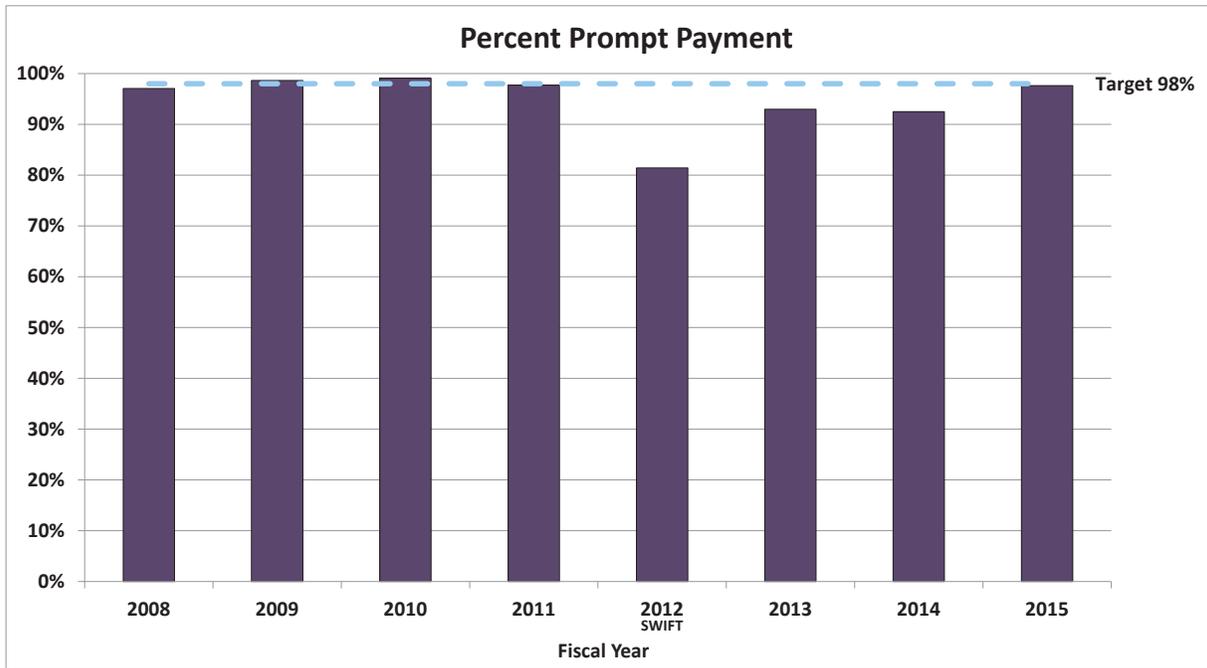
Goal 5) *Compliance with applicable laws, regulations, department policies and best practice guidelines*

- An audit steering committee was created and includes leaders, finance and audit staff from DNR and other state agencies. The committee's purpose is to provide oversight and guidance to the Internal Audit Manager and staff regarding internal audit methods and internal controls, and help maintain the independence of the Internal Audit activity. Doing so will ensure it remains a transparent and accountable tool for assessing programs and operations at the DNR.
- Participated in four federal audits and all corrective actions were successfully implemented.
- Led five internal audit projects resulting in six recommendations. The corrective actions for the projects have all been partially or fully implemented.
- Other steps we've taken to maintain compliance:
 - Updated a number of administrative policies
 - Conducted procurement and P-card training, financial audits
 - Led reviews of Minnesota Statutes 16A and 16C violations
 - Assisted other divisions with compliance issues

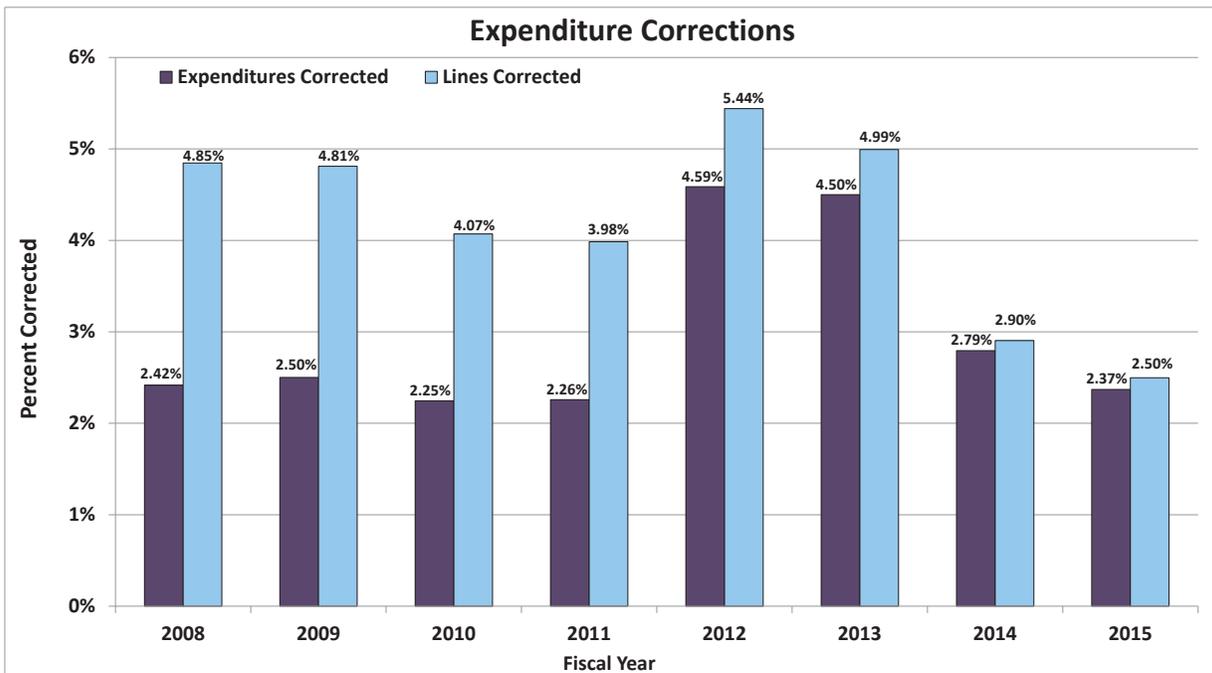
Goal 6) *Accountability of the department's assets and financial systems*

- The state's Comprehensive Asset and Financial Report (CAFR) report needs to be certified each year. Part of this certification includes a land asset certification. We worked with Minnesota Management and Budget (MMB) and Lands and Minerals (LAM) to address a longstanding reporting issue relating to land disposition reporting. We took steps so that these dispositions will be reported correctly.
- Our work on the Web Integrated Revenue System (WIRES) upgrades continued. We anticipate implementation in FY17.
- Reviewed SWIFT security roles and identified conflicts. We took steps to address all conflicts and reduce our risks related to SWIFT security.
- Participated in workgroups at Minnesota Management and Budget to help design SWIFT upgrades and implement its new reporting tool, which is being rolled out in FY16.

Key Performance Indicator Charts

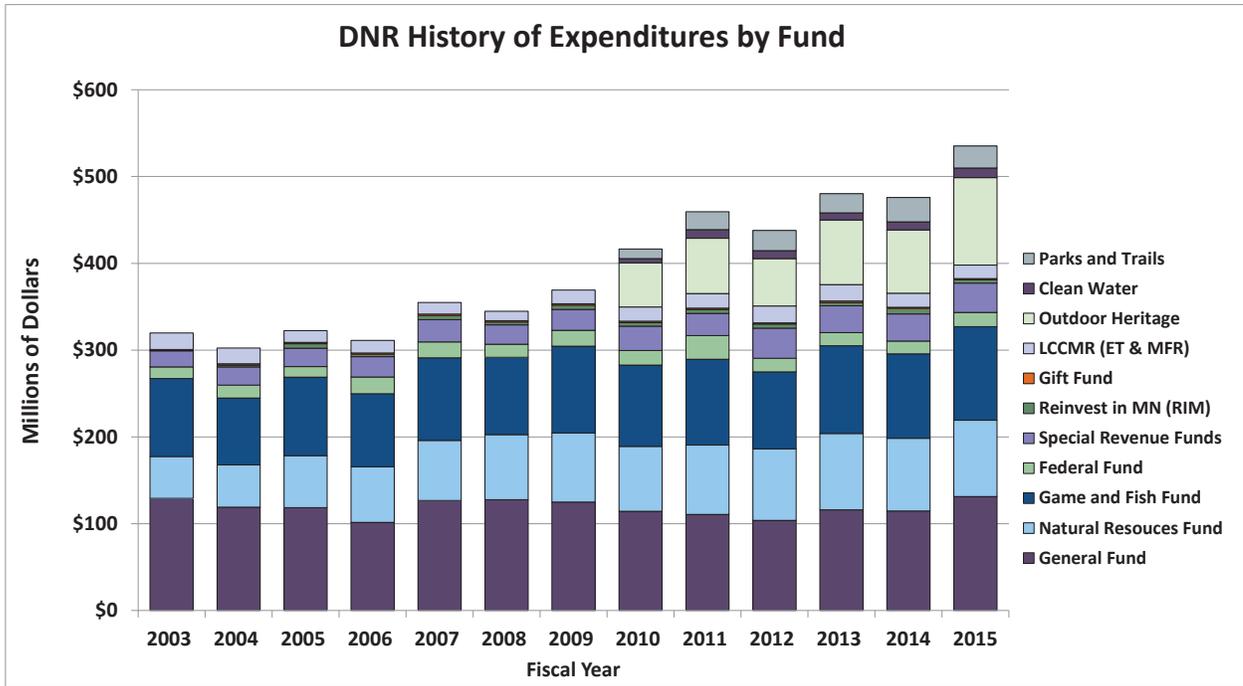


KPI #1: This graph illustrates the percent of invoices paid within 30 days of receipt from FY08-FY15. The prompt payment percentage dropped in FY12 because of the state shut-down and transition to SWIFT, the state's new financial accounting system.

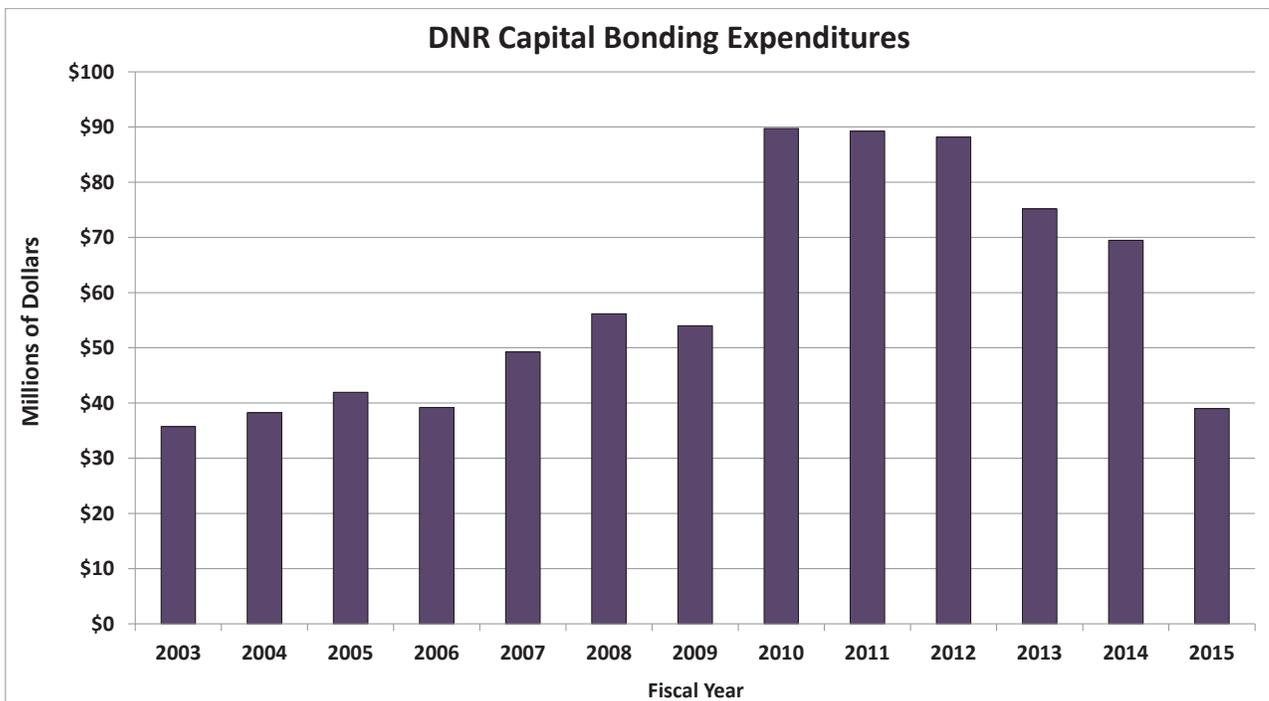


KPI #2: If a division finds an error in an expenditure they approved that has already been processed, OMBS must go back and correct the expenditure, which may have more than one line needing correction. The graph above shows the total percentage of expenditures and lines that OMBS has corrected after 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. The reduction seen in the FY14/15 biennium is related to a better understanding by users of the statewide integrated financial system (SWIFT).

Key Performance Indicator Charts

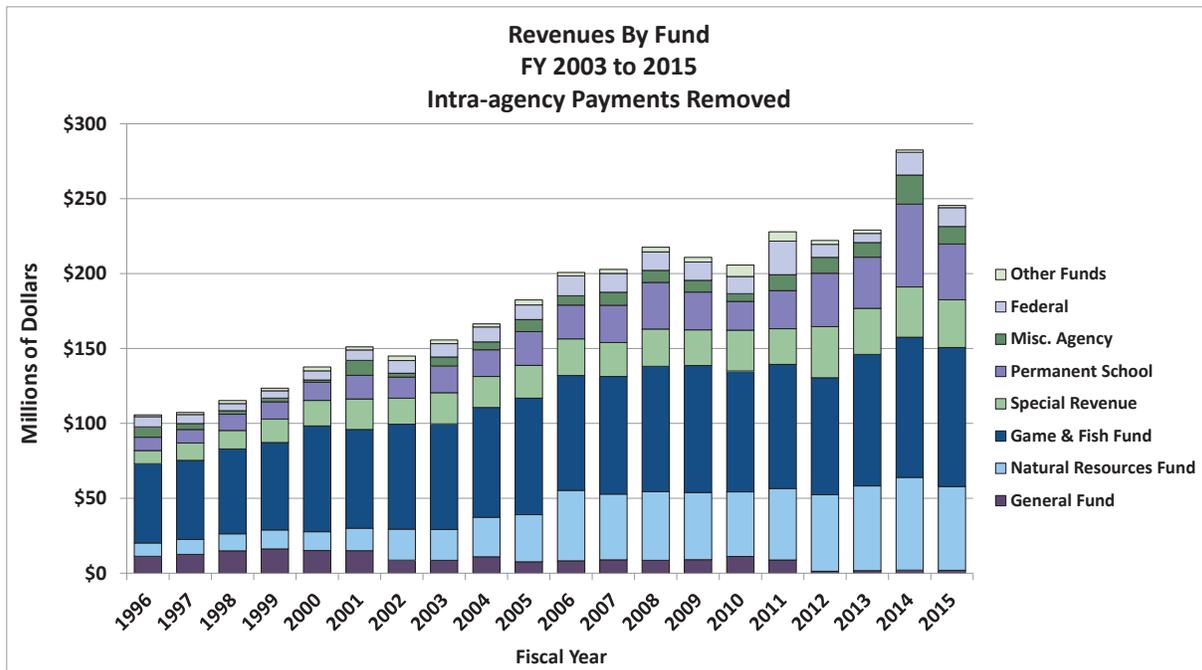


KPI #3: Expenditures are an important indicator of fiscal activity at DNR and related fiscal management assistance performed by OMBS. The graph shows the history of expenditures by fund from FY03-FY15. DNR operates under a complex budget structure with multiple dedicated resources that must be managed to ensure fund integrity. Over time, DNR’s budget has become more diverse with the addition of new, often restricted, funding sources.



KPI #4: This graph illustrates the capital bonding expenditures from FY2003-FY2015.

Key Performance Indicator Charts



KPI #5: 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 FY03-FY15. There are over 270 specific revenues within the above categories that must be tracked and maintained. An increase in mineral revenues caused the jump in FY14 for the permanent school funding. The Game & Fish and Natural Resources Funds also had strong years in FY14.

Policy and Planning

Purpose

The Office of Policy and Planning (OPAP) seeks to ensure that the department has useful, integrated and science-based information that supports our conservation mission. This work helps ensure that agency operations are well organized and coordinated, and our agency's strategic priorities frame our budgets and legislative programs.

Policy and Planning Scope

Our shared services include:

- Building, maintaining and coordinating our state and federal legislative and government affairs programs.
- Conducting science-based research and policy development that results in useful, integrated information for decision-makers.
- Fostering effective collaboration and coordination to meet agency goals and objectives.
- Increasing staff capacity to improve business processes and innovate.
- Measuring and reporting progress on top agency priorities.
- Rulemaking coordination
- Supporting development and implementation of agency-wide strategic priorities and initiatives.
- Supporting robust, collaborative work to accomplish agency priorities at the regional level.

Just the Facts

- The Outcomes Tracking System tracks and reports on more than 2,950 projects associated with over 100 programs. The system has more than 150 performance measures and indicators used to track progress.

- Led the review process for:
 - 17 administrative policies
 - 16 Operational Orders
- 51 rules completed

FY14–15 Key Accomplishments

Some of our most important accomplishments in FY14-15 include:

Agricultural Liaison: Our office established an Agricultural Liaison Policy program including:

- Led an interdisciplinary team to recommend communications and partnership development strategies to implement Conservation that Works 2.0, Strategy 3.4.
- Established an Agricultural program staffed in OSD Policy and Planning and created an interdisciplinary agriculture policy committee.

DNR by the Numbers 2015: DNR by the Numbers is a biennial budget fact sheet used in 2015 to succinctly and accurately represent the impact and span of DNR's work.

Significant fact checking and data collection went into gathering the correct information about DNR's land ownership, Minnesota's natural resources, and agency operations.

These facts were used to inform legislative policy proposals and communicate the nature of our work to the public.

DNR's Strategic Conservation Agenda, 2015-2025: In 2014, the DNR's Strategic Conservation Agenda was updated to guide the agency's strategy from 2015 to 2025. The Strategic Conservation Agenda is organized around the DNR's mission and drive for operational excellence. Science-based trends demonstrate urgency around natural resource challenges and DNR's strategies and actions demonstrate how the department will respond



The office of policy and planning worked with every division to develop the content for DNR's Strategic Conservation Agenda, 2015-2025. This document will help focus and guide the agency's conservation efforts into the future.

to those challenges. The Strategic Conservation Agenda will ensure that the department remains focused on key natural resources and that it maximizes the wise use of limited resources.

Employee Involvement, Engagement, Career Development and Recognition: Promoted employee involvement and engagement in our workplace and the ongoing development of their professional skills, including:

- Facilitated listening sessions with DNR staff
- Recognized employee achievements by administering the Annual Commissioner's Awards, as well as coordinating nominations for various other awards programs
- Administered the employee suggestion box to gather staff ideas and worked with senior management to respond to employee suggestions
- Managed the department employee climate survey, and worked with the Culture of Respect Steering Team to take action on the results
- Trained staff in project management, problem solving and Lean process improvement methods

Energy Smart: We work closely with other OSD programs on energy management activities. DNR continues to invest and enhance energy management to reduce costs and improve operational sustainability. In FY14, DNR expanded its wind and solar electric capacity by one third, or 170 kilowatts. DNR renewables will produce about \$58,000 worth of electricity. DNR has also raised the fuel economy of its light vehicle fleet by 20% since FY11, saving the equivalent of 185,000 gallons of gasoline. Baseline carbon reductions provided by renewable and light fleet fuel economy will total approximately 2,000 tons per year. In 2015 Operational Order 134 was established to guide overall departmental activities.

Executive Insight Reports: OSD collects a large amount of data while supporting the work of the DNR. Some of this data was compiled and shared with Division Directors in the first of a series of annual reports that provide insight and historical context for the operating needs of divisions. The hope is that these ongoing reports will identify ways to reduce costs, prioritize services, and identify more information that will help inform the decisions of division management.

Facilitation of Internal Teams and Events: Provided leadership and support to DNR divisions as they developed strategies, solved problems and improved business processes, including:

- Land acquisition process improvement
- Groundwater appropriations permitting process improvement
- Strategic land asset management
- Enforcement division strategic plan
- Accounts Payable/Fleet Invoicing
- Climate and Renewable Energy Steering Team, developing operational orders 131 and 134 addressing climate change response in resource management programs and energy efficiency in DNR operations

Facilitation of Public/Stakeholder Events:

Supported high profile public and stakeholder input forums from design through implementation including:

- The Polymet Environmental Review public hearing
- The Pheasant Summit
- Legacy Funding Workgroup
- Game and Fish Oversight Committee

Legislative and Government Affairs: We continued support and expansion of legislative and government affairs programs including:

- Supported the CMO through the 2014 and 2015 legislative processes, including the collection of division priorities and preparing legislative fact sheets and outcomes, for budget and capital bonding proposals as well as for policy initiatives.
- Developed “DNR By the Numbers,” a biennial budget fact sheet used in 2015 to succinctly and accurately represent the impact and span of DNR’s work.
- Established and staffed the legislative mobility starting in 2015 to widen and deepen agency wide legislative experience and capacity.

OSD Leadership Team: OSD is a relatively new division. Our Leadership Team, made up of all supervisors and managers, had it’s first meeting in September 2013. We meet four times a year, and continue to deepen our understanding of how the work of the different sections and programs is interconnected.

Social Science Research and Program

Evaluation: Conducted research and program evaluation, including:

- Evaluated the Enforcement Division’s Firearms Safety Hunter Education program
- Provide ongoing technical assistance with survey design and methods.

FY14–15 Office of Policy and Planning Goals

In the FY14–15 Service Level Agreement, we committed to achieving a number of goals (*in italics*). Here we review the steps we’ve taken toward achieving those goals:

Goal 1) *Support collaborative work that helps build department-wide direction to guide budgets and actions, and promote use of indicators and targets to measure and report progress.*

- Conservation Agenda: Revised and updated Conservation Agenda tied to Conservation that Works framework developed and published. Refined performance metrics included.
- Conservation that Works: Supported Operations Managers in reporting and documenting outcomes across all Four CTW goals and 25 strategies. Led the process to develop clear recommendations for addressing CTW3.4 Develop a New Agricultural Conservation Partnership. Recommendations culminated in PAP hiring a full time Agricultural Program Liaison.
- Strategic Land Asset Management: Provided strategic planning, policy development and support for the DNR’s Strategic Land Asset Management Program.
- Produced annual Permitting Efficiency reports to measure DNR progress in achieving environmental permit decision goals.
- Annual Commissioner’s Awards and Staff Listening Sessions. Provided facilitation and planning support to the Commissioner’s office in 2014 and 2015 for the staff listening sessions and awards.

- Provide Regional Planning Program to support Regional Directors and Regional Management Teams in the development of regional initiatives and implement regional priorities; Minnesota River Valley Recreation Area planning process, Federal Blueway planning process for the Minnesota River.

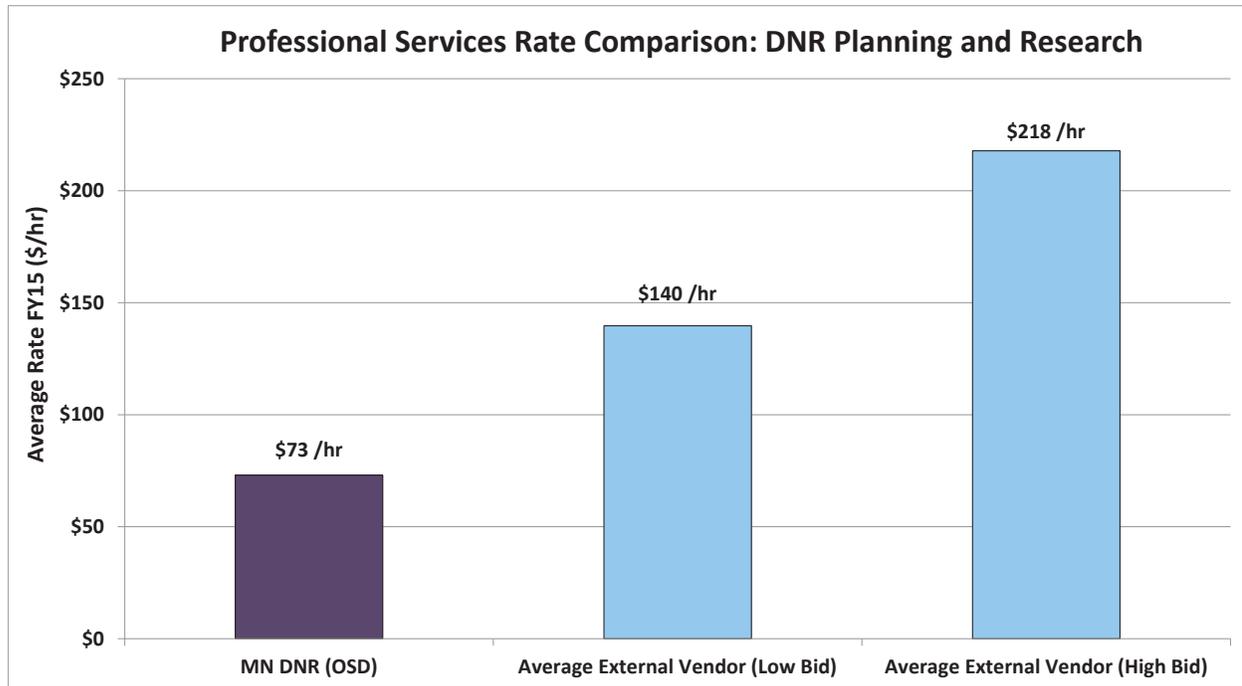
Goal 2) *Develop and build support for integrated, durable decision making by providing concise, reliable, science-based information to decision-makers.*

- Climate and Renewable Energy Steering Team (CREST): Supported and managed CREST process, resulting in development of Operational Orders 131 and 134 providing science-based direction and metrics for Climate Change Adaptation and Mitigation through natural resource programs and for reducing energy use and greenhouse gas emissions.
- Supported the Forest Resources Issues Team (FRIT) with facilitation and support of scientific analysis.
- Implemented 10 Science Chats as agency wide webinars.
- Supported DNR's Policy Framework and Rule Making process, which included:
 - Coordination of the SIRS process to provide interdisciplinary review and development of DNR policies, such as operational orders.
 - Process support and guidance to divisions involved in rule making.
- Created an Executive Insight report for each division director to help them understand the historical operating context of their division.

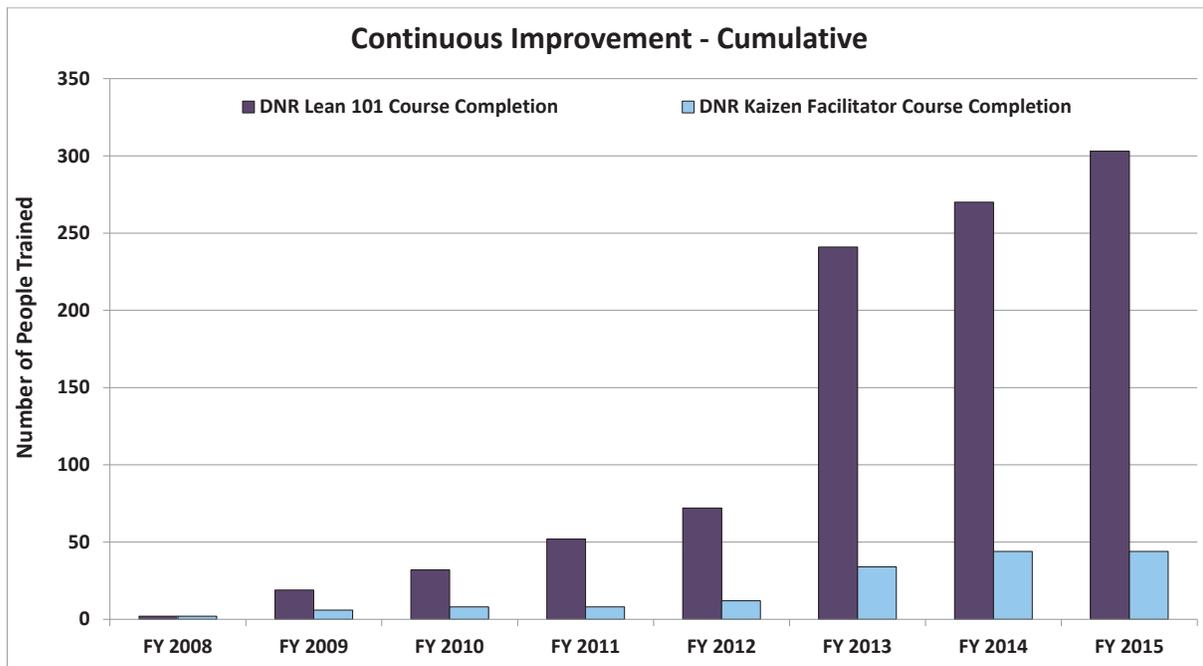
Goal 3) *Lead, coordinate, and implement the agency's legislative program to support the department and the Governor's goals and priorities.*

- Established a Legislative Mobility Position and made the first hire to develop deeper and wider legislative capacity within DNR.
- Supported the CMO in legislative process in 2014 and 2015 from package development, to factsheets and session support for budget, capital investment and policy proposals.
- Contributed additional direct support to CMO in developing the Governors Buffer Bill as well as supporting the process to implement it.

Key Performance Indicator Charts



KPI #1: DNR’s Policy and Planning services provide strong value when compared to similar services available in MMB’s management consulting master contract.



KPI #2: DNR’s Continuous Improvement efforts seek to promote a culture of improvement through formal training and a collaborative approach to projects.

Communication and Outreach

Purpose

The Office of Communication and Outreach (OCO) leads and supports the department with strategic, effective, and efficient outreach, program coordination and communications consulting. We help create, implement and manage communication strategies for DNR divisions and for the offices of the Commissioner and Governor.

Our other responsibilities include strategic planning for much of the department's internal and external communication, helping to build staff and public awareness, trust and support of the DNR's work. These three elements enhance staff and citizen involvement in our ongoing stewardship of Minnesota's natural resources.

Clear, timely, transparent communication written in plain language is important in moving the DNR closer to achieving all of the goals in the department's Conservation Agenda. They include a focus on natural resource conservation, outdoor recreation, strengthening the natural resource economy and achieving operational excellence.

Communication and Outreach Scope

Our shared services include:

- Advertising sales and purchasing
- Boat and water public safety marketing
- Communications leadership
- Creative services (graphics, photography, video)
- Data practices
- Electronic information accessibility
- Media management
 - Update Media Contact List
 - Develop Media Policy

- Offer media training
- Coordinate media metrics reporting
- Minnesota Conservation Volunteer Magazine (outside of Shared Services)
- Minnesota Master Naturalist program
- Plain language
- Program administration
- Regional communication
- Staffing the information Center
- Volunteer management

Just the Facts

- The number of articles and radio/television stories about DNR in the media increased from 7,900 in FY14 to 14,900 in FY15, up 88%.
- OCO coordinates social media outreach for the DNR and monitors our 10 Facebook and 5 Twitter accounts. We have logged about 107,000 likes on Facebook and have almost 41,000 Twitter followers.

FY14-15 Key Accomplishments

Some of our most important accomplishments in FY14-15 include:

Aquatic Invasive Species (AIS)/Avian

Influenza: Invasive species communications and avian influenza are ongoing priorities for the agency but communication was a particular challenge in FY14 and 15. These years saw public debate about trailer decal requirements, the expansion of the watercraft inspectors program, the discovery of several new zebra mussel infestations, and other challenges. OCO assisted with the orientation of a new AIS information officer, edited press releases, prepared talking points, briefed the Governor's Office and did extensive communication planning. OCO coordinated the agency's avian influenza communication strategies, created a web page and provided high-level support between our agency and departments of agriculture, animal health and public safety.

DNR Spotlight: The new employee newsletter, DNR Spotlight, was launched in June 2014 to improve communications with staff and provide them with timely information about the work of the agency.

Editorial Style Guide: Like many organizations, the DNR has developed an established style—a set of recommendations for how to handle things like spelling, capitalization and language usage. OCO created the style guide to help DNR staff become better writers.

Electronic Information Accessibility: In this biennium, OCO leadership began the process of finalizing policy (Operational Order 132) and ensuring compliance with the state’s Accessibility standards and laws. We hired a program coordinator to roll out a three-year training process for division designees.

Logo/Identity Project: We worked with MN.IT to roll out the DNR Visual Identity Project. This meant collaborating with division and subject matter experts to propose an updated agency logo with revised design templates and usage guidelines. This effort has already resulted in time savings and a more consistent, modern and professional identify for the department.

Media Training: Contact between staff and the media help shape public opinion about the DNR. OCO provided training for hundreds of employees across the state so they are prepared to communicate with media in a timely, accurate, and comprehensive way.

Mille Lacs: We managed communication planning for the Mille Lacs walleye issue and the temporary closure of the fishery. The task required over 100 hours of writing, a complex approval processes, preparing briefing documents, coordinating a team of leaders and subject matter specialists on media interactions, hosting press conferences and calls, and more.

Pheasant Summit and Buffers: Our Central Office and regional communications specialists helped create the first-ever Governor’s Pheasant Summit on December 13, 2014, and follow-up discussions at the January 2015 DNR Roundtable. As a Governor’s Office priority, this work required quick-turnaround planning and outreach. We created a web page about buffers and managed agency communications from concept to governor bill signature.

Plain Language: We trained 150 DNR staff in plain language and created a network of 60-plus plain language champions. This was in response to a Governor’s Executive Order requiring executive branch agencies to communicate clearly with citizens.

Polymet: We helped coordinate the rollout of the Polymet Supplemental Draft Environmental Impact Statement and other Polymet outreach. The section helped design the communication plan for three public meetings, which included a new website and talking points; produced a new video for those meetings; coordinated more than 50 media interviews about the project; and managed media and public meetings that attracted 3,000 participants.



The DNR and OCO worked on organizing three public input meetings, including this one in St. Paul, for the proposed PolyMet project. Public comments from these meetings helped improve the agency’s supplemental draft environmental impact statement for the proposed project.

Social Media: We continue to expand the DNR's department-wide presence on social media, creating an agency Twitter account and reaching several milestones including 300,000 YouTube views and almost 1,100 YouTube channel subscribers.

FY14-15 Communication and Outreach Goals

In the FY14–15 Service Level Agreement, we committed to achieving a number of goals (*in italics*). Here we review the steps we've taken toward achieving those goals:

Goal 1) *Use strategic communications to support the four conservation goals outlined in the DNR's priority planning document, Conservation that Works.*

OCO's communications work helped move the DNR closer to achieving the four goals in the Conservation Agenda. We focused outreach on fish and wildlife, prairie, water and invasive species topics. We provided interesting, timely and responsive news and information to prompt more Minnesotans to get outside.

In FY15, OCO helped develop a legislative initiative to enhance citizen access to information. This resulted in the development of a Web Executive Steering Team and plans to involve OCO more heavily in Web content management. Good Web content improves visitors' experiences and can be a gateway to more involvement in natural resource opportunities and issues.

Goal 2) *Through leadership, collaboration and a commitment to customer service, advance the DNR's objectives and mission through effective media*

relations, outreach, and internal and external communications.

News-monitoring organizations estimate that in FY15-16, the public opened our news releases (some with accompanying video, audio and Web information) millions of times. This connects more Minnesotans than ever with the information they need to help us conserve and protect the state's resources.

We have effective internal communication tools as well. For example, OCO sends the staff newsletter, Spotlight, to more than 3,000 recipients. However it is opened more than 4,000 times, meaning readers may be revisiting the publication. Between 200 and 300 staffers regularly listen to the monthly commissioner's Wireside Chat.

Goal 3) *Commit to continuous improvement through LEAN techniques and periodic evaluations of customer service.*

In FY14, OCO did a customer service survey of all DNR staff to make changes to the employee newsletter. The survey gave us insights on preferred content and delivery methods, which we then applied to a major redesign. That survey helped spur readership (number of times newsletter is opened) to over the 4,000 mark, up from about 900 readers per week previously.

Goal 4) *Collaborate on, and provide support for, agency strategic communications planning activities; develop and execute communications plans; and assist with key message development and talking points.*

Sometimes the less others hear about a challenging DNR issue, the better we have achieved our planning goals. Other times, the opposite is true. For example, we held about 77 news conferences and media availabilities over the biennium. Each required many hours of communication planning including refining key messages and writing talking points for state and department leadership.

Goal 5) *Coordinate social media planning, oversight and execution in collaboration with divisions and units.*

We develop policy around social media outreach, we create and manage Web pages of high public interest (avian influenza and buffers pages, as examples), and OCO operates the DNR's main Twitter channel that helps engage the public in our outreach activities. OCO has incorporated new social media efforts into the DNR Roundtable and State Fair communication plans.

Goal 6) *Achieve improved, consistent time tracking to document efforts on division-specific projects.*

All staff who work on projects that are supplemental to the core services outlined in OSD's Service Level Agreement now track their time.

Goal 7) *Establish a Communication Effectiveness Dashboard for evaluating OCO success.*

We now evaluate our success through our key performance indicators. Those results are shown on the following pages.

Goal 8) *Operate the Information Center as the public's accurate, comprehensive source of information.*

The Information Center is a welcoming place for the hundreds of thousands of visitors to the DNR Central Office. Info Center staff is the public's trusted source for answers to complex natural resource questions. These customer service associates fulfill citizen requests for about one million copies of maps and publications each biennium.

Goal 9) *Coordinate logistics, displays, and staffing to maximize the DNR's presence at the State Fair and select other special events.*

OCO's leadership guides the agency's State Fair exhibit from beginning to end. It is the DNR's biggest outreach event of the year involves about 500 staff and 500 volunteers. Half a million people visit the DNR fair building and grounds annually.

Goal 10) *Provide volunteer program leadership, oversight, policy development, recruitment, training, annual reporting and coordination with divisional volunteer managers.*

Our volunteer program has been under renovation since the FY15 Shared Service Board approved an initiative to modernize and improve it. More than 25,000 Minnesotans are on the DNR's volunteer rolls. Soon they will be able to sign up for volunteer work online, participate in enhanced safety training, and more.

Goal 11) *Support our partnership with the University of Minnesota Extension in the continued growth of the Master Naturalist Program and serve as a resource on outdoor education.*

In 2014, the Minnesota Master Naturalist Program had 1,200 active volunteers and instructors who donated more than 60,000 hours to improving the state's natural resources. The program is a collaboration between University of Minnesota Extension and the DNR. OCO staff manage the department's participation.

Goal 12) *Coordinate Boat & Water Safety marketing and outreach activities in close collaboration with Parks & Trails Division and Enforcement Division staff.*

Our Boat & Water Safety marketing team uses about 40 publications and more than \$200,000 in advertising dollars to deliver safety messages that help prevent accidents and drownings. A three-division collaboration, the DNR's Boat & Water Safety Program helps Minnesota retain one of the lowest boating fatality rates in the nation.

Goal 13) *Ensure regional communication and outreach activities are coordinated, focused, and measurable.*

The Operations Services Division has information officers in each DNR region. While they report to the OSD regional managers, OCO, through regular meetings and interactions, ensures that regional IOs have strategic work plans, that their goals match agency goals; and they are trained and up to date in current strategic communication tools.

Goal 14) *Ensure that divisional data practices designees work closely with the agency program coordinator to maintain timely and integrated data practices compliance.*

In FY14-15, OCO provided training on new policies and procedures including Operational Order 127, Data Breach Administrative Policies and statutory requirements. We implemented a SharePoint site for not public data that includes division-specific guidelines and best practices, security assessments, and detailed information regarding DNR not public data.

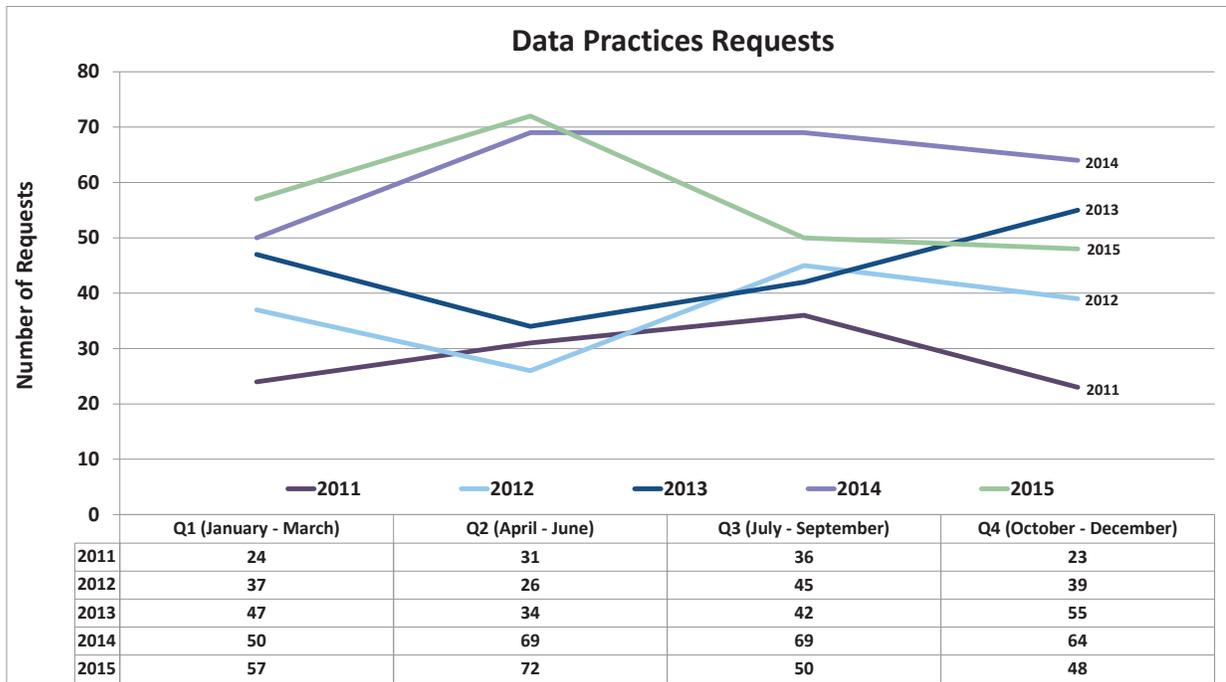
Goal 15) *Consult on agency intellectual property and related issues.*

In addition to responding to division intellectual property questions and issues, OCO drafted intellectual property contracts. Also, we helped with the intellectual property section of the revised publication guidelines; helped draft the DNR logo standards; and provided more than a dozen authorization agreements for the use of DNR material in external publications.

Goal 16) *Provide leadership on agency-wide policies as needed.*

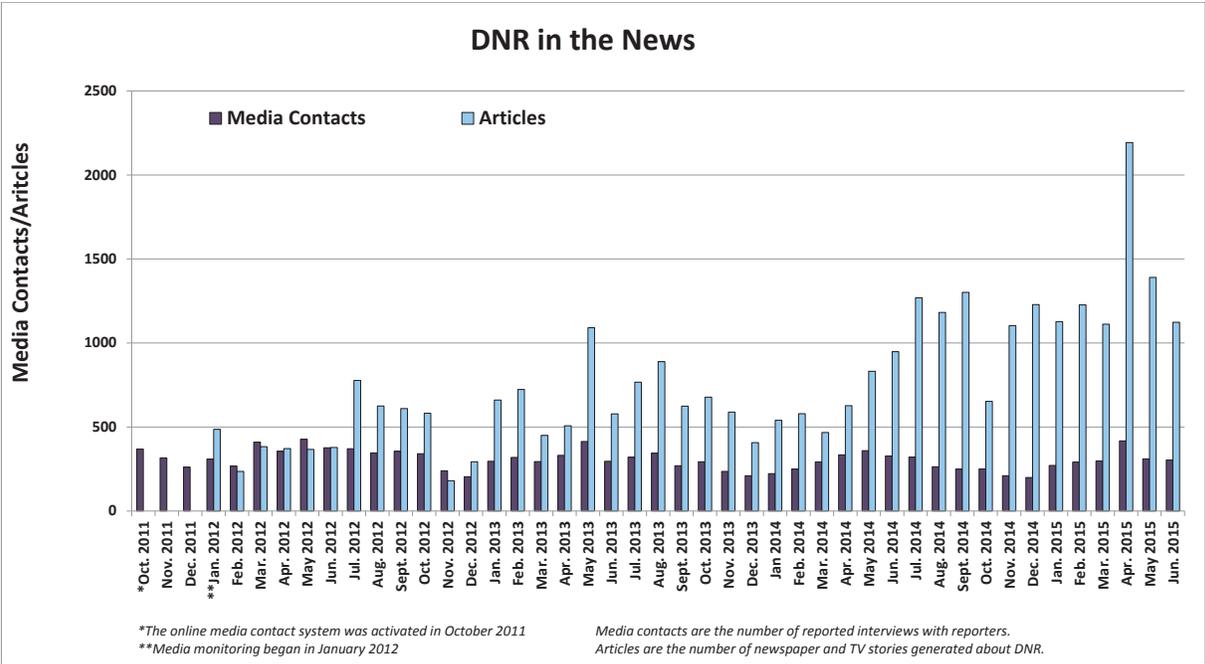
OCO focuses on transparency, quality, consistency and continuous improvement in developing policies. We have taken the lead on such policies as data practices, events and sponsorships, media, volunteer management, electronic information accessibility, and others.

Key Performance Indicator Charts



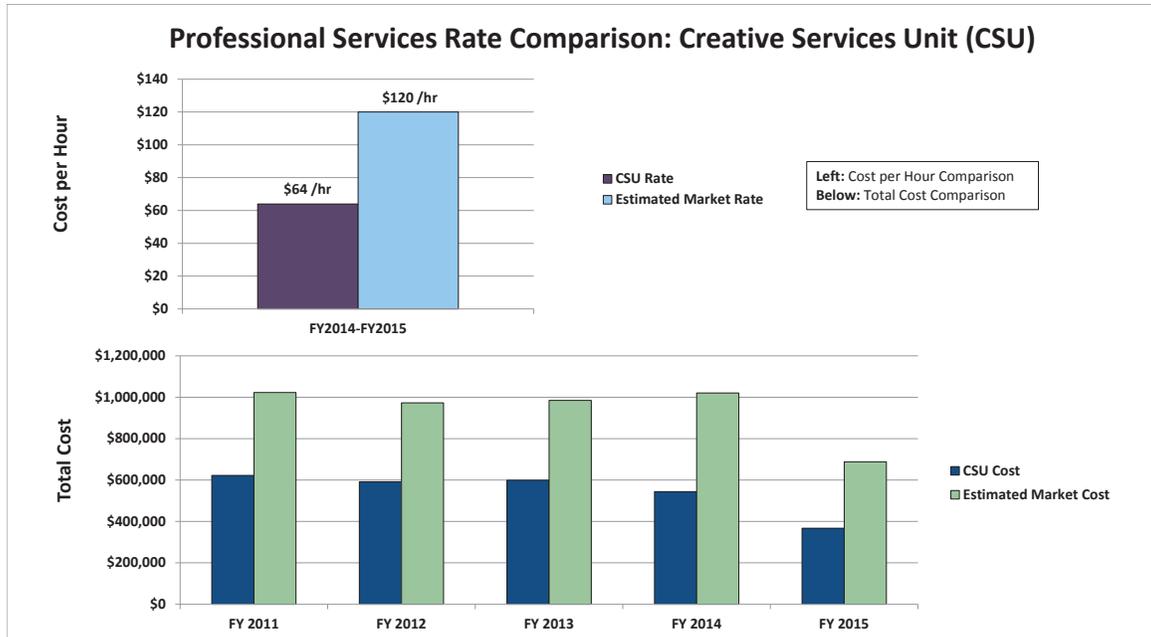
KPI #1: The DNR saw about a 100% increase in data practices requests – requests for information disclosure – between 2011 and 2015. Staffing was unchanged. The totals most often relate to the number of DNR’s high profile issues and the level of media interest. Requests are also a tool used by others to monitor on-going environmental work; gather information on contentious land and property issues; and avoid the costs of discovery related to litigation. State statute allows agencies to charge for copies of data, but inspections must be free. Data practices work is time-consuming, sensitive and complex. It is guided by state statute but is unfunded.

Key Performance Indicator Charts



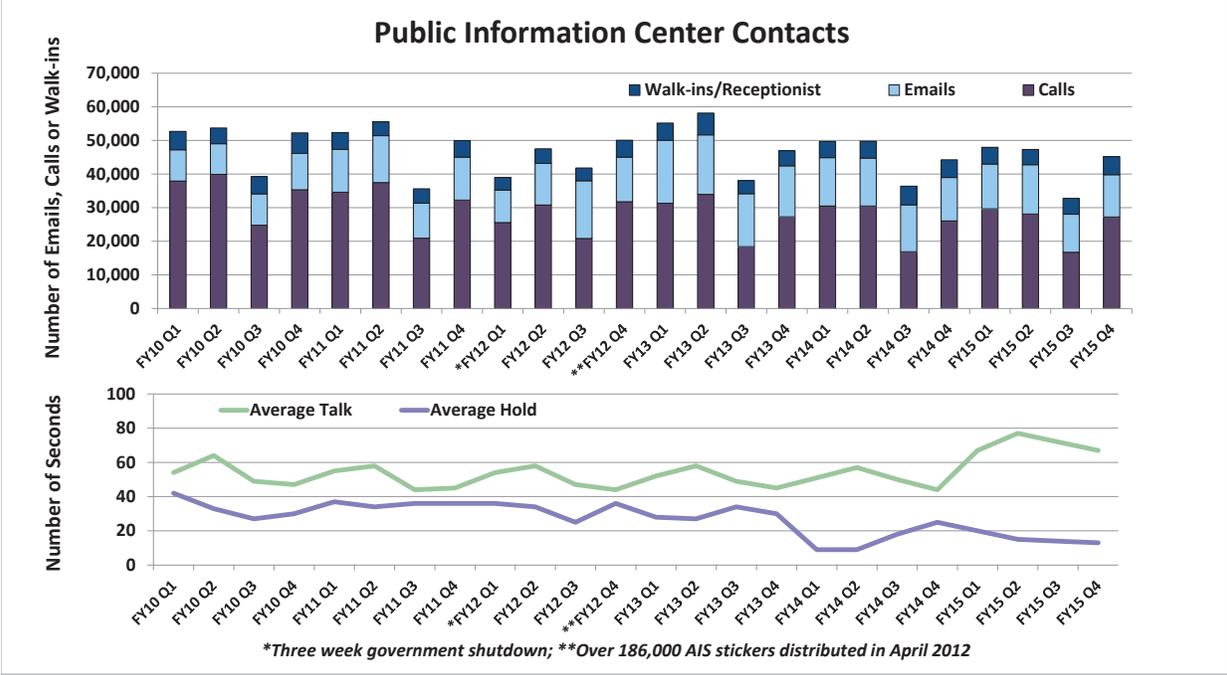
KPI #2: OCO served its leadership and division customers by building more momentum around news and editorial outreach. We increased the number of DNR-related stories appearing in the media by almost 88% between FY14 and FY15. The peaks show the effectiveness of some of our larger communication campaigns, such as Avian flu and Christmas Lake aquatic invasive species in April. The number of daily media contacts staff log into our intranet system (staff must do a short online report when contacted by the media) usually rises and falls along with the number of articles.

Key Performance Indicator Charts



KPI #3: The Creative Services Unit, featuring graphics, photography and audio/visual experts, usually logs about 400 individual customer “projects” per year. This number was down a bit over the biennium, in part due to past capacity issues. This unit is an asset to the DNR, saving us the expense of taking our graphics and other projects outside. For example, work completed in this biennium could have cost almost \$1.7 million if contracted to an outside vendor compared to less than \$950,000 for completing the jobs in-house.

Key Performance Indicator Charts



KPI #4: This biennium showed a decrease in the number of calls and emails to our Information Center. However, earlier figures may have been inflated by the thousands of anti-wolf hunting petitions we received from February 2013- January 2015. Each of our eight customer service associates answers about 21,000 calls and emails from the public each year. Note that talk times peak in the second quarter of the year with the start of deer season.

Management and Information Services

Purpose

MN.IT@DNR 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@DNR serving as a business partner for public customer outreach and external information access.

MN.IT@DNR 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.

MN.IT Scope

Our services include:

- Business software hosting
- Communication network administration
- Computer technical support
- Data center administration
- Geographic Information Systems (GIS) support
- IT project management
- Software development and data management
- Videoconferencing support
- Web hosting services and content coordination

Just the Facts

- The DNR IT Service Desk handled over 42,000 requests in FY14-15
- Our team maintains service at over 200 DNR worksite locations
- The DNR websites and key business applications exceeded 99.9 percent availability in FY14-15
- DNR Web pages receive about 56 million hits annually

FY14–15 Key Accomplishments

Some of the most important accomplishments that MN.IT achieved in FY14–15:

Report to Work: MN.IT@DNR worked with OSD Facilities Management and Human Resources staff to develop a web app and database which enabled supervisors to associate every DNR employee with a specific building. This information is now being used to create accurate, location specific email distribution groups for AD / Outlook. The data is also being used to update employee and work location information in SEMA4. An interactive web map and summary reports are also being produced.

SLAM: The MN.IT@DNR GIS Support Team worked with the DNR's regional management teams to support the annual SLAM process with data, analysis, and a custom web application. This web application mines data from the Land Records System and makes it available during SLAM meetings as part of a decision support system. It then records the results of group discussions, documenting regional priorities and the reasons for those determinations. Regional GIS Specialists drive the system and support discussion with data during biennial meetings.

Enforcement Records Management System

Implementation: MN.IT @DNR staff provided project management leadership, business analysis, and deployment support for this revolutionary new system, which propels the work of DNR conservation officers into the digital age. Enhanced information access allows our officers to coordinate activities and monitor enforcement actions in real-time across the state, improving effectiveness of all enforcement program areas.

Computer Equipment Fleet (CEF): CEF is a centrally managed program that streamlines equipment procurement and replaces computers on a scheduled basis. The CEF program has made great strides in FY14-15 to reduce the average age of equipment. Newer equipment can increase staff productivity, reduce maintenance requirements, and reduce the department's energy consumption.

Wildlife and Aquatic Habitat Management

(WAHMA): The MN.IT @ DNR GIS and Web Teams worked with the DNR's Wildlife Section to develop a suite of desktop and mobile data collection and management tools. The system is designed to address all of the major workflows encountered by a typical Area Wildlife Manager, from maintenance of WMA infrastructure to identifying areas for habitat restoration and

tracking progress on projects. The mobile application takes advantage of tablets and facilitates field data collection.

Infrastructure Upgrades: Network enhancements were rolled out to many new sites during this period, most notably in the northeastern part of the state where the Northeast Fiber project completely transformed network services, for the first time providing reliable high-speed internet to DNR work locations.

Extranet Identity Management System

Upgrade: This system for controlling access to DNR information resources was upgraded and revamped, creating a foundation for the expanding portfolio of DNR business applications that interact with our public customers.

Minnesota GeoCommons: MN.IT @DNR staff led the technical development effort for this new system which provides open citizen access to Minnesota government-developed mapping data. The GeoCommons facilitates state, federal, and local government business integration, while fueling the Minnesota economy with high-quality data in support of natural resource, commercial, agricultural, and engineering applications.



Jeremy Moore from MN.IT Services tests the prototype Wildlife and Aquatic Habitat Management Application for three field managers from the section of Wildlife. The objective of the test was to gather feedback on the new ability to capture features in the field (vegetative cover type boundaries and managed facilities) and their attributes.

FY14–15 MN.IT@DNR Goals

MN.IT committed to achieving a goal related to customer satisfaction in FY14-15. Here we review the steps we've taken toward achieving it.

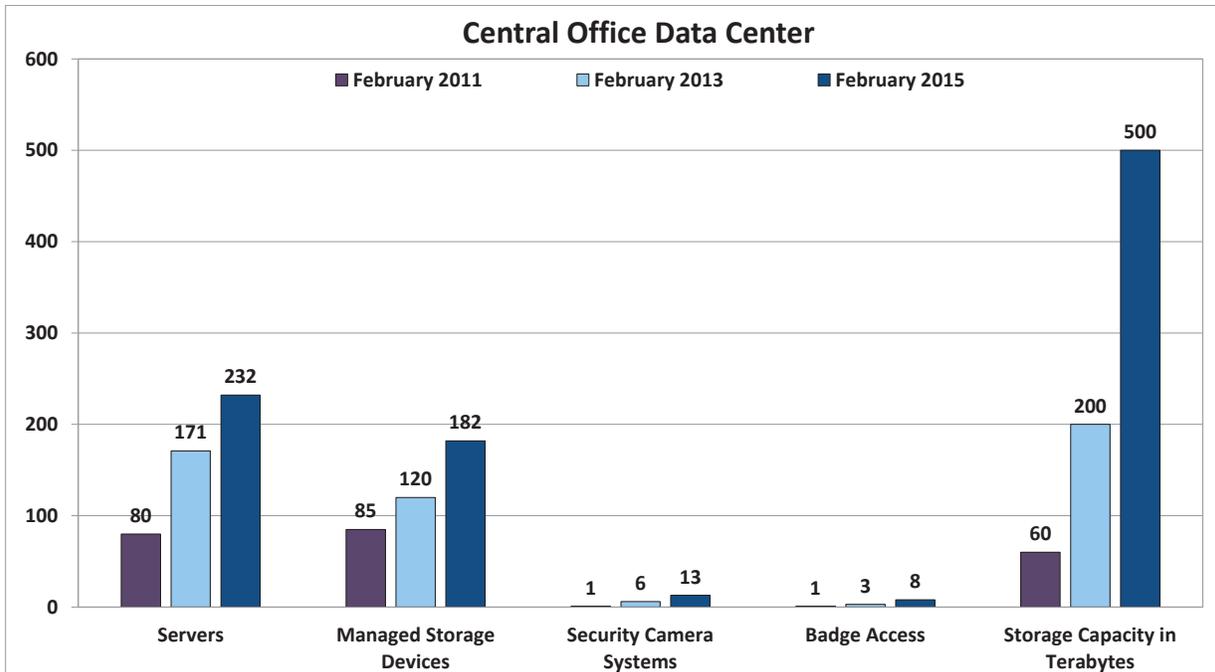
Goal) *Customer Satisfaction Survey*

In early 2014 we surveyed our DNR customers. Our goal was that 70% of respondents were “Very Satisfied” or “Satisfied” with specific services or questions.

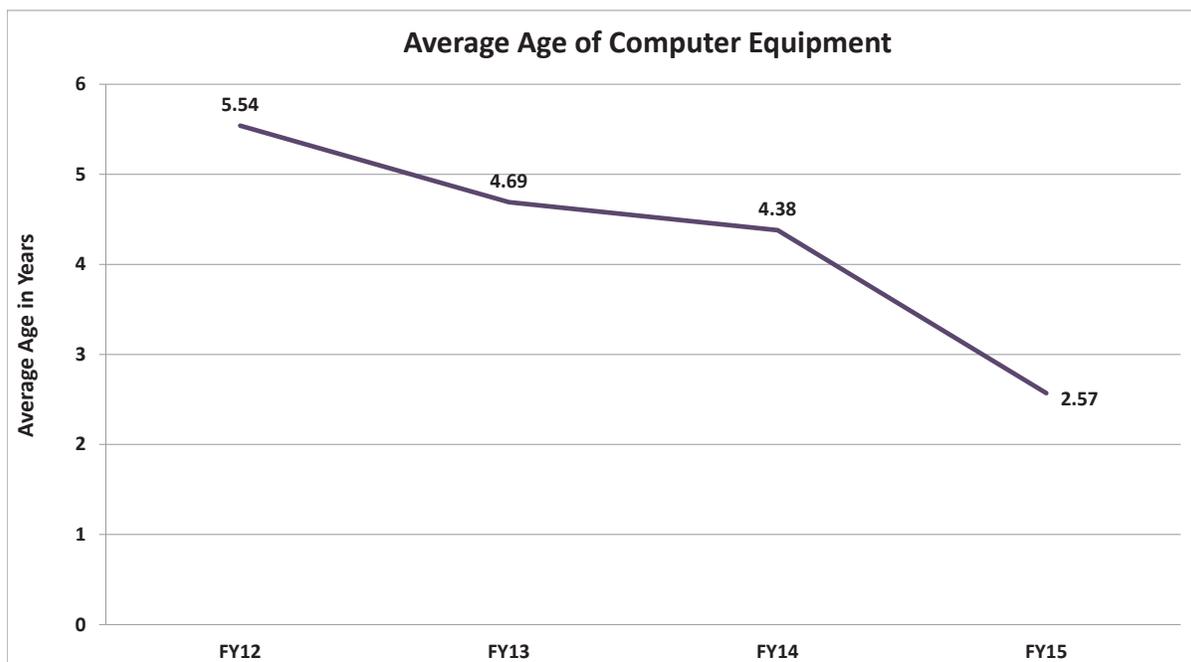
There were 28 questions on the survey. We met our goal for 24 (86%) of those questions.

- For the questions that met our goal:
 - Highest ranking was 96% - Courteousness of your Service Desk Staff
 - Lowest ranking was 70% - Ease of doing business with technology services
- For the questions that did not meet the goal:
 - Lowest ranking was 63% - Ease of Application and/or business system use. Upon review, many of the negative comments were directed at systems outside of our control (SWIFT and SEMA4) although there were several comments about the lands records system.

Key Performance Indicator Charts

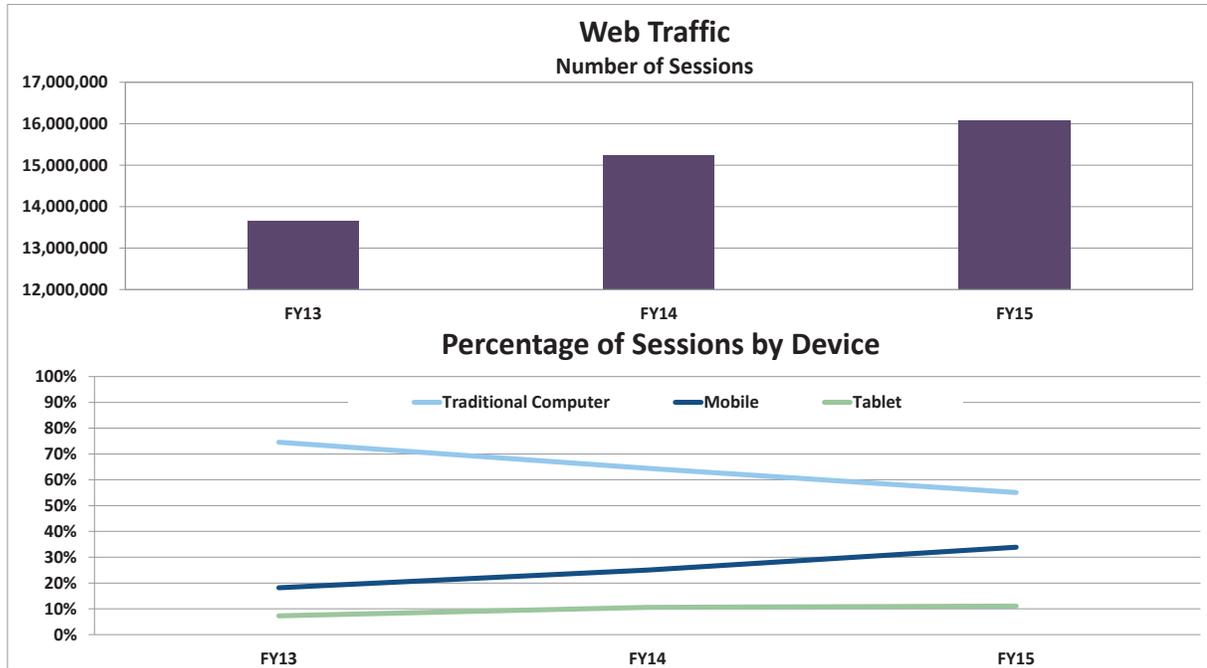


KPI #1: There have been steady increases for storage needs in the Central Office Data Center over the past several years.



KPI #2: Since the establishment of the Computer Equipment Fleet (CEF) program the average age of a DNR worker's computer has decreased from 5.4 to 2.57 years. Newer equipment can increase staff productivity, reduce maintenance requirements, and reduce the department's energy consumption.

Key Performance Indicator Charts



KPI #3: The total number of online sessions continues to increase. At the same time, the percentage of online sessions from mobile devices continues to increase while those from traditional computers decreases.

Conclusions and Next Steps

In FY14-15 we took steps to improve our services based on the feedback we received from our customer survey. We continue to improve our ability to operate in a transparent manner, provide good customer service, and create value while adapting to the changing needs of the agency.

In the next biennium we will use a new structure for our Service Level Agreements that focus on four service areas:

- Assets
 - Services provided include the management of DNR’s capital assets such as fleet and buildings; asset management; and procurement of goods and services
- Financial and Planning
 - Services provided include budget and financial analysis; business operations; internal audit; management and planning; data and performance management; and policy and government relations
- Information
 - Services provided include strategic media relations; public outreach and communications; facilitating the strategic management and use of data as information; and developing technology solutions that increase agency communication
- Workforce
 - Services provided are designed to hire the best staff; increase diversity; train and develop our employees; and keep our employees safe

Presenting our services in this way makes it less about how OSD is structured, and more about providing the types of services our customers expect.

A few of the service priorities we will focus on in the next biennium include:

- Employee onboarding and offboarding
- Site management
- Improving the timing and organization of training
- Water policy and planning support
- Website modernization

