



# Department of Administration

## **FY2022 – FY2025 Strategic Plan**

*“Providing Business Solutions for Idaho  
State Government”*

July 1, 2021

**BRAD LITTLE, GOVERNOR**

**Department of Administration**  
Keith Reynolds, Director

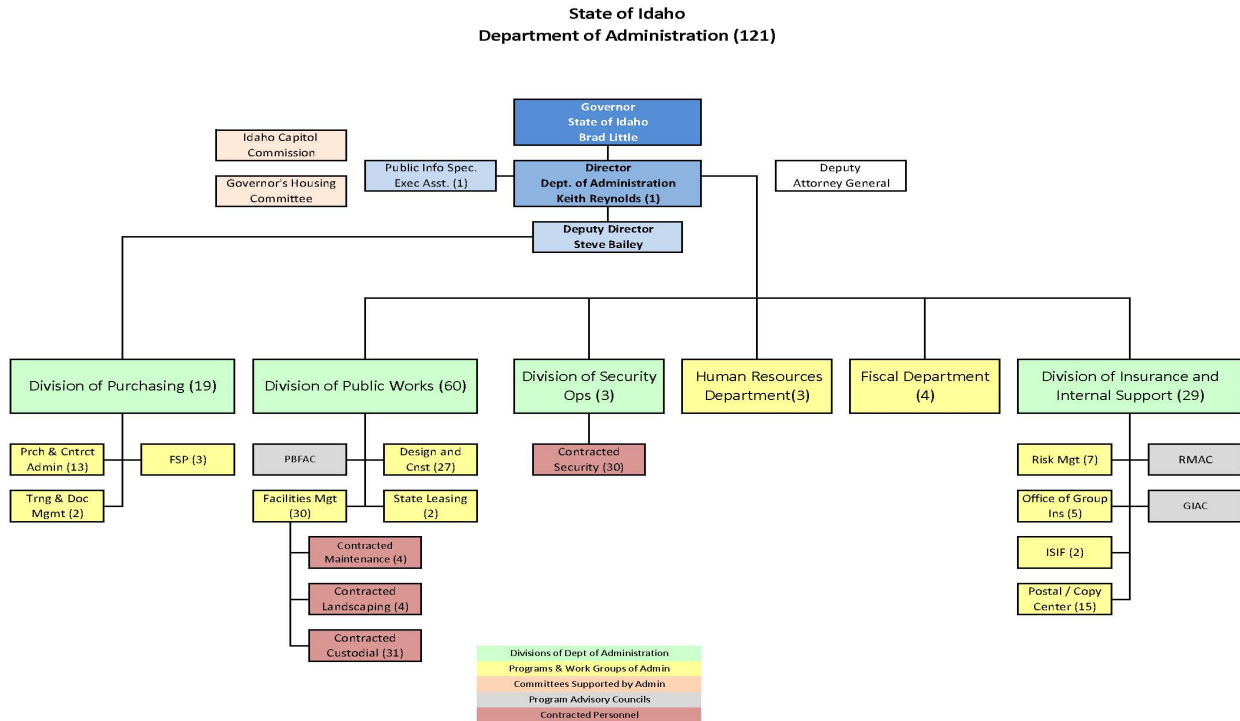
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## Department Overview

Core functions of the Department of Administration are outlined in Idaho Code Title 67, Chapters 57 and 92. The department is composed of four unique divisions committed to providing leadership, expertise, and value-added services for its customers.



**Office of the Director:** Maps the strategic direction of the department.

Provides internal financial support, controls/auditing services, human resources, and payroll to all programs, supported committees, as well as the Idaho Commission on Hispanic Affairs.

The director serves as an ex-officio member for the following two entities:

**The Idaho State Capitol Commission:** Composed of 9 members—6 public members and 3 ex-officio voting members including the Executive Director of the Idaho State Historical Society, Director of the Legislative Services Office, and the Director of the Department of Administration, who serves as Commission Secretary. The commission is charged with the ongoing oversight of the capitol including overseeing all restoration work and additions to the building; approving all displays, artwork, and furnishings within the capitol; and, promoting interest in the history of the capitol building. Department support for this commission includes accounting, clerical, and facility planning/management services. (Idaho Code Section 67-16)

**The Governor’s Housing Committee:** Composed of two members of the State Senate, two members of the House of Representatives, and the Director of the Department of Administration; oversees the Governor’s Residence Fund created to provide a governor’s housing allowance and/or the acquisition, construction, remodel, furnishing, equipping, and maintenance of a governor’s residence. Department support for this committee includes accounting, clerical, and facility planning/management services. (Idaho Code Section 67-455)

**Division of Insurance and Internal Support (DIIS):** The *Risk Management* program serves as the state’s property and liability insurance manager and adjudicates claims made against the state. The *Office of Group Insurance* contracts and administers medical, dental, life, flexible spending account, and disability benefit contracts for state employees and retirees. The *Industrial Special Indemnity Fund* manages a portion of the workers’ compensation system commonly referred to as the “Second Injury Fund,” which provides lifetime benefits to workers who become totally and permanently disabled from a work injury. Finally, the division provides reproduction services through the *Copy Center* and mailing services through *Central Postal* for state agencies located in Ada County. (Idaho Code Sections 67-5202; 67-5746; 67-5749-5750; 67-5760–5778; 72-323–334 and 409)

**Division of Public Works (DPW):** Administers the construction, alteration, and repair of public buildings for Idaho's state agencies. The division is also charged, through its Facilities Services, with the management (operations and maintenance) and space allocation of all facilities on the Capitol Mall, Chinden Campus and the state office buildings in Lewiston and Idaho Falls. Additionally, it is tasked with negotiating, approving, and making contractual lease agreements with the private sector for office space to be used by various state departments, agencies, and institutions. DPW coordinates activities of the Permanent Building Fund Advisory Council, comprised of five members, that oversees the state’s ongoing revenue source for state facility construction—the Permanent Building Fund. (Idaho Code Sections 67-5705-5713)

**Division of Purchasing (DOP):** Manages purchasing policy and implementation for property acquisitions (goods and services) for state executive agencies, including solicitation, issuance, and administration of contracts and training for professional purchasing staff; and, serves as clearinghouse for the federal government’s surplus properties through its *Federal Surplus Properties* Program. (Idaho Code Sections 67-9201 et seq.; 67-5744)

**Division of Security Operations (DOSO):** This division was added to the department in January 2020 with the chief responsibility of administering the physical security program for state-owned buildings managed by the Department of Administration. Working closely with the Idaho State Police, the Idaho Legislature and executive leadership throughout state government, this division continually evaluates, develops, and implements effective physical security policies, procedures, and methods to mitigate risk to state assets, employees, and citizens seeking services. (Idaho Code Sections 67-5708, 5709)

## Program Support of FY2021 Strategic Plan Goals

### Office of Risk Management (ORM)

*Goal 1: Reduce 5-year rolling property claim payments by 20% by end of FY 2023.*

In FY21, property claim payments were not reduced by 10% over claim payments made in FY19 (from \$971,419 to \$874,277). FY21 property claim payments are not fully realized due to several large open property claim files. Current trends show the property results will continue to deteriorate over the next 12 months due to a large wildfire and a large water loss that occurred in FY21. In FY21, the State secured better property rate pricing than in prior years. Risk added a new loss control program manager and recently added loss control services that will eventually provide recommended cost benefit analysis that forecasts loss estimates. This will allow Risk Management to prioritize recommended actions and reduce exposures. The ability to prioritize needed actions and repairs will help the state identify loss reduction areas in the future.

### Division of Public Works (DPW)

*Goal 2: Reduce the average length of time between project bid date and issuing a Notice to Proceed, authorizing construction.*

DPW has been working to reduce the average length of time between project bid date and issuing a “Notice to Proceed”, authorizing construction. The average time for the two-year period, FY15 and FY16, was determined to be 44.6 days. Over the next three fiscal years the time frame was steadily decreased to an average of 36.4 days in FY20. In FY 21 that time jumped up to 48.8 days. That time included an increase for an agency to provide authorization from 13.4 days to 16.2 days and an increase in receiving signed contracts from contractors from 12.2 days to 13.2 days.

Reviewing the trends indicated that the avg. time for DPW staff to generate and review contracts rose from an average of 11 days to 14.1 days in FY21. One third of the increased time was seen in the generation of the contracts where a shift in personnel assignments resulted in one less project coordinator working in that area. More significantly two thirds of the increase in review time most likely resulted from inefficiencies in personnel working remotely.

Pandemic related staffing shortages and inefficiencies may well have accounted in the increased turnaround time for the Agencies and Contractors. DPW anticipates that FY21 will be a onetime increase in the numbers that will return to pre-pandemic turnaround time as the staffing shortages return to normal.

*Goal 3: Reduce the back log of deferred maintenance and repair items for the Capitol Mall (including the Idaho Falls and Lewiston State Office Buildings) and the Chinden Campus.*

DPW received a FY21 appropriation to perform a Master Plan and Facilities Condition Assessment. Project No. 21006 has been set up and a contract was recently executed to perform a facility condition assessment (FCA) for the Capitol Mall, Chinden Campus, and the Idaho Falls and Lewiston State Office Buildings during FY22. Once the project is complete, the FCA will provide a prioritized list to be used to address deficiencies. The FCA report will provide cost projections and a guide to performing immediate repairs, and ADA/CODE and reserve replacements, which will be used to develop the 20-year plan. Facilities funding is currently provided through two sources; an Alterations and Repair fee included in rents, and through requests to the Permanent Building Fund.

## **Postal Services and Copy Center**

*Goal 4: Increase the pieces processed by the state's Postal Services at the Chinden Campus which will reduce the amount of time spent delivering mail to state agencies.*

Central Postal has grown the Postal Annex at the Chinden Campus, 8 agencies, with more to move on campus this year. This location serves as the Shipping/Receiving location for all agencies on campus and is staffed by 2 full time employees.

*Goal 5: Decrease the number of days to perform Copy Center jobs for state agencies which increasing number of jobs printed during non-business hours.*

The joint-document management system is scheduled to roll out this year. This system will allow agency users to perform a wide variety of services on their own. They will have the ability to upload their address lists and document templates to the system, create a document template, merge documents, and cleanse addresses for accuracy. They will also have the option to email the document, have the document printed and mailed, or both. This system can apply 2D bar code placement on the printed pages that will allow the inserting machines in Central Postal to track the inserting jobs, ensure that the correct pages are inserted into the envelopes, and provide closed-loop verification of mailing in real time for the customer. Customers will be able to view every step in the process in real time, from creating the document, printing the document, inserting the document, as well as the entire flow through the mail stream in the USPS system including delivery to the recipient's door.

Over the last year, Central Postal saved agencies an estimated \$382,000 in postage by providing interoffice mail services.

By processing First-Class typed letters using the postal bar code sorter, agencies have saved a combined total of \$924,000 in FY21 in USPS discounts versus sending out all letters at the individual First-Class rate. This figure does not include the package discounts, flat discounts, and postage meter leasing charges. As more agencies utilize Central Postal Services for ALL of their mailing needs, additional savings will be

### **Division of Purchasing (DOP)**

*Goal 6: Increase the number of qualifying entities utilizing the Federal Surplus Property (FSP) program to maximize the value of existing resources and reduce overall costs to state and other public agencies.*

FSP has realized an increase of qualifying entities utilizing the Federal Surplus Property program by 8.7%. In FY21 a total of 138 organizations utilized FSP. A quantitative and qualitative annual survey was sent out to the FSP donee base. We received 33 responses that helped provide information to FSP of our donees needs. The Growth/Marketing plan was also finalized and implemented. With the continued use of these tools, Federal Surplus anticipates a continued increase of the organizations utilizing the program.

*Goal 7: Implement an in-state purchasing certification program.*

DOP is continuing to develop a comprehensive certification program for state employees involved in the procurement function. Prior to the COVID19 pandemic, DOP had planned to continue offering live courses as a primary mode of training in support of the certification. As DOP began offering virtual trainings as an alternative when in-person gatherings were challenging, it became clear that offering on-demand, online training would make the certifications more accessible to state employees. DOP is currently in the process

of converting all of its courses to shorter, on-demand courses based on adult learning theory and the need to update training regularly in response to changing laws, rules, and policies.

The first state purchasing certification is expected to be fully available to state employees late in 2021. DOP has an objective to include the percentage of solicitations issued under Delegated Purchasing Authority by 5% by the end of FY22 Q2, an objective that relies heavily on the successful implementation of this certification program.

Following full implementation of the certification (for Request for Quotes), DOP plans to continue to develop course content and to introduce additional levels of certification for other solicitation types, including Invitations to Bid and Requests for Proposal.

### **Office of Group Insurance (OGI)**

*Goal 8: Examine the State's Group Insurance Program administration costs to establish a benchmark and minimize annual variability.*

The Office of Group Insurance (OGI) was able to minimize the administrative fee increase from FY20 to FY21 due to cash management and staff turnover.

OGI did not have any significant, unexpected expenditures in FY21. Additional appropriation was granted by the Legislature for projects including a review of the current funding model and remodel of the Department of Administration offices. Staffing level has been consistent for several years, which resulted in a fairly consistent administrative fee for several years. Even with some turnover in FY21, OGI was able to maintain a static base appropriation. In FY21, OGI continued efforts to increase operational efficiency with new and existing staff to provide opportunities for better analysis in plan performance and strategy in administration of all programs, and to enhance outreach and communication to HR offices. The full effects of these efforts will continue to be realized in FY22.

### **Industrial Special Indemnity Fund (ISIF)**

*Goal 9: Enhance awareness of role, function, and processes of the Industrial Special Indemnity Fund for workers compensation practitioners and specialists.*

Given the potential monetary ramifications of an injured worker being awarded lifetime benefits, the ISIF thoroughly evaluates all claims. The ISIF further analyzes which claims to fully defend up to and through a hearing before the Industrial Commission. In FY21, the ISIF fully defended 15 cases. The ISIF prevailed at hearing on 3 of these claims and another 10 were dismissed prior to hearing.

Presentations were made to members of the Advisory Committee of the Industrial Commission and other work comp specialists. Case filings, costs, trends, and projected assessments for the coming year were discussed. Individual meetings have been difficult due to the COVID-19 virus and the saturation level of ISIF information at previous seminars and work comp conferences.

Fiscal year 2021 and Calendar year 2020 annual reports were prepared and shared with the Governor's office, Industrial Commission, and Idaho State Insurance Fund. The opportunity for individual meetings with those groups was extended but not set-up. The reports were also provided to the Advisory Committee, attendees and the ISIF website.

Additionally, FY21 1st, 2nd and 3rd and 4<sup>th</sup> Quarter financial information was prepared and sent to the Industrial Commission and to the Idaho State Treasurer.

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### **Division of Security Operations (DOSO)**

This division was created during FY20. A goal and objectives were set forth upon its creation.

The immediate goal was to “Determine most effective improvements for Security operations.”, as measured by:

1. Completion of the Evaluation Phase of the published *Security Operations Strategy* by April 1, 2020
2. Completion of the Execution Phase of the published *Security Operations Strategy* by September 1, 2020

Both objectives were met:

- Execution Phase – Gap closures and Process Improvement
  - Deep organization of Security procedures to simplify security processes
  - Implement measurements and report on security activities
  - Develop scheduled communication and info sessions for employees
  - Establish a schedule for review of documents and operation plans
- Sustaining Phase – Maintenance and Monitoring
  - Inclusion of Targets and Objectives ensure programs are effective
  - Scheduled training for staff ensures creation of additional programs are successful
  - Staff development creates multiple points of contact for internal stakeholders for issues, support, awareness presentations, etc.



## Strategic Planning FY2022 – FY2025

A few of our department goals have been in place for several years illustrating progression over time. They were established to promote the enhancement of quality and/or cost efficiencies in the delivery of services representing each of Administration's programs.

The purpose of the measurable plan is designed to illustrate continuous improvement in productivity and quality of department operations, supporting Governor Little's vision to instill citizen confidence in Idaho state government, and his statewide priorities and initiatives. Our mission statement, vision, and guiding values lay the foundation for the department's strategic initiatives.

The success of Administration's strategic goals and objectives are not only to be gauged by achievement of their timelines and performance measures, but also by how well our department employees understand and participate in their implementation.

### *Governor's Statewide Priorities*

- Strong Public Education System
- Robust Economy
- Confidence in State Government

### *Governor's Initiatives*

- Supporting Education
- Cutting Red Tape
- Promoting Trade
- Improving Broadband
- Fighting Opioid Misuse
- Forest Health through Shared Stewardship
- Restoring Salmon
- Regional Government Efficiency
- 2020 Census

### ***Mission Statement***

***"We serve Idaho by promoting responsible government through expert customer support."***

### ***Vision***

Bring appropriate, innovative, and efficient operating practices to Idaho government.

### ***Guiding Values***

- **Customer Service**  
Serve our customers to the fullest extent possible and treat them with respect and professionalism.
- **Integrity and Honesty**  
Be honest, dependable, fair, credible, and trustworthy. Acknowledge mistakes, seek to correct them and learn from them.
- **Innovation**  
Demonstrate initiative and flexibility in promoting and responding to challenges and changes.

- **Communication**  
Believe that open, positive, and honest communication is critical to our employees, our customers and the citizens of Idaho.

## **Goals**

### **1 Reduce 5-year rolling property claim payments by 20% by end of FY 2023.**

#### Objectives:

1. Study 10-year historic property loss data.
2. Use the historic loss data to identify top claim cause and large claim payouts.
3. Identify and provide training to reduce claims frequency and reduce claim severity.
4. Conduct targeted loss control visits to reduce preventable claims.

#### Performance Measure:

1. Reduce property claim costs by 5% annually through FY23.

Benchmark: FY23 shows reduced claim payments from FY19 benchmark by 20%.

Rationale for Benchmark: Reducing and controlling property claim costs will allow the state to obtain better property insurance renewal options and/or self-fund this line of coverage at some point in the future. This goal also aligns with our initiative to provide a more robust loss control program to our state agencies.

### **2 Reduce the average length of time between project bid date and issuing a Notice to Proceed, authorizing construction.**

#### Objectives:

1. Identify critical steps in the process that are causing delays. This may be caused by postponed receipt of agency authorization or incomplete submission of documents by the contractor (external influences).
2. Analyze internal processes that could be modified to reduce the time.
3. Educate agencies and contractors on the required process and submission of documents.

#### Performance Measure:

1. Reduce the average number of days between project bid date and issuing Notice to Proceed by **5% per year** each year until benchmark has been reached.

Benchmark: **“An average maximum of 30 days”** between project bid date and issuing a Notice to Proceed.

Rationale for Benchmark: Our client agencies have expressed concern about how long it takes to get construction actually started. Contractors have also voiced concern about price escalations and holding labor while contracts are put in place. DPW has reviewed its processes and determined this is an area where improvement is needed. The average maximum of 30 days is a reasonable expectation based on the efforts and time required to obtain bonds, secure subcontracts, arrange for insurance coverage, etc.

### **3 Reduce the back log of deferred maintenance and repair items for the Capitol Mall (including the Idaho Falls and Lewiston state office buildings) and the Chinden Campus.**

Objectives:

1. Update the Facilities Condition Assessments (FCA's) for both campuses. Establish the current Facility Cost Index (FCI) for each building.
2. Utilize FCA's to develop and prioritize a current list of deferred maintenance items.
3. Prepare 20-year plan outlining areas of work and funding proposals.

Performance Measure:

1. Reduce the total average Facility Cost Index by 5% per year for all facilities until the benchmark has been reached for each facility. Further refine the deferred maintenance component included in agency rent charges. This amount would need to be adjusted for cost escalation, inflation, etc. on a reoccurring basis.

Benchmark: The desired average FCI for facilities is **0.00 to 0.05**

Rationale for Benchmark: The FCI is a standard measure used throughout the facilities management industry to compare accumulated deferred maintenance to the current replacement value of a facility. The total value of needed repairs is divided by the building value, resulting in the FCI score. An FCI is considered GOOD at 0.00 to 0.05, FAIR at 0.05 to 0.10, POOR if greater than 0.10, and CRITICAL if greater than 0.30.

**4. Increase the number of pieces processed by the state's Postal Services at the Chinden Campus which will reduce the amount of time spent delivering mail to state agencies.**

Objectives:

1. Provide additional services on site at the Chinden Campus. This will reduce the amount of mail that travels back and forth from the Capitol Mall. This will also reduce the amount of processing time for mail and parcels.
2. Implement a new package processing platform. Our current Pitney Bowes SendSuite Live platform lease will expire soon, and options for a new platform are being reviewed.

Performance Measure:

1. Postal Services will reduce time spent on delivery by an average of 70 minutes per year (10 minutes per route) for the next four years.

Benchmark: At the end of four years, daily delivery times will be reduced to **under 28.5 hours per day**.

Rationale for Benchmark: Current mail delivery on routes take an average and combined 33 hours per day. As state agencies move to the Chinden Campus, the goal is to reduce the average amount of daily driving time spent on delivery routes by 10 minutes per route, or a total of 70 minutes per day, each of the four years. ( $70 \times 4 / 60 = 4.66$  hours)

**5. Decrease the number of days to perform Copy Center jobs for state agencies while increasing number of jobs printed during non-business hours.**

Objectives:

1. Increase marketing to departments statewide. Provide high level information to entities and more detailed information to certain departments that produce the largest volume.
2. Implement more technology-friendly platforms that will bridge the gap from paper to electronic.

Performance Measures:

3. Reduce the average processing time between order received and delivered by an average of four hours per year for three years.
4. Increase the number of jobs printed during non-business hours by 20% of all orders by FY2024. Baseline will be established in FY20 and increased 5% each year thereafter until benchmark is reached.

Benchmark:

1. Average of **one day to deliver jobs** by FY22.
2. **20% of all copy jobs** completed during non-business hours by 2024.

Rationale for Benchmark:

1. Average delivery time in FY19 to perform jobs is 2 ½ days. Implementing new copiers with enhanced technology, the goal is an average of one day to deliver jobs by end of FY2022. (4 hours x 3 years = 12 hours, or 1 ½ days)
2. Standard jobs can be done during non-business hours when no one is on the clock, freeing up staff to focus on more technical jobs during regular business hours.

**6 Increase the number of qualifying entities utilizing the Federal Surplus Properties program to maximize the value of existing resources and reduce overall costs to state and other public agencies.**

Objectives:

1. Learn more about our current and potential customer base through increased outreach and in-person meetings throughout the state to identify key personnel/decision makers as well as presentation opportunities through annual association meetings (Cities, Counties, Sheriffs, Fire Chiefs, School Board Officials, Parts Managers, etc.).
2. Develop targeted marketing materials based on identified Equipment and Supply needs.
3. Ensure that each month we conduct outreach to donee's that are nearing application expiration to renew their application.

Performance Measures:

1. Federal Surplus Properties increases the annual number of registered and/or active donees by 5% each year until benchmark is reached by FY23. Baseline established in FY19.

Benchmarks: By FY23, increase number of donees by 20%, without additional capital outlay or increased overhead expenses.

Rationale for Benchmarks: This benchmark has no scientific rationale other than it sets a goal to provide service on a broader base, which should result in some efficiencies/savings especially to some of the smaller agencies who are not currently utilizing our service.

**7 Implement an in-state purchasing certification program.**

Objective:

1. Increase the number of online purchasing courses so they can be efficiently completed throughout the state.

2. Increase the level of purchasing proficiency statewide through both on-line and classroom training opportunities and demonstrate this by increased state purchasing certification levels.
3. Develop marketing activities that position purchasing training and certification as an attractive and worthy endeavor to all who participate in or interface with Idaho public purchasing.

Performance Measures:

1. FY21 Baseline: All agencies that currently have DPA will have the number of employees certified needed to earn the RFQ certification and maintain their current level of DPA up to \$100k (~22 certifications)
2. Agencies with higher levels of DPA will be grandfathered in until the higher-level certifications are available
3. FY22 Baseline: All agencies that currently have DPA have will have enough employees certified needed to earn the higher-level certifications and maintain their current level of DPA (~6 additional)
4. Annual target: Each year beginning with FY22, increase the total number of state certifications earned by a pre-determined percentage over the annually established baseline.

Benchmark: 100% of all DPA agency employees deemed to have procurement responsibilities will be certified through the in-state program to the level of their agency's delegated authority by FY23.

Rationale for Benchmark: Certifying procurement employees from agencies with delegated purchasing authority will increase the effectiveness and integrity in the state's procurement practices and instill confidence by taxpayers in the expenditure of state funds.

**8 Examine the State's Group Insurance Program administration costs to establish a benchmark and minimize annual variability.**

Objectives:

1. Study historic program structure, program operating costs and full-time positions.
2. Identify external factors that impact quantifiable trends in the historical data.
3. Review trends in historic operating costs compared to full-time positions.
4. Provide updated communications and education to agency human resource staff and plan participants to promote informed consumership.

Performance Measure:

1. Program operating costs increase by **no more than 3% annually**.

Benchmark:

1. FY16 rate - \$4.08 per FTP per month.
2. FY17 rate - \$3.75 per FTP per month.
3. FY18 rate - \$3.50 per FTP per month.
4. FY19 rate - \$3.50 per FTP per month.
5. FY20 rate - \$3.58 per FTP per month.
6. FY21rate - \$3.60 per FTP per month base appropriate

Rationale for Benchmark: As a dedicated fund program, costs to support the OGI are shared amongst all agencies. The performance measure was established to compare year over year the cost per FTP to support the personnel and operation of OGI as statewide FTP counts increase, plan costs increase, and as personnel requirements and service delivery methods change.

**9 Enhance awareness of role, function, and processes of the Industrial Special Indemnity Fund for workers compensation practitioners and specialists.**

Objectives:

1. Identify target audiences for outreach and in-person meetings throughout the state to include presentation opportunities through association meetings (trial lawyers, compensation consultants, insurance adjusters, Industrial Commission Advisory Committee, etc.).
2. Develop targeted marketing materials:
  - Pamphlets
  - Worksheets
  - Letters
  - PowerPoint Presentations

Performance Measure:

1. On an annual basis, provide presentations to at least 2 workers compensation industry meetings, offer to meet face-to-face with the State Insurance Fund Manager, and identify at least 2 occasions to share information to individuals new to the industry.

Benchmark: Increase opportunities to attend meetings and/or conferences and identify any new players to share information to increase awareness of the ISIF. At least 2 annually.

Rationale for Benchmark: This benchmark has no scientific rationale other than it sets a precedent to move forward efforts to provide education about the ISIF.

**10 Improve the overall efficiency and effectiveness of the Security operation.**

Objectives:

1. Prioritize for evaluation security services and programs that have legal requirements.
2. Continue to improve data collection on security events to establish best known practice security mitigations.
3. Establish employee education program which describes security processes and activities.

Performance Measure:

1. Improve the overall efficiency and effectiveness of the Security operation by 15% each year until benchmark has been attained in FY23.

Benchmark: A Security program must deliver consistent, qualified, and managed protection services to the organization at 100% effectiveness.

Rationale for Benchmark: The Security Operations Division was established in January 2020. The first phase of the Security Strategy, the *Evaluation Phase*, was a review of all security practices, programs, and personnel to determine gaps and set priorities to be remedied in the *Execution Phase*. Using best known practices in asset protection as a guide, a score of 60% effectiveness was revealed at the end of the *Evaluation Phase*.

Security programs and services should consistently be designed with legal requirements and best-known practices as a deliberate foundation. Effectiveness is a cumulative set of information designed to characterize a defensible posture which protects the organization from liability. When qualified,

managed, and documented security programs are operating at high effectiveness, the people and assets of the organization are best protected.

## **Key External Factors**

A number of external factors influence the goals set by the Department of Administration. Federal and state legislation particularly with regard to health care, changes in technology, and budget constraints have all played a factor in the completion of established goals.

### **Coronavirus (COVID-19)**

On March 18<sup>th</sup>, 2020, Governor Little adopted the federal guidance to prevent coronavirus spread which included avoiding social gatherings of more than 10 people and working from home whenever possible. As the state moved through the four stages of Rebound Idaho, social distancing resulted in department public meetings, training, and travel to be cancelled which slowed projects and operations. Staff availability at first was hampered until working-from-home techniques could be implemented.

### **Federal / State Laws and Directive Changes**

Statutory changes often threaten business as usual. As a result, additional responsibilities can be placed on programs as well as increased expenditures. Increased scope of responsibilities can affect program goals, and increased costs to the program are often passed on to the agencies. Changes mandated in the Patient Protection and Affordable Care Act (PPACA) impacts the cost and design of the medical insurance plans available to state employees now and in the future.

### **Economic**

The Statewide Leasing Program continues to face challenges in retaining affordable facility costs for state agencies that are currently in leased facilities. Economic recovery and increased construction costs are forcing lease rates to new levels. The purchase of the Chinden Campus is providing opportunities to house state agencies in more affordable space.

The thriving economy is also affecting construction costs for projects undertaken by DPW. When work is plentiful, fewer contractors bid on the state projects. Costs rise due to the demand in the private sector. Adjustments may need to be made to the scope of some projects to meet budgetary constraints.

### **Seasonal Elements**

Weather conditions can influence whether the department successfully meets goals in a timely manner. For example, severe weather has a direct correlation to claims frequency in our Risk Management program. Weather is also a factor in the construction industry and can cause delays in the completion of our public works projects within construction timetables.

### **Personnel Changes**

One external influence that is an issue for all of state government is our aging workforce and the resulting retirements. Further, the upturn in the economy and the ability of the private sector to offer higher salaries can lead to difficulty filling vacant department positions. These factors will continue to result in the loss of knowledgeable and skilled employees and loss of tremendous institutional knowledge. As the economy continues to improve, not only is the department faced with the potential exit of key employees, but also the challenge of hiring qualified applicants to replace them.



To compound this problem, Administration currently has 24.2% of its workforce eligible to retire as of July 1,

### **Group Insurance Advisory Committee (GIAC)**

GIAC has been essential in the review of benefits currently offered through the Office of Group Insurance. It also provides consultation to the Director of the Department of Administration on possible changes to the current benefit package or benefit offerings that could improve access to healthcare for state employees. The committee has representation from the legislature, judicial branch, state agencies, and the retired community. It meets about three times annually; its authority and responsibilities can be found in I.C. 67-5761.

### **Risk Management Advisory Committee (RMAC)**

RMAC includes members of the legislature, higher education, Department of Correction, Idaho Transportation Department, and the Division of Human Resources. It meets about three times annually in an advisory capacity to provide consultation to the Director of the Department of Administration. The authority and responsibilities for the RMAC can be found in I.C. 67-5773.

### **Permanent Building Fund Advisory Council**

The administrator of the Division of Public Works and the responsible heads of the agencies for which appropriations for construction, renovations, remodelings, or repairs are made pursuant to chapter 11, title 57, Idaho Code, must consult, confer and advise with the Permanent Building Fund Advisory Council in connection with all decisions concerning the administration of these appropriations and the planning and construction or execution of work or works pursuant thereto. The approval of the permanent building fund advisory council is a condition precedent to the undertaking of planning or construction. The Council has representation from the legislature, business and construction community as well as the public at-large.

## **Addendum to Agency Strategic Plans: Adoption of the NIST Cybersecurity Framework and Implementation of CIS Critical Security Controls 1 – 5.**

As a technology customer of the Office of Information Technology Services (ITS) in the Governor's Office, we are using the cybersecurity systems and technical expertise in ITS to fulfill requirements related to Executive Order 2017-02. Staff from ITS were briefed on the NIST Core Framework, CIS Controls 1-5, and their plan for adoption of the NIST Cybersecurity Framework. We participate in DHR and ITS administered cybersecurity training, as awareness is a critical component of an effective cybersecurity program. As briefed by ITS staff, implementation of the CIS Controls 1-5 will be their responsibility for the systems they operate and, as technological tools applied to the computer systems, largely invisible to us as a customer. ITS, working through the multi-agency Incident Response Task Force, has developed an Incident Response Program in support of our agency.

## **Addendum to Agency Strategic Plans: Red Tape Reduction Act**

The Department of Administration will propose legislative changes next session to simplify existing law by removing existing statute that is duplicative and potentially confusing.