Fiscal Year 2024 Annual Plan

Performance Report
December 2024

DEPARTMENT OF ADMINISTRATION

WHAT WE DO

We provide essential enterprise services to MT state agencies and support initiatives that cultivate expertise and enhance cooperative partnerships across State government.

MISSION

Serving state government by providing effective, efficient, and customer driven solutions to benefit Montanans.

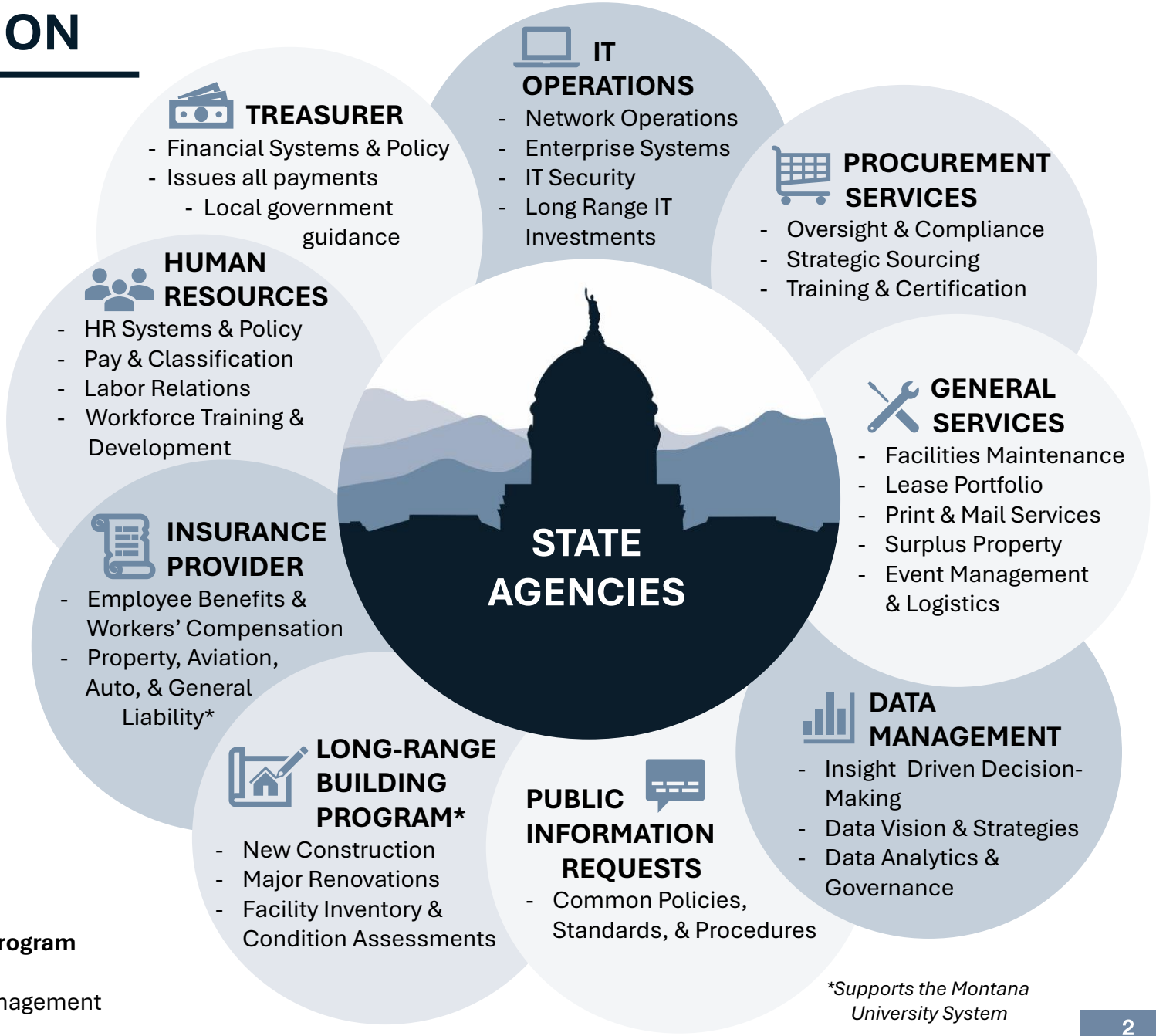
DIVISIONS

- Architecture and Engineering
- Banking and Financial Institutions
- General Services
- Health Care and Benefits
- Risk Management and Tort Defense
- State Financial Services
- State Human Resources
- State Information Technology Services
- State Procurement Services

EXTERNAL FACING SERVICES & FUNCTIONS

Financial Services Regulation & Licensing

MT Broadband Program
- ConnectMT
- IIJA / Grant Management



Supports the Montana University System

#1 IMPROVE MONTANAN'S ACCESS TO BROADBAND SERVICES

Strategic Outcomes

The infrastructure and Investment Jobs Act (IIJA) provides unprecedented funding to close the digital divide in America, include $42.45B under the Broadband Equity Access and Deployment (BEAD) Program.

On June 26, 2023, NTIA announced the BEAD allocations. The State of Montana has been allocated $628 million under this federal program.

BEAD APPROVAL- $628M

Montana was first state to open application portal on August 13, 2024. Portal closed on October 31. Preliminary reviews underway.

Key Measures / Status

Meet 100% of critical milestones as required in FY2024 to secure Year 1 Digital Opportunity Funding by the end of the fiscal year.

Five Year Action Plan (FYAP) Due September 12, 2023 Approved by NTIA on September 27, 2023	Completed	☑
Complete All Outreach / Public Comment Requirements by November 2023	Completed	☑
Initial Proposal (IP) Due December 27, 2023 Approved by NTIA July 30, 2024	Completed	☑
Digital Opportunity Plan (DOP) Due January 14, 2024 Approved by NTIA March 22, 2024	Completed	☑
Submit Digital Opportunity (DO) Capacity Grant Application to receive Year 1 or DO Grant funds from NTIA. Approved by NTIA December 4, 2024	Completed	☑

#2 MODERNIZE HOW AND WHERE WORK IS DONE

Strategic Outcomes

Continue implementation of the Remote and Office Workspace Study (ROWS) initiative to achieve the following:

- Reduce the State's leased real estate through lease termination and consolidation.
- Reconfigure space (e.g., furniture, floorplans) to balance public-facing and administrative hubs and ultimately better serve the citizens of Montana.
- Modernize workspaces that are appealing, up-to-date, and fit the needs of workers and the public.

Key Measures / Status

17% reduction in leased square footage in cabinet agencies participating in ROWS, resulting in an annual cost avoidance of $1.4M at the conclusion of the project.	On Track
Address $45.4M of deferred maintenance cost through renovation of 72% of the Capitol Complex square footage.	On Track

Activities Underway

- Furniture Showcase established in the Metcalf building to assist managers and employees to actually see the new hybrid workspace.
- Future ROWS Showcase in Mitchell Building 2nd Floor – January 2025.
- 100,000 ft^2 of office space, from 5 Agencies moved to new locations
- 125,000 ft^2 of office space is slated to move by April 1st, 2025.
- By February 1st, 25,000ft^2 of office space will be permanently vacated avoiding $480,000 in lease cost annually.

ROWS: KEY PARADIGM SHIFTS TO CHANGE SPACE

Four key shifts were identified to adapt spaces that align with recent change and the modern needs of Montana's workforce and citizens.

KEY PARADIGM SHIFTS FOR MONTANA

CREATE A SAFE AND HEALTHY ENVIRONMENT

The state will build and sustain a positive, healthy in-person work culture.

Address building condition safety, mental well-being, and desire for connection.

65% *Deferred maintenance addressed*

Address $45.4M of **deferred maintenance cost** in Capitol Complex buildings**.**

Affected Buildings:

Cogswell ($16.4 M)
Mitchell ($14.7 M)
Walt Sullivan ($5.3 M)
Metcalf ($9.0 M)

DEVELOP A VARIETY OF WORKSPACES

The state will create the right space for the varied workstyles and types of work.

Rearrange spaces and create the right mix of offices, workstations, and meeting rooms to meet modern ways of working.

72% *Key Capitol Complex space renovated*

Renovate **over** 270,000 USF of **key Capitol Complex SF**, most of the Complex space for FTEs in Helena.

Affected Buildings:

Cogswell (73,175 USF)
Mitchell (96,626 USF)
Walt Sullivan (38,432 USF)
Metcalf (70,541 USF)

STRATEGICALLY RIGHT-SIZE SPACE

The state will focus and invest in strategic locations on the Capitol Complex and downtown Helena.

Determine the right buildings for the population to enable a right-sized and strategically located real estate portfolio.

17% *Reduction in leased space*

Retire leases by consolidating departments into owned buildings and key leased locations.

Leases Vacated:

111 N Last Chance
1225 Cedar St
1100 N Last Chance
33 S Last Chance
7 W 6th Ave

MODERNIZE SPACES

The state will create spaces that are appealing, up-to-date, and fit the needs of workers and the public.

Determine the top priority spaces for renovation and those which are past useful life.

8% *Increase in Capitol Complex occupancy*

Consolidate Departments considering **beneficial adjacencies** and **public-facing** services.

Building Hubs:

Capital Complex
Downtown Helena
Eastside Helena Locations

#3 MODERNIZE WORKFORCE STRATEGIES

Strategic Outcomes

State Employee Pay: finalize plan to modernize and align pay strategies across cabinet agencies. Initial phase includes implementation of an enterprise pay policy and updating processes to standardize pay practices.

Training and Development: implement new strategies associated with leadership/management development and acquire enterprise LinkedIn Learning licensing offering this platform to all employees.

Talent Recruitment: modernize recruitment practices to enhance the candidate experience driving interest in state government employment opportunities. Standardize internship program strategies across agencies to create a greater interest in student participation and strengthening our talent pipeline in targeted occupations.

Key Measures / Status

80% of planned workforce initiatives implemented in FY2024	Complete ☑

The department has several initiatives underway to modernize our workforce processes and strategies. Examples of those implemented during the fiscal year:

- Implementation of one enterprise pay policy—eliminates agency specific pay plans.
- Standardization of recruitment practices to enhance the candidate experience.
- Implementation of new Employment Verification Process—provides a self-service approach to better support employees.

Implement enterprise internship program by December 31, 2023. Create baseline metrics for measuring success of the program to include number of interns hired.	Complete ☑

The new program is intended to provide experiential learning opportunities for students while enabling agencies to proactively develop future talent to address current and future recruitment needs.

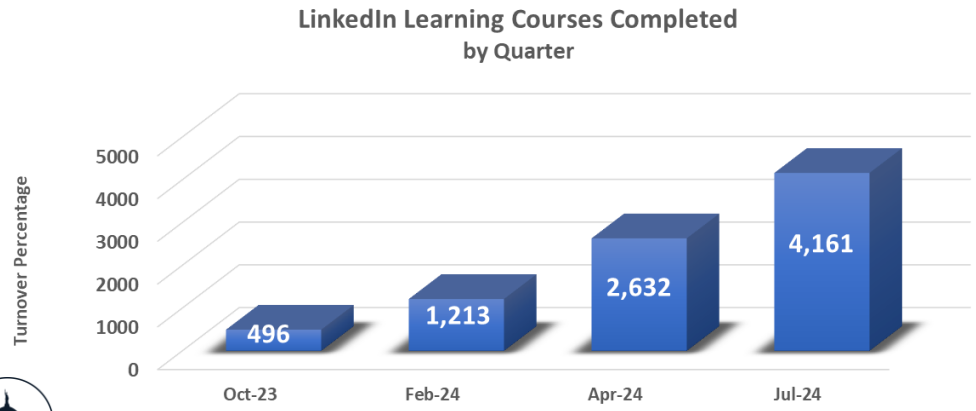
#3 MODERNIZE WORKFORCE STRATEGIES (continued)

Key Measures / Status

Implement enterprise LinkedIn Learning online training by October 15, 2023. Create baseline metrics for measuring success to include participation trends.	Complete ☑

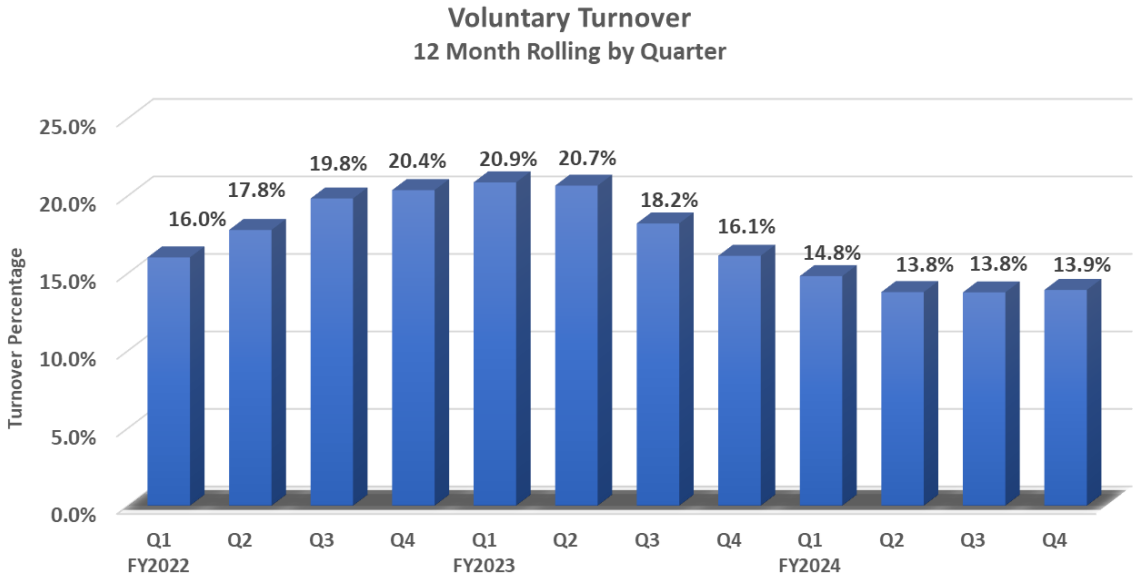
- Established Agency Training Roundtable – meets quarterly.
- Conducted LinkedIn Learning demonstrations with agencies upon request.
- Created 'learning paths' by grouping specific modules together as a series.
- Monthly promotional emails to share updates, tips and tricks, resources, etc.

Implemented new **Executive Leadership Training Program** – 400 participants trained (4-day program).



Reduce voluntary turnover in cabinet agencies from 20.4% in FY2022 to 18.0% in FY2024.	Achieved ☑

Reduced voluntary turnover to 13.9% turnover for the fiscal year. Continue to implement workforce initiatives in an effort to attract and retain staff.



*reflects Cabinet agency turnover only

#4 DRIVE EFFICIENCIES IN FULFILLING PUBLIC RECORDS REQUESTS

Strategic Outcomes

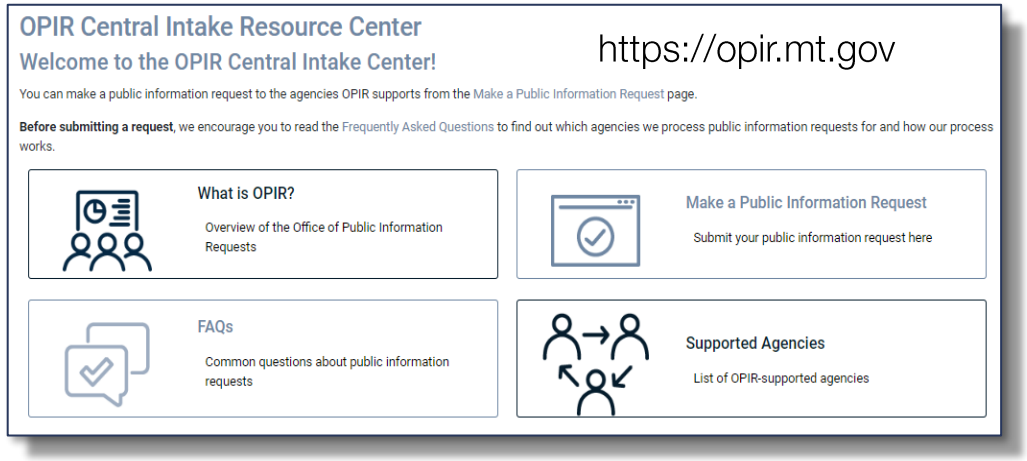
Drive implementation of the new centralized model associated with the Office of Public Information Requests (OPIR); ensure successful implementation of SB 232 and HB 580.

The new centralized model will:

- Establish common policies, standards, and procedures for handling public information requests.
- Provide a centralized intake and response to requests.
- Implement an enterprise system in support of this new centralized approach.

Key Measures / Status

Establish an OPIR website for submission of public information requests by October 1, 2023. Established a centralized intake process. Beginning in October 2023, requestors are now directed to the OPIR website (http://opir.mt.gov) to submit a request.	Complete ☑
Begin required quarterly reporting July 1, 2024, as outlined in SB 580. Two quarterly reports submitted to LFC.	Complete ☑
% of project milestones reached associated with the acquisition of new system. Acquired ArkCase software platform to automate data reporting and handling of requests; implementation underway. 'Go live' in Q3 FY 2025.	Complete ☑



ArkCase

- ✓ Automates workflow and simplifies Agency-OPIR collaboration.
- ✓ Supports & automates reporting requirements on PIR (HB 580, SB 232).
- ✓ Facilitates implementation of publishing requirements of PIR (SB 232).

#4 DRIVE EFFICIENCIES IN FULFILLING PUBLIC RECORDS REQUESTS (continued)

HB 580 - Effective July 1, 2024

Required quarterly reporting related to public record requests.

- # of requests
- identity of requestors
- information requested
- date of request
- status of request
- date request was completed
- # of hours to fulfill request
- cost imposed on requestor

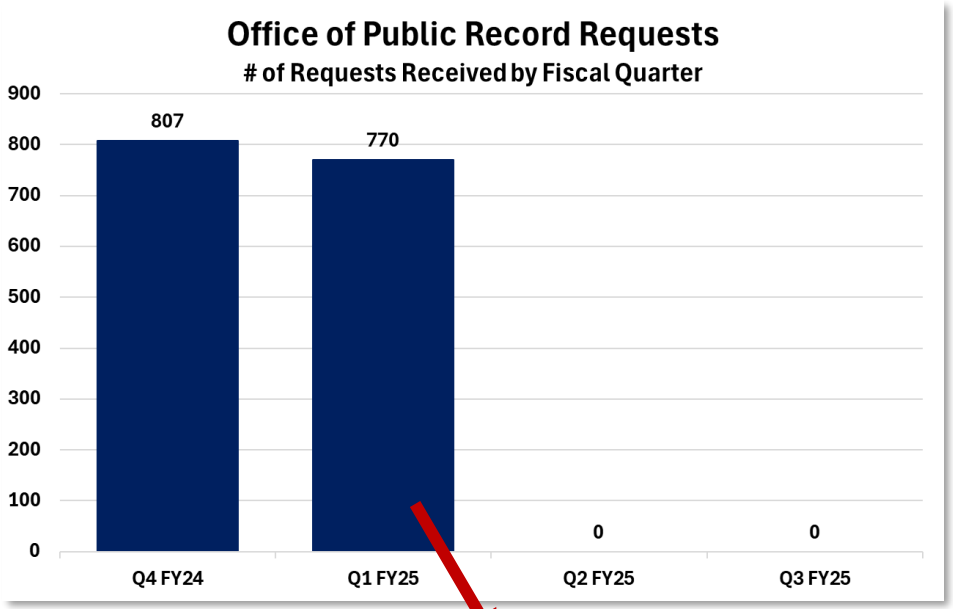
SB 232 - Effective October 1, 2023

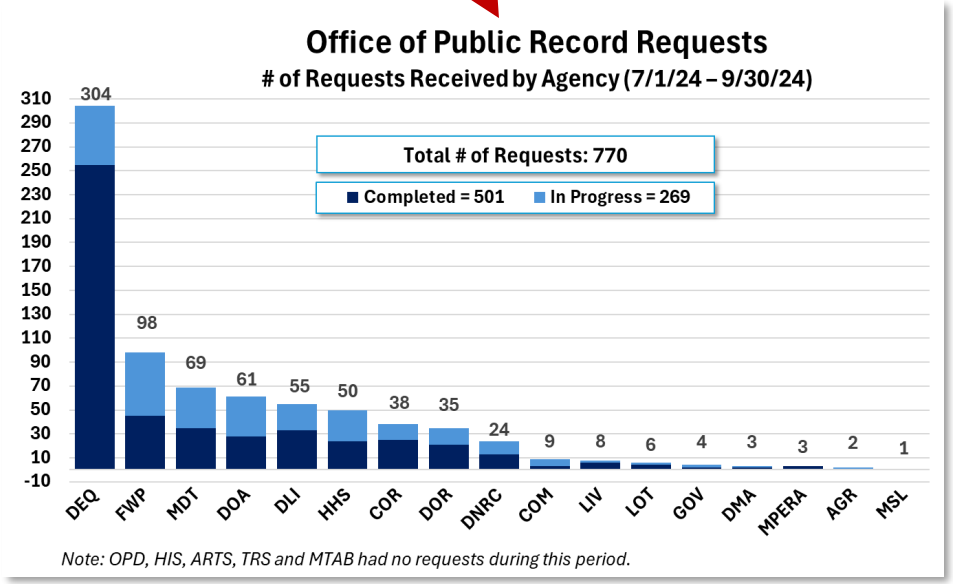
Distinguishes between simple and complex requests and establishes response timeframes.

Simple: single, specific, readily available public record. Must be provided within 5 business days of acknowledging receipt of request.
Complex: All other requests. Must be provided within 90 days (may be extended to 180 if response not feasible within 90 days).

Effective November 1, 2024:

- Publish request process on state website
- Report statistics on requests received and time taken to fulfill requests
- Retain and publish requests received and agency's response given, unless pertaining to a specific person or property.





#5 IMPLEMENT LONG-RANGE BUILDING PROGRAM

Strategic Outcomes

Execute plan to deploy additional $1.2B in HB 5, HB 817, and HB 872 funds for Long-Range Building Program projects appropriated during the 68th Legislative Session (a total of 122 projects).

98% of 68th Session Projects released to A/E and Construction Industry

- Final 2% awaiting decisions by others. A&E will be ready.

Key Measures / Status

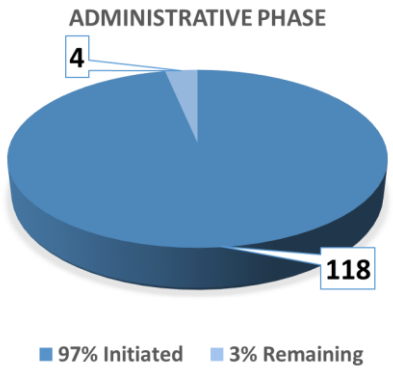
Current Status of 122 Projects

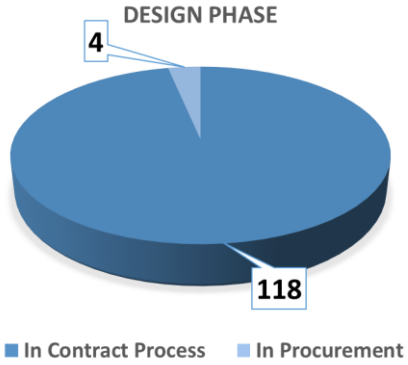
- Administrative Phase = # of projects initiated
- Design Phase = # w/ executed design contracts
- Construction Phase = # of projects bid/awarded

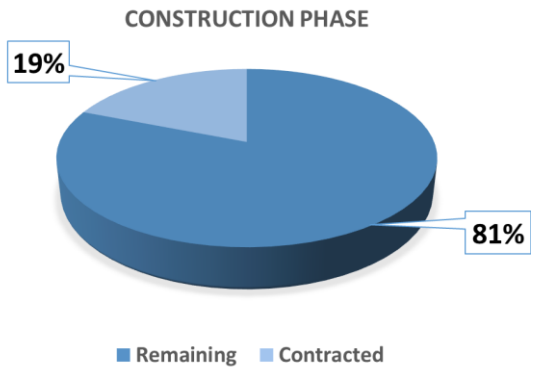
A&E PROJECT MAP

Status of all current A&E projects

Visit A&E's website and interactive map for details on all 233 projects https://architecture.mt.gov.







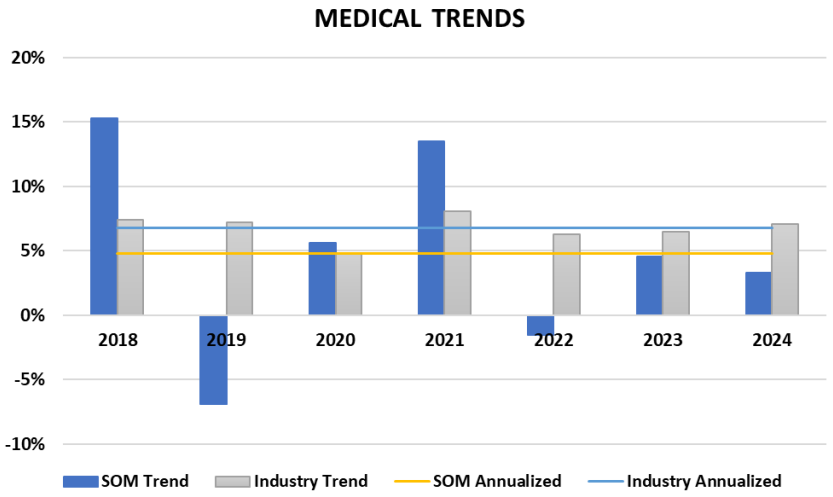
#6 EFFECTIVELY MANAGE INSURANCE PROGRAM COSTS

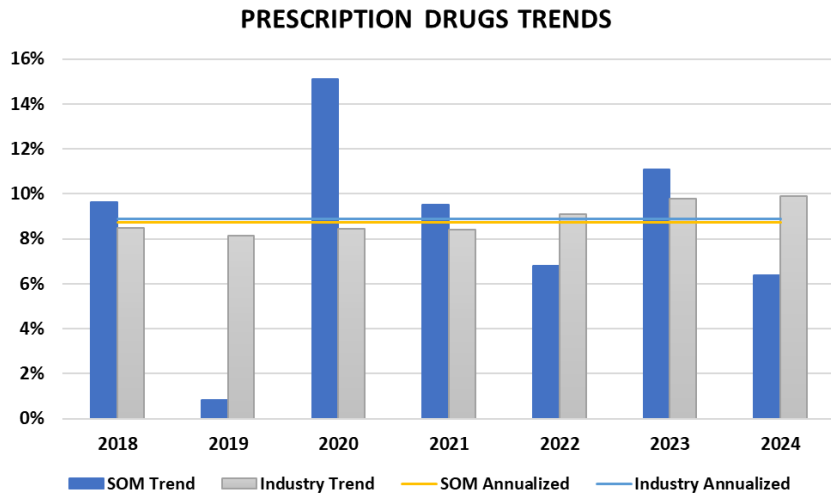
Strategic Outcomes

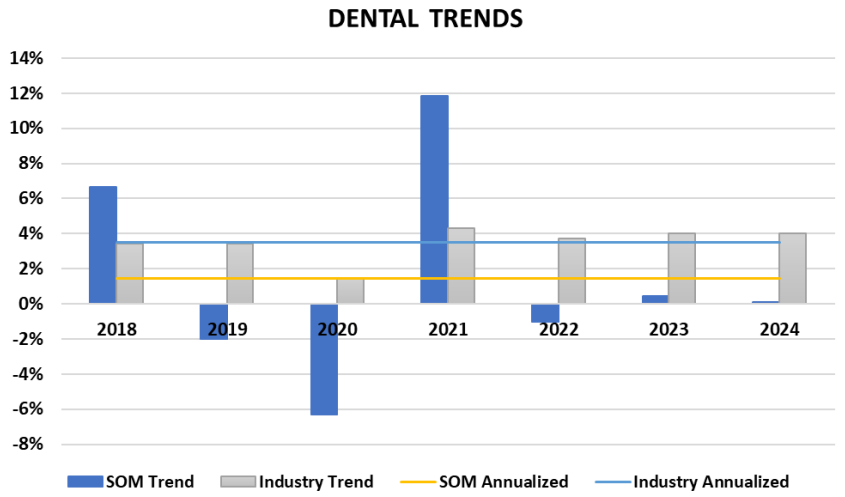
Implement strategies in the areas of employee benefits, workers' compensation, and risk management (e.g., property, auto, general liability, and aviation) to effectively mitigate risk and result in costs savings where feasible.

Key Measures / Status

HCBD: Spend for medical, prescription, and dental claims at or below national trends.	Achieved ☑
HCBD: Manage contract with Medical Plan TPA and achieve specific multiple of Medicare reimbursements for professional providers and facilities.	Achieved ☑





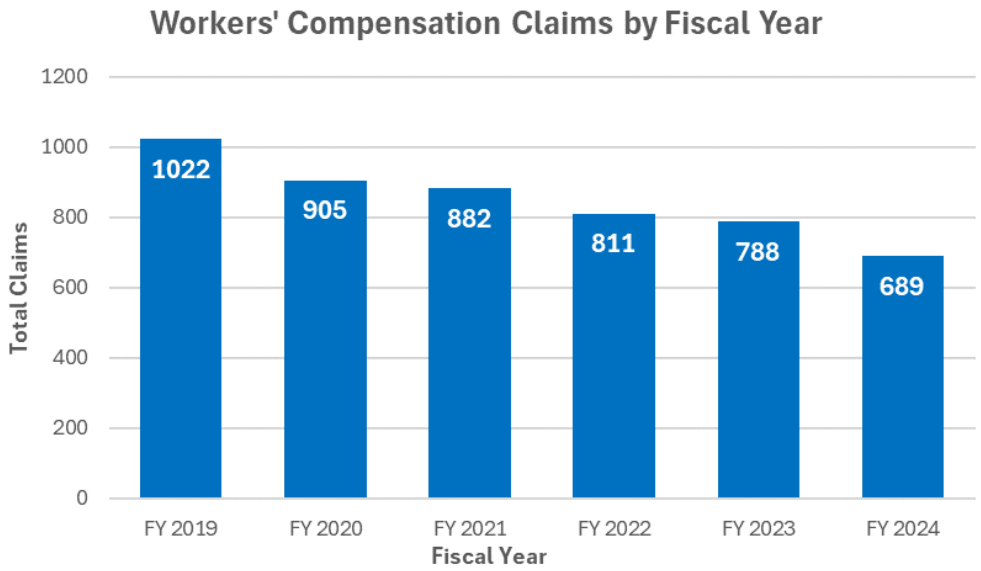


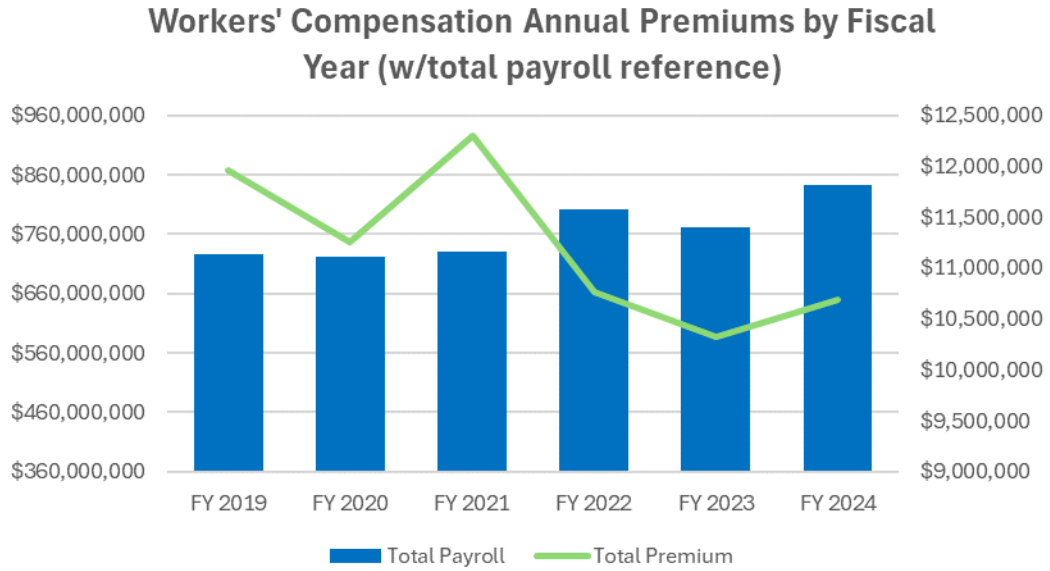
#6 EFFECTIVELY MANAGE INSURANCE PROGRAM COSTS

Key Measures / Status

Reduce the # of employee workplace injuries & worker's compensation premium trends.	Achieved	☑

Experiencing a downward trend in both claims and premiums paid. The Workers' Compensation team continues to drive initiatives in partnership with agency leadership and agency safety officers to continue this trend.





"Total Claims" reported represents total workers' compensation claims reported by all State agencies. Claims include medical only, wage loss, and zero-dollar claims.

"Total Premium" reported represents the total premium paid by State Government per fiscal year.

#6 EFFECTIVELY MANAGE INSURANCE PROGRAM COSTS

Key Measures / Status

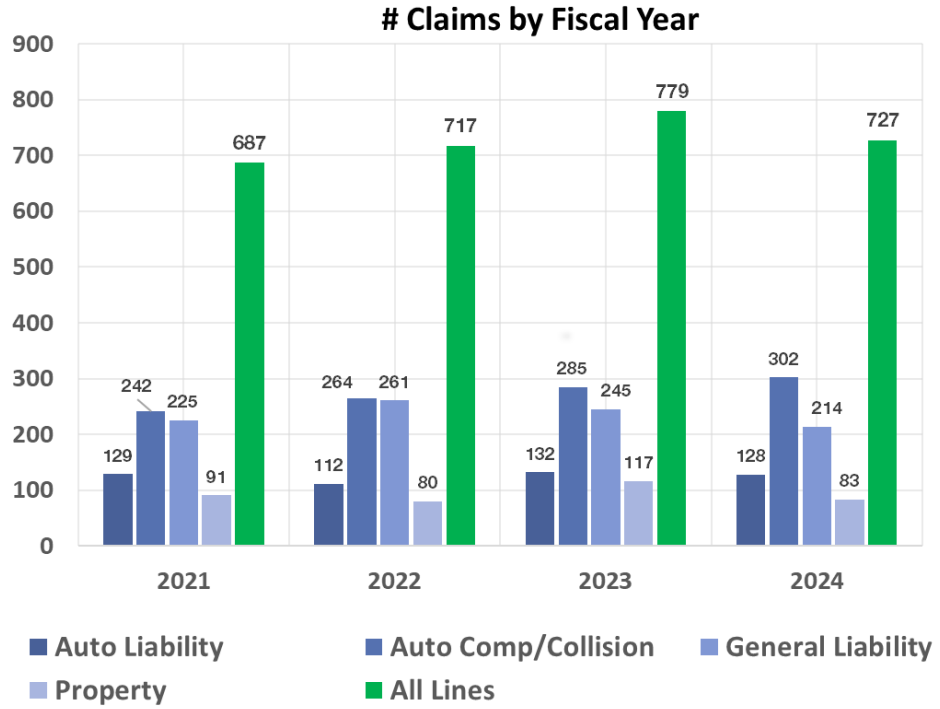
RMTD: Spend for auto, aviation, liability, and property insurance programs are at or below national averages.	On Track

RMTD: Number of auto, aviation, liability, and property claims trend by agency.	On Track & Stable

Unexpected revenues from Libby Asbestos recoveries exceed actuarial funding targets and necessitate an insurance premium holiday for the 2025 biennium. Effective bidding strategies, pro-active risk management, and favorable insurance market conditions resulted in $4.7 million in premium savings on commercial excess property insurance at the July 1, 2024 renewal.

PROPERTY/CASUALTY INSURANCE FUND FEE/RATE INFORMATION

	FY 2023	FY 2024	FY 2024 $ Change from FY 2023	FY 2025	FY 2025 $ Change from FY 2023
Auto	$1,820,313	$0	($1,820,313)	$0	($1,820,313)
Aviation	$169,961	$0	($169,961)	$0	($169,961)
General Liability	$14,613,042	$0	($14,613,042)	$0	($14,613,042)
Property	$9,009,000	$0	($9,009,000)	$0	($9,009,000)
Total	$25,612,316	$0	($25,612,316)	$0	($25,612,316)



IMPROVE AND MODERNIZE THE STATE'S PROCUREMENT PROCESSES

Strategic Outcomes

Ensure adherence to the Montana State Procurement Act across all agencies. Implement updated procurement processes and practices and ensure they are efficient, effective, and transparent.

- Leverage strategic sourcing and contracting resulting in efficiencies and cost savings.
- Improve overall contract management.
- Enhance procurement skills and knowledge across the enterprise to drive consistency and compliance
- Provide opportunities for staff to develop skills and knowledge around procurement as part of a larger community of procurement professionals.

Key Measures / Status

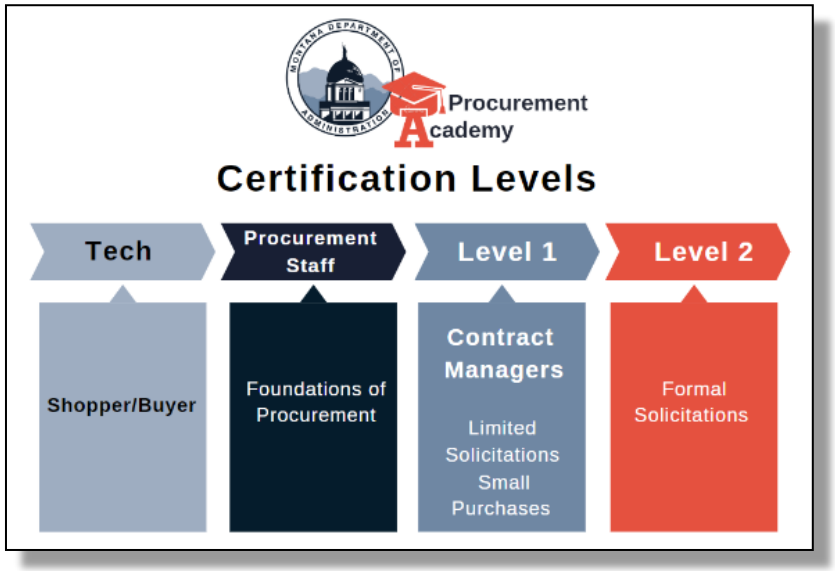
80% of milestones achieved as outlined in project plan during FY2024.	On Track

Notable achievements have been made in enhancing and modernizing enterprise-wide procurement work processes. Internally restructured the State Procurement Bureau in alignment with the new procurement services mission.

100% of enterprise procurement staff trained.	On Track

Developed and deployed a comprehensive training program for all staff with procurement roles—total of 2,446.

- Good progress with **68%** of staff trained as of June 2024.
- **3,283** Modules Completed
- **104** Completed Warranted Procurement Officer Training (highest level of certification)



#8 IMPROVE IT CUSTOMER SERVICE DELIVERY THROUGH INFORMATION TECHNOLOGY INFRASTRUCTURE (ITIL) BEST PRACTICES

Strategic Outcomes

The need to refine our IT service management (ITSM) was defined through customer experience (CX) interviews with the agencies conducted in May/June 2023. These interviews illuminated areas where ITIL (Information Technology Infrastructure Library) processes in ServiceNow could be enhanced to better align with customer needs and expectations.

In response to the input, we are updating our implementation of these process to:

- Reduce response times.
- Improved first contact resolution.
- Lower the effort required to interact with IT by providing more streamlined services.

Key Measures / Status

Complete initial evaluation for the current ITIL deployment by December 31, 2023.	Complete ☑

SITSD completed the initial comprehensive assessment of the current ITIL setup by reviewing its effectiveness and identification of key areas for improvement.

Baseline and start reporting on Customer Effort Score (CES) by October 1, 2023.	Achieved ☑

The baseline score is 1.67 out of 7, with 1 = very easy and 7 = very difficult. Plan to monitor and report this metric moving forward—making adjustments, as required.

Increase Customer Satisfaction Score (CSAT) from 4.57 to above 4.7 by June 30, 2024.	On Track

The Overall CSAT score rose to 4.63 from July 1, 2023 – June 30, 2024

#9 Redesign IT project and technology approval process

Strategic Outcomes

Redesign the approval process for approving digital infrastructure to eliminate duplication, ensure secure operations, and modernize technology. Objectives of this initiative include:

- Improving collaboration with agencies to better foster inter-agency cooperation to ensure that technology selection aligns with organizational objectives.
- Improving metrics collection methods to provide data-driven insights to optimize decision-making.
- Improving identification and reduction of duplication, along with measures to minimize technical debt

Key Measures / Status

Implement Customer Effort Score (CES) surveys by December 31, 2023.	Complete

CES surveys are in place.

Define and start reporting on Return on Investment (ROI) by June 30, 2024.	Complete

ROI formula is developed and being utilized for all new HB 10 IT projects

Develop methodology for measuring and reporting technical debt by January 31, 2024.	Complete

The technical debt methodology is developed and being implemented by SITSD.

#10 IMPROVE IT EFFICIENCY THROUGH CONSOLIDATING KEY ENTERPRISE FUNCTIONS

Strategic Outcomes

Continue to drive efficiency in IT services/processes. Examples of these activities included, but are not limited to:

- Centralization of hardware purchase.
- Consolidation of IT services (e.g., service desk, security, etc.)
- Enterprise IT contracting.
- Enterprise workflow strategies.

Key Measures / Status

Complete centralization of PC purchasing by December 31, 2023.	Complete
Enterprise PC contract is in place.	

Complete development of consolidation plan by March 31, 2024.	Complete
SITSD with collaboration with agencies, completed a committee charter, statement of work, memorandum of understanding for implementation, service level agreement, and templatized gap analysis are in place.	

Complete consolidation of security functions by June 30, 2024.	Still In Progress
Fourteen security positions authorized by Legislature include information security officers (ISOs), security analyst, compliance officer, and supervisors. Depricated 8 positions across the enterprise. SITSD completed workshops to consolidate risk management security functions for 7 departments with an additional 4 agencies in progress. MOUs are out for review and signature for 9 agencies.	

11 ENABLE DATA-DRIVEN DECISION-MAKING

Strategic Outcomes

Led by the Chief Data Office (CDO), the Department will provide expertise and tools to:

- Drive the development and deployment of the enterprise data vision and strategies.
- Oversee data management, data analytics, and data governance.
- Ensure data quality.
- Recommend best practices in establishing agency performance measures.

The CDO office has created an onboarding roadmap and menu of services to support agencies in their data maturity journey. The specific outcomes of this initiative include:

- Improved customer service.
- Increased efficiencies.
- Enable transparency.
- Empowered agencies.
- Insight-driven decision-making.

Key Measures / Status

Grow the State's data lake footprint to 35 datasets. 117 datasets achieved.	Ahead ☑
Ingest data from 2 counties into the Justice Data Warehouse (SB 11). Data ready to be moved—finalizing MOUs.	Delayed to FY 2025
Onboard 3 additional agencies to the Alation Data Catalogue.	Delayed to FY 2025
Automate data sharing MOU process with ServiceNow / Add at least 5 active agreements. Automation Complete	Complete ☑
Add at least 5 new agency data shares in Snowflake system.	Complete ☑
Identify at least 3 key paper processes and digitize them in FY 2024.	Complete ☑
Engage at least 2 key accounting software suppliers to provide more detailed local government data. SFSD: engaged with Black Mountain Software and Tyler Technologies to identify simpler methods of collecting and providing local government financial data to the State. Initiated two major projects of collecting financial and budget information from cities, towns, and counties.	Complete ☑
Benchmark at least 2 states' local government reporting strategies to draft a longer-term strategy for Montana. SFSD: gathered information from several states about which data they are collecting, how they are collecting it, and how they are reporting it. Completed a long-term strategy for MT.	Complete ☑

MONTANA DEPARTMENT OF ADMINISTRATION

DOA.MT.GOV