



2023

DGS
GENERAL SERVICES

YEAR IN REVIEW





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A message from **The Director**



As we prepare to cross the threshold into a new year, it's impossible to predict what lies ahead, both for our nation and the great state of California. A new year has such potential, and we at DGS are poised to seize the moment and continue making impactful, positive contributions in all that we do.

Within this *Year in Review*, you'll find a broad spectrum of projects that kicked off, achieved major milestones or reached the finish line this year. Every one of these initiatives is designed to meet the evolving needs of our fellow state departments and the Californians who rely upon our services.

If we've learned anything these past few years, it's that we must be prepared to pivot and change course in response to unexpected situations that may arise. Fortunately, DGS employees are some of the most agile I've ever met – not only in the work environment, but in recognizing and addressing the threats to our climate and ecosystems.

So much of what we do at DGS has sustainability at its core, and you'll see in this *Year in Review* that nearly every division incorporates environmental principles into the fabric of our mission.

Turning the corner on my third year at DGS, I am empowering leaders who are nurturing new leaders within our organization, and welcoming new talent from outside of DGS. I am inspired by what we have been able to accomplish, but we at DGS are also ready for more austere times as the state's budgetary prospects become increasingly tight.

Our department's role in setting an example and providing control functions for other state departments illustrates our vision: Excellence in the Business of Government.

I thank you for your continued partnership and support, and I look forward to all that we will achieve together in the coming year.

Sincerely,

ANA M. LASSO | DIRECTOR



A message from
**The Chief Deputy
Director**

Life moves so swiftly at times. Our focus on doing our best work in the present can sometimes make us forget how much we've already achieved. It's so rewarding each year to look back at all the amazing projects illustrated in the *DGS Year in Review*.

The work that took place at DGS these past 12 months reveals a pattern of targeted solutions that I consider to be a hallmark of a service-oriented organization.

Throughout DGS, our staff brought training and support—both virtual and in-person—to small businesses, procurement professionals and industry stakeholders. We cultivated partnerships with community organizations and business groups throughout the state to strengthen the Small Business and Disabled Veteran Business Enterprise certification programs, and offered in-person hiring events to address specific departmental needs. We took on new business for the fiscal, human resources and legal services we provide to fellow state agencies and departments.

The individual projects outlined in this *2023 Year in Review* tell the full story, but I think you'll see that DGS is proud to work with our partners to anticipate and respond to your needs. I'm especially grateful for the partnership we share with you, and I can't wait to see what we'll accomplish together this year.

Sincerely,

JENNIFER OSBORN | CHIEF DEPUTY DIRECTOR



A message from
**The Chief Deputy
Director**

I think DGS' role in state government can be summarized in a sentence: we exist to help our customers fulfill their missions. While this can look very different in operation, that role is fundamental to who we are and what we do as a department.

From the perspective of the built environment, whether we are helping to ensure the construction of safe, compliant schools for California's families, designing modern workspaces for state agencies, reducing our carbon footprint, or maintaining the majority of California's office space, DGS plays a critical role.

In this *2023 Year in Review*, we see just some of the many activities and initiatives we worked on this year.

Our real estate, architecture and design professionals continued to oversee numerous large-scale construction and renovation projects, reaching completion on the Sonrisa affordable housing project in Sacramento, and looking forward to the 2024 opening of the May Lee State Complex on Richards Boulevard—the state's largest-ever, continuously constructed office complex!

We hired the state's first demand response provider to enroll state facilities in programs that reduce energy use during peak periods and helped building tenants achieve more cost-effective electricity usage. We'll continue to adapt to industry and regulatory changes, collaborating with our partners at every step to bring DGS closer to its ever-present goal of excellence in the business of state government.

Sincerely,

JASON KENNEY | CHIEF DEPUTY DIRECTOR



About the Department



The Department of General Services (DGS) serves as business manager for the state of California.

We are one of 13 entities under the California Government Operations Agency. We are made up of more than 25 offices and divisions.

DGS offers perhaps the most diverse set of services in all of California state government. Our employees do everything from managing construction projects to procuring vital equipment to overseeing a statewide vehicle fleet—and much, much more.

With more than 4,400 employees and a budget of \$1.3 billion, DGS serves the public by providing a variety of services to state agencies through procurement and acquisition solutions; real estate management and design, environmentally friendly transportation; professional printing, design and web services; administrative hearings; legal services; building standards; oversight of structural safety, fire/life safety and accessibility for the design and construction of K–12 public schools and community colleges; funding for school construction; and disability access.

Procurement Division

Real Estate Services Division (RES)

Facilities Management Division (FMD)

Interagency Support Division (ISD)

- Office of Fleet and Asset Management (OFAM)
- Office of State Publishing (OSP)
- California Building Standards Commission (CBSC)
- Office of Public School Construction (OPSC)
- California Commission on Disability Access (CCDA)

Division of the State Architect (DSA)

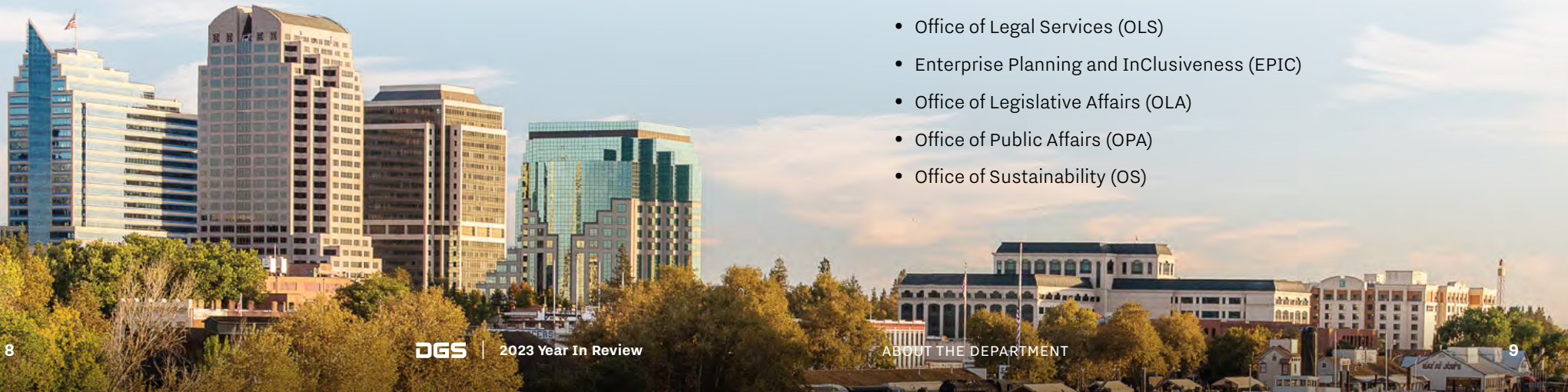
Office of Administrative Hearings

Administration Division

- Enterprise Technology Solutions (ETS)
- Office of Fiscal Services (OFS)
- Office of Human Resources (OHR)
- Office of Business and Acquisition Services (OBAS)
- Office of Risk and Insurance Management (ORIM)
- Office of Policy, Training and FI\$Cal Services (OPTFS)
- Telework Program Office (TPO)

Executive Office

- Office of Audit Services (OAS)
- Office of Legal Services (OLS)
- Enterprise Planning and InClusiveness (EPIC)
- Office of Legislative Affairs (OLA)
- Office of Public Affairs (OPA)
- Office of Sustainability (OS)



DGS Strategic Plan

DGS has five strategic themes that drive our direction throughout the year. These are:

STRATEGIC DIRECTION



Collaborative: We solicit input from our partners to collectively improve our outcomes.



Consultative: We offer counsel and advice so our customers can maximize benefit and mitigate risk.



Sustainable: We serve as good stewards of state resources and help “green” government.



Data-Informed: We use and share data to make better decisions for ourselves and our customers.



Effective: We continuously develop ourselves so we can better serve our customers.



IS YOUR BUSINESS
READY FOR
GOVERNMENT
CONTRACTING?

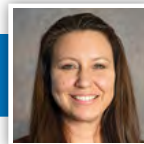
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2023 Accomplishments





Procurement Division

The Procurement Division oversees policies and procedures used by all state agencies in their purchasing and contracting activities. The Procurement Division develops innovative procurement solutions including statewide contracts, purchasing portals, and end-user training; and promotes Small Business and Disabled Veteran Business Enterprise participation in state contracting, enabling state agencies to acquire the goods and services needed to serve the people of California.

The deputy director of the Procurement Division acts as the state's chief procurement officer. In 2023 the Procurement Division continued to serve our customers by regularly seeking feedback on ways to increase efficiencies and communications around processes, completing several high-profile procurement projects and ensuring critical state contracts continue to meet customer needs. Below are some of our most significant accomplishments.

- **Revised the Small Business and Disabled Veteran Business Enterprise Services Regulations**—Effective June 29, the Procurement Division revised the Small Business (SB) and Disabled Veteran Business Enterprise (DVBE) Regulations, California Code of Regulations Section 1896 et seq. to incorporate legislation chaptered between

2019–2021, such as Assembly Bill (AB) 1574, Senate Bill 588, AB 230, and AB 1365 and to include departments’ authority to set contract-specific SB participation goals. Additional revisions will follow to incorporate AB 2019 and AB 2974, to adjust the size standards for the SB certification program based on the 2021 biennial review, and to add other provisions to further the objectives of the SB program and provide a level playing field for small businesses and microbusinesses in state procurement. The size standards for the SB certification program were adjusted as follows: for SBs, the Gross Annual Receipts increased from \$15 million to \$16 million in 2022, and for the Small Business for the Purpose of Public Works (SB-PW) designation, the Gross Annual Receipts increased from \$36 million to \$37 million in 2022 and to \$38 million in 2023.

- **Supported departments’ continuous efforts to meet the Small Business contracting participation goals and increase diversity and inclusion in state procurement—** The Procurement Division developed policies and new FISCAL/ Cal eProcure functionality to support the implementation of two ABs:

AB 2019 requires awarding departments to adhere to the 25% overall SB contracting participation goal, compels DGS to conduct a statewide procurement disparity study by January 2025, and mandates that DGS provide an option in Cal eProcure for certified businesses or applicants to voluntarily self-identify as being at least 51% owned—and with management and control—by individuals in specified women, minority and LGBTQ categories. The voluntary supplier diversity information is displayed in certification profiles in Cal eProcure.

AB 2974 requires setting a 25% SB participation goal in each infrastructure contract exceeding \$500,000 that is funded in whole or in part by the federal Infrastructure Investment and Jobs Act, and requires that DGS report the SB participation achieved on these contracts every year.

The Procurement Division launched a new ServiceNow online platform to modernize and streamline the submission of state departments’ improvement plans when they are unable to meet the SB/DVBE contracting participation goals. State departments will now submit their improvement plans to DGS using the new online portal, which eliminated the need for electronic submittal via email or SurveyMonkey.

PURCHASING AUTHORITY MANAGEMENT SECTION

- **Continually updated the state’s IT model terms and conditions to simplify use and maximize efficiency in state IT procurement processes—**DGS is responsible for developing and maintaining the state’s IT model contract terms and conditions for use by state departments in IT procurements. The Procurement Division continues to collaborate with stakeholders to streamline for ease of use. The updated terms and conditions were posted to the DGS website.
- **Developed the Contract Classification Quick Guide resource tool for customer departments—**In order to assist customer departments with properly classifying contracts, the Procurement Division worked collaboratively with the Department of Technology to create a resource tool that defines “IT goods” and “non-IT goods” and provides examples of different acquisition types.
- **Introduced Target Area Contract Preference Act vendor training—**In 2023, a self-paced vendor training module was created to provide information and guidance to prospective bidders on the application process for the Target Area Contract Preference Act program. This economic stimulus preference program was established to stimulate business investment in distressed areas of the state and create job opportunities for Californians that improve the economic vitality of their communities.

The Purchasing Authority Unit (PAU) grants purchasing authority through the accreditation process and monitors compliance of acquisitions conducted under the purchasing authority granted. The PAU processed 18 accreditations in 2023. PAU has also worked closely with state agencies to process 23 increase requests, wherein the state agency is delegated authority to complete a transaction beyond their usual authority, with PAU oversight.

CalPCA (COURSES FOR PROCUREMENT PROFESSIONALS)

- **Increased number of enrollments, webinars, course completions and self-paced courses**—In 2023, CalPCA gained 6,200 new learners and procurement professionals, increasing active enrollments to 13,850 (an increase of 125% over 2022), with 35,693 courses completed. CalPCA developed four new self-paced courses and several webinars in 2023 and is currently in production for six more self-paced courses.
- **Received EPEAT Purchaser Award in five categories**—The Procurement Division applies annually to the Global Electronics Council for the Electronic Product Environmental Assessment Tool (EPEAT) Purchaser Award. This award recognizes organizations that have committed to the sustainable procurement of IT products. In 2023, the state of California was recognized as an EPEAT award winner in five product categories (Computer & Displays, Imaging Equipment, Mobile Phones, Servers, and Televisions).

ePROCUREMENT AND BUSINESS INTELLIGENCE STRATEGIES SECTION

- **Completed the statewide short-term reporting requirement for marketing and outreach advertising materials reporting**—This report disaggregates the cost and placement of marketing and outreach advertising materials targeting communications with specific ethnic communities including but not limited to LatinX, African American, Asian-Pacific Islander, Indigenous, Middle Eastern and LGBTQIA communities as outlined in Public Contract Code Sections 11800-11804.

- **Created a dashboard for internal use in response to the enactment of AB 1574, so DGS can track the impact of these changes on our certified firms**—The dashboard allows us to identify the number of transactions awarded with certified firms, the number of certified firms that have been certified and are receiving dollars for the first time, and the number of firms that are newly certified and receiving dollars for the first time. This ensures that the state is making a continuous effort to expand the pool of SBs that participate in the agency's contracting process by seeking out firms that have not done business with the agency in the past or are not regularly used.
- **Created a dashboard for internal use to determine what goods/services we can most effectively source to SBs**—This determination is based on the number of SBs that already exist, and how many of those are not getting contract dollars, yet offer goods/services that have the biggest net value. This informs DGS where money is still available that we can easily move to SBs, thereby being the most impactful.
- **Benchmarked the state's sustainable purchasing maturity**—The Procurement Division completed program assessments with the Sustainable Purchasing Leadership Council and EcoVadis to benchmark our maturity in incorporating sustainable purchasing into state operations. DGS overall scored above average in comparison to the 29 other organizations that included eight government entities.
- **Established sustainable purchasing vision and mission statement**—The Procurement Division established a sustainable purchasing mission and vision statement to define our goals and aspirations to achieve sustainability outcomes in state operations:

Vision: *"Transformative leader, partner, and catalyst for change utilizing strategic policies to provide sustainable procurement solutions that support healthy and diverse communities for a sustainable future."*

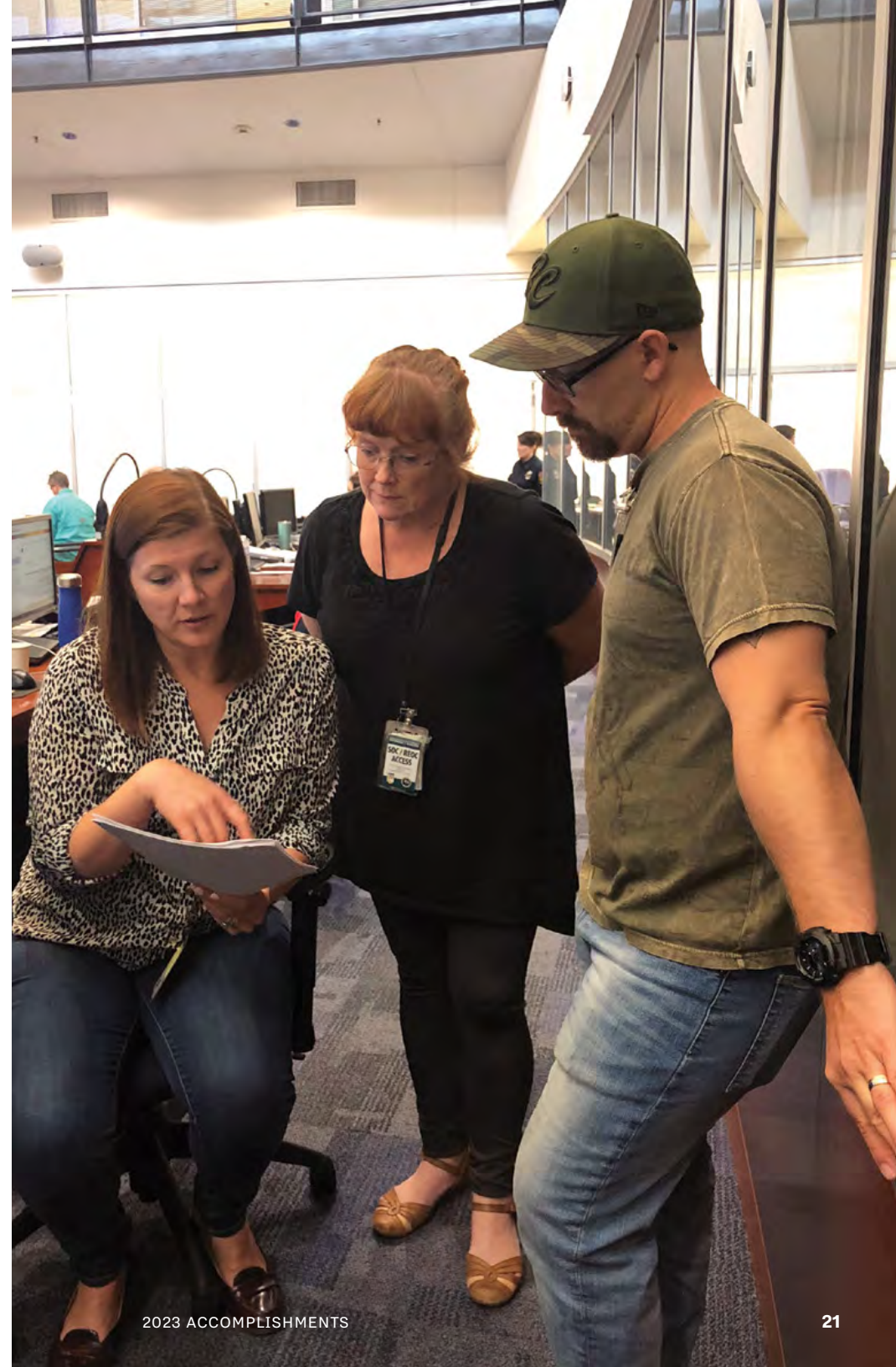
Mission: “Bridging environmental, social, and economic strategies into state procurement operations to achieve sustainability outcomes.”

OFFICE OF STATEWIDE EMERGENCY RESOURCE SUPPORT

Formerly the Office of Resource Support Logistics Management (RSLM), the Office of Statewide Emergency Resource Support (SERS) provides oversight and emergency contracting assistance and ensures compliance with state procurement laws, and state and federal disaster policies. SERS provides emergency state contracting support to the California Governor’s Office of Emergency Services (Cal OES), allied response agencies, and local jurisdictions where allowable.

SERS’ most noteworthy accomplishments for 2023 include:

- **Executed winter storms contracts**—The team responded to multiple governor-declared emergencies and worked extended hours and weekends in the State Operations Center. They developed and administered contracts with statewide vendors for critical services and commodities on behalf of the governor’s office and in support of state agencies’ response roles. The emergency team contracted and managed over \$94 million in commodities and services in support of the 2022–23 Early Winter Storms and 2022–23 Late Winter Storms events.
- **Provided response for Tropical Storm Hillary and the Del Norte County Fires**—The SERS team responded to Tropical Storm Hillary by providing 24-hour staffing to the State Operations Center, where they researched vendors and advised allied response agencies. During this event the team also provided support for the Del Norte County Fires, providing local agencies with access to state vendors. For their efforts, the SERS team was recognized with a Values Award by the One DGS team.



CONTRACTS MANAGEMENT SECTION

- **Awarded statewide contract for zero-emission school buses**—The Contracts Management Section (CMS) awarded five statewide contracts for zero-emission school buses that will allow California schools to purchase zero-emission buses at contracted pricing. These contracts support the grant program established by the fiscal year 2022–23 budget that was enacted to distribute \$1.5 billion to school districts for fleet electrification over the next three fiscal years. All buses are eligible for the California Air Resources Board (CARB) Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP). Buses include passenger capacities from 24 to 78, including wheelchair-accessible buses.
- **Awarded statewide contract for emergency sleeping cabins**—CMS awarded six statewide contracts for emergency sleeping cabins to help state and local government agencies house California’s unsheltered population at contracted pricing. Emergency sleeping cabins are offered in various configurations including one or two beds, a bathroom, and duplex configurations each with options for mobility accessibility, communication accessibility, and noncombustible features.

ONE-TIME ACQUISITIONS UNIT

The One-Time Acquisitions Unit (OTA) facilitated the procurement requests received from January 1 to October 26:

Total: 184

IT: 123

Non-IT Goods: 57

Non-IT Services: 4

Some of the most significant procurements OTA conducted in 2023 include:

- **CAL FIRE Environmental System Research Institute Geographical Information System services**—Cost \$1,094,250. Services provide monitoring of high-risk wildfire areas and support fire incident personnel by mapping forest fire lines and possible burn patterns.
- **California Department of Public Health two-way text services**—Cost \$3,822,000. This contract will create a platform to provide digital text messaging (Short Message Service, or SMS) for the Nutrition Program for Women, Infants and Children (WIC). The platform provides appointment reminders, and facilitates participant communication, education, real-time communications, and outreach.
- **California Health and Human Services Agency multidepartmental enterprise agreement for Palo Alto networks**—Cost \$5,315,447. The enterprise agreement includes hardware, licensing, enhanced services and support, and a designated engineer as a highly skilled and specialized resource for all 10 participating departments in the agency. The agreement also includes the Office of Systems Integration-managed project, “Child Welfare Digital Systems,” including planning for firewalls in the broader context of network security and optimization.
- **State Water Resources Control Board webcasting services**—Cost \$3,326,445. This contract will provide audio/visual support; live, virtual or hybrid internet web streaming; and closed-captioning services for an estimated 80 public water board hearings, meetings, and workshops per year, including any legal obligations for support that the water boards must provide.
- **California Department of Food and Agriculture qiagen extraction**—Cost \$450,275. This contract provides DNA/RNA extraction kits along with corresponding buffer reagents and laboratory consumables, PCR (polymerase chain reaction) test

kits, as well as DNA purification and gel extraction kits for molecular diagnostics of plant pests (microbial, viral, insect, noxious weeds, nematodes). The purchase of specific chemical reagents, DNA/RNA extraction kits, and PCR purification kits is necessary to adhere to federally mandated testing protocols for testing Huanglongbing, Sudden Oak Death, and Sweet Orange Scab pathogens.

CALIFORNIA MULTIPLE AWARD SCHEDULES

The California Multiple Award Schedules (CMAS) unit received 1,198 applications from contractors for 2023. Of those, 738 were new and 460 were supplements to current agreements. Six hundred thirty-one agreements were issued, 459 of which were for IT goods and services. Three hundred ninety-two supplements were issued, 250 of which were also for IT goods and services. Of the applications, 272 new agreements were issued to California certified SB/DVBE suppliers, and 161 supplements were issued to California certified SB/DVBE suppliers.

CMAS currently has 1,509 active agreements, 47% of which are with California certified SB suppliers.

At the time of this printing, state agency spend using CMAS agreements for 2023 is currently at \$156,241,026.

TRAFFIC MANAGEMENT UNIT

The Traffic Management Unit (TMU) reviewed 1,128 requests from state agencies to assist with freight needs through Freight Rate Analysis Request Forms. TMU conducted audits and reviewed and provided approvals of 1,569 freight invoices. State employees were assisted with 80 moves of household goods, including moving assistance and auditing and approving invoices and travel expense claims for payment.

SOFTWARE LICENSING PROGRAM

The Software License Program (SLP) awarded 224 agreements for state and local use. SLP awarded 32 new software publishers, for a total of 179 publishers, and has a total of 869 reseller agreements. SLP currently has 40 DVBE reseller agreements, 70 SB/DVBE reseller agreements, and 208 SB reseller agreements.

GOLDEN STATE FINANCIAL MARKETPLACE

The Golden State Financial Marketplace (GS \$Mart) loan program financed \$54 million across 11 transactions so far and projects a total of \$92 million financed by the end of 2023. In 2023, GS \$Mart's financing increased more than 200%.

MASTER AGREEMENTS 1

The Master Agreements Unit 1 awarded Master Service Agreements for Electronic Information Library Services, Electronic Payment Acceptance Services, Waste Removal, and Office Moving Services.

COOPERATIVE AGREEMENTS

Reached over \$820 million state and local government spend on cooperative agreements. The Procurement Division collaborated with multiple other states and the National Association of State Procurement Officials (NASPO) to administer over 100 cooperative agreements offering flexible purchasing options for state and local agencies.

PHARMACEUTICAL ACQUISITIONS SECTION

The Procurement Division has awarded several innovative contracts that directly impact the lives of private citizens in California and save tax dollars.

DGS Pharmaceutical Acquisitions Section pharmaceutical pricing agreements resulted in a savings of \$194 million. These savings on wholesale acquisition costs for participating entities are primarily for high-cost medications for the rolling 12-month period ending September 2023.

Six counties took advantage of participation in the Statewide Pharmaceutical Program. For the 12-month period ending September 2023, the Statewide Pharmaceutical Program's benefits on high-cost prescription medications resulted in savings of \$6.8 million for counties in the state.

DGS signed a joint contract with the University of California (UC) and Cencora to leverage pharmaceutical purchasing volume that resulted in more favorable prices of goods for the state.

DGS partnered with the University of California Student Health and University Office of the President to join the Statewide Pharmaceutical Program to initiate prescription medication cost savings that began November 1, 2023.

The DGS Procurement Division supports the California Department of Transportation (Caltrans) to provide employee drug and alcohol testing services.



DGS



MADELYNN MCCLAIN

DEPUTY DIRECTOR, REAL ESTATE SERVICES DIVISION

Real Estate Services Division

The Real Estate Services Division (RES D) is a full-service real estate organization. Its priority is to provide the highest level of customer service in fulfilling state agencies' facility and real property needs.

Some notable RES D accomplishments this past year include:

- **Continued to build framework to maintain momentum on affordable housing project**—In 2023, RES D selected two more firms to develop affordable housing projects on excess sites, issued two requests for proposals, broke ground for the development of housing at the former Reedley Armory, selected a developer for the adaptive reuse of two state office buildings in Sacramento (the Employment Development Department Headquarters building and the former State Personnel Board building), and closed the ground lease for the second phase of the Sugar Pine Village project in South Lake Tahoe, the largest affordable housing project in history for that city.
- **Completed 72 construction contracts**—RES D's Construction Inspection and Management Branch (CIMB) completed and closed 72 construction contracts totaling approximately \$624,000,000. On average, CIMB completes six construction contracts per month.

- **Conducted thousands of inspections for May Lee State Office Complex**—For the May Lee State Office Complex project, five full-time CIMB staff responded to and performed 12,764 inspections for 2023, and liaised with the Deputy State Fire Marshals on their inspections as well. On average, CIMB staff completed 212 inspections a month—per person—for that project.



Facilities Management Division

The Facilities Management Division (FMD) takes care of our state assets, ensures a healthy working environment for our tenants and staff, and strives to deliver excellent customer service. FMD's long-term vision is to increase our ability to address deferred and preventive maintenance in our buildings while setting the bar for industry standards as they relate to project management, custodial services, trades services and building management. In 2023 FMD made the following progress toward its goals.

- **Ensured staff completion of the newly established statewide engineer training**—In April 2022, building trades training commenced for FMD's Southern Region, Los Angeles Metro, and the Sacramento area. Additionally, FMD provided various specialized trade and safety training, such as National Fire Protection Association electrical safety training, to operational staff. FMD is exploring other training opportunities with the Building Efficiency for a Sustainable Tomorrow program at UC Berkeley, and is exploring trades staff development projects with Los Rios Community College District and the Sacramento City College's Mechanical

Electrical Technology program. These projects will seek to develop a standardized training curriculum for select FMD trades staff in Northern California in fall 2024.

- **Completed rollout of service-level agreements with tenants to create more collaborative relationships with clear expectations**—Progress toward this goal includes completing service-level agreement (SLA) Memoranda of Understanding (MOUs) at the Fresno and Redding Department of Justice Crime Lab locations. SLA discussions have begun with Cal OES (Mather), Department of Health Care Services (East End), California Public Utilities Commission (San Francisco) and Caltrans District 6 (Fresno), and discussions are continuing with Caltrans Districts 4 (Oakland) and 11 (San Diego). Future milestones for SLA expansion include implementing SLAs at partial service locations using the current implementation process, reviewing/renewing any expiring MOUs, such as Caltrans District 10 (Stockton) and District 7 (Los Angeles), and reviewing and reverifying SLA forms with all tenants and clients.
- **Created a statewide guidance and best practices document for cost-effective electricity use**—In 2023, FMD created and distributed a statewide guidance and best practices document for achieving cost-effective electricity use during peak periods. These operational best practices were created in consultation with electricity providers across the statewide portfolio. These strategies will better prepare FMD to take meaningful action to reduce electricity usage, achieve cost savings, and reduce peak electrical grid demand. FMD will continue to update and distribute this guidance each year as we move into cooling season.

DGS



BRENT JAMISON | DEPUTY DIRECTOR,
INTERAGENCY SUPPORT DIVISION

Interagency Support Division

The Interagency Support Division (ISD) consists of the Office of Fleet and Asset Management, Office of State Publishing, California Building Standards Commission, Office of Public School Construction, and the California Commission on Disability Access. Throughout 2023, ISD continued to make great strides toward improving business processes and innovating ways to better serve its customers and the public.



Office of Fleet and Asset Management

The Office of Fleet and Asset Management (OFAM) provides general oversight of the state's vehicle and mobile equipment fleet and ensures compliance with state and federal environmental energy and fiscal policies. OFAM provides a fleet of monthly leased vehicles to support state agencies' transportation needs; manages DGS' parking facilities; oversees the reutilization of state and federal surplus property; disposes of state surplus property; manages the state's travel planning programs; and provides short-term warehouse services.

OFAM's most noteworthy accomplishments in 2023 include:

- **Achieved significant cost savings through continued implementation and compliance monitoring**—Management Memo (MM) 21-07 requires all state agencies to follow airfare purchasing requirements to ensure employees are booking the most economical airline fares possible. MM 21-07 requires booking airfares, where available, that are nonrefundable. Since MM 21-07's release, the Statewide Travel Program (STP) has monitored state agency travel bookings and provided state agencies with monthly and semiannual reports that identify the number and associated cost of airfare bookings not in compliance with the policy. As a consequence of these efforts, refundable airfares have significantly decreased from an average of 64% of total airfare bookings in 2021 to an average of 9% in 2023, resulting in approximately \$6.9 million in cumulative airfare cost savings.
- **Completed the installation of a new Parking Access Control System**—OFAM's Parking Administration Unit (PAU) has completed the infrastructure installation for a new Parking Access Revenue Control System (PARCS) in collaboration with the city of Sacramento. The new system provides automation of previously manual processes and offers comprehensive reporting capability. These features have enhanced PAU's ability to manage utilization of its facilities and expand its



daily parking services. Year-to-date daily parking revenue has increased by approximately \$470,000 relative to the same time last year, partly due to these enhancements. The PARCS system is currently installed at five parking facilities; PAU intends to install it at two additional facilities in 2024.

• **Expanded daily parking to provide flexible parking options to state employees in the hybrid work environment—**

To better serve a primarily hybrid state workforce, PAU has made a concerted effort to enhance its daily parking solutions. This has been accomplished by extending daily parking services to two additional large parking facilities and by introducing a more affordable daily parking rate of \$8 exclusively to state employees. Daily parking utilization has increased by approximately 150% at PAU parking facilities since the introduction of these changes.

- **Exceeded state purchasing goal for light-duty fleet zero-emission vehicles—**To promote the state's environmental sustainability efforts and to meet executive and legislative zero-emission vehicle (ZEV) purchasing mandates, OFAM has employed strict enforcement and constant promotion of ZEV purchasing with fleet-owning departments. In fiscal year 2022–23, OFAM reviewed and approved the purchase of 471 ZEVs, supporting state departments to successfully meet and exceed the annual light-duty, non-public safety special performance ZEV purchasing requirements outlined in both Executive Order B-16-12 and the 2016 ZEV Action Plan.





Office of State Publishing

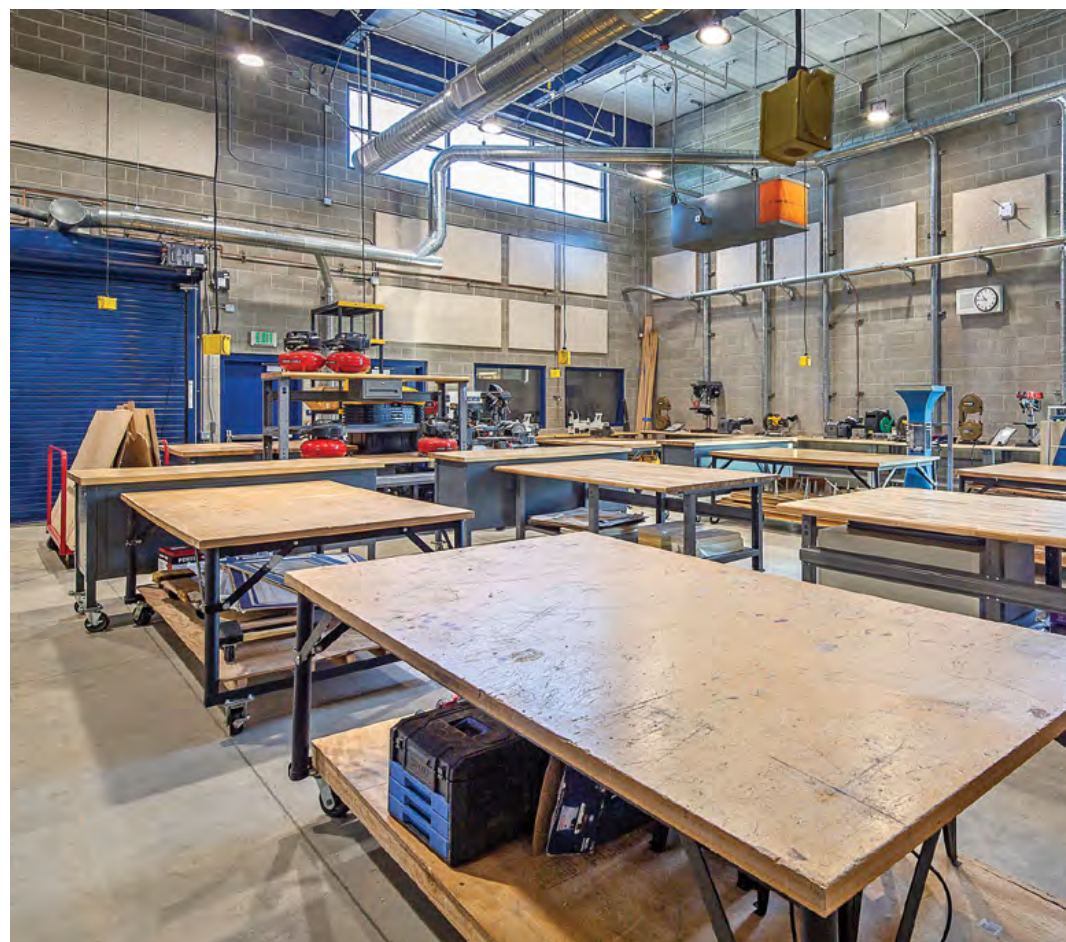
The Office of State Publishing (OSP) provides innovative printing and communications solutions and services to state, federal, county and city agencies.

For nearly 175 years OSP has served as the focal point for printing and print-related services. OSP recognizes this evolution and has embraced the role of leading customers toward its next iteration. Whether it be additional personalization, die cutting, reduced turn times or content management, OSP is positioning itself to increase its recognized value to its customers.

In 2023, OSP focused on cost reduction by eliminating redundancies and streamlining operations.

- **Reorganized warehousing practices**—In the wake of the pandemic, OSP identified 2023 as an opportunity to reevaluate its business model and operating procedures. This analysis led to a heightened focus on safety, changes in storage practices, and improvements in inventory management. Vertical pallet racking was installed at OSP's newly acquired warehouse; the additional racking provided approximately 800 additional pallet locations and freed up floor space for supplemental storage. In alignment with industry best practices, OSP's shipping and receiving functions were separated, resulting in a safer production floor for employee use. Material lanes were restriped, enhancing storage space efficiency. Further improvements are being regularly identified by OSP employees by applying a Lean Six Sigma mentality.

- **Transitioned to a new Print Management Information System**—OSP developed and configured a new Print Management Information System, which launched in fall 2023. The new system will improve customer service and overall operational efficiency by both providing a mechanism to quickly communicate pertinent service information with stakeholders and offering previously unavailable business-driven data. The development and configuration process also afforded OSP an opportunity to reengineer, standardize and improve many of its current practices.





California Building Standards Commission

The California Building Standards Commission (CBSC) administers the rulemaking process for the California Building Standards Code, Title 24 of the California Code of Regulations (Title 24).

CBSC's most noteworthy accomplishments for 2023 include:

- **Completed 2022 Intervening Code Adoption Cycle**—CBSC staff completed the 2022 Intervening Code Adoption Cycle by administering 30 rulemaking code packages from various state agencies that propose or adopt building standards for Title 24. All 30 code packages were approved by the commission in summer 2023 then filed with the Secretary of State, and will be published by January 1, 2024. Notable rulemakings promulgated by CBSC during the 2022 cycle include:
 - Enhanced California EV charging standards for nonresidential construction applicable to new and existing buildings.
 - **Embodied carbon reduction building standards** for applicable new or modified nonresidential buildings, developed in coordination with the Division of the State Architect (DSA) and in alignment with CBSC's 2023 strategic goal to publish carbon reducing regulations.
 - Voluntary bird-friendly building design standards in support of California's biodiversity goals, intended to reduce bird collisions with buildings.

★ 2023 Strategic Plan Goal

- Voluntary all-gender multi-user restroom building standards, an articulated exception to the separate facilities requirement in the California Plumbing Code (Part 5 of Title 24, also in coordination with DSA).
- **Produced video guidance for local building departments**—CBSC staff collaborated to develop and record an educational video explaining the complexity and nuances of the Matrix Adoption Tables (MAT), which are included at the beginning of most chapters of each part of Title 24. These MATs are nonregulatory tools that enable code users to determine which chapters and sections are adopted and amended by each state agency so they can accurately apply the amendments to the appropriate occupancy type(s). The video is available to view from our website or on CBSC's YouTube channel.
- **Coordinated "May is Building Safety Month" campaign**—CBSC coordinated with the governor's office, DGS' Office of Public Affairs, and the International Code Council to make May 2023 "Building Safety Month" in California. As described in Governor Newsom's [declaration](#), Building Safety Month highlights safety and sustainability in the built environment and recognizes the ongoing efforts of various public and private industry professionals.





Office of Public School Construction

The Office of Public School Construction (OPSC) facilitates the processing of School Facility Program (SFP) construction applications to make voter-approved state bond matching funds available to qualifying school districts. The office implements and administers the \$47 billion voter-approved bond program. Additionally, OPSC processes California Preschool, Transitional Kindergarten and Full-Day Kindergarten Program Facilities Grant Program construction applications using \$1.24 billion in state general fund proceeds.

In 2023, OPSC successfully processed over \$1.5 billion in funding applications for New Construction and Modernization SFP projects. These projects will receive cash proceeds from fall 2023 and spring 2024 statewide general obligation bond sales, as well as the state's General Fund. With these funds, nearly 700 new classrooms were built to house incoming students and nearly 3,500 classrooms were modernized. Additionally, OPSC processed \$367 million for the California Preschool, Transitional Kindergarten and Full-Day Kindergarten Facilities Grant Program for 91 projects to construct new school facilities or to retrofit existing facilities to house full-day programs.

OPSC's mission is to enrich the lives of California's schoolchildren as stewards of the taxpayers' commitment to education.

- Integrated the SFP closeout audit process into OPSC Online**—OPSC has partnered with DGS' Enterprise Technology Services Team to enhance OPSC Online by integrating the closeout audit process into the online platform. This allows stakeholders to submit SFP substantial progress and expenditure reports, which can be processed by OPSC in a completely paperless manner. Originally processed using 39 individual custom applications, these are the final SFP Microsoft VB6 applications to be decommissioned and fully converted to .NET in OPSC Online.
- Fully awarded the Regional K-16 Education Collaboratives Grant Program**—The 2021 Budget Act provided \$250 million to DGS to establish and administer a competitive grant program to support regional K-16 education collaboratives, with the intent of creating streamlined pathways from high school to postsecondary education and into the workforce. This program is a key component of a statewide strategy for cultivating regional economies, strengthening education-to-career pathways, and ensuring that education, vocational, and workforce programs operate in partnership to provide broader access for all to education and employment opportunities. OPSC implemented the program in early 2022 and awarded grants to nine collaboratives in May and August 2022. In total, \$163.2 million in implementation grants were awarded to nine regional collaboratives and \$1 million in planning grants were awarded to four new regional collaboratives in November 2022. In November 2023, OPSC awarded \$72.5 million for implementation grants to the remaining four regional collaboratives. After accounting for administrative costs, remaining funds will be reconciled and allocated to grantees in 2024.

Summaries of each grant can be found at k16collaborative.org/.



California Commission on Disability Access

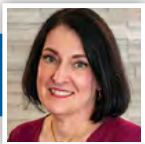
The mission of the California Commission on Disability Access is to promote disability access across California through dialogue and collaboration with stakeholders including the disability and business communities, and all levels of government.

CCDA's most noteworthy accomplishments for 2023 include:

- **Launched data capturing upgrade to legal portal**—CCDA's legal portal was upgraded by adding detailed prompts related to alleged website accessibility violations, allowing attorneys to describe the nature of the alleged complaint in further detail. This upgrade will improve CCDA's data collection by providing a more detailed snapshot of the various alleged website accessibility violations being reported, which will in turn improve CCDA's ability to appropriately educate businesses about website accessibility.
- **Increased community engagement**—CCDA launched a three-year initiative to conduct regional listening forums across California. These forums include members of the local disability community, small business representatives, and local government officials with the goal of identifying opportunities to increase access to businesses for people with disabilities. The inaugural forum was held in San Jose in August, and a virtual forum was held in December.

- **Established partnerships to increase business access to education**—CCDA launched a partnership with the Pacific ADA Center to provide quarterly access education webinars for small businesses. To date, the webinars have included the topics of customer service, the Americans with Disabilities Act (ADA) Title III, and service animals.





IDA CLAIR

STATE ARCHITECT, DIVISION OF THE STATE ARCHITECT

Division of the State Architect

The Division of the State Architect (DSA) provides design and construction oversight for K–12 schools, community colleges, and various other state-owned and leased facilities. DSA also develops accessibility regulations utilized in various public and private buildings throughout the state of California, and structural safety and green building codes and standards for public schools and community colleges.

In 2023, DSA continued to ensure the safety of public schools and community colleges through its plan approval and construction oversight authority. As a trusted partner with its stakeholders, DSA focused its efforts on further cultivating collaboration. These outreach efforts include:

- **Fostered collaborative engagement with stakeholders to advance decarbonization in California**—As the entity that establishes green building standards for California's public schools and community colleges, DSA worked with the California Building Standards Commission, California Air Resources Board, California Energy Commission, California Building Officials (CALBO), American Institute of Architects California, and other industry partners to address an incremental and methodical process for building decarbonization and embodied carbon goals in the California

Green Building Standards Code (CALGreen). As a result of these efforts, California became the first state in the nation to address the embodied carbon of construction materials in its building code.

- **Improved the effectiveness of online processes to deliver products that better serve customers' needs in a professional and value-added manner**—DSA implemented significant improvements to its electronic plan review (E-Tracker) back check process by enabling a two-phase approach, which increased the effectiveness of project delivery and enhanced the user experience for design professionals. Further, DSA revised and transitioned forms *DSA 175: Project Inspector Examination Application* and *DSA 787: Disability Access & Education Fund Annual Report* from PDF to HTML to streamline application submissions and increase operational efficiencies. DSA also created the Interagency School Construction Resources webpage, a result of collaborations with the Office of Public School Construction and the California Department of Education, with the aim to strengthen client communication and ensure continued access to information on past and upcoming outreach.
- **Raised awareness of a more sustainable future**—DSA continued the California Sustainable Schools Showcase on its website to highlight school district efforts to plan for and prioritize sustainability in public school and community college facilities, and to exhibit innovative ideas that successfully captured both sustainability and energy efficiency through building programming, design, and implementation of cutting-edge technology systems in both new construction and existing buildings.
- **Advanced a consultative role in promoting accessibility and sustainability regulations to stakeholders**—DSA consulted stakeholders at the Coalition for Adequate School Housing Fall Conference and the Green California Schools and Higher Education Summit to address evolving CALGreen regulations regarding embodied carbon and EV charging.

Through these consultative efforts, DSA played a key role in informing and supporting public school and community college stakeholders on a range of important issues related to sustainable design and accessibility. Additionally, DSA participated in the CALBO annual business meeting, where it consulted on proposed CALGreen regulations and promoted the Certified Access Specialist (CAsp) program and advanced consultative outreach with California Municipal Revenue and Tax Association to address evolving legislation regarding the Disability Access and Education Revolving Fund and promote compliance with locally mandated CAsp regulations. Finally, DSA presented at the Public Architects Knowledge Community Symposium at the American Institute of Architects Annual Conference on Sustainable Public School Construction, the Getting to Zero Forum in Minneapolis, the Pacific Coast Collaborative Low Carbon Construction Symposium in Portland, the Net Zero Conference in Los Angeles, and the International Code Council Sustainable Materials Forum in Washington, D.C., regarding the state's new embodied carbon regulations.

- **Implemented data-informed decisions through engagement with stakeholders to facilitate structural safety improvements in school building modernizations and encourage building reuse**—DSA created the Existing Buildings Task Force—comprised of stakeholders with representation from school district facility development, community college facility development, architects, and engineers—to solve the effect construction cost escalation has on school building modernizations, as building code regulations require full seismic upgrade of facilities when facility improvements exceed 50% of the building valuation. The engagement has produced effective communication between DSA and its clients and has resulted in amendments to DSA policy, while the task force continues to study potential building code amendments.

- **Further cultivated a collaborative and consultative approach to stakeholder engagement**—DSA worked alongside the Public School Construction Collaborative (PSCC), an advisory board comprised of representative professional groups, to seek recommendations and identify opportunities to improve the design and construction of public schools. In meeting with the PSCC, DSA received feedback on proposals for the intervening code cycle regarding accessibility provisions, CALGreen, battery storage and all-gender restrooms, and explored potential partnerships with community colleges to increase access to DSA's Project Inspector certification program.





Office of Administrative Hearings

The Office of Administrative Hearings (OAH) serves as a neutral forum for fair and independent resolution of administrative matters for state and local government agencies. OAH is divided into three statewide divisions: the General Jurisdiction Division, the Special Education Division, and the Administration Division.

In 2023, OAH focused its efforts on handling the increase in work in the post-pandemic environment, continued to work on providing greater access through technology and streamlined its organization to ensure that we provide the highest quality administrative hearing services in a safe, secure and cost-effective manner. To this end, in 2023, OAH completed the following:

THE GENERAL JURISDICTION DIVISION

- **Increased its in-person proceedings**—During the pandemic most proceedings were virtual. By conducting more in-person proceedings post-pandemic, with judges traveling to off-site locations, OAH is better able to meet the needs of the public it serves by providing multiple options on how a proceeding can be conducted.
- **Successfully implemented the overhaul of the statutory scheme in the Lanterman Act**—This included training judges on new procedures and how they impact the rights

and obligations of the parties; working collaboratively with the Department of Developmental Services (DDS) to implement new procedures for filing appeals, holding mediations and hearings, issuing proposed and final decisions, and considering motions for reconsideration; and, in collaboration with DDS, establishing the advisory committee required by Welfare and Institutions Code Section 4717 and holding its first two public meetings.

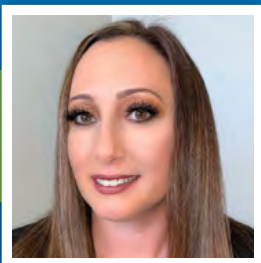
- **Took on a new client**—OAH began conducting hearings for the New Motor Vehicle Board.

THE SPECIAL EDUCATION DIVISION

- **Successfully handled a significant increase in workload**—The division saw an increase in case filings to over 4,500 cases—an approximate 12% increase in cases that went to hearing—and handled over 2,000 mediations (an increase of 5%).
- **Met the post-pandemic challenge of resolving unique legal issues**—Despite new challenges due to the impact the shutdown and remote learning had on the education of children and the rise of related, unique legal issues, the division met the challenge through continued mentoring and training of its judges.

THE ADMINISTRATION DIVISION

- **Completed reorganization of staff and teams**—Adding positions and reorganizing units allows the division to more precisely serve OAH's personnel, facilities, procurement and budgeting needs.
- **Completed the installation of Wi-Fi in Sacramento office**—This will ensure the parties appearing before OAH can access the electronic evidence platform, whether proceedings are in person or hybrid.
- **Finalized OAH's American Sign Language and communication access real-time translation contracts**—This has been a multiyear process and will allow OAH to provide timely and consistent translation services in these two areas of need.



KATHERINE MINNICH
DEPUTY DIRECTOR, ADMINISTRATION
DIVISION

Administration Division

The Administration Division had a productive and successful year in 2023. Despite numerous challenges, staff have consistently delivered administration services to internal and external customers while embodying resiliency, dedication, and teamwork.



GARY RENSLO | CHIEF INFORMATION OFFICER,
ENTERPRISE TECHNOLOGY SOLUTIONS

Enterprise Technology Solutions

Enterprise Technology Solutions (ETS) provides technology services critical to DGS and client operations, including systems and enterprise tool development; network connectivity; desktop support; security; technology implementation and strategic planning; and compliance with state information technology policies.

ETS' achievements in 2023 include:

- ★ **Developed strategy and design for complete migration to the cloud**—In support of office relocation and consolidation, ETS developed a strategy, design, and plan to migrate DGS applications and file storage to the cloud and remove dependency on the Ziggurat building. Related to this effort, ETS migrated five additional legacy applications and reports from the Ziggurat to the cloud, which improved the security posture of its cloud environment. These efforts helped to realize the state's overall transition to a hybrid work environment by allowing employees and customers to utilize services from anywhere, improving security and service availability, saving on power and cooling costs, and removing dependency on a physical building. This was the third year of a multiyear goal.
- **Improved IT infrastructure for DGS offices**—In support of the Facilities Management Division (FMD), the Division of the State Architect (DSA), the Office of Administrative

★ 2023 Strategic Plan Goal

2023 ACCOMPLISHMENTS

Hearings (OAH) and the Office of State Publishing (OSP), ETS redesigned server, storage, and network services to create a standardized and secure IT architecture across four DGS offices in Oakland, Sacramento, San Diego and Los Angeles. This included replacing aging servers and moving workloads to newer hyperconverged infrastructure technology. These efforts ensure that the critical infrastructure required at each of these offices has improved performance, capacity, security and service availability for the next several years.

- **Supported the OAH Sacramento Wi-Fi Project—**ETS provided guidance and oversight for the design and implementation of a managed wireless network solution for OAH. The establishment of a secure and reliable wireless solution enabled OAH to complete its strategic plan goal to support in-person and virtual court hearings and mediations at its Sacramento headquarters office.
- **Developed and implemented timekeeping solution for DGS clients—**ETS and the Office of Human Resources (OHR) successfully launched a modernized timekeeping and

submittal solution for DGS' Human Resources (HR) clients. The solution provides a secure electronic timesheet for staff to directly enter and transmit their work hours for review, approval and payroll processing. This increases convenience and efficiency, reduces manual tasks, and better enables DGS to fulfill its HR responsibilities for its customers and the public. This accomplishment is a part of a larger project that will provide modernized timekeeping and replace the Project Accounting and Leave (PAL) system for all DGS staff.

- **Developed and implemented the Office of Legal Services' Contracts Report and Data Extracts—**ETS partnered with the Office of Legal Services (OLS) to design a technology solution for its contract review and reporting processes. The resulting solution has reduced data access request times, streamlined staff communication, established efficient workflows, and provided real-time and reliable reporting that is available 24/7 through an interactive dashboard.





Office of Fiscal Services

The Office of Fiscal Services (OFS) coordinates and develops the DGS rate (price-setting) process, and coordinates and directs all accounting, budgeting and fiscal reporting activities for the department and client state agencies.

- **Supported new and existing client agencies and enhanced training**—Contracted Fiscal Services (CFS) successfully onboarded two new clients, including the Office of Data and Innovation and the Colorado River Board of California, to provide accounting and budgeting services. CFS also added the Governor's Office of Business and Economic Development and the Commission on Peace Officer Standards and Training as clients for budgeting services. In conjunction with onboarding the Colorado River Board of California, CFS assisted the board in bringing its accounting activities up to date and timely reconciling 2021–22 and 2022–23 data. CFS continued its track record of completing year-end financial statements on time for 50 client agencies in FI\$Cal, along with two non-FI\$Cal agencies. Embodying the core value of customer service, CFS enhanced and expanded training to client agencies specifically in accounting for fiscal year-end accruals to ensure accuracy and excellence in preparation of financial statements.
- **Budget resources to support DGS programs**—OFS submitted 33 Budget Change Proposals to the Department of Finance (DOF) for fiscal year 2023–24. Of those 33 submitted, 26 were approved by DOF and enacted by the Legislature, resulting in

\$1.323 billion and 4,461 positions being allocated to DGS in the state budget process.

- **Streamlined the Vendor Invoice Process by transitioning from manual to automated workflow**—OFS, in collaboration with Enterprise Technology Solutions (ETS), developed and implemented the Invoice Payment Portal. The self-service portal allows a vendor to submit invoices electronically, and then routes them for approval through an automated workflow via ServiceNow. One of the great features of the self-service portal that benefits both vendors and internal staff is the central dashboard. The dashboard makes it easier to get an overview of invoice status, which resulted in increased productivity and accountability.
- ✦ **Continued to work on improving DGS' payroll warrant release process**—OFS, in partnership with DGS' Office of Human Resources and ETS, developed a multiyear strategic plan to modernize and automate the process to ensure appropriate actions are taken for the timely release of employee payroll warrants. In 2023, the process shifted from using an outdated paper carbon copy form into a digital and fillable form. Ultimately, the goal is to establish an automated workflow leveraging ServiceNow to optimize the process.





ESTELA GONZALES
CHIEF, OFFICE OF HUMAN RESOURCES

Office of Human Resources

The Office of Human Resources (OHR) provides services in the areas of recruitment; hiring; benefits and pay transactions; reasonable accommodation, worker's compensation, labor relations, and constructive intervention.

- **Developed and implemented timekeeping solution for DGS clients**—OHR, in collaboration with Enterprise Technology Solutions, successfully launched a modernized timekeeping and submittal solution for DGS' HR clients. The solution provides a secure electronic timesheet for staff to directly enter and transmit their work hours for review, approval and payroll processing. This increases convenience and efficiency, reduces manual tasks, and better enables DGS to fulfill its HR responsibilities for its customers and the public. This accomplishment is a part of a larger project that will provide modernized timekeeping and replace the Project Accounting and Leave (PAL) system for all DGS staff.
- **Hosted hiring events highlighting DGS as an employer of choice**—OHR successfully hosted multiple in-person hiring events for the Facilities Management Division (FMD) and virtual "How to Get a State Job" workshops for the Procurement Division to assist in recruiting hundreds of applicants to apply for DGS vacancies. The Procurement Division virtual hiring events resulted in 178 total attendees and 932 applications received for 24 vacancies. The FMD One-Day Hiring Event, which offered application assistance, examination, minimum qualifications determination and interviews, resulted in a total

of 182 total attendees. Hosting successful hiring events is an opportunity to make new hires, reduce the department's vacancy rate, build the department's talent pipeline, and promote DGS as an employer of choice.

- **Developed and implemented Progressive Discipline Training**—OHR and the Office of Legal Services successfully launched training for all DGS and contracted client agency supervisors and managers. Implementing this training improves skills and knowledge and builds staff's confidence in their abilities.





RACHEL GRANT KILEY
CHIEF, OFFICE OF BUSINESS AND ACQUISITION SERVICES

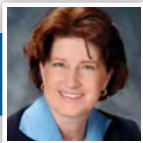
Office of Business and Acquisition Services

The Office of Business and Acquisition Services (OBAS) provides DGS divisions and offices support in goods and services procurement, including contract processing from solicitation to contract execution, support for the statewide Natural Gas Services Program, and CAL-Card administration. In addition, OBAS provides internal business services, including auditorium reservations, cubicle moves, mail delivery, mobile phones, commuter services, security, DGS statewide health & safety, and document reproduction.

OBAS' most noteworthy accomplishments for 2023 include:

- ★ **Achieved an increased procurement accreditation to Tier 3 by successfully completing the triennial procurement accreditation process**—The increase in OBAS' procurement accreditation authority to Tier 3 provides more autonomy for DGS' Goods and IT Services procurements, resulting in reduced procurement time frames for DGS' internal programs and client agencies, affecting over 3,500 procurements and an additional 2,100 FI\$Cal transactions.

- **Procurement Services Section led by example in state procurement by regularly meeting, and exceeding, Small Business and Disabled Veteran Business Enterprise goals**—By successfully enforcing the OBAS Memorandum 19-01 SB/DVBE First Policy, OBAS supported certified California Small Businesses (SBs) with 25.09% or \$258,049,891 total SB spend, reflecting an increase in total spend with SBs from the prior fiscal year. OBAS also supported certified California Disabled Veteran Business Enterprises (DVBEs) with 4.75% or \$48,878,258 total DVBE spend, reflecting an increase in total spend with DVBEs from the prior fiscal year.
- **Business Services Team supported the business and operational needs of the DGS headquarters in West Sacramento**—The team implemented virtual evacuation training and new security enhancements throughout the Ziggurat building. Furthermore, OBAS added new catalog items for business services to the ServiceNow portfolio, promoting ease of access to our customers requesting business services. OBAS also negotiated reduced-price parking options, completed a solicitation for business continuity consultant services, and processed over 280 cell phone activations to accommodate DGS' hybrid workforce.
- **Completed onboarding of the statewide Natural Gas Services Program to OBAS**—In the previous year, the Natural Gas Services (NGS) Program transacted close to 240 million therms of natural gas, totaling around \$319 million. NGS has increased renewable natural gas transactions by 15%; added a new customer, increasing our total customer pool to 118 entities in the Northern Region and 69 entities in the Southern Region; and extended the agreement with our full requirement supplier for one year, ensuring fair pricing and resource availability for our customers.

**KATHLEEN WEBB**

CHIEF, OFFICE OF RISK AND INSURANCE MANAGEMENT

Office of Risk and Insurance Management

The Office of Risk and Insurance Management (ORIM) provides a variety of risk management and insurance services to state and public entities with a primary objective of minimizing exposure to losses. Services include contract insurance language and risk consulting services, insurance procurement and administration; third-party contract insurance review and training; administration of the Motor Vehicle Insurance Account; motor vehicle and general liability claims management; subrogation; government claims management; and customer outreach and training services.

Led by the state's chief risk officer, ORIM strives to identify exposures to loss, anticipate operational and financial risks, and evaluate viable strategies to mitigate loss, ensuring the continuity of operations and financial protection of state assets. Achievements in 2023 include:

- ★ **Implemented a new Enterprise Risk Management Information System**—In partnership with DGS' Enterprise Technology Solutions (ETS), ORIM has worked with the vendor to implement the claims management system that will support

the Motor Vehicle Insurance Account, Government Claims and Human Resources Return-to-Work programs. The implementation of the system streamlines several paper-based processes into one digital platform, enhancing both the employee experience and the customer experience.

- **Oversaw programs under the Insurance Services Unit—**

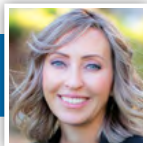
The Master Builder's Risk (MBR) program is a course of construction property insurance policy to provide coverage for state installation and construction projects. The MBR program offers:

- Efficient placement of course-of-construction insurance
- Ability to extend coverage
- Access to insurance company and broker at the time of a claim
- Favorable rates with state purchasing power and size of the program

Since its inception in 2016, the MBR program has enrolled 389 projects with a construction value of \$17,227,039,077.

Master Property policy is a property policy providing building and rental interruption insurance coverage. The policy is procured on behalf of the State Public Works Board for state buildings that are lease revenue bond funded and is required to comply with insurance requirements. As of the 2023–24 policy term, there are 525 scheduled buildings with a total insured value of \$17,227,039,077.

Third-Party Contract Management provides a risk assessment of the hazardous and nonhazardous work to be performed to ensure both risk transfer terms and insurance are in place to protect the state against potential third-party bodily injury and/or property damage resulting from the work of a state contractor. In 2023, the program reviewed 1,500 contracts in coordination with the procurement programs.



Office of Policy, Training and FI\$Cal Services

The Office of Policy, Training and FI\$Cal Services (OPTFS) provides services in the areas of statewide and department policy, employee-related training, management of the State Forms Program, centralized records management and creation of innovative FI\$Cal-related enhancements on behalf of DGS' statewide operations.

In 2023, OPTFS focused on rebuilding and strengthening compliance while providing opportunities for DGS employees by implementing several key initiatives:

- **Added more than 9,000 training courses to DGS' Learning Management System, Pathways**—DGS University executed a contract with Udemy for Business that provides employees with thousands of personal and professional development training opportunities to support growth, enhance skills and improve core knowledge.
- **Created a new monthly engagement series**—To encourage employee development, OPTFS created monthly training campaigns focused on core topics such as customer service, achieving goals and time management. The series targets general demographics and aims to increase productivity, performance and confidence in our employees.

- **Integrated training completions**—Developed an interface with the California Department of Human Resources' CalLeans to streamline data, improve compliance and limit manual intervention for employees. Capturing data through an interface provides a more complete training transcript for employees and allows leaders to develop enhanced training plans to strengthen employees' knowledge, skills and abilities.
- **Developed policy acknowledgement automation**—In collaboration with our partner office, Enterprise Technology Services, OPTFS created and implemented the use of ServiceNow for employees to receive, review and acknowledge departmentwide policies.
- **Automated personnel notifications for Form 700 filers to improve compliance**—OPTFS developed automated notifications in the onboarding, transfer and exiting of employees to ensure Form 700 processes were completed timely (some DGS employees are required to file Form 700: Statement of Economic Interest). By building workflows and streamlining notifications, OPTFS was able to capture employee filing obligations for statutory compliance. OPTFS also developed an interface to Pathways to identify Form 700 filers that need to take mandated ethics training. By automating these efforts, DGS has vastly improved timely filing and responses for mandatory training.
- **Helped the Procurement Division's Office of Small Business and Disabled Veteran Business Enterprise Services better track contract dollars**—Implemented multiple system enhancements, built data exchanges and dashboards to improve DGS' ability to track and report procurement dollars associated with certified Small Businesses (SBs), Disabled Veteran Business Enterprises (DVBES) and other Disadvantaged Businesses Enterprises. Some improvements include:
 - Created custom fields to better identify how state procurement dollars are associated to SBs/DVBES for reporting and compliance

- Added tracking of diversity for procurement opportunities by SBs, microbusinesses, DVBs, and businesses owned by women, minorities, or members of the LGBTQ community
- Built a Power BI dashboard to support outreach to various disadvantaged communities
- **Implemented Aconex project costing management software**—OPTFS implemented Aconex, which allows DGS to manage and control an entire project life cycle, from design to delivery. This software integrates with FI\$Cal to create projects and provide ongoing project financials for better overall project management.
- **Automated the Architectural Revolving Fund Form 22/220 process in FI\$Cal to streamline construction projects**—Created a new form and automation workflow from DGS and state departments to control agencies for approval and processing. The new automation has improved the overall efficiency, streamlined the approval process and ensures timely transfer of funds for construction projects.



DGS



ANN BAATEN
CHIEF, TELEWORK PROGRAM OFFICE

Telework Program Office

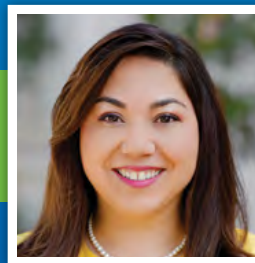
The Telework Program Office serves as an advisor, resource and support for DGS offices and departments statewide to ensure compliance with the Statewide Telework Policy and related government codes.

The Telework Program Office helps monitor the state hybrid workforce efforts both statewide and within DGS. This office administers the internal DGS Telework Policy as well as procedures and telework resources to assist leadership, managers and employees.

- **Established the Telework Program Office**—The Telework Program Office was established to support the rollout of the Statewide Telework Policy that was published in October 2021. Since its inception in July 2022, the Telework Program Office has provided policy guidance and support for 146 departments with approximately 250,000 state employees to ensure consistency of telework programs across departments through forums, policy reviews, surveys and published guidelines. The office also maintained and modified the Hybrid Workforce Dashboard, recognized by the National Association of State Chief Administrators (NASCA) for Innovation in State Government.



DGS



ANA M. LASSO | DIRECTOR,
DEPARTMENT OF GENERAL SERVICES

Executive Office

The DGS Executive Office coordinates many of the department's external and internal committees and workgroups; organizes leadership training for executive management teams; and provides support for the director and chief deputy directors.



ANDY WON
DEPUTY DIRECTOR, OFFICE OF AUDIT SERVICES

Office of Audit Services

The Office of Audit Services (OAS) provides the director of DGS with an independent, objective assurance and consulting activity designated to improve DGS' operations and ensure that the department's oversight responsibilities are carried out. Our strategic direction is to model the way for statewide compliance and provide agencies with a clear direction for achieving compliance with established requirements.

OAS' most noteworthy accomplishments for 2023 include:

- ✦ **Developed and implemented a paperless audit working paper platform through DGS' SharePoint system**—In 2023, OAS implemented a paperless audit working paper platform that was developed from the ground up. It incorporated unique file naming conventions, cross-referencing capabilities, supervisory review mechanisms and archiving functions. This project saved the state not only in software cost, but also in training and continued maintenance and storage costs. DGS realized additional savings between 30% and 45% in lost productivity by switching from a paper process.
- ✦ **Developed an external customer portal**—OAS collaborated with Enterprise Technology Solutions to develop a secure and time-saving external portal for customers to share encrypted documents. The portal allows users 24/7 access, provides flexibility for all file types, meets security and privacy requirements, and helps streamline processes for efficiency.



CHRISTINE CICCOTTI | DEPUTY DIRECTOR AND
CHIEF COUNSEL, OFFICE OF LEGAL SERVICES

Office of Legal Services

The Office of Legal Services (OLS) provides leadership and guidance to state departments and agencies as well as DGS' internal divisions and offices regarding the state's contracting laws and policies. Additionally, OLS advises the DGS divisions on legal issues arising out of various program areas. OLS also provides ongoing advice to DGS' Executive Office, Office of Human Resources, and program management on employment law matters, and prosecutes and defends personnel actions.

Some of the most notable accomplishments of 2023 are summarized below, measured as of September 30:

- ✦ **Met with client departments to provide tailored feedback to assist with improved contracting practices**—OLS achieved its strategic goal of meeting with all client departments and agencies that accepted OLS' invitation to have a discussion related to contracting trends, including approvals or returns of non-IT service contracts. OLS provided customized feedback to client departments to assist customers in improving contracting practices, which will lead to quicker OLS contract approval.
- ✦ **Converted to 100% paperless system for non-IT service contract review**—OLS achieved its strategic goal of converting all submissions of non-IT service contracts

✦ 2023 Strategic Plan Goal

for DGS OLS review and approval to an entirely paperless system. After careful planning and piloting with partners in Enterprise Technology Solutions, in March 2023 DGS launched in ServiceNow an entirely electronic system of contract submission and tracking that enhances the contract review and approval process.

- **Reviewed high volume of non-IT services contracts, bid protest decisions and requests to proceed**—OLS reviewed 4,775 non-IT services contracts through September, with over 1,011 processed in June alone. Of the 4,775 total, 3,228 were processed through the new electronic ServiceNow portal. OLS also issued 94 bid protest decisions among three hearing officers, and reviewed and analyzed 61 requests to proceed with a Non-Competitive Bid contractor selection process.



DGS



RICARDO DeLaCRUZ | DEPUTY DIRECTOR OF
ENTERPRISE PLANNING AND INCLUSIVENESS DIVISION

Enterprise Planning and InClusiveness Division

The Enterprise Planning and InClusiveness Division (EPIC) is a new division created in April 2023 to encapsulate functions across the department under one authority to better serve and shape the workforce of DGS. EPIC covers the Department's Strategic Plan, Organizational Health, Equal Employment Opportunity (EEO), and the department's efforts regarding Diversity, Equity, Inclusion and Access (DEI&A).

The deputy director of EPIC acts as the DGS EEO officer and is responsible for the creation of policies and procedures relating to the DGS Disability Advisory Committee and the DEI&A workgroup.

In 2023, EPIC's first year of existence, accomplishments included:

- **Tracked and met with divisions regarding their goals from the 2022–23 DGS Strategic Plan**—As DGS closes the 2022–23 Strategic Plan period, EPIC has regularly met with divisions on the progression of their goals and has averaged 63% completion of divisional goals. As DGS prepares for the 2024–25 Strategic Plan, EPIC will be meeting with divisions to determine which unfinished goals from 2022–23 will be carried over or revised.
- **Reduced EEO cases**—The EEO office dedicated 2023 toward completing cases timely and as a result, is operating with

a caseload of less than 10 investigations at the time of this writing. This is attributed to EEO staff taking specific steps to efficiently process cases and find ways to leverage their vast knowledge of EEO policy in providing consultation to DGS management.

- **Assumed responsibility for DEI&A initiatives at DGS—**

As part of the establishment of the division, EPIC also took over responsibility for the oversight and administration of the DGS activities that support DEI&A. In doing so, EPIC leads the DGS workgroup, issues correspondence, represents DGS in collaborative meetings with other state agencies, and reviews/amends policies.



DGS



MATT BENDER

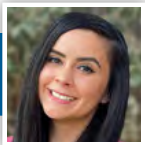
DEPUTY DIRECTOR, OFFICE OF LEGISLATIVE AFFAIRS

Office of Legislative Affairs

The Office of Legislative Affairs (OLA) coordinates all legislative activities for DGS, from the development of bill analyses to representing the department at legislative hearings. OLA also coordinates reports to the Legislature.

In the first year of the 2023–24 legislative session, OLA monitored and tracked more than 150 bills related to DGS' jurisdiction or expertise and provided final recommendations on 28 bills that reached the governor's desk. The governor signed bills to streamline review of DGS' affordable housing projects, reform the Bagley-Keene Open Meetings Act, and centralize information for small businesses, along with several measures promoting the state's sustainability goals.



**MONICA HASSAN**

DEPUTY DIRECTOR, OFFICE OF PUBLIC AFFAIRS

Office of Public Affairs

The Office of Public Affairs (OPA) is responsible for news media relations; managing DGS social media channels; guidance on writing according to DGS style; providing photography resources and video production; and website management oversight.

OPA works hard to elevate the remarkable accomplishments of each division and office within the department by creating news releases, updating the internal and external websites, blogging on Newswire, internal communications including Hello DGS, and posting on social media.

**MATT HENIGAN**

DEPUTY DIRECTOR, OFFICE OF SUSTAINABILITY

Office of Sustainability

The DGS Office of Sustainability is committed to reducing California's environmental footprint by reducing energy use in state-owned buildings; reducing greenhouse gas emissions; and reducing water use.

The Office of Sustainability develops and implements climate change mitigation and adaptation strategies and programs for state facilities. The state of California strives to lead by example. To support that goal, the Office of Sustainability implements programs in the areas of renewable energy development, energy efficiency retrofits, and electric vehicle (EV) charging infrastructure development. Additionally, the office develops sustainability policies and practices for all state facilities to support the state's aggressive climate goals. Policies and practices the office oversees or supports include zero-net energy policy, Leadership in Energy and Environmental Design (LEED) certification, energy benchmarking, and recycling policy development to support DGS and other departments in greening state facilities.

- **Continued to expand the state's use of on-site renewable power, microgrids and battery storage**—The Office of Sustainability Clean Energy Unit's projects have generated over 1.5 billion kilowatt hours (kWh) to date from the program's portfolio of over 90 solar and wind energy projects that total 100 megawatts (MW) of clean energy capacity at state-owned facilities. These projects have saved state agencies and California taxpayers over \$88 million to date in electricity costs and are expected to achieve well over \$100 million in savings over their

lifetime. The Office of Sustainability completed construction of 15 MW of new clean energy projects in 2023 and launched a microgrid development program by onboarding two engineering firms to perform assessment, feasibility, design, and engineering services related to microgrid deployment at state facilities. This new program has already completed four microgrid assessments and has several yet to come, adding to the pipeline of renewable energy projects. The Office of Sustainability has an additional 10 MW of renewable projects under development that are anticipated to finish construction in the next two years.

- **Completed energy retrofits to achieve energy savings and decrease the state's carbon footprint**—Office of Sustainability energy efficiency projects completed in 2023 will save over 10.8 million kWh every year—equivalent to powering over 1,000 homes. Annual utility cost savings resulting from these projects is approximately \$1.4 million a year. The Office of Sustainability changed more than 8,700 light fixtures to more efficient lamps with dimming and occupancy controls, and also fine-tuned and electrified HVAC equipment to save 174 thousand therms of natural gas.
- **Hired the state's first demand response provider**—The Office of Sustainability hired demand response provider Enersponse to enroll state facilities in demand response programs across all state agencies to reduce energy use during peak periods.
- **Supported the state's carbon emission reduction goals by expanding electric vehicle charging infrastructure statewide**—In 2023, The Office of Sustainability's Clean Transportation Unit installed 557 charging ports to serve fleet and/or employee charging needs and delivered 34 mobile, solar-powered EV Arc charging stations to state departments that provide two Level 2 chargers, and emergency power panels for use in power outages. These installations will contribute to achieving statewide greenhouse gas emission reduction targets. The passage of Senate Bill 1203 this year requires the decarbonization of all state operations by 2035, which includes

transportation. The Office of Sustainability will continue installing EV charging infrastructure to meet the needs of the rapidly evolving state vehicle fleet.

- **Achieved zero-net energy for 61% of DGS' portfolio**—The Office of Sustainability allocated long-term renewable energy from the DGS renewable energy portfolio to qualify three new DGS office buildings and additional existing buildings as part of DGS' zero-net energy (ZNE) building portfolio. This was enabled by energy-efficient design by DGS' Project Management and Design Branch (within the Real Estate Services Division), which oversees design and construction of new ZNE-ready facilities; through conservation efforts by DGS' Facilities Management Division (FMD), which managed the facilities; as well as through energy efficiency upgrades of existing DGS buildings and renewable energy procurement by the Office of Sustainability. DGS now exceeds the mandated 50% target for 2025 several years early, and first exceeded the 50% target in 2021. The Office of Sustainability continues to work with SMUD and other utilities, as well as DGS' FMD, to expand available long-term on-site and off-site renewable energy resources to meet its growing needs and work toward our 2035 zero emissions target.





At a Glance: DGS *by the Numbers*

OFFICE OF POLICY, TRAINING AND FI\$Cal SERVICES

49

Number of DGS-related enhancements and fixes to FI\$Cal in the areas of procurement, project costing, accounting and billing

408

Number of user support tickets OPTFS completed in FI\$Cal covering DGS functional areas in customer service, procurement, accounting, project costing, budgeting and assets

TELEWORK PROGRAM OFFICE

146

Departments supported by the Telework Program Office, representing 252,257 state employees

23

Statewide Telework Coordinator Forums hosted by the Telework Program Office in 2023

2,936

Data submissions processed by the Telework Program Office in coordination with Enterprise Technology Solutions (ETS) in 2023

CALIFORNIA BUILDING STANDARDS COMMISSION

30

Number of rulemaking proposals administered by the California Building Standards Commission (CBSC) in 2023, received from the Department of Housing and Community Development, Office of the State Fire Marshal, Division of the State Architect, Office of Statewide Hospital Planning and Development, Board of State and Community Corrections, and CBSC

425

Number of local amendments (ordinances) to the 2022 Edition of Title 24 submitted by city and county building departments to CBSC for review, processing, and filing

DIVISION OF THE STATE ARCHITECT

2,122

School facilities projects certified by the Division of the State Architect (DSA) as of December 26, 2023

438

Number of DSA Project Inspectors (certified and recertified) in 2023

56

New Certified Access Specialists (CAsp) were certified and 215 CAsp were recertified in 2023

ENTERPRISE TECHNOLOGY SOLUTIONS

21

Number of projects completed by ETS

560

Number of IT goods and services reviews and approvals completed by ETS

457

Number of enhancement requests delivered by ETS

52,741

Number of Service Desk tickets completed by ETS

PROCUREMENT

200

Number of in-person, hybrid and virtual outreach events conducted by the Office of Small Business and Disabled Veteran Business Enterprise Services to 21 counties and 36 cities

18,092

Number of certified Small Businesses and Microbusinesses

4,041

Number of certified Small Businesses for the purpose of Public Works

1,836

Number of certified Disabled Veteran Business Enterprises

80+

Number of partnered organizations and concentrated outreach efforts in 40+ underserved communities to educate and assist them in contracting with the state



DGS 2023 Awards *and* Special Recognition

- **DGS received eRepublic's Best of California Award for Best Application Serving an Agency's Business Needs in 2023**—This award was given at the California Government Innovation Summit in recognition of the Small Business or Disabled Veteran Business Enterprise (SB/DVBE) Emergency Registry project by the Procurement Division and Enterprise Technology Solutions. The project provides data on emergency suppliers who are designated as SB/DVBE. This is a convenient solution for state buyers to consider these suppliers while spending funds efficiently and effectively during emergencies.
- **Chief Risk Officer Kathleen Webb received the 2023 Elizabeth Hill Public Official of the Year**—The American Society for Public Administration—Sacramento Chapter distinguished Kathleen with the 2023 Elizabeth Hill Public Official of the Year distinction presented to a nonelected professional administrator who has consistently demonstrated excellence in public management over a sustained period.
- **California Building Standards Commission former Executive Director Mia Marvelli was awarded the Presidential Citation from the American Institute of Architects of California**—The honor was bestowed in recognition of her many contributions as executive director of CBSC from 2016–2023, including her role as co-founder of the CALGreen Carbon Reduction Collaborative.
- **CBSC former Executive Director Mia Marvelli received the Sustainability Champion Award 2023**—The award was presented from the Construction Management Association of America, Southern California Chapter.
- **Procurement Division SB/DVBE Emergency Registry project team received the Best of California Award for Best Application Serving an Agency's Needs**—This award was presented at the Government Innovation Summit.
- **Outreach Business Liaisons Joann Patty and Wayne Gross received the "Professional Development Speaker Certificate"**—They were recognized by the California Association of Public Procurement Officials, Inc.

- **Procurement Division Outreach team members received the “Skin in the Game” award from the Southwest Veterans Business Resource Center**—The award was bestowed at SVBRC’s 12th Annual Veteran and Small Business Trade show, and the team also received a “Certificate of Recognition” from the city of Los Angeles.

REAL ESTATE SERVICES DIVISION—1021 O STREET STATE OFFICE BUILDING

The 1021 O Street State Office Building received numerous awards in 2023, including:

- **2023 Best Projects Awards from Engineering News-Record (ENR)—ENR California region (includes Hawaii) recognized DGS in the Government/Public Building category and DGS is entered to be considered for ENR’s national Best of The Best Awards in spring 2024**
- **Precast/Prestressed Concrete Institute (PCI) 2023 PCI Design Awards for Best Government and Public Building**
- **Two 2023 Design-Build Institute of America Western Pacific Region Awards for Innovation and Design Excellence**
- **Design-Build Institute of America National: Project of the Year**
- **Design-Build Institute of America National: Best in Process**
- **Design-Build Institute of America National: Design Excellence Award**
- **Design-Build Institute of America National: Merit Award**
- **2023 International Partnering Institute (IPI) Partnered Project of the Year Award for Building and Public Infrastructure Over \$250 million**
- **Sacramento Business Journal Best Real Estate Projects of the Year for 2022: Public Project**
- **Construction Management Association of America’s (CMAA) Northern California: Project Achievement Award, Sustainability**
- **CMAA Northern California: Project Achievement Award, Buildings over \$300M**
- **Green Technology Sustainable Facilities Forum: Leadership Award for Sustainable Achievements, State Government**
- **The Chicago Athenaeum: American Architecture Award, Government and Civic Buildings**





In Loving Memory of

May Lee

DGS
GENERAL SERVICES

GAVIN NEWSOM
Governor

AMY TONG
Secretary, Government
Operations Agency

ANA M. LASSO
Director

**Department of
General Services**

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