

2013-2015

Strategic Plan



VISION

Effective, efficient, and accountable financial, operational and risk management services

MISSION

We transform lives by promoting sound management of department resources

VALUES

Stewardship – thoughtful and trustworthy in our work and with the resources we manage

Teamwork and Collaboration – partnering with all to be successful

Respect – accepting differences, encouraging growth and development, valuing all each person has to offer

Advocacy – actively improving the lives of DSHS clients and staff through Stewardship, Teamwork and Collaboration, and Respect

The Financial Services Administration (FSA) provides leadership in financial, operational, and risk management services to support the mission and goals of the Department of Social and Health Services (DSHS or the Department). By promoting sound management of all department resources, FSA enables the programs throughout DSHS to focus on their core, client-focused missions. Throughout our administration we apply Lean principles and process improvement techniques to deliver more effective and efficient services. As an administration we subscribe to the values of stewardship of all resources; teamwork and collaboration within the administration, across DSHS, and with our partners throughout the state; advocacy for the resources DSHS needs to provide services to our clients; and respect for each other and those we serve.

FSA consists of four components:

- The Central Budget Office (CBO) provides budget management for DSHS. It prepares and submits the agency's annual and biennial budget requests to the Governor's Office and annually responds to over 300 fiscal note requests from the state Legislature. It is a key participant in financial forecasting and strategic planning activities for DSHS.
- The Enterprise Risk Management Office (ERMO) consists of Loss Prevention Services, Audit Services, Legal Services, and Forms and Records Management. ERMO is responsible for coordinating the Department's enterprise risk management activities and advising the Secretary and Assistant Secretaries on potential risk issues of significant consequence to DSHS.
- The Finance Services Division (FSD) consists of the Office of Accounting Services, Fiscal Services Office, Consolidated Institutional Business Services, and the Regional Business Centers. It provides financial and other business services across DSHS. The Finance Services Division supports its customers by providing sound financial and business management, guidance, and analysis, in addition to developing policies and procedures that ensure compliance and a strong internal control environment.
- The Operations Support and Services Division (OSSD) (*Fostering professional partnerships...providing innovative solutions*) consists of Asset Management; the Background Check Central Unit (BCCU); Capital Facilities Management (CFM), including Consolidated Maintenance and Operations (CMO) and the Office of Capital Programs (OCP); Central Contract Services (CCS); Fleet Management; Language Testing and Certification (LTC); Leased Facilities Unit (LFU); Human Services Building (OB2) Facilities and Mailroom Services; Property Redistribution Warehouse; Purchasing Services; Supply Chain Management; and Wireless Services. The division's broad reach means staff work touches all parts of the department. The OSSD Vision is to create a solid foundation and maximize resources to best serve the needs of clients and staff, and its Mission is to collaborate with stakeholders to solve problems, ensure compliance, and maintain a safe environment.

DSHS Goals

Goal 1

HEALTH – Each individual and each community will be healthy.

Goal 2

SAFETY – Each individual and each community will be safe.

Goal 3

PROTECTION – Each individual who is vulnerable will be protected.

Goal 4

QUALITY OF LIFE – Each individual in need will be supported to attain the highest possible quality of life.

Goal 5

PUBLIC TRUST – Strong management practices will ensure quality and efficiency.

Results Washington Goals

FSA is a partner in Governor Jay Inslee's **Results Washington**, a focused effort to create effective, efficient, accountable government.

Results Washington's Goal Area number 4 is Healthy and Safe Communities. Under this area FSA supports achievement of metrics under *Safe People: Worker Safety*. For example:

- Reduce workplace injury events.

Results Washington's Goal Area number 5 is Effective, Efficient and Accountable Government. Under this area FSA supports achievement of metrics under *Resource Stewardship: Cost Effective Government*. For example:

- Reduce energy consumption in state owned buildings.

Department of Social and Health Services (DSHS) Goals

As a member of the DSHS team, FSA also has lead responsibility for performance metrics that fit within DSHS' departmental goals. DSHS has the following five broad goals:

- **Health** – Each individual and each community will be healthy.
- **Safety** – Each individual and each community will be safe.
- **Protection** – Each individual who is vulnerable will be protected.
- **Quality of Life** – Each individual in need will be supported to obtain the highest possible quality of life.
- **Public Trust** – Strong management practices will be used to ensure quality and efficiency.

FSA has the following success metrics in support of the following DSHS goals:

Safety:

- Reduce workplace injury events. (Note: also a **Results Washington** goal)
- Ensure all leadership teams continue to review and update risk management plans at least annually.
- Increase the number of programs that have implemented annual workplace safety plans.

Protection:

- Automate background check processing.

Public Trust:

- Reduce energy consumption in leased facilities and state owned buildings. (Note: also a **Results Washington** goal)
- Increase the number of programs that have implemented the Labor and Industries Working Solutions program.
- Strengthen DSHS performance-based contracting.
- All DSHS buildings and offices will have clear and proud signage.
- Increase accuracy of payments to employees.
- Ensure regional offices receive purchased goods and services in a timely manner.
- Reduce the time required to process federal grants.

Strategic Plan

Below are the details of our strategic plan to meet our strategic objectives. Each strategic objective is discussed under its larger DSHS goal area. Each strategic objective includes a statement of its importance, a quantified success measure, a timeline for achieving it and, most importantly, an action plan. FSA strategic objectives are reported quarterly at <http://ppa.dshs.wa.lcl/CoreMetrics/Pages/ExcelNEW.aspx>. Each FSA action plan is updated quarterly.

Strategic Objectives, Importance, Success Measures and Action Plans

DSHS Goal 2: Safety - Each individual and each community will be safe.

Strategic Objective 1: Reduce workplace injury events.

Importance: The safety of our employees is necessary to meet our mission and to provide quality customer service to our clients. Employee injuries cost DSHS in Worker’s Compensation claims, assault benefit claims, overtime, temporary hires, training, etc.

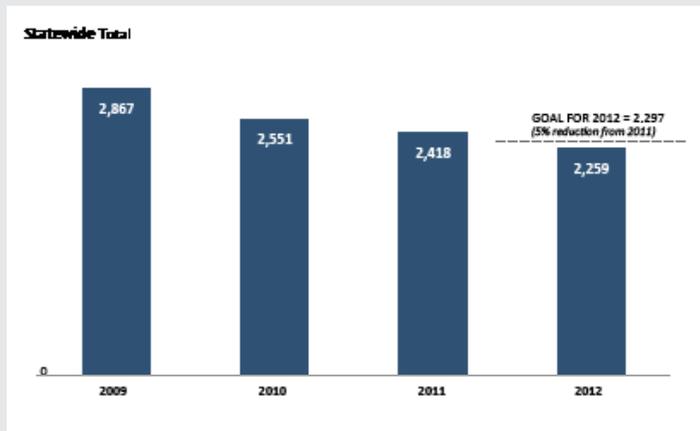
Success Measure:

- The number of injury/occupational illness incidents in DSHS will decrease from 2,239 in July 2013 to 2,127, or a five percent reduction, by July 2015.
- The number of reported client assaults on staff will decrease from 916 reported in July 2013 to 870, or a five percent reduction, by July 2015.
- The number of DSHS employees who have been trained in Mental Health First Aid will increase from 500 to 5,000 by July 2015.

Action Plan:

- The Enterprise Risk Management Office (ERMO) will assist in implementing a Lean A3 Problem-Solving discussion related to workplace injury events at state facilities, beginning with Fircrest School.
- Mental Health First Aid training will be implemented across DSHS.
- DSHS will request additional Safety Officer 2 positions to enhance investigation of workplace violence incidents and develop prevention strategies.

Total number of safety incidents reported



Strategic Objective 2: Ensure all Administrations continue to review and update risk management plans at least annually.

Importance: The annual Enterprise Risk Assessment and Self-Evaluation (ERASE) process is an important part of the state's loss prevention strategy. The process helps agencies identify the need for new risk and safety initiatives, and then to plan and implement them. Many have seen improved safety, lower costs, and enhanced workplace efficiency resulting from these annual reviews.

Success Measure: Maintain 100 percent compliance with the completion of the ERASE throughout DSHS.

Action Plan:

- Continue to employ the ERASE process for the field, but reduce workload impact by streamlining the assessment or employing efficiencies through an automated application.
- Continue to require that administrations complete Corrective Action Plans (CAP) for both internal and external audits, Annual Loss Control Evaluations (ALCE), etc.
- Conduct training on Enterprise Risk Management (ERM) for the Expanded Management Leadership team.

Strategic Objective 3: Increase the number of work sites that have implemented annual workplace safety plans.

Importance: The safety of our vulnerable clients at residential facilities and our employees at all work locations is a paramount duty of DSHS. The Annual Loss Control Evaluation (ALCE) and Office Safety and Security Review (OSSR) processes review workplace safety plans at every facility and a portion of office field activities each year. The ALCE and OSSR focus on each location's compliance with federal, state, and departmental safety standards, policies and procedures. The goal is to provide objective feedback regarding the current safety and occupational health program at each facility or office in order to establish and maintain the safest environment possible for every client and employee.

Success Measure: The number of Annual Loss Control Evaluations (ALCE) scheduled and completed by ERMO will increase from 24 to 50 by July 2015.

Action Plan:

- ERMO will continue to evaluate each facility (through the ALCE process) and a sample of offices (through the OSSR process) annually to identify risk areas associated with safety requirements and environment of care standards.
- In conjunction with energy conservation objectives, ERMO will work with management to remove appliances from staff that may cause safety issues.
- Administrations will be required to develop corrective action plans related to ALCE findings.

DSHS Goal 3: Protection - Each individual who is vulnerable will be protected.

Strategic Objective 1: Automate background check processing.

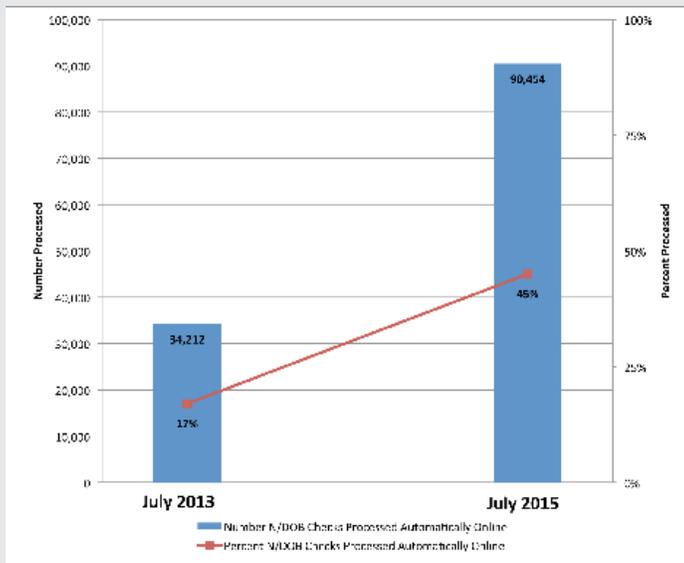
Importance: Delays in the background check process create a negative impact to the agency's ability to approve the use of client service providers in a timely manner. The BCCU turnaround time for name and date of birth background checks fluctuates based on staff vacancies and training for new hires. The current turnaround time ranges from 5 to 15 business days.

Success Measure: The number of name and date of birth background checks processed automatically through the online system will increase from 17 percent (34,212) to 45 percent (90,454) by July 2015.

Action Plan:

- Contract with Yale New Haven Health Services Corporation for the procurement and configuration of a background check system to replace DSHS' outdated Criminal History System. Completed May 2013.
- Hire Implementation Coordinator to oversee training, communications and implementation. Target completion: October 2013.
- Develop data interfaces with stakeholders. Target completion: December 2013
- Migrate legacy data. Target completion: August 2014.
- User acceptance testing begins September 2014. Target completion: October 2014.
- Reduce data entry and allow 45 percent of online background checks to be processed without BCCU intervention. Target completion: November 2014.
- Develop new performance metrics based on reduced processing times. Target completion: May 2015.

Automating background check processing



DSHS Goal 5: Public Trust - Strong management practices will be used to ensure quality and efficiency.

Strategic Objective 1: Reduce energy consumption in leased facilities and state owned buildings.

Importance: DSHS occupies 132 leased facilities totaling 3.1 million square feet plus 500 institutional buildings with 5.4 million square feet. Electricity, natural, and diesel fuel provide power for equipment, lighting, space heating, hot water, and steam production.

DSHS continues to face budget challenges and needs to take advantage of all opportunities to reduce costs while maintaining services. Heating, cooling, and operating state buildings are a large source of greenhouse gas emissions. Increasing energy efficiency in state buildings reduces the cost of government and makes our buildings more comfortable, our people more productive, and our children's future more secure.

Success Measure: Energy consumption in department-owned and leased facilities will be reduced by 10 percent by July 1, 2015 from the July 2009 baseline.

Action Plan: DSHS will continue efforts to reduce energy consumption and greenhouse gas emissions as required by Executive Order 12-06 and Chapter 70.235 RCW.

- With assistance from the Washington State University (WSU) Extension Energy Program, DSHS will continue to monitor energy consumption through Portfolio Manager. Utility billings at facilities with a too high EUI (Energy Utilization Index) or a too low Energy Star score will be researched to identify billing errors and/or energy efficiency opportunities. Ongoing through June 30, 2015.
- DSHS will conduct Investment Grade Audits at state-owned facilities (Echo Glen Children's Center (EGCC), Green Hill School (GHS), Lakeland Village, Naselle Youth Camp (NYC), Rainier School, Special Commitment Center (SCC) McNeil Island, and SCC Total Confinement Facility), where preliminary walk-throughs have been completed. Investment Grade Audits completed by January 1, 2014.
- DSHS will explore the availability of energy grant funding from the Department of Commerce for energy conservation projects and will submit grant applications where feasible. Completed by January 1, 2014.
- DSHS will implement Energy Service Company (ESCO) performance contracts where practical at EGCC, GHS, Lakeland Village, NYC, Rainier School, SCC McNeil Island, SCC Total Confinement Facility, and Western State Hospital (WSH). Contracts in place before March 1, 2014. Energy efficiency measures installed before March 1, 2015.
- DSHS Leased Facilities Unit (LFU) will continue to work with the Department of Enterprise Services (DES) to assess and reduce energy consumption in leased facilities through June 30, 2015. In addition, LFU will:
 - Work closely with DES on the design of new facilities to ensure they meet LEED (Leadership in Energy and Environmental Design) or new energy efficient codes.
 - Work with landlords at lease renewal to ensure energy efficient upgrades or replacements of Heating, Ventilation, and Air Conditioning (HVAC) systems, lighting systems, and on/off lighting switches.

Strategic Objective 2: Increase the number of programs that have implemented the Labor and Industries Working Solutions Program.

Importance: Last year, DSHS was assessed approximately \$38 million in Worker Compensation premiums and paid \$2 million more in assault benefit claims. In the near term, DSHS has opportunities to recoup some of these costs through light duty/transitional return to work efforts, and seek reimbursement through the Stay at Work program. In the long term, these efforts will help reduce Worker Compensation premiums.

Success Measure:

- Using Labor and Industries Working Solutions Program, reduce the number of industrial injury work loss days from 21,028 in July 2013 to 19,977, or a five percent reduction, by July 2015.
- Decrease the number of open industrial injury claims from 867 in July 2013 to 824, or a five percent reduction, by July 2015.

Action Plan:

- Cultivate new opportunities for transitional return to work to maximize Labor and Industries Stay at Work refunds.
- Continue to work with facility and office managers to provide opportunities for workers to return to the workforce while recovering from an occupational injury or disease.
- Actively manage complex claims including frequent reviews, coordination, and communication.

Strategic Objective 3: Strengthen DSHS performance-based contracting (PBC).

Importance: PBC describes the contracted services according to what is to be achieved rather than how it is to be done. A PBC links the service(s) to be performed to clear, specific, and objective desired results and may tie incentives and/or sanctions such as payment levels or contract renewals to the contractor's successful accomplishment of identified measurable outcomes.

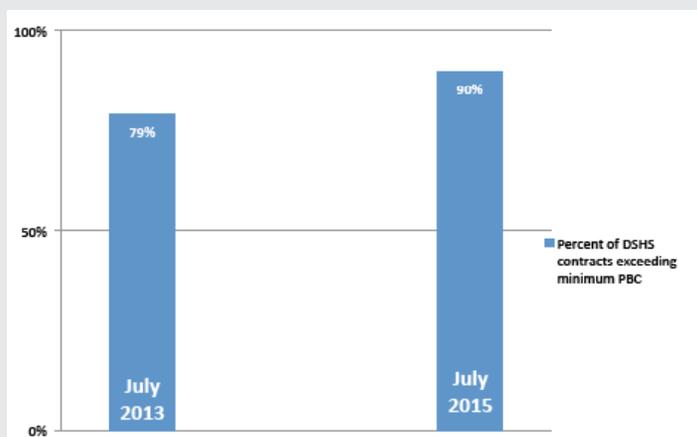
Approximately 70 percent of the DSHS budget is contracted out. The performance of our contractors is critically linked to the success of our mission. By focusing on desired outcomes rather than prescribing particular tasks and the manner in which contractors must accomplish those tasks, we allow the contractor to innovate practices, and we can improve results. Financial incentives are aligned with programmatic goals and true public/private partnerships can be created.

Success Measure: The percentage of DSHS contracts exceeding minimum PBC requirements will increase from 79 percent to 90 percent by July 2015.

Action Plan:

- Develop a target for percentage of DSHS contracts exceeding minimum PBC requirements and further develop action plan with target dates. Completed, set at 90 percent.
- Update informational materials on Central Contract Services (CCS) SharePoint site regarding PBCs. Target completion: December 2013.
- Develop online PBC training module. Target completion: March 2014.
- Revise database (ACD) record gathering to reflect whether payment is contingent upon achievement of performance measures or outcomes, rather than just deliverables. Target completion: July 2015.
- Develop more advanced performance metrics showing whole continuum of relative strength of performance basis for contracts. Target completion: July 2015.

Strengthening DSHS Performance Based Contracting



Strategic Objective 4: All DSHS buildings and offices will have clear and proud signage.

Importance: This objective is extremely important and vital to assure DSHS customers can locate facilities so that they can access required services.

Success Measure: All facilities will be reviewed for clear and proud signage by July 2015.

Action Plan:

- The DSHS LFU has added signage review as a requirement for all lease renewals.
- Working with DES and DSHS programs, we will develop statewide standards on the design and dimensions for appropriate DSHS signage. Target completion: December 2013.
- Work with landlords to ensure all required building, county, and municipal codes are conformed to in this process.
- In coordination with facility landlords, new signage will be implemented if deemed necessary through this signage review requirement. Target: New signage within three months of requirement identification.

Strategic Objective 5: Increase accuracy of payments to employees.

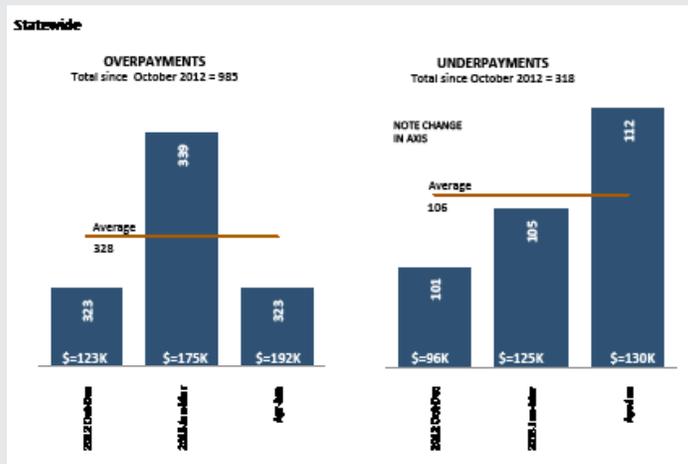
Importance: Payroll errors result in inefficiency and are a significant drain on scarce agency resources. They also can decrease morale not only for the employee who is not paid correctly, but for those staff who need to do additional work in order to correct issues. Underpayments to employees require the agency to make supplemental payments to employees and overpayments result in an often burdensome collection process. Errors can occur anywhere in the process – from employees or supervisors submitting time information late to payroll or time and attendance staff incorrectly entering information.

Success Measure: The number of payroll overpayments and underpayments will decrease from an average of 430 per quarter to an average of 390 per quarter by July 2015.

Action Plan:

- Develop tracking processes and database to measure payroll errors by type and location. Completed, a database was set up that tracks numerous types of errors and the locations within DSHS.
- Develop a target for reducing payroll errors within DSHS. Completed, set at 10 percent below current average errors.
- Track measure and develop training and/or process improvement projects with a focus on problem areas with goals of process efficiency, compliance, and improving the accuracy of information. Target completion: March 2014.
- Work with each of the Administrations to improve time and leave reporting processes within DSHS. Develop policies, procedures, and new processes that will improve accuracy and timeliness. Target Completion: December 2014.
- Continue participation on statewide Time, Leave, and Attendance (TLA) system development workgroups and provide input with a focus on improving accuracy, efficiency, and effectiveness of payroll processes within state government. Target Completion: July 2015.

Overpayments issue based on research by the payroll section and underpayments corrected based on employee's requests for supplemental payments



Strategic Objective 6: Ensure regional offices receive purchased goods and services in a timely manner.

Importance: Timely ordering and receipt of goods and services are vital to our programs effectively providing vital services to the public. The Regional Business Centers (RBCs) are responsible for purchasing within the regional administrations for Children's Administration (CA), Juvenile Justice and Rehabilitation Administration (JJRA), Economic Services Administration (ESA), Developmental Disabilities Administration (DDA), and Aging and Long Term Support Administration (AL TSA) Home and Community Services (HCS). RBCs have the responsibility to ensure timely purchasing of goods and services, while also ensuring compliance with purchasing requirements and efficiency through standardization, consistency, and implementation of best practices.

Success Measure: The percentage of purchase requests processed in excess of five days from receipt will be reduced from ten percent to less than seven percent by July 2015.

Action Plan: RBCs will continue to work on purchasing process improvement through utilizing Lean and other process improvement methods and through better use of technology. RBCs will track reasons for delayed orders and partner with Regional Administrators (RAs) and their staff to ensure clear processes are in place and issues are addressed.

- Develop a target for processing purchase requests and develop further actions to improve performance. Completed, set at less than seven percent to exceed five days.
- Use Lean methods to help improve workflow and ensure consistency and best practices are implemented across the three RBCs. Update SharePoint site with information on new processes. Target completion: November 2013.
- Work with RAs to develop processes and procedures that will increase timeliness and accuracy of purchase requests coming into the RBCs. Target completion: January 2014.
- Work with Information Systems Services Division (ISSD) and other stakeholders to develop improvements to agency purchasing systems. Target completion: July 2015.

Strategic Objective 7: Reduce the time required to process federal grants.

Importance: DSHS receives billions of dollars in federal funds each year. In order for cash flow to be maintained and for federal grant funds to be promptly available for client services, The Office of Accounting Services must do its part to ensure new grants are reviewed for appropriate allocations, established in our Grants Management System, and coded so that funds can be readily drawn as expenses occur.

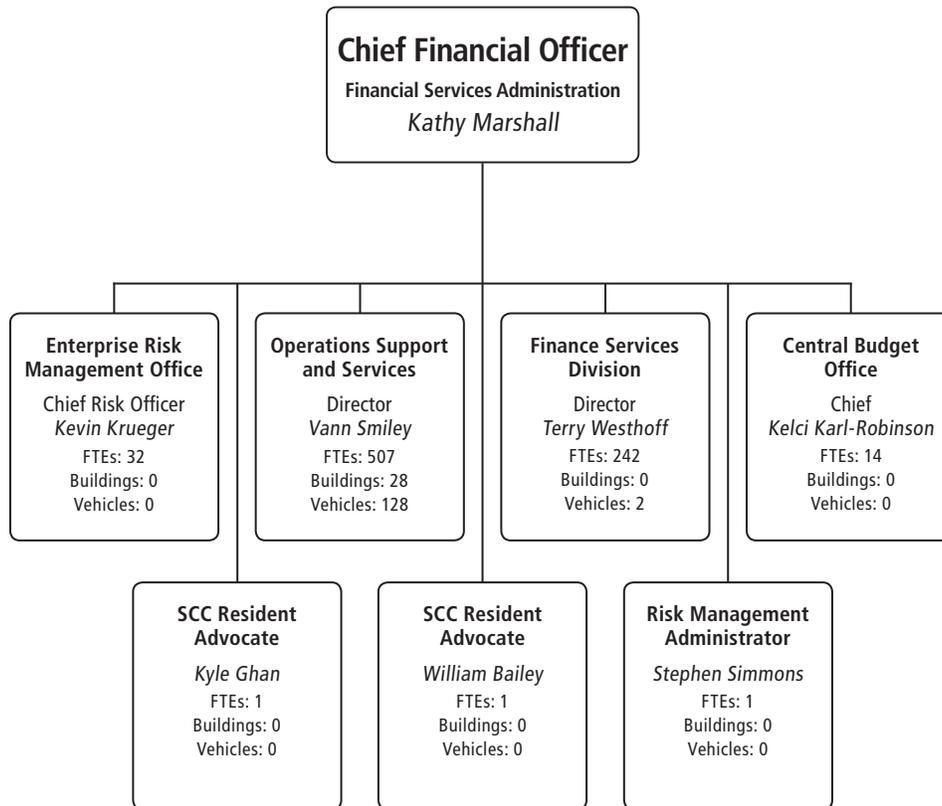
Success Measure: The average number of days for a grant to be set up within OAS will be reduced from five days to an average of less than three days from receipt by July 2015.

Action Plan:

- Develop an initial target for timely set up of grants. Completed, target is average completion within three days of receipt.
- Work with departmental stakeholders to develop an enterprise approach to managing grants. Target completion: July 2014.
- Closely coordinate with ISSD to develop improvements to the Grants Management System to improve processing and accounting related to federal grants. Target completion: December 2014.
- Develop more advanced performance metrics showing whole continuum of fiscal performance related to grants. Target completion: July 2015.

Department of Social and Health Services

Financial Services Administration



September 19, 2013