

NEBRASKA

Good Life. Great Service.

DEPT. OF ADMINISTRATIVE SERVICES



2024

ANNUAL REPORT

Director's Message

With three quarters of the year in the books, 2024 has already been a tremendous success for Administrative Services. We continue to deliver on Governor Pillen's mission to save taxpayer money and improve services for all Nebraskans. Under the Governor's leadership, we have moved beyond focusing on other governmental entities and now work across the whole of government to serve our citizens as the ultimate customers of our services. Some of our key achievements this year have included:

- Accounting Division earned recognition for Excellence in State Accounting from the Government Finance Officers Association for the 2023 Annual Comprehensive Finance Report.
- Materiel Division completed comprehensive reform of our procurement system with the passage of the State Procurement Act and the revision of the Procurement Manual.
- Personnel Division expanded opportunities to hire veterans through the Partnership for Your Success program.
- Building Division saved taxpayers \$18M through strategic decisions related to our real estate strategy.
- The IT Systems Analyst team partnered with Accounting Division to upgrade our financial system. The project was completed on time and under budget.

These are just a few high-profile examples of our team's success so far this year. We have a great team of talented public servants in Administrative Services and the agency has never been more trusted to deliver great service to our stakeholders in other agencies and our customers throughout Nebraska. As we finish up 2024 and look ahead to 2025, we will continue to be laser focused on efficiency while also innovating to improve services.



Jason Jackson, Director



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2024 Annual Report

Administrative Services

Vision

Grow Nebraska

Mission

To grow opportunity through more effective, more efficient, and customer-focused state government.

Core Values

- We are customer focused.
- We focus on saving taxpayer dollars.
- We are transparent.
- We treat people with dignity and respect and always act ethically.

Leadership Directory



Michael Donley
General Counsel



Stevens Berry
Chief Communications
Officer



Pete Gierasch
Operations
Administrator



Autumnne Hovde
Risk Management
Administrator



Brent Flachsbart
State Building
Administrator



Michelle Potts
Materiel Administrator
& Chief Procurement Officer



Phil Olsen
State Accounting
Administrator



Sean Davis
State Personnel Director
& HR Shared Services
Administrator



Sarah Skinner
Task Force For Building
Renewal Administrator



Mike Moerer
Transportation Services
Bureau Administrator

Administrative Services

Overview

The Department of Administrative Services (DAS) was established by State Statute 81-101 and is responsible for providing centralized support services to state agencies, boards, and commissions. Key divisions include:

The Director's Office houses DAS Communications, Office of the General Counsel, and DAS Operations Analysis. These teams carry out many of the essential functions to manage the strategic priorities for the Department.

DAS Communications acts as a resource to DAS' divisions to assist with any communications-related support.

The Office of the General Counsel provides legal support, advice, consultation, and representation for the Department.

DAS Operations Analysis maintains and manages the State's primary Enterprise Resource Planning (ERP) system (JD Edwards EnterpriseOne).

State Accounting operates and maintains the statewide financial systems, including the accounting and payroll systems. They pre-audit agency transactions, issue statewide financial reports, and coordinate the long-term financing needs of the State.

State Building Division is responsible for providing the centralized procurement, operation, maintenance, and management of state-owned and leased facilities.


State Personnel and Human Resources work collaboratively to provide services and support to teammates and leaders in a variety of areas. These include: recruiting, onboarding and offboarding, performance management, leave management, safety initiatives, workers' compensation, performance evaluation, training, payroll, workforce, planning, and positions management. Subdivisions within State Personnel are Classification and Compensation, Wellness and

Benefits, Employee Relations, Talent Acquisition, the SOS Temporary Employee Program, and Training and Development.

In addition, State Personnel is responsible for state-wide teammate engagement and

recognition programs as well as community-oriented donation drives.

The Materiel Division includes the State Purchasing Bureau, which contracts for commodities and services on behalf of customer agencies. Materiel also manages print, copy, and mail services, the disposal of surplus property, and statewide recycling.



Risk Management is responsible for supporting the State Claims Board, adjudicating claims against the State through the Claims Board, managing the State Employee Workers' Compensation Program, and the procurement of insurance and risk management services.

The Task Force for Building Renewal inspects, requests, prioritizes, and allocates funding for various deferred maintenance, fire and life safety, Americans with Disabilities Act (ADA), and energy conservation projects for state agencies.

The Transportation Services Bureau provides, maintains, and operates the statewide fleet of motor vehicles for use by state agencies, boards, and commissions.

Administrative Services is a multifaceted organization that offers a wide range of services to its customers. It has the tools and expertise to help its fellow state agencies fulfill their missions while being as efficient and effective as possible.

Director's Office:

- DAS Communications
- DAS Human Resources
- Office of the General Counsel
- Operations Analysis

Divisions

- State Accounting
- State Building
- Materiel
- State Personnel
- Risk Management
- Task Force for Building Renewal
- Transportation Services Bureau

Reporting directly to the Governor:

- State Budget Division
- Office of the Capitol Commission
- Office of the Chief Information Officer

State Accounting

Overview

State Accounting performs the duties and functions of the State's comptroller for all state agencies. This includes, but is not limited to, statewide payroll and cash disbursement processing, federal grant management, issuing accounting and internal control policies, reporting the daily cash position, administration of the master lease program, administration of the purchasing card program, and issuing the State's financial statements. State Accounting is also responsible for overseeing the State's financial Enterprise Resource Planning (ERP) system. The ERP is the State's primary system used to manage

and coordinate all financial resources, information, and functions of the State's business. They maintain teammates' security rights to all processing and reporting functions in the State's ERP system. They also oversee the teammate self-service functionality, development, and enhancement of the system. The system provides current and real-time information about the State's resources and obligations. Central Finance provides internal finance for the divisions of the Department of Administrative Services. These services include monthly invoicing and bill paying, overseeing finances, coordinating division budgets, and rate setting.

Outstanding Accomplishments

- Awarded the Government Finance Officer's Association's Certificate of Achievement of Excellence in Financial Reporting for last year's Annual Comprehensive Financial Report. This is the highest form of recognition in governmental accounting!
- Tested and Implemented the Oracle EnterpriseOne 64-bit update to financial system with no disruption to customers. This will allow us to stay up-to-date with evolving security standards.

Other Accomplishments

- Drew down \$2.835 billion in federal dollars, on pace for \$4.335 million by the end of the calendar year.
- Printed 246,000 warrants (state payments) to date, on pace for 322,000 by the end of the calendar year.
- Processed 1.5 million ACH transactions today, on pace for 1.9 million for the calendar year.



Left: State Accounting Administrator Phil Olsen moderated a panel on Emerging Trends in AI Policy in State Government at the National Association of State Auditors, Comptrollers, and Treasurers Annual Conference. Pictured with Phil (left to right) are Chandler Morse of Workday, Charlitta Hatch of the City of Charlotte, and Rowan Miranda of Workday.

Right: A copy of the letter awarding the Government Finance Officer's Association's Certificate of Achievement of Excellence in Financial Reporting for last year's Annual Comprehensive Financial Report



Overview

State Building Division is responsible for providing the centralized procurement, operation, maintenance, and management of state-owned facilities. The division manages the independent review, analysis, and oversight of Capital Construction projects to ensure that appropriate facilities are provided. The State Building Division is also responsible for managing all commercial leases of office space on behalf of state agencies, providing space planning and coordinating space assignments, coordinating statewide, comprehensive facility planning, reviewing capital construction requests, program statements, and related contracts, and managing and maintaining state-owned buildings, properties, and related parking facilities.

State Building Division

Outstanding Achievements

- Saved taxpayers \$18 million through locating the new State Patrol Troop A Headquarters in an existing building instead of constructing a new facility from scratch. This was significantly lower than the \$32.2 million the Legislature appropriated in the 2023 Legislative Session to construct a new Troop A Headquarters and allowed the unspent money to be returned to the general fund. The new building is currently being remodeled to meet the needs of the Troop and will better support and accommodate the Troop's interaction with their customers. It will also have enough room to consolidate Troop A into one place from what had previously been two geographically separate locations. The remodeling is expected to be completed June of 2025.
- Completed and demonstrated improvements to our Data Center and critical infrastructure at the 501 S. 14th Building. These improvements include installation of a 2MW backup generator in line with a new Uninterruptable Power Supply, specifically for the data center as well as new Heating, Ventilation and Air Conditioning (HVAC) air handling units and lines for the new data center. Collectively, these improvements helped to modernize our data center infrastructure and ensure the redundancy of our systems supporting the State's network.
- Returned 127.41 acres of land to the public for private sector use through land sales in Hastings. Nebraska taxpayers received \$1.45 million from this sale. Government shouldn't own any more land than it needs, and DAS is committed to returning surplus, unused state government land and property to the taxpaying public to ensure it remains in productive use. Surplus land sales are conducted throughout the year. Proceeds of the sales are remitted to the State Treasurer for credit to the Vacant Building and Excess Land Cash Fund.



Director Jackson, Correctional Services Director Rob Jefferies, and SBD Administrator Flachsbart at the groundbreaking for the new state prison.



Governor Pilleen discusses the operation and construction of the back up generator switch gear with maintenance manager, Mike Heaps. This is part of the State's information technology infrastructure.



Building Division Administrator, Brent Flachsbart, explains the operation, testing, and maintenance process for the backup generator to Governor Pillen.



Overview

The Materiel Division is responsible for establishing processes and providing centralized services in the areas of procurement, mail operations, printing and copier services, surplus property and inventory management, and operation of the State's Sustainability Plan.

This includes:

- Overseeing statewide procurement.
- Establishing purchasing procedures and policies.
- Assisting state agencies in bidding and contracting for outside services.
- Centralizing mail distribution services for internal and external mail.
- Providing low-cost production capabilities for printed materials.
- Providing services for all copy machine leases throughout state agencies.
- Overseeing and coordinating the disposition of the State's surplus property.
- Overseeing and maintaining all inventory records.
- Administering and operating the State's Sustainability Plan.

Materiel Division



Governor Pillen holding a Ceremonial Bill Signing for LB 461's procurement reforms.



Director Jackson and Materiel Administrator Michelle Potts sign the adversarial supplier policy and updated procurement manual.



Surplus Property Manager Shannon Morris and James Bybee showing off the award for selling over \$10 million of products through GovDeals.



Director Jackson and Materiel Administrator Michelle Potts sign the policy document implementing Governor Pillen's Executing Order preventing State agencies from buying lab-grown meat.

Materiel Division

Oustanding Achievements

- This year Materiel Division achieved once in a generation procurement reform with the passage of the State Procurement Act (LB 461). The bill worked in conjunction with numerous administrative changes implemented by the Division to improve business outcomes in procurement decision making. Among the key reforms implemented by the Division:
 - Creating a uniform standard for procuring goods and services.
 - Establishing supplier “responsibility” as a stand-alone factor in bid evaluation. Responsibility is a measure of corporate citizenship and ability to perform the work under the contract.
 - Providing for the assessment of cost realism and reasonableness in a bid evaluation. No longer will artificially low bids have an advantage in winning government contracts.
 - Requiring a “proof-of-need” analysis for procurements over \$15 million at the start of the procurement process.
- Eliminating complex resident bidder preferences.
- Bringing Nebraska law into alignment with federal standards for grant and cooperative agreement administration.
- The Materiel Division also updated the State of Nebraska Procurement Manual for the first time since 2018. The new manual updates the procurement processes that will be used for Nebraska’s Agencies, Boards, and Commissions and replaces the previous version’s unclear narrative structure with streamlined, clear instructions for what is required in a competitive bid for service.
- Between the administrative changes contained in the updated manual and the legislative changes contained in LB 461, DAS made 33 major changes to the procurement process which will protect taxpayers from bad corporate actors and improve decision making.
- Materiel Division also adopted an Adversarial Supplier Policy which will ensure Nebraska’s purchasing decisions support America’s foreign policy and protect our supply chain from foreign adversaries.
- Materiel Division supported Nebraska’s agricultural produces by implementing Governor Pillen’s Executive Order prohibiting state agencies from purchasing lab-grown meat and requiring State contractors not to discriminate against natural-meat in favor of cultivated-meat products.
- Finally, Materiel Division celebrated a major milestone this year: over \$10 million in surplus property sales on the GovDeals website! In fact, since 2018, Materiel Division has sold over \$12 million in surplus property through GovDeals!

Overview

State Personnel focuses on delivering efficient, effective, customer-focused support and consultative services through innovative talent acquisition and retention strategies, and coordinating total rewards efforts, including: data-driven classification and compensation systems, wellness and benefits offerings, teammate recognition and engagement activities, centralized training and development services aligned with agency needs, and consistent personnel policies and practices supported by human resource management systems.



DAS Director Jason Jackson displays the commemorative Challenge Coin for the State's top Youth Mentors as they gather around.

State Personnel



Governor Pillen with the State Personnel Division after the ceremony formalizing the PaYS program.

Outstanding Achievements

- Expanded veterans hiring by implementing the Partnership for Your Success program (PaYS). The PaYS program is designed to connect soldiers with post-service career opportunities, ensuring a smoother transition from military to civilian life. The State of Nebraska values the skillset veterans bring to the workforce, and the PaYS program will provide our state with a pool of highly skilled, motivated, and responsible candidates from which to fill our personnel needs. State Personnel is honored to help veterans continue their careers in public service.
- Continued efforts to make Nebraska the best choice for military veterans and retirees by continuing the Military Spouse Transition Program to help military spouses moving to Nebraska identify job opportunities in state government, expanding hiring preferences at the State for military members and their spouses, and maintaining the Veterans' SkillBridge Initiative which creates connections between military members and Nebraska's employers during their final 180 days of service.
- Continued its excellent work in talent acquisition for the state. In 2024, State personnel:
 - Received 58,501 applications and referred 49,799 applicants for the 3,589 posted state job openings (as of 9/5/2024). 2,663 applications were from self-identified veterans.
 - Effectively hired 242 SOS teammates, evidenced by 59 SOS teammates accepting permanent State of Nebraska positions through competitive recruitment processes (as of 9/5/2024).
 - Continued support of Workday Recruiting expansion, which has resulted in more streamlined recruiting and onboarding processes as well as an enhanced candidate experience and data accessibility.
 - Held ten career fairs and community outreach events to recruit people to become public servants, including the Governor's Welcome Home Picnic for previously deployed National Guard members.
- The Division continues to be the State's leading champion of the Governor's Public Servant Youth Mentorship Initiative by hosting the Inaugural Governor's Recognition Ceremony for the top public servant Mentors.



Left: LES demonstrates the danger of damaged electrical lines. Right: State Patrol uses a rollover simulator to demonstrate the importance of wearing seat belts.

Overview

Risk Management is responsible for administering the State’s Risk Management Program. The program includes maintaining and identifying loss and exposure data on all state property and liability risks, developing and improving risk reduction programs for all state agencies, determining which risk exposures should be self-insured or assumed by the State, procuring excess insurance policies as needed, administering the State’s Workers’ Compensation Program, and managing the State Claims Board.

Outstanding Achievements

- DAS Risk Management held its annual State Public Servant Safety Day this summer. Public Servants learned about avoiding the everyday dangers confronting Nebraskans at home and in the workplace.



Public Servants play cornhole wearing goggles simulating various levels of intoxication to demonstrate why people shouldn’t drink and drive.



Governor Pillen Officially Proclaimed State Public Servant Safety Day.

Task Force for Building Renewal

Overview

The Task Force for Building Renewal (Task Force) was established to address the State's significant deferred building renewal needs in state-owned facilities. The Task Force reviews state agency-proposed projects, and makes funding recommendations to the Governor, followed by oversight of the funded building upgrades. The Task Force evaluates building renewal needs based on deferred repair, fire and life safety, Americans with Disabilities Act (ADA), and energy conservation. In coordination with state agencies, the Task Force determines the highest priority projects on a statewide basis to distribute allocated funds.



Outstanding Achievements

- Implemented a rural development and budget policy to direct discretionary Task Force spending to offset general fund costs and invest in rural communities.
- Increased accessibility for students, faculty, and staff by completing a redesign of the student ramps and outside lounging areas at Peru State College.
- Began upgrading the Fine Arts Vestibule and Warner Building HVAC systems at University of Nebraska-Kearney.
- In total, the Task Force has managed over 52 projects and 129 allocations investing \$45 million across 36 Nebraska Communities so far this year. The task force is on pace to finish managing 60 projects and 150 allocations for a total investment of over \$53 million in 38 communities by the end of the year.



Clockwise Left to Right: Director Jackson and DAS Staff worked with OCIO to showcase our data center buildings and IT infrastructure to Senators during a Building Maintenance Committee meeting. ADA Improvements at Peru State College.

Transportation Services Bureau

Overview

The Transportation Services Bureau (TSB) is responsible for providing long-term lease and short-term rental vehicles, along with vehicle maintenance, repair, and fuel services for state agencies, boards, and commissions.

TSB provides rental pool services for state teammates to use in their official duties in various locations throughout the State: Lincoln, Omaha, North Platte, Scottsbluff, Kearney, and Norfolk.

Achievements

- Continued Expansion of GPS Electronic Travel Log Solution
 - Participating agencies include Nebraska Departments of Agriculture, Revenue, Corrections, Veterans' Affairs, Electrical Division, Public Service Commission, and the Department of Transportation.
 - 1,200 hours reduction of customer process time saved to date, vs paper log process. On pace to save 1,800 by year's end.
 - \$39,300 cost avoidance/savings to date. On pace for \$59,000 net cost avoidance/savings by end of year.
- GPS E-Log Solution resulted in:
 - 12,600 customer hours saved to date. On pace for 19,000 customer hours saved by year's end.
 - \$416,650 cost avoidance to date. On pace for \$625,000 cost avoidance/savings by end of year.
 - 98% reduction in travel log billing process time.
- Partnership with agencies utilizing replacement specialty vehicles resulted in:
 - 33% reduction in customer lease cost.
 - \$349,974 reduction in vehicle acquisition cost saved to date. On pace for \$650,500 reduction in vehicle acquisition cost by year's end.
- E30 Fuel Demonstration
 - Coordinating with UNL Department of Engineering to determine data collection devices.
 - Completed installation of data trackers.
 - Beginning data collection phase.



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