PERFORMANCE REPORT CARD
General Services Department
Third Quarter, Fiscal Year 2025

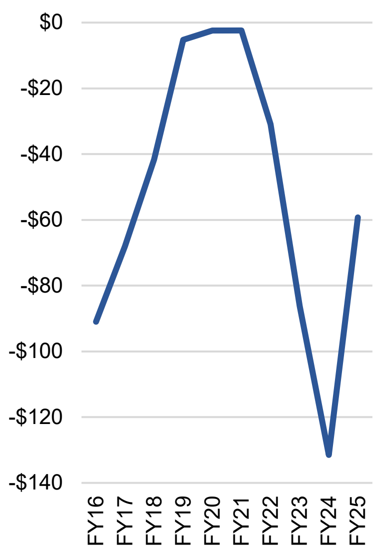
ACTION PLAN

Submitted by agency?	Yes
Timeline assigned?	Yes
Responsibility assigned?	Yes

The General Services Department (GSD) reports continued deterioration of funds managed by the Risk Management Division, driven by large civil rights claims against several state agencies and institutions of higher education. GSD reports the state's public liability fund is projected to close the fiscal year without reserves. Special appropriations to ensure the solvency of the fund were approved by the Legislature but will only cover a portion of the fund's losses.

Risk Management

Net Position of Major Risk Funds (in millions)



Source: GSD and LFC Files

The department's Risk Management Division oversees the state's shared risk pools, including the public property fund, the workers compensation fund, and the public liability fund. Overall, the financial position of the three funds, determined by dividing the current assets by the current liabilities, is 38 percent, down from 78 percent at the end of FY22, but the largest driver of losses is the state's public liability fund. While projected liabilities in that fund have decreased to $86.2 million, down from $131 million, projected assets are expected to be in the negative at the end of FY25. Overall, projected assets are short of projected liabilities by $59.2 million, with the public liability fund reporting a shortage of $106 million. The public property fund remains well above the 50 percent target and currently holds reserves in excess of projected liabilities.

A one-time cash infusion of $20 million to the public liability fund, approved by the Legislature during the 2024 session, has helped rebuild cash reserves, which stood at $14.4 million in April 2025. But large settlements from a few agencies, notably the Children, Youth and Families Department and the Corrections Department, have driven significant losses for the fund that will need to be recovered in future years. The Legislature approved an additional $5 million at the 2025 session.

Budget: $110,968.7 **FTE:** 0	FY23 Actual	FY24 Actual	FY25 Target	FY25 Q1	FY25 Q2	FY25 Q3	Rating
Projected financial position of the public property fund*	215%	275%		370%	369%	272%	G
Projected financial position of the workers' compensation fund*	56%	63%		279%	282%	284%	G
Projected financial position of the public liability fund*	42%	16%		-19%	-18%	-23%	R
Program Rating	R	R					R

*Measure is classified as explanatory and does not have a target.

Risk Management Settlements Dashboard

Facilities Management

The Facilities Management Division (FMD) is responsible for maintaining 6.8 million square feet of state-owned and leased space. FMD reports only 85 percent of scheduled preventive maintenance activities were completed on time, although the agency met performance targets for on-time completion of capital projects. The agency reports an inability to keep up with preventive maintenance due to a shortage of staff.

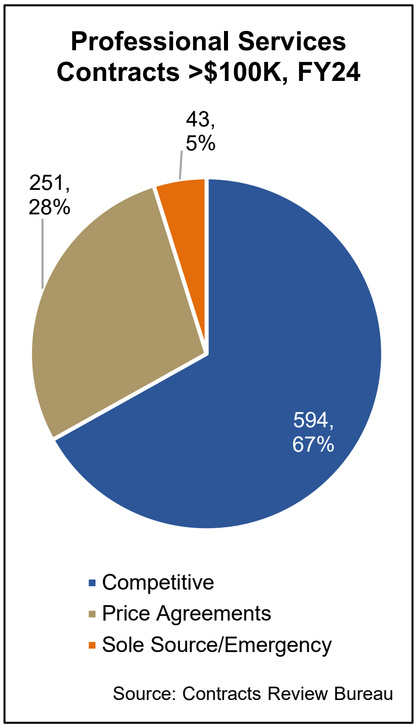
GSD continues to report 100 percent of leases meet adopted space standards; however, prior reports indicate most of the leases were exempt from the standard recommendation and not counted in the total. In the second quarter, seven new leases were completed. Four were exempt and one lease received a waiver. Routine exclusion of leases not meeting space standards negates the value of this measure and the agency should adjust its methodology to accurately report the percentage of leases meeting the 215 square feet per FTE target.

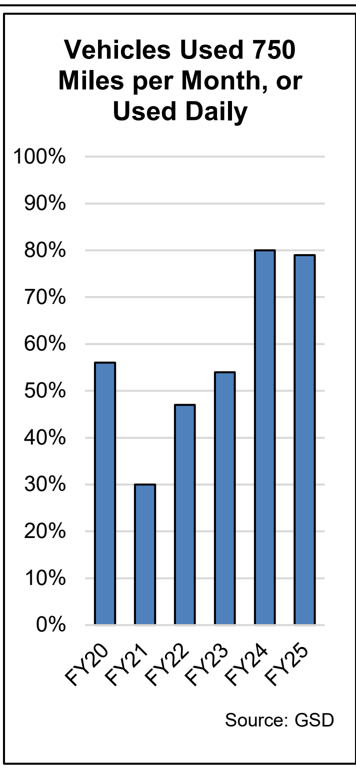
Budget: $20,369.5 **FTE:** 148	FY23 Actual	FY24 Actual	FY25 Target	FY25 Q1	FY25 Q2	FY25 Q3	Rating
Capital projects completed on schedule	87%	94%	90%	92%	94%	100%	G
Preventive maintenance completed on time	70%	67%	90%	60%	85%	84%	R
Amount of utility savings resulting from green energy initiatives, in thousands*	-$38	$376		$77	$137	$162	R
Program Rating	R	Y					Y

*Measure is classified as explanatory and does not have a target.

The state has yet to realize projected cost savings from the green energy initiatives, with the department reporting $376 thousand in savings in FY24. In August 2019, FMD began a $32 million project to reduce energy use in state facilities, estimated to save at least $1.4 million per year, with guaranteed savings of $1.1 million. In the third quarter of FY25, the department reported $162 thousand in savings.

Other Programs





GSD also provides other services to state agencies, including printing and transportation services, and oversees executive agency compliance with the Procurement Code.

State Purchasing

In the third quarter, the awards from invitations to bid were not completed within the targeted timeframe, with only 44 percent of bids awarded withing 90 days. Overall, only 67 percent of procurements were completed within targeted timeframes, below the target of 55 percent.

State agencies have increased their reliance on price agreements for purchasing services: Monthly reports from the GSD's Contracts Review Bureau show a quarter of professional services contracts valued at more than $100 thousand were purchased using a price agreement rather than through a competitive proposal. Previous LFC evaluations included recommendations to repeal some widely used purchasing exemptions that circumvent competition and adding guardrails to the use of statewide price agreements. To date, recommended changes to the Procurement Code remain unaddressed.

Transportation Services

Over the long term, state agencies have improved their vehicle utilization, with nearly almost all leased vehicles used daily or for at least 750 miles per month, above the performance target of 70 percent. GSD reports 44 percent of vehicles we used for more than 750 miles per month, while 53 percent of vehicles were used daily. Operating costs for vehicles exceeded the target 8 cents per mile in FY24, although the department notes the total remains below the industry average of 81 cents per mile, according to the American Automobile Association. The division's operation could change dramatically in light of the recent executive order transitioning the state's vehicle fleet to zero emission vehicles. Currently, the division does not have performance metrics related to the transition, but the executive order required GSD and the Department of Transportation to develop program benchmarks and progress reporting.

State Printing

The State Printing Program reported a 7 percent increase in sales in the third quarter, and although state printing continues to report expenses exceeding revenue, the division indicates no corrective action is needed because the deficit was due to preparation for the 2025 legislative session. Expenses exceeded revenue by $362 thousand, but the division anticipates recovering those costs as invoices are paid. All printing jobs were delivered on time.

	FY23 Actual	FY24 Actual	FY25 Target	FY25 Q1	FY25 Q2	FY25 Q3	Rating
Procurements completed within targeted timeframes	87.4%	80.8%	80%	78%	67%	55%	R
Percent of invitations to bid awarded within 90 days	NEW	74%	90%	84%	74%	44%	R

Average number of days for completion of contract review	3.2	1.0	5	1.6	NR	1	R
Percent of leased vehicles used for 750 miles per month or used daily	54%	80%	70%	97%	79%	98%	G
State printing revenue exceeding expenditures	7%	1%	5%	-60%	-22%		Y
Program Rating: Purchasing	G	G		Y	R	R	
Program Rating: Transportation	Y	Y		G	G	G	
Program Rating: Printing	G	G		G	G	G	