A photograph of the U.S. Capitol building in Washington, D.C., taken at sunset. The building is illuminated from within, and its lights are reflected in the water of the reflecting pool in the foreground. The sky is a soft, warm orange and yellow. In the foreground, there are several statues on pedestals, including a large equestrian statue on the left and a group of statues on the right. The water in the pool is calm, creating a clear reflection of the building and the sky.

# CAO Semiannual Report

January – June 2013



Submitted August 15, 2013



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## LETTER FROM THE CHIEF ADMINISTRATIVE OFFICER

The Chief Administrative Office continued to operate efficiently and offer new services to the House community in a fiscally restrained environment during the first half of 2013. We negotiated cost effective agreements with vendors and adopted new tools that eliminate waste and streamline processes essential to our core mission.

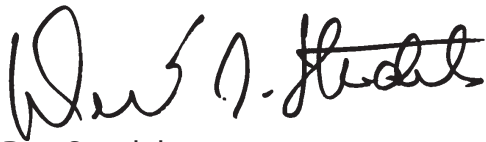
Charged with running the House's administrative operations, the CAO provides Members and staff with services such as payroll and benefits, technology support, and cyber security. We administer food services contracts, process procurement orders, refurbish and supply furnishings, and offer a range of other services.

I am proud of our continued management of services crucial to House operations.

The success of our organization depends on our close working relationship with the Committee on House Administration and other House organizations, including the House Office of Inspector General. We also cooperate daily with the Clerk of the House, the Sergeant at Arms, and the Architect of the Capitol.

CAO employees are dedicated to providing the best service possible to support Members and staff as they efficiently and effectively carry out the business of the People's House.

Sincerely,

A handwritten signature in black ink, appearing to read "Dan Strodel". The signature is fluid and cursive, with a large initial "D" and "S".

Dan Strodel

Chief Administrative Officer





# EXECUTIVE SUMMARY

During the first half of 2013, the Chief Administrative Office (CAO) absorbed budget reductions without furloughing employees or minimizing the services it provides to the House. It achieved this through careful planning, efficient use of existing resources, and innovative tools that save the House time and money.

These tools include:

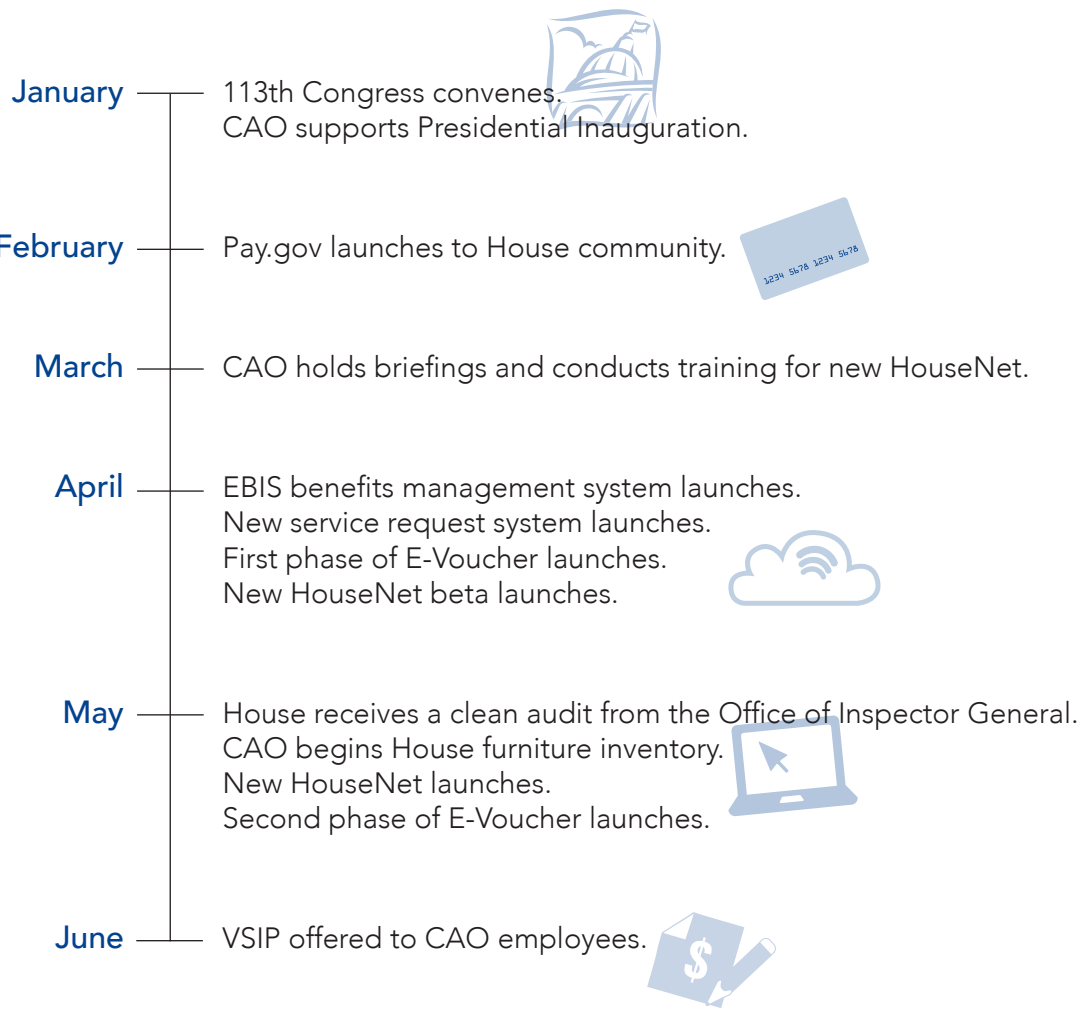
- ◆ An RFID asset control system that drastically reduces inventory time.
- ◆ An electronic financial voucher system, E-Voucher, that saves time and money and eliminates paper waste.
- ◆ A benefits management application, EBIS, which is less costly and more powerful than its predecessor.
- ◆ A rebuilt internal House website with content from the Office of the Clerk that helps House staff locate the operational and personnel services and information they need.

The CAO also continued to improve the House's fiscal integrity through its comprehensive internal controls program. This organization-wide initiative earned the House its second consecutive financial audit without adverse opinions on internal controls.

Finally, in a continued effort to control expenses, the CAO offered its employees a Voluntary Separation Incentive Payment (VSIP) program. The VSIP allowed eligible employees to voluntarily retire or resign with an incentive payment. This program is still ongoing.

These initiatives involved joint efforts among several CAO business units, and all were aimed at improving service to the House community.

# CAO TIMELINE



# MAJOR PROJECT HIGHLIGHTS

## Financial Audits

The House has seen substantial improvements over the 2009 and 2010 audits, and the CAO continues to make significant progress toward implementing a comprehensive internal controls program and a new financial management system.

## New Asset Inventory System

A new asset inventory system launched during the spring of 2013 enabling the CAO's Office of Logistics and Support to inventory House assets faster than ever. The logistics group is currently installing the new system, which utilizes radio frequency identification (RFID).

Past inventories required staff to manually record the item codes on each individual asset. The new RFID system allows the Office of Logistics and Support staff to complete an office inventory in about 10-minutes, reducing total inventory time by more than 50 percent.

RFID installation is scheduled for completion by the fourth quarter of 2013.

## Online Benefits Tool

A new online self-service benefits tool, Employee Benefits Information System (EBIS), replaced Employee Express as the House's online benefits management tool. EBIS, which allows staff to make self-service enrollment changes to their Federal Employee Health Benefits and Thrift Savings Plan, is more powerful and less costly than the previous tool.

With EBIS, employees can utilize retirement calculators that include "what if" scenarios. They also have access to on-demand e-training and e-seminars. Additional benefits of EBIS include ease of access to the system and fast, secure email password reset.

## The New HouseNet

Using feedback from the House community, the CAO created a new version of HouseNet, the House's main internal website. This project took several months and involved building an entire new site on the Drupal platform, an open source content management system.

The new HouseNet includes content from the Office of the Clerk's internal website, forming a single, comprehensive House resource that saves staff time. The CAO's House Information Resources and the Communications groups worked with current HouseNet content editors and external stakeholders to ensure the new HouseNet would meet the needs of the entire House community.

For site visitors, the new HouseNet provides a cleaner design, better content organization, and better integration of self-service tools that House staff use on a daily basis. For site editors, the new content management system allows for easy and frequent site upkeep.

## Service Request Management Systems

House Information Resources' Enterprise Applications Remedy Team successfully launched a pilot for a new online CAO service request system in April 2013. The new system allows staff to easily initiate and track the status of requests for services provided by the CAO.

An initial set of service offerings are being tested by CAO staff, the Committee on House Administration, and a handful of Member and Committee offices as part of a pilot program to collect feedback and improve the system. The House-wide launch is scheduled for late 2013.

## MAJOR PROJECT UPDATES

### Technology Services Contracts

Member offices are now seeing the savings of new technology contracts that were negotiated by the CAO during 2012 and became effective in January 2013. Correspondence management systems (CMS) expenses were reduced 8.2 percent for the entire 113th Congress. In addition to the savings they provide, the new agreements combine the CMS and maintenance provider agreements into single, uniform agreements with specific performance requirements and disclosure of vendor pricing.

### Digital Mail Program

All freshman Members of the 113th Congress were enrolled in the digital mail program, which expedites constituent correspondence delivery to Member offices. The digital mail process involves scanning mail and delivering electronic images directly to each Member's correspondence management system. In addition to expediting the delivery of constituent correspondence to Member offices, the digital mail program improves the safety of mail handling. During the past six months, total participation in the program has grown from 152 to 219 Member offices, an increase of 33 percent. The program is open to all offices that have a correspondence management system.

### E-Voucher

E-Voucher, the House's online voucher submission and document management solution, went live internally on April 8, 2013. Phase two of the project, an email submission solution, went live on May 20, 2013. The final phase, which will allow offices to submit vouchers directly into PeopleSoft, is scheduled to go live in July 2013. E-Voucher reduces waste and administrative costs, increases efficiency, and provides additional services for House offices to manage their accounts payables.

## **Pay.gov: Purchasing Flags Online**

In collaboration with the Office of Finance, the CAO Advanced Business Solutions Office deployed the Pay.gov service to Member offices during the spring of 2013. Pay.gov lets constituents electronically purchase American flags that are flown over the Capitol. Previously, flags could only be purchased by check through the mail.

## **House Cloud**

Eighty-four Members-elect of the 113th Congress joined the House cloud, bringing total enrollment to nearly 400 House offices. The House cloud eliminates the need to buy and maintain individual servers, which reduces taxpayer costs and improves energy efficiency.

# **BUSINESS UNIT HIGHLIGHTS**

## **Office of Acquisitions Management**

### **VOICE OVER INTERNET PROTOCOL SERVICES**

The Office of Acquisitions Management awarded a contract for Voice over Internet Protocol services. This move provides a low-cost solution to meet voice and data requirements for District offices. Savings are estimated between \$1.2 and \$1.4 million annually for 441 flagship District offices.

### **PEOPLESOFT CONSULTING**

The Office of Acquisitions Management has created a new efficiency for CAO offices in need of financial and IT specialists. Eight master contracts with pre-negotiated competitive hourly rates allow offices to look at resumes of IT and financial specialists and select the person best suited to meet the requirements for a given task. As a result, rates have been more competitive and are locked in for a longer period of time, and total procurement cycle times have been reduced.

### **COMPUTER CONTRACTS**

The Office of Acquisitions Management has negotiated several contracts that offer significant discounts for computer and computer-related products and services. Discounts on desktop computers can go as high as 36 percent with additional price cuts for laptops, notebooks, servers, and peripherals.

## Office of Finance

### VOUCHER PROCESSING

The Office of Financial Counseling processed more than 90,000 vouchers for Member, Leadership, Committee, and other offices during the first half of 2013. The office processed these vouchers in just under five business days on average, which exceeds its service level goal of five to seven business days.

## Office of House Information Resources (HIR)

### HUMAN RESOURCE INFORMATION SYSTEMS (HRIS)

In April of 2013, Enterprise Applications completed the final step in the major lifecycle hardware upgrade for HRIS. The HRIS team also supported the Office of Payroll and Benefits through a particularly robust transition and year-end series of activities, including redistricting. Additionally, the HRIS team managed the technical component of the Employee Benefits Information System (EBIS) implementation and subsequent decommissioning of Employee Express.

### 113TH CONGRESS NEW MEMBER WEBSITES

The CAO's Web Systems group developed and deployed 82 websites for the 113th Congress' freshman class. The sites allowed constituents to email new Members on the first day of the new Congress. Web Systems provided website training to each office after launch and has since provided site customizations for more than 50 offices.

### EMAIL SYSTEM AND ACCOUNT ADMINISTRATION UPGRADE

HIR successfully upgraded the House email system to Microsoft Exchange 2010 during the first half of 2013. The upgrade provides enhanced support for the Outlook Web Application and simplifies office email and account administration.

## Office of Human Resources

### OFFICE OF EMPLOYEE ASSISTANCE

The Office of Employee Assistance reviewed and realigned its services to ensure that it continues to provide assistance to Members and staff supporting their performance, productivity, and well-being in the workplace. Specifically, the team migrated several performance-based training programs to an online platform, a move that greatly increased the office's overall efficiency.

## TRAINING AND DEVELOPMENT

More than 1,500 staff took advantage of training and development opportunities through the House Learning Center in the first half of 2013. While the majority of Capitol Hill students attended classroom sessions, online classes and live webinars remained popular with District office staff. The House Learning Center and the House Office of Inspector General collaborated on new course content to improve financial administration practices and fraud awareness.

## WOUNDED WARRIOR

The House Wounded Warrior Program continues to provide employment and transition opportunities to wounded and disabled veterans who have served our country honorably. The program's two-year fellowships often lead to full-time employment with Members of Congress.



The first wounded warrior was placed in a fellowship on June 2, 2008. Since then, 98 wounded warriors have followed, including nine that have come aboard since January 2013. Of the fellows who have transitioned through the program, 12 have been retained in Congressional staff positions, while the others have moved on to opportunities with the federal government, veterans' advocacy groups, and law enforcement.

## Office of Logistics and Support

### TRANSITION / INAUGURATION

The massive effort required to prepare for the 113th Congress mostly wrapped up prior to the start of 2013. (Those activities are detailed in the CAO Semiannual Report of July – December 2012). But the Office of Logistics and Support continued to finalize office moves well into the new year.

### FIRST CALL

First Call is the go-to office for House services provided by the CAO. During the last six months, First Call:

- ◆ Served more than 8,500 walk-in customers in the First Call Customer Solutions Center.
- ◆ Scheduled more than 2,900 events.
- ◆ Processed more than 2,200 passports.
- ◆ Provided notary service for 260 staff and Members of Congress
- ◆ Matched more than 51 million addresses to constituent names and households to ensure accuracy on mass mailings, saving Members money on paper, printing, and postage costs.

## Conclusion

We continue to carry out the core mission of the CAO in the most efficient manner possible. It is our goal to help Members and staff efficiently and effectively represent their constituents in the People's House.



# CAO STAFFING CHART

## FY 2013 Staffing Chart (as of 06/30/2013)

	Current FTEs	Vacancies	Total FTEs
Acquisitions	19	3	22
CAO Immediate Office and Galleries	43	4	47
Finance	93	7	100
House Information Resources	269	26	295
House Recording Studio	47	18	65
Human Resources	19	3	22
Logistics and Support	150	13	163
<b>TOTAL CAO</b>	<b>640</b>	<b>74</b>	<b>714</b>

# COMPARISON OF BUDGET TO ACTUAL

## FY 2012 Budget to Actual Report (as of 06/30/13)

	Adjusted FY 2012 Budget	YTD Actuals	Available Balance	% of Budget Remaining
<b>Chief Administrative Officer</b>				
<b>Single-Year Funds</b>				
<b>Personnel</b>	\$ 58,144,408	\$ 58,126,091	\$ 18,317	0.0%
<b>Non-Personnel</b>				
Total Operations	\$ 57,231,314	\$ 57,124,260	\$ 107,054	0.2%
CAO-Wide Resources	\$ 153,100	\$ -	\$ 153,100	0.0%
<b>Total Non-Personnel</b>	\$ 57,384,414	\$ 57,124,260	\$ 260,155	0.5%
<b>Total Single-Year Funds</b>	\$ 115,528,823	\$ 115,250,351	\$ 278,471	0.2%
<b>No-Year Funds</b>				
CAO-Wide Resources	\$ 7,992,219	\$ 3,064,889	\$ 4,927,330	61.7%
<b>Total No-Year Funds</b>	\$ 7,992,219	\$ 3,064,889	\$ 4,927,330	61.7%
<b>Total CAO Budget</b>	\$ 123,521,042	\$ 118,315,241	\$ 5,205,801	4.2%
<b>BCDR</b>				
Single Year Funds	\$ 11,582,072	\$ 11,532,867	\$ 49,205	0.4%
No Year Funds	\$ 5,093,933	\$ 1,268,902	\$ 3,825,031	75.1%
<b>Total BCDR Budget</b>	\$ 16,676,005	\$ 12,801,769	\$ 3,874,236	23.2%

# COMPARISON OF BUDGET TO ACTUAL

## FY 2013 Budget to Actual Report (as of 06/30/13)

	Adjusted FY 2013 Budget	YTD Actuals	Available Balance	% of Budget Remaining
<b>Chief Administrative Officer</b>				
<b>Single-Year Funds</b>				
<b>Personnel</b>	\$ 62,098,529	\$ 44,113,625	\$ 17,984,904	29.0%
<b>Non-Personnel</b>				
Total Operations	\$ 47,833,526	\$ 32,064,912	\$ 15,768,614	33.0%
CAO-Wide Resources	\$ 10,000	\$ -	\$ 10,000	0.0%
<b>Total Non-Personnel</b>	\$ 47,843,526	\$ 32,064,912	\$ 15,778,614	33.0%
<b>Total Single-Year Funds</b>	\$ 109,942,055	\$ 76,178,537	\$ 33,763,519	30.7%
<b>No-Year Funds</b>				
CAO-Wide Resources	\$ 3,731,072	\$ 1,879,985	\$ 1,851,087	49.6%
<b>Total No-Year Funds</b>	\$ 3,731,072	\$ 1,879,985	\$ 1,851,087	49.6%
<b>Total CAO Budget</b>	\$ 113,673,127	\$ 78,058,522	\$ 35,614,605	31.3%
<b>BCDR</b>				
Single Year Funds	\$ 11,448,538	\$ 5,940,545	\$ 5,507,993	48.1%
No Year Funds	\$ 4,738,470	\$ 782,345	\$ 3,956,125	83.5%
<b>Total BCDR Budget</b>	\$ 16,187,008	\$ 6,722,890	\$ 9,464,118	58.5%

**Note:** We are currently operating under a year-long continuing resolution per P.L. 113-6.





