

Senate Ways and Means Committee

February 15, 2016

Confirmation Hearing Testimony

Sarah L. Shipman, Acting Secretary

Chairman Masterson and members of the committee:

It is my honor and privilege to appear before you today as Governor Brownback's nominee for the position of Secretary of Administration.

Before I begin my testimony, I would like to introduce my husband Scott and our children Jeremiah and Eleanor, who are with me today attending their first committee hearing.

I thought I would start by sharing with you my background in the private sector, as well as my experience in state government.

My legal career has centered on commercial real estate development in Kansas, as well as in Colorado, Texas and Wyoming. The focus was primarily shopping center development and I have worked with companies such as Target, Kohls, Starbucks, and Cold Stone Creamery. I also have extensive banking and finance experience working with commercial and residential loans, defeasances, and loan assumptions. Those experiences served me well as I led the Department of Administration through complex real estate transactions, CAFR preparation, and contract matters over the last few years.

I have served in the Department of Administration since 2011, first as Deputy Director of Leasing and Real Estate where my duties included working with state agencies to find suitable office space within the Capitol Complex and in the private market, as circumstances warranted.

I was promoted to Chief Counsel in 2013 and supervised the legal staff as they provided services to both our agency staff and the other executive branch agencies. We consulted on matters of personnel, procurement, financial management, contracts, and other administrative matters.

Secretary Jim Clark added the role of Deputy Secretary in 2014 as he became more involved in the management of OITS in late 2014 and early 2015. I spent the bulk of my time managing the day-to-day responsibilities of the Department of Administration.

The Department of Administration is committed to providing cost efficient, excellent customer service to our agency customers and the residents of Kansas. To that end, we recently successfully completed outsourcing the hosting and support of both the accounting and payroll IT systems (SMART and SHARP). This will allow us to provide a more consistent and up to date service to our customers at what will be a reduced cost over time. We also provide no-cost accounting services and support to the small agencies.

Additionally, with the assistance of the Legislature, we have successfully modernized our human resource practices to allow the State to compete with private industry to recruit and maintain talent, which is our most valuable asset. We have reduced hiring times and increased flexibility. We are continuing to develop practices that will make the State of Kansas an even more attractive employer that can adapt as the workforce changes. We are continually searching for no-cost benefits we can provide state employees to enhance their workplace experience. A perfect example of this is our partnership with Reach out Kansas to provide music during our South Steps Friday events.

The Department worked closely with Alvarez & Marsal as they prepared the efficiency study for the Legislature. We were pleased with their praise of our real estate procedures, specifically the negotiation of competitive lease rates for our customer agencies. We look forward to partnering with you should you choose to implement many of the cutting-edge procurement practices and other recommendations to reduce expenditures across State government.

I am a lifelong Kansan and I am proud to be a part of the work that happens in this building and across State government to serve the residents of Kansas. I look forward to continuing that service as Secretary of Administration.

And now I will be happy to answer any of your questions.