January 31, 2013 | The State of Oklahoma

Quarterly Report
Year 2: Quarter 2

Progress on Consolidation

Developed by:

Alex Z. Pettit

Chief Information Officer and
Secretary of Information Technology
And Telecommunications

Forward

Although it may sound simple and even obvious, having a clear statement of purpose is instrumental in addressing conflict and changing the mindsets of the people who do not support the mission. We have adhered strictly to the strategic vision outlined in the three points below:

1) Reduce the size of government through improved utilization of information technology resources;
2) Improve transparency of spending on information technology (IT) services; and
3) Increase the accountability of IT activities and services.

There are four ways in which clarity is achieved for this highly collaborative project:

❖ Goals are decided upfront, along with key roles, commitments and the rules of play.

❖ Leaders define the vision, set the boundaries, and then relinquish control. Leadership is not a power game.

❖ Roles and commitments are measured against well-communicated metrics.

❖ The culture is to trust someone until he or she becomes unworthy of trust, and to assume we are all motivated by the desire to seek the best outcomes for the State of Oklahoma, its citizens, and its employees.

It is my pleasure to present our fifth quarterly report, outlining our progress to date on consolidation, our OpenRange initiative for delivering IT services to other taxpayer funded government affiliates, our No Ugly Monkeys continuous improvement initiative, and the updated dashboard metrics and results of our first annual customer service survey.

Thank you for your continued interest and support.

Alex Z. Pettit

Chief Information Officer and
Secretary of Information Technology
and Telecommunications

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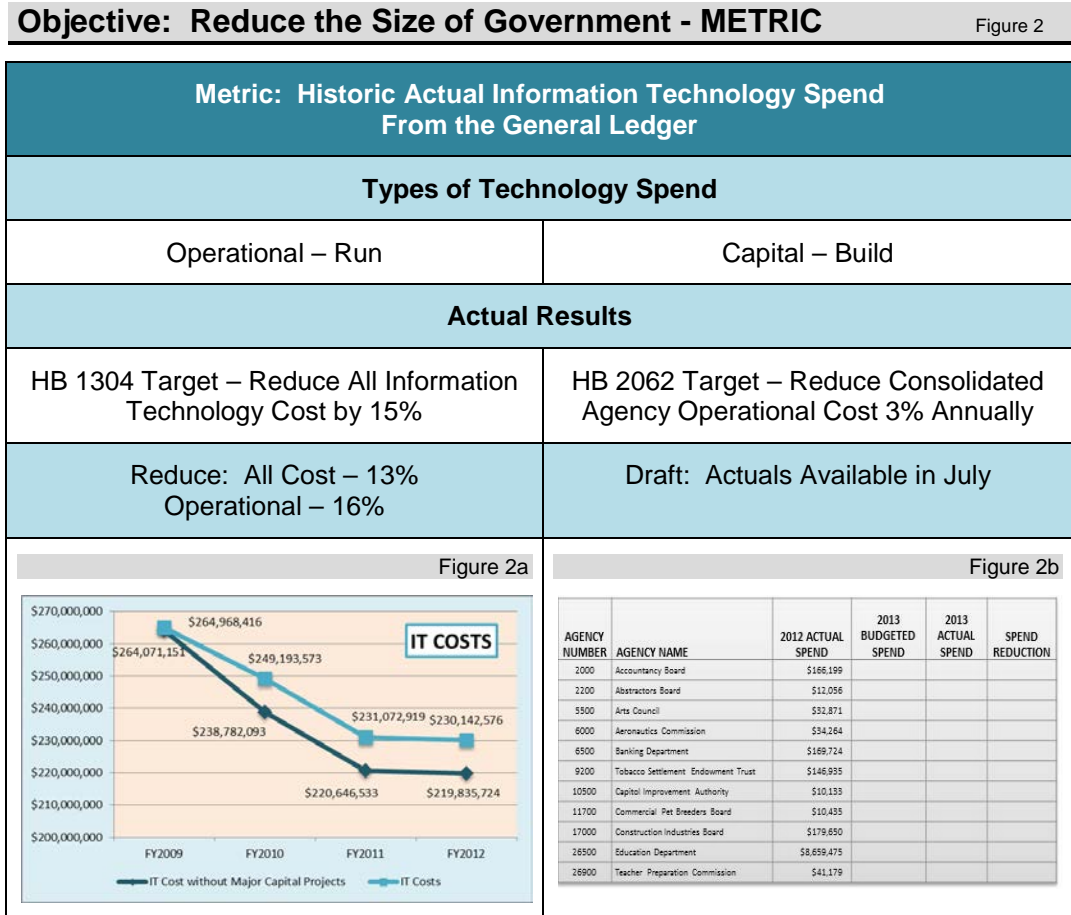
1 Summary of Consolidation Progress

As discussed in previous quarterly reports, Information Technology services can be categorized into three general segments: IT infrastructure services (technology services); shared business services; and agency specific services, generally delivered in the form of bespoke applications. This decomposition is depicted in Figure 1.

Currently, systems supporting various agencies are often "siloed", meaning that they are vertically integrated to support delivery of a narrow range of services, and are not interfaced or well integrated with other systems that deliver related services to the same community. Although they may provide excellent service within their scope, they generally result in redundant data entry, duplicate processing, inability to exchange information, and unnecessarily complicate operations.

The desired state is to have an environment characterized by interoperability. Interoperable systems share information and processes to efficiently deliver integrated services to the client community. Interoperability can be achieved through the design and implementation of an overall architecture for the state and for each business segment (Health, Entitlement and Insurance, Public Safety, Revenue, Construction and Natural Resources, back office services, and Education) built on a unified base infrastructure of services.
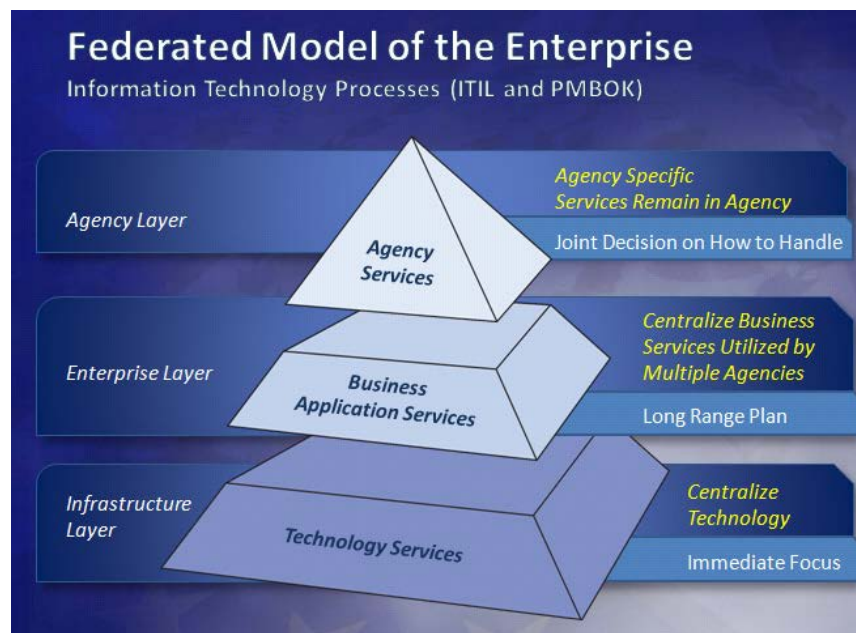
One of our main objectives is to reduce the size of government by decreasing information technology cost. Figure 2 below outlines our approach to measuring our performance against this objective.

Objective: Reduce the Size of Government - METRIC   Figure 2

Metric: Historic Actual Information Technology Spend From the General Ledger	
Types of Technology Spend	
Operational – Run	Capital – Build
Actual Results	
HB 1304 Target – Reduce All Information Technology Cost by 15%	HB 2062 Target – Reduce Consolidated Agency Operational Cost 3% Annually
Reduce: All Cost – 13% Operational – 16%	Draft: Actuals Available in July

Figure 2a

$270,000,000	$264,968,416		IT COSTS
$260,000,000 $264,071,151	$249,193,573		
$250,000,000			
$240,000,000		$231,072,919 $230,142,576	
$238,782,093			
$230,000,000			
$220,000,000			
$210,000,000	$220,646,533	$219,835,724	
$200,000,000			
FY2009	FY2010	FY2011	FY2012

IT Cost without Major Capital Projects   IT Costs

Figure 2b

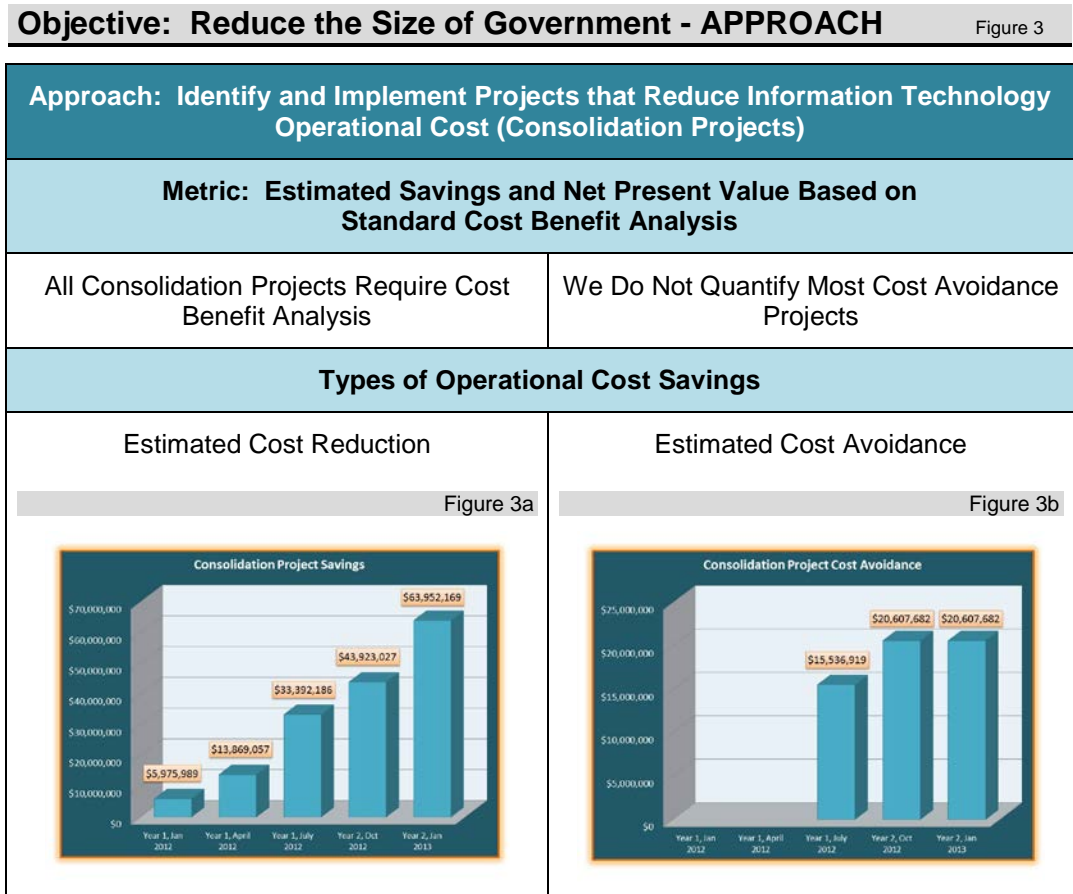| AGENCY NUMBER	AGENCY NAME	2012 ACTUAL SPEND	2013 BUDGETED SPEND	2013 ACTUAL SPEND	SPEND REDUCTION
2000	Accountancy Board	$166,199			
2200	Abstractors Board	$12,056			
5500	Arts Council	$32,871			
6000	Aeronautics Commission	$34,264			
6500	Banking Department	$169,724			
9200	Tobacco Settlement Endowment Trust	$146,935			
10500	Capitol Improvement Authority	$10,133			
11700	Commercial Pet Breeders Board	$10,435			
17000	Construction Industries Board	$179,650			
26500	Education Department	$8,659,475			
26900	Teacher Preparation Commission	$41,179			

We measure our performance toward this objective by tracking the actual historic information technology spend for the state from the accounting general ledger system. Information technology spend can be categorized into operational or capital spend. Operational expenditures are utilized to keep the current environment running. Things like hardware and software maintenance and refresh and payroll cost are operational expenditures. Capital expenditures are utilized to build new features and functionalities or to improve current features and functionality. An example of capital cost is the new tax collection system. The information technology consolidation effort focuses on reducing operational cost as we implement information technology governance processes to manage the capital cost component.

House Bill 1304 was passed in May 2011. This bill targeted a 15% reduction of actual information technology cost. The baseline year for this target was 2009

and the savings were to be achieved within two years of the placement of the CIO (2012). Figure 2a above shows the actual total and operational cost reduction during that time period. We achieved an overall cost reduction of 13%. If major capital projects are removed, the cost reduction increases to 16%.

Currently under consideration by the legislature, House Bill 2062 targets a 3% reduction in operational cost for all consolidated agencies until consolidation is complete. Figure 2b above shows how we will measure our performance toward this goal. Actual performance toward this goal will be available in the July quarterly report.

The objective of reducing information technology operational cost is accomplished by identifying, prioritizing and executing consolidation projects. Figure 3 below outlines how we measure and categorize project savings.

Objective: Reduce the Size of Government - APPROACH	Figure 3

Approach: Identify and Implement Projects that Reduce Information Technology Operational Cost (Consolidation Projects)	
Metric: Estimated Savings and Net Present Value Based on Standard Cost Benefit Analysis	
All Consolidation Projects Require Cost Benefit Analysis	We Do Not Quantify Most Cost Avoidance Projects
Types of Operational Cost Savings	
Estimated Cost Reduction	Estimated Cost Avoidance
Figure 3a	Figure 3b

A cost benefit analysis is completed for each consolidation project. This analysis identifies the estimated current cost and the estimated future cost (after project completion) for each project. Figure 7 in this report shows how we utilize the information from the cost benefit analysis to determine if and when a project is

started. Estimated project savings can be categorized into cost reduction or cost avoidance. Cost reduction projects are prioritized ahead of cost avoidance projects. Cost reduction projects actually reduce the operational cost from the previous year's spend. An example of a cost reduction project is the security rollout. Before the security rollout the state was paying $1,150,859 annually for security software. An enterprise license for security software was procured and implemented. After this project is completed, the state will pay $189,300 annually for security software. Cost avoidance projects actually reduce the increase of operational cost. An example of a cost avoidance project is the implementation of the Department of Health's network. The Department of Health was working with a vendor to implement a more robust network. Their legacy network did not meet their business needs. A joint project with OMES/ODOT/Health was completed. The newly implemented Department of Health network was less expensive to implement and operate than the vendor proposal. Annual estimated savings was $1.4M. There are many examples of cost avoidance that we find during consolidation. For example, two agencies were planning on building new data center space; we accommodated them in the state data center and they did not build these redundant facilities. We do not quantify all of the cost avoidance opportunities as avoiding the expansion of government (cost avoidance) does not equate to the reduction of the size of government (cost reduction).

Each quarterly report includes a list of all consolidation projects that are complete or in process (Figures 4 and 5). Completing these projects will allow us to reduce the state's overall information technology operational cost. The actual amount of the cost reduction will be measured by analyzing the actual historic information technology spend.

The remainder of this section outlines the details of the actual savings and estimated project savings described above and documents the status of the consolidation projects that are in process. Our updated savings by project are presented in Figure 4. This represents the estimated reduction in IT expenses after the project is completed.

Consolidated Project Savings
Figure 4

Agency Name	Status	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
AIICM	Completed	$34,311	$48,511	$41,411	$41,411	$41,411	$41,411
Banking Dept	Completed	$7,251	$7,251	$7,251	$7,251	$7,251	$7,251
Board of Nursing	Completed	($15,543)	($9,745)	($15,245)	($15,245)	($15,245)	($15,245)
Capitol Improvement Auth	Completed	($1,601)	($1,052)	($1,052)	($1,052)	($1,052)	($1,052)
Dept of Central Services	Completed	$37,194	$9,054	$14,554	$9,054	$9,054	$3,554
Dept of Corrections HCM	Completed	($132,472)	$93,753	$234,892	$234,892	$234,892	$234,892
Dept of Tourism	Completed	$93,607	$94,407	$93,727	$93,727	$93,727	$93,727
Disaster Recovery	Completed	$247,344	$419,245	$203,524	$203,524	$203,524	$203,524

Agency Name	Status	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Services							
Employee Benefits Council	Completed	$150,115	$214,084	$208,584	$214,084	$208,584	$214,084
Fiber – First National Building	Completed	$11,895	$49,115	$49,115	$49,115	$49,115	$49,115
Office of Personnel Mgmt	Completed	$70,596	$77,933	$77,046	$70,746	$70,746	$70,746
People Move 2012	Completed	$2,336,741	$2,336,741	$2,336,741	$2,336,741	$2,336,741	$2,336,741
State Dept of Education	Completed	$1,098,231	$1,054,231	$933,231	$960,731	$1,054,231	$1,435,231
State Dept of Education Managed Print Services	Completed	$200,251	$279,251	$279,251	$279,251	$279,251	$279,251
State Treasurer	Completed	$277,473	$277,474	$277,475	$277,476	$277,477	$277,477
VoIP OKC County Health Dept	Completed	($11,794)	$41,814	$41,814	$41,814	$41,814	$41,814
CareerTech Position Consolidation	Completed		$98,150	$98,150	$98,150	$98,150	$98,150
AG HelpDesk Transition	Completed		$3,086	$3,241	$3,403	$3,573	$3,751
CareerTech Independent Contractor Consolidation	Completed		$39,960	$39,960	$39,960	$39,960	$39,960
COMIT Telemanagement Billing Module	Completed		$60,675	$123,925	$123,925	$123,925	$123,925
Decommission Midcon	Completed		$113,160	$113,160	$113,160	$113,160	$113,160
Fiber – Classen Buildings	Completed		($33,336)	$14,592	$14,592	$14,592	$14,592
Fiber – LandMark Tower	Completed		($49,514)	$14,821	$14,821	$14,821	$14,821
Fiber – Prof Engineers & Land Surveyors	Completed		($29,922)	$4,164	$4,164	$4,164	$4,164
Labor Dept	Completed		$86,293	$83,814	$86,925	$95,629	$93,429
ODVA HelpDesk Transition	Completed		$145,700	$145,700	$145,700	$145,700	$145,700
Private Vocational Schools	Completed		($1,155)	($605)	($605)	($605)	($605)
SDE – HUPP Contract Consolidation	Completed		$85,942	$92,056	$89,249	$86,357	$83,379
SDE – Printer Consolidation Phase 2	Completed		$84,247	$5,247	$5,247	$5,247	$5,247
Wheat Comm	Completed		$3,598	($1,902)	($1,902)	($1,902)	($1,902)
Agriculture Dept Consolidation	Completed		$120,056	$125,644	$125,644	$125,644	$125,644
Children & Youth Commission	Completed		$107,391	$90,891	$90,891	$107,391	$90,891
Mines Dept	Completed		($10,913)	($16,413)	($16,413)	($10,913)	($16,413)
Scenic Rivers Commission	Completed		($6,195)	($6,195)	($6,195)	($6,195)	($6,195)
SDE Child Contract Consolidation	Completed		$18,500	$23,700	$23,700	$23,700	$23,700
SDE Child	Completed		$60,399	$60,399	$60,399	$60,399	$60,399

Agency Name	Status	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Nutrition Contract Consolidation							
DEQ Position Cost Savings	Completed		$113,475	$113,475	$113,475	$113,475	$113,475
CareerTech HelpDesk Transition	Execution		$13,000	$13,650	$13,650	$13,650	$13,650
OSEEGIB Consolidation	Execution		$515,053	$610,159	$610,159	$610,159	$610,159
Shepherd Mall Network Consolidation	Execution		$9,825	$38,257	$38,257	$38,257	$38,257
Health Dept Consolidation	Planning		$436,970	$276,770	$441,770	$276,770	$276,770
SDE – Decommission HP NonStop (Mainframe)	Planning		$191,242	$385,939	$393,566	$401,422	$409,513
Security as a Service – Phase I	Planning		$57,542	$723,798	$723,798	$723,798	$723,798
Statewide Mainframe Consolidation	Execution		$125,866	$2,205,852	$2,599,973	$2,605,848	$3,172,201
Telecom Expense Management	Planning		$2,680,000	$3,426,000	$3,426,000	$3,426,000	$3,426,000
Pardon & Parole Bd Consolidation	Execution		$51,082	$52,515	$62,474	$59,304	$61,704
TOTAL ANNUAL SAVINGS		$4,403,598	$10,082,246	$13,643,083	$14,241,457	$14,203,002	$15,133,847

Savings Over 6 Years [1] $63,952,169

NOTES: [1] **FY12 plus NPV of savings achieved in FY13 – FY17**

Figure 5 depicts the estimated cost avoidance to date from consolidation. Another example of cost avoidance comes from the redistribution of PC's among agencies. When the State Banking Department had refreshed their PC's, we were able to take the discarded devices and redeploy them to another agency which used older technology, avoiding the need to purchase new PC's. In total, 250 PC's have been redeployed which resulted in postponing refresh expenses for agencies. This cost avoidance is difficult to estimate because the agency may have decided to not purchase new equipment at this time, and had they purchased new equipment, they would have most likely not purchased the devices we were able to redeploy to them. However, avoidance of cost is not something to be overlooked. Our conservative estimates on cost avoidance is $6.5MM by the end of this fiscal year and will climb as we are able to better articulate other costs we are able to postpone or avoid altogether.

Consolidation Project Cost Avoidance

Figure 5

Project Name	Status	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
ISD Procurement	Completed	$81,654	$81,654	$81,654	$81,654	$81,654	$81,654
Statewide IT Contracts	Completed	$920,266	$1,679,846	$1,679,846	$1,679,846	$1,679,846	$1,679,846
SSL Certificate Savings	Completed	$7,888	$7,888	$7,888	$7,888	$7,888	$7,888
Microsoft Enterprise Agreement	Completed	$1,778,419	$1,778,419	$1,778,419	($2,047,273)	($2,047,273)	($2,047,273)
Microsoft EES Statewide Contract	Completed		$1,139,031	$1,139,031	$1,139,031	$1,139,031	$1,139,031
Health Network Consolidation	Execution		$1,822,538	$1,437,628	$1,437,628	$1,437,628	$1,437,628
TOTAL ANNUAL SAVINGS		**$2,788,227**	**$6,509,376**	**$6,124,466**	**$2,298,774**	**$2,298,774**	**$2,298,774**

Savings Over 6 Years [1] $20,607,682

NOTES: [1] FY12 plus NPV of savings achieved in FY13 – FY17

Our actual reduced spending to date is summarized in Figure 6. We have not put together an estimate for what savings we will achieve for this current fiscal year, but we do expect at a minimum 3 percent reduction in our operating expenses for consolidated agencies for each of the next 4 years.

Reduced Spending

Figure 6

| Project Name	Status	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY016	FY017
2010 Savings Achieved	Completed	$15,774,843	$15,774,843	$15,774,843	$15,774,843	$15,774,843	$15,774,843	$15,774,843	$15,774,843
2011 Savings Achieved	Completed		$18,120,654	$18,120,654	$18,120,654	$18,120,654	$18,120,654	$18,120,654	$18,120,654
2012 Savings Achieved	Completed			$930,343	$930,343	$930,343	$930,343	$930,343	$930,343
Total Savings Achieved		$15,774,843	$33,895,497	$34,825,840	$34,825,840	$34,825,840	$34,825,840	$34,825,840	$34,825,840

REDUCED SPEND FY10 – FY17 [1] $239,534,632

Notes: [1] Actual savings to date plus NPV of savings FY13 – FY17

The next is our famous "beach ball" chart (Figure 7), depicting our consolidation portfolio in the form of colored circles. The size of the ball indicates the investment required; the risk index (the Y axis) is a forced ranking of estimated implementation risk and the NPV index (the X axis) is the conservative estimated net present value of the project upon successful completion. The statewide

mainframe consolidation project moved from detailed planning into execution, and it is estimated that this single project will generate net cost reduction of $13.2MM ($5.3MM in the first year), and an estimated cost avoidance of $12.5MM, for a total savings of $25.7MM over 5 years. Four of the five mainframes will be consolidated by August of 2013, with Oklahoma Tax Commission mainframe requiring a longer conversion and completing in February of 2014.
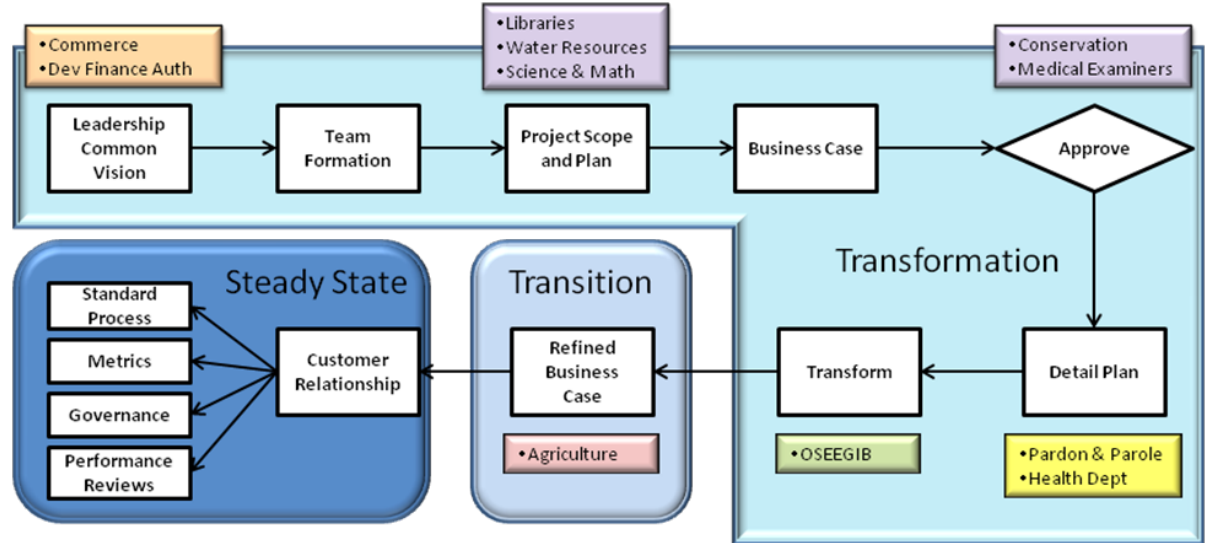
Consolidation Portfolio as of December 30, 2012   Figure 7

Consolidation Portfolio as of December 30, 2012
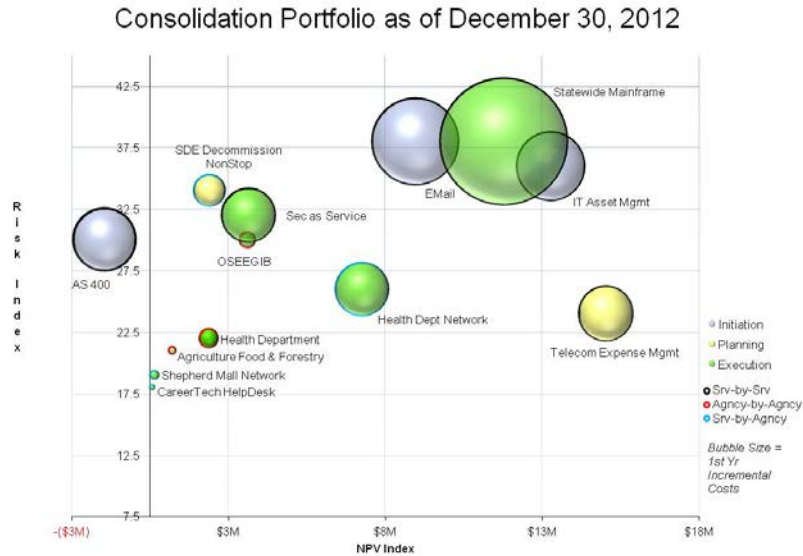
The next figures present our updated agency-by-agency (Figure 8), service-by-service (Figure 9), and service-by-agency (Figure 10) consolidation progress to date. A total of 50 agencies are completely consolidated, and it is hoped an additional 10 will be completed by the end of this fiscal year.   In total, 37 separate consolidation projects have been completed in this current fiscal year, with 80% delivered on time and all delivered on or under budget.

Agency-by-Agency Consolidation Approach

Figure 8

Agency-by-Agency Completion

Abstractors Board	Central Services –	Interstate Oil Compact	Mines Dept	Physician	Tobacco
Accountancy Board	DCS	Commission	Motor Vehicle	Manpower	Settlement
Aeronautics Comm	Children & Youth	Judicial Complaints	Comm	Training Comm	Endowment Trust
Anatomical Board *	Comm	Council *	Municipal Power	Private Voc	Tourism &
Arts Council	Construction	Labor Dept	Auth	Schools Bd	Recreation
Banking Dept	Industries Board	Lic Social Workers Bd	Multiple Injury Trust	Prof Engineers &	Uniform Building
Building Bonds	Consumer Credit	Lic Pet Breeders *	Fund *	Land Surveyors	Code Comm
Comm *	Disability Concerns	Liquefied Petroleum	Native American	Licensure Bd	University
Capital Investment	Education Dept	Gas Board	Cultural & Educ	Scenic Rivers	Hospitals Auth *
Board	Employees Benefits	Long Term Care	Auth	Commission	Wheat Commission
Capitol	Council	Admin Bd	Nursing Board	State Treasurer	
Improvement	Ethics Commission	Marginal Well	Optometry Board	Teachers Prep	
Authority	Fire Marshal	Commission	Personnel	Comm	
Ctr f/Advancement	Governor	Merit Protection	Mgmt Office	Teachers'	* = No IT Services
of Science &	Human Rights Comm	Commission *		Retirement Sys	
Tech (OCAST)					

Service-by-Service Consolidation Approach
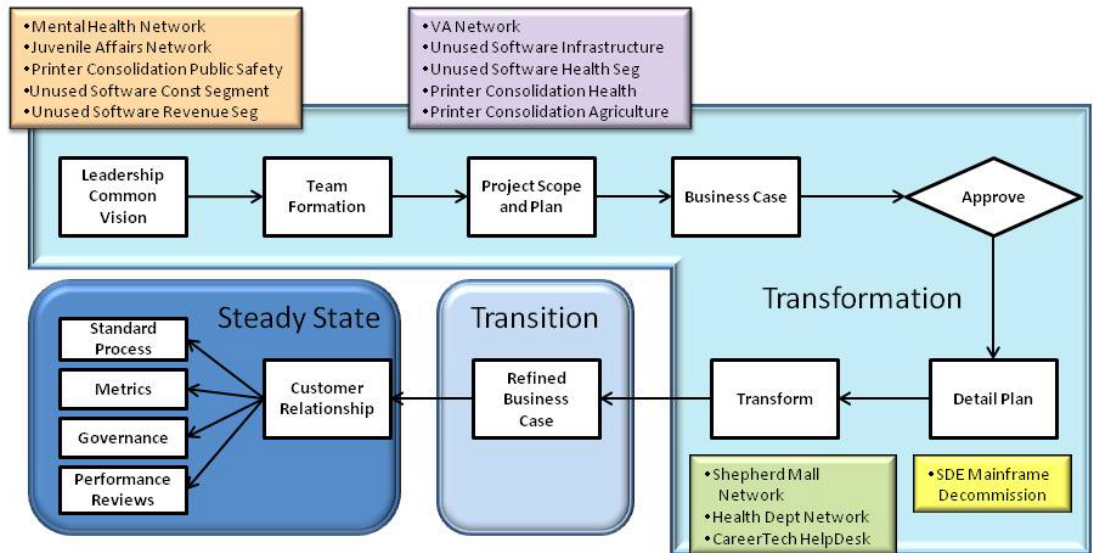
Figure 9
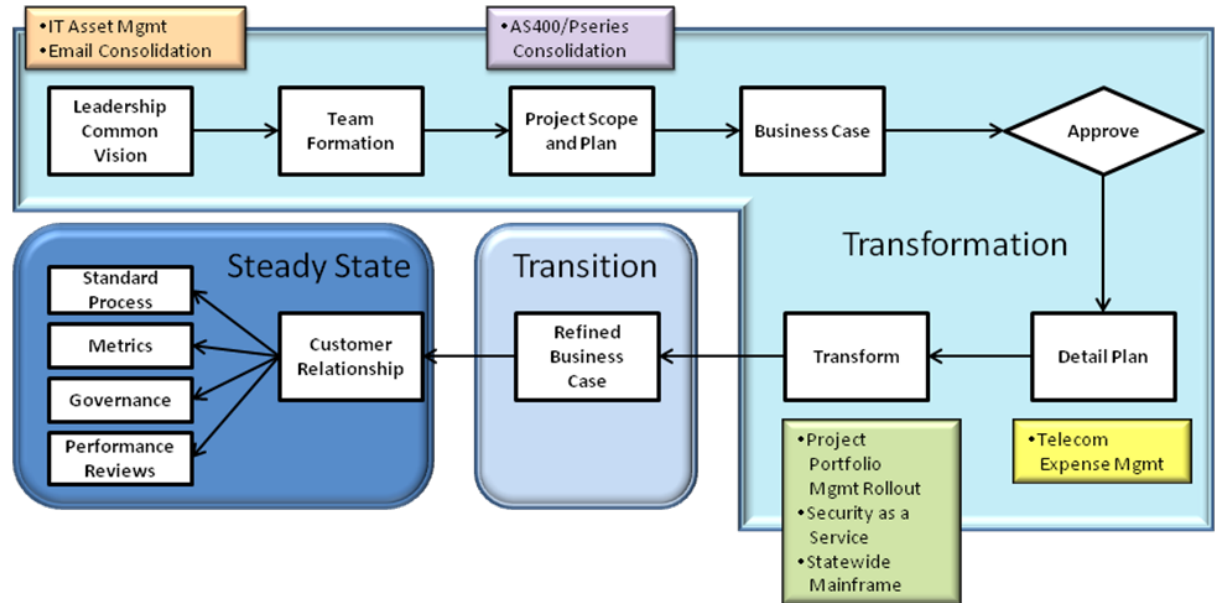
Service-by-Service Completion:

- Microsoft Enterprise Agreement
- People Move 2012
- Antivirus / Spam / Encryption Pilot
- COMIT Tele-management Billing Module

Service-by-Agency Consolidation Approach — Figure 10

Service-by-Agency Completion

- Department of Corrections – HCM
- DHS – Disaster Recovery
- SDE Print Services Phase 1
- VoIP OKC County Health Dept
- Fiber – 1st National Building
- Fiber – Landmark Tower
- Fiber – Prof Engineers & Land Surveyors
- Fiber – Classen Buildings
- SDE Print Services Phase 2
- ODAFF Helpdesk Transition
- HUPP Contract Consolidation
- VA HelpDesk Transition

Completed Consolidation Projects

- **Department of Veterans Affairs HelpDesk Transition**

  The Office of Management and Enterprise Services Information Services Division in collaboration with the Oklahoma Department of Veterans Affairs (ODVA) consolidated ODVA's HelpDesk functions into the OMES ISD Service Desk allowing for a reduction in costs. This was accomplished through the OMES Service Desk assuming responsibility for ODVA's support call volume. This effort resulted in an annual cost savings for ODVA of $145,700 and a positive net present value (NPV) of $763,799 upon being transferred to steady state.

- **Department of Education – Contractor Consolidation**

  The Office of Management and Enterprise Services, in partnership with the Oklahoma State Department of Education (OSDE), worked to transfer operation support duties for various OSDE applications from contractors to internal resources. This was accomplished by the creation of a new position and the reallocation of duties across existing personnel. This project resulted in first year savings of $85,942 and a positive net present value of $452,910.

- **Wheat Commission**

  The Office of Management and Enterprise Services, in partnership with the Oklahoma Wheat Commission, was able to transform and assume support of Oklahoma Wheat Commission's network (local area network / wide area network), and file and print services. This project resulted in first year savings of $3,598 and a negative net present value of $335 upon being transferred to steady state. For the additional costs the agency received print and file services, disk storage space and the state's standard security products. Oklahoma Wheat Commission is now well positioned to take advantage of the full spectrum of OMES' broad range of advanced services that leverage the statewide infrastructure.

- **Department of Agriculture**

  The Office of Management and Enterprise Services, in partnership with the Oklahoma Department of Agriculture, Food and Forestry, was able to transform and assume the support of Department of Agriculture's network (local area network / wide area network), firewall and switch maintenance, desktop support, email and calendaring, security, as well as file and print services for approximately 560 users. We were able to reduce the expense for hardware and software by utilizing enterprise-wide and virtual services saving approximately $120,056 in the first year. This project had a positive net present value of $653,272 upon being transferred to steady state.

- **Commission for Children & Youth**

  The Office of Management and Enterprise Services, in partnership with the Oklahoma Commission for Children and Youth (OCCY), was able to consolidate and transform the information technology components and functions that were originally supported and maintained by OCCY IT staff. This effort of consolidation has resulted in cost reduction for OCCY with an annual savings of $107,391 and a positive net present value (NPV) of $545,652 upon being transferred to steady state. The agency is now well positioned to take advantage of the full spectrum of OMES' broad range of advanced services that leverage the statewide infrastructure.

- ### Department of Mines

  The Office of Management and Enterprise Services, in partnership with the leadership of the Oklahoma Department of Mines, was able to consolidate and transform the information technology components and functions of the agency. This effort of consolidation has resulted in a slight annual cost increase for the Department of Mines in the amount of $6,912 and a negative net present value (NPV) of $76,049 over 5 years upon being transferred to steady state. For the additional costs the agency received print and file services, disk storage space, and the state standard security products. The agency is now well positioned to take advantage of the full spectrum of OMES' broad range of advanced services that leverage the statewide infrastructure.

- ### Scenic Rivers Commission

  The Office of Management and Enterprise Services, in partnership with the Oklahoma Scenic Rivers Commission, was able to transform and assume the support of Oklahoma Scenic Rivers Commission's network (local area network / wide area network), firewall and switch maintenance, desktop support, email and calendaring, security, as well as file and print services. This project resulted in a slight annual cost increase in the first year of $5,810 and a negative net present value of $32,473 upon being transferred to steady state. For the additional costs the agency received print and file services, disk storage space and the state's standard security products. Oklahoma Scenic Rivers Commission is now well positioned to take advantage of the full spectrum of OMES' broad range of advanced services that leverage the statewide infrastructure.

- ### Department of Education – Child Count Contract Consolidation

  The Office of Management and Enterprise Services, in partnership with the Oklahoma State Department of Education (OSDE), worked to transfer operational support duties for OSDE Child Count application from contractors to internal resources. This was accomplished by the reallocation of duties across existing personnel. This project resulted in first year savings of $18,500 and a positive net present value of $119,238.

- ### Department of Education – Child Nutrition Contract Consolidation

  The Office of Management and Enterprise Services, in partnership with the Oklahoma State Department of Education (OSDE), worked to transfer operational support duties for OSDE Child Nutrition application from contractors to internal resources. This was accomplished by the creation of two new positions and the reallocation of duties across existing personnel. This project resulted in first year savings of $62,395 and a positive net present value of $316,620.

- **Department of Environmental Quality – Position Consolidation**

  The Office of Management and Enterprise Services, in partnership with the Oklahoma Department of Environmental Quality (DEQ), was able to reallocate job duties and provide leadership opportunities for the IT staff assigned to DEQ. This allowed the elimination of a vacant senior IT management position and resulted in first year savings of $113,475 and a positive net present value of $594,851.

Figure 11 outlines the agency-by-agency consolidation plan for the next 18 months. All agencies scheduled to be consolidated are listed, with the Oklahoma Department of Transportation as our next giant agency to consolidate. We plan on starting a network only consolidation for the last three agencies on the list. Consolidating the network before agency IT consolidation will streamline the consolidation effort.

Planned Fiscal Year 2014 Agency IT Consolidations
Figure 11

Agency #	Agency Name	Size
30	ABLE Commission	Small
448	Alcohol and Drug Counselors Board	Small
49	Attorney General	Medium
800	Career and Technology Education	Large
145	Chiropractic Examiners	Small
190	Cosmetology Board	Small
415	Council on Law Enforcement Education & Training – CLEET	Small
215	Dentistry Board	Small
292	Environmental Quality Department	Large
315	Firefighters Pension & Retirement	Small
353	Horse Racing Commission	Small
435	Lottery Commission	Medium
450	Medical Licensure and Supervision Board	Small
343	Perfusionists Board of Examiners	Small
560	Pharmacy Board	Small
140	Podiatric Medical Examiners Board	Small
557	Police Pension & Retirement System	Small
575	Psychologists Examiners Board	Small
345	Transportation Department	Giant
755	Used Motor Vehicle and Parts Commission	Small
790	Veterinary Medical Examiners Board	Small
320	Wildlife Conservation	Small
452 *	Department of Mental Health and Substance Abuse Services	Large
400 *	Office of Juvenile Affairs	Medium
515 *	Public Employees Retirement System	Medium

* = Network Consolidation only

2 OpenRange

As our partnerships with agencies have matured following their transformations, we have learned more about the agencies, the services they provide and their relationships with other government entities in the state of Oklahoma. Many agencies provide shared services to their affiliates around the state – including IT Shared Services.

We have discovered an opportunity to apply the lessons we have learned from the statewide IT consolidation to reduce the size of government through offering IT services to government affiliates.

Governor Fallin requested we work with public education to establish their own IT consolidation programs. One way to get more money into the classroom is by saving dollars on IT overhead and expenses. OpenRange was developed as a new, voluntary program where school districts can begin their own IT consolidation efforts, improve their technology and free up more dollars in the process.

The open range has a rich heritage in Oklahoma. It was the first contemporary ranching practice and allowed livestock to roam and graze freely – confined only by natural barriers. It gave rise to spring and fall roundups, when cowboys from various ranches combined efforts to gather the animals, sort them by brand and herd them back to their respective territories. The practice of open range ranching avoided artificial obstacles, encouraged collaboration and produced strong, resilient animals capable of surviving the harshest of environments. These are the same characteristics we are encouraging through OpenRange – making it simple, working together to maximize government services while minimizing cost, and producing best-of-breed solutions for the state of Oklahoma.

OpenRange in Education

One area where we have matured the most is our education business segment. There are currently 526 school districts and 29 education technology centers in the state of Oklahoma. Each has similar technology needs and services, but vary in levels of expertise, cost structures and success. Technology can help districts meet challenges and demands from federal, state and local organizations, new educational reforms; forward-looking teachers and administrators, and students.

Unfortunately, many schools lack the funds to provide a reliable technology infrastructure and almost all lack the funds to adequately move toward innovative education methods utilizing technology. Individually, they lack the bargaining

power to drive down costs for technology for our students. Most schools also struggle to secure technology systems, maintain high availability levels and recover from disasters. In addition, schools face technology staff retention and development hurdles and must meet all of these needs to keep pace with the ever-changing technology industry. OpenRange provides the opportunity to address all of these needs.

Leveraging the accomplishments, strengths and lessons learned through the statewide IT consolidation, OpenRange provides access to the combined purchasing power of all government/educational institutions and their affiliates and enables affiliates to provide existing technology services more efficiently and the ability to expand quickly and cost effectively.

- OpenRange creates a model in which schools and technology centers are less dependent on capital expenditures to meet their technology needs. Instead, this shared services model makes technology an operational expense while reducing costs and simplifying technology budgets.

- OpenRange leverages economies of scale to provide consistent, quality-driven and cost-efficient technology services for education entities, administrators, teachers and students – regardless of their size.

- OpenRange allows schools and technology centers to take advantage of statewide IT services to improve the educational experience for teachers and students while reducing the costs and complexities of providing those services internally. Funds not spent on technology costs are available to the schools which can be redirected to meet other needs.

OpenRange in the Enterprise

We have applied the same industry leading practice frameworks in IT Service Management, IT Project Management and IT Governance that we used in the statewide IT consolidation to stand up OpenRange. This has allowed us to rapidly review, recast and rollout IT shared services for affiliates.

An affiliate organization is defined as a taxpayer funded agency that works closely with an executive branch agency. Examples would include county health departments, conservation districts and school districts.

Figure 12 shows the relationships of IT Shared Services among our state agencies and government affiliates. It depicts the tiered pyramid we have used in the past to discuss IT services for state agencies on the left. These are the services and organizations that fall within the scope of the statewide IT consolidation. Mirrored on the right is the pyramid for government affiliates. The services included in this pyramid are voluntary for affiliated organizations and are what we refer to as OpenRange.

While both pyramids have the same tiers of services – Infrastructure, Enterprise and Bespoke Services, the services that make up each level have some

differences. Most notably, many of the services in the state agency pyramid are required due to the consolidation mandate and the state's security policies. Services within the OpenRange pyramid are all voluntary without standardization and normalization of services.

OpenRange and the Magic Pyramid

<div align="right">Figure 12</div>
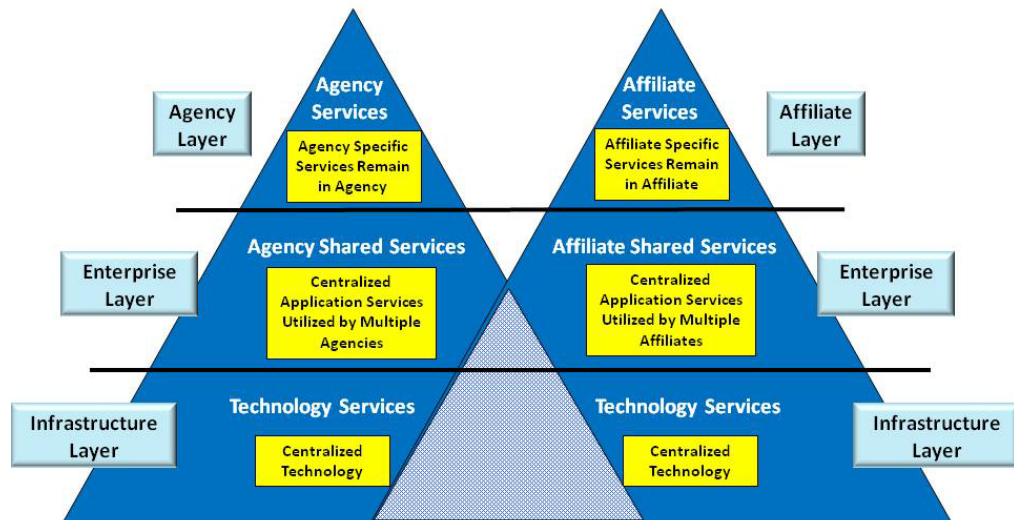
The careful eye will note there is a third pyramid in Figure 12 – the polka-dotted pyramid denoting the overlap of the two larger pyramids. The bottom two layers of our State Agency and OpenRange pyramids have some overlapping services. These services are standard (required) executive branch agency services and are widely adopted by the affiliate agencies. These services offer savings opportunities for both the affiliates and the executive branch agencies. So far we have identified voice and data services, content management, transparency and portal services as offerings that exist in both pyramids. We expect to discover many more services that exist in this third pyramid as OpenRange matures.

Figure 13 details the services currently available to both agencies and affiliates in the Infrastructure Layer.

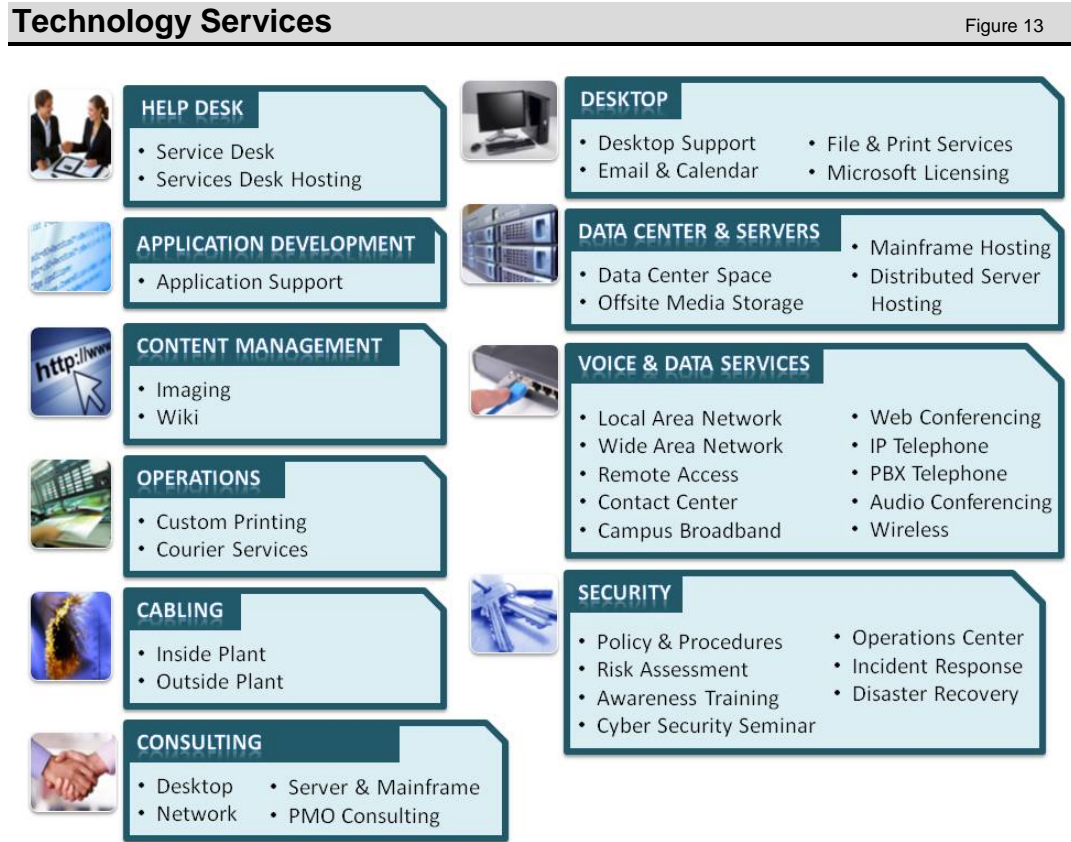## Technology Services

Figure 13

Figure 14 outlines the services available to affiliates in the Enterprise (shared) Layer. These services continue to emerge as our relationships with the affiliate matures. Currently, these services fall into the following categories: Transparency and Portal Services, Regulatory Assistance Systems, IT Procurement Assistance and Affiliate Enrichment Services.

Affiliate Shared Services Figure 14

TRANSPARENCY & PORTAL SERVICES
- Data.ok.gov
- Schools.ok.gov
- GoGov! CMS

REGULATORY ASSISTANCE SYSTEMS
- Alternative Education
- Student Information & Support
- Assessment & Accountability
- Federal Programs
- Child Nutrition
- Special Education
- School Administration & Finance
- Teachers/Instruction

IT PROCUREMENT ASSISTANCE
- Shared Contracts

AFFILIATE ENRICHMENT SERVICES
- My Data
- Early Warnings Indicator
- Benchmark Assessments
- Cahoots
- Blitz
- Gushers & Dusters

Transparency and Portal Services allow for consistent and reliable mechanisms for affiliates to publish content, make data sets publicly available and drive traffic through a consistent portal interface.

Regulatory Assistance Systems enable affiliates to meet state and federal reporting requirements. Current OpenRange offerings in this area are focused on education affiliates, but Regulatory Assistance Systems offerings for affiliates in other business segments are in development.

One of the areas that OpenRange can make an immediate impact in reducing government IT spend is through shared state IT contracts and services. By opening up a large catalog of statewide contracts and services to all government entities and their affiliates (state agencies, city and county government and agencies, school districts, technology centers, etc.), we can maximize the purchasing power of the state to reduce costs for products and services. Moving to a statewide contract model also reduces the number of individual contracts managed and increases the responsiveness and accountability of the vendors in their execution of their commitments.

There are fifty-four shared state IT contracts currently available to all government agencies. These include many well-known vendors like AT&T, Adobe, Dell, HP, Verizon, Microsoft, Oracle and providers of specialized services (online legal services, IT advising, IT consulting and grant management). OMES is continuously looking to expand the catalog of statewide contracts. The recent

execution of statewide agreements for Altiris desktop management, Symantec endpoint encryption and anti-virus protection and select Microsoft products are examples of this effort. Contracts soon to be available include course management systems, emergency communications, operational communications, classroom integration services, audio-visual equipment, student information systems and ESRI's GIS software.

Available Shared Contracts
Figure 15

• Adobe • Altiris Desktop Management • Apple • AT&T Wireless • Avaya • Cabling • Cisco • Dell • Dell Standards • EMC • Encrypted USB Drives • Enterprise Portfolio Management • Extreme • Grants Management Software & Services	• Hewlett Packard • IBM • IBM Support • Imaging (EMC, BIS, Laserfiche, Fairfax) • IT Advisory Services • IT Collocation • IT Consulting • Juniper • Licensing Management Software • Mail Room Equipment • Media Destruction • Microsoft • Multi-Function Printers/Copiers	• Nexis • Online Legal Services • Oracle • Panasonic • Pioneer Wireless • Printer Maintenance/Service • Public Safety Communications • Sprint Wireless • Symantec Endpoint Encryption/Protection • Telecommunications Services • Verizon Wireless • West Group Online Legal Services

Affiliate Enrichment Services help affiliates better meet their missions. Current OpenRange offerings are focused on systems and applications that positively impact the academic experience of students and help better prepare teachers and administrators to educate.

Affiliate Enrichment Services
Figure 16

Affiliate Enrichment (AE) Services in Pilot by February 1, 2013:

- Student Information System (SIS)
- Canvas Course Management System
- Lost-and-Find Me
- Schools.ok.gov
- School Bus Inspections

Student information systems (SIS) are great examples of cost-savings opportunities. OMES surveyed the school districts using one of the most prominent SIS platforms – making up 10% of all districts and over 30% of all students. OMES received responses from 60% of those districts. While the average licensing costs for the application was roughly $9/student/year, the range was $4/student/year to $25/student per year. 40% of districts are maintaining their own infrastructure to support their SIS at an average cost of $24,000/year and there are a total of 17 full-time equivalent employees that support this platform across the state. When asked if they would be interested in a state offering around this SIS platform, 92% of the districts responded in the affirmative. The high-level plan for a statewide offering of this platform indicated a positive net present value of $8.3 million. See figure 17 for summary.

Project Overview – SW Student Information Systems (SIS)   Figure 17

SIS District Survey Completed

- 60% response rate
- 92% interested in state partnership for SIS
- $9.11 student after licensing cost ($880K/yr total) ranges from $4-$25/student
- 40% hosting own infrastructure (100% of those interested in partnership)
- $24K/yr implementation average infrastructure cost
- 17 FTE's supporting one SIS platform across the state
- NPV of a statewide SIS offering = $8.3M ($16.72/student vs $8.04/student)

The key to the success of OpenRange is communication. OMES is holding bi-annual conferences throughout the state (NW, NE, SE, SW and Metro). These sessions include training, focus group discussions on current service offerings and needs, presentations on industry trends, and roadmap sessions on new service offerings. Communication will also be facilitated through www.openrange.ok.gov, via Twitter (@OpenRangeOK) and email (info@openrange.ok.gov).

To help us determine the areas of greatest need and help us prioritize solutions, OMES established a Technology Advisory Council. The early membership of this voluntary council reflective of our initial efforts in public education – consisting of school district superintendents, school district technology directors and representatives from the State Department of Education and the Department of Career and Technology Education.

The results of the first meeting of the Council identified immediate needs for new shared statewide IT contracts, covering course management systems, classroom integration services and student information systems (SIS).

The Council also made suggestions around statewide initiatives for cloud file exchange, virtual desktops, event registration and electronic payments, as well as several education-specific projects. OMES is exploring options around these suggestions and will provide updates at the next quarterly council meeting.

Idea Pipeline   Figure 18

- Electronic Payments
- Tutor Connect
- PTO/PTA
- Teacher Duty/Rotation
- Child Nutrition
- Library
- eTextbooks
- ShareText
- Subs Management
- Event Registration
- Calendar
- Cloud File Exchange
- Virtual Desktops

3 Ugly Monkey

Our "No Ugly Monkey" initiative is part of a much larger international framework known as the Information Technology Infrastructure Library or ITIL. One of the five fundamental tenants of ITIL is Continual Service Improvement. Since "Go Green" was already taken with meaning other than moving a performance metric from red to green, we opted for the more humorous "No Ugly Monkey" moniker – adding a bit of levity into a serious endeavor.

In short, "No Ugly Monkey" is an iterative process improvement identifying the support team that struggled the most to meet service targets in a given time period. ITIL experts then break apart the team's process workflow into individual components and analyze the time required and success rate of each step. Events or technologies causing delays are then mediated and the technicians are then better able to meet the service targets and serve our customer base.

Continuous Improvement

The CIO Support Service Level Dashboard was put in place not only to provide information to our customers on how well we are doing, but to provide the basis for process improvement. No process improvement for any activity can occur until that activity is first measured. The CIO Support Service Level Dashboard is updated continuously to provide current and historical data on performance related to cases reported to the OMES Service Desk.

In 2012 the OMES Service Desk reviewed 130,000+ new cases. This is a 70% increase over the previous year. The increase has occurred because of consolidation and we expect a comparable increase in cases in 2013. Overall, OMES has responded to 95% of these cases and resolved 94% within the service level targets. Figure 19 depicts a summary of ISD's status as of February 2013.

Operations Service Level Dashboard - Summary   Figure 19

Number of Cases Per Month

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2011				6,505	5,778	6,799	5,655	7,755	7,446	9,045	7,021	6,641
2012	8,000	7,661	7,723	10,047	10,641	11,296	11,715	14,041	11,980	16,132	11,212	9,888
2013	14,659	5,534										

Monthly Overall Percentages

			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Response	Target 87.1%	2011				96.5%	96.4%	96.7%	95.3%	96.0%	96.1%	93.6%	94.0%	94.8%
		2012	96.3%	97.1%	94.1%	96.9%	95.3%	95.8%	96.8%	94.0%	94.2%	91.7%	95.3%	96.0%
		2013	96.0%	92.9%										
Resolve	Target 87.1%	2011				95.7%	94.9%	94.9%	94.0%	94.6%	94.3%	93.0%	93.6%	92.5%
		2012	93.6%	94.1%	92.5%	93.8%	94.7%	95.0%	96.1%	93.3%	94.6%	93.1%	93.0%	92.8%
		2013	93.6%	93.1%										

The purpose of the "No Ugly Monkey" initiative is to identify and correct the issues that occur on the cases that do not meet the service level targets. Figure 20 depicts a more detailed view of the service level targets. We utilize this view to identify issues and take corrective action.

Operations Service Level Dashboard - Customer　　　　　Figure 20

Operations Service Level Dashboard - Customer

Green — Met Expected Target
Red — Did Not Meet Expected Target

Measurement	Target	Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Contact Center Speed to Answer	Target 30 Sec	2011	60	51	30	36	19	9	16	44	33	30	16	19
		2012	25	23	48	66	13	22	25	25	47	66	28	26
Contact Center First Call Resolution **	Target 62%	2012	55%	51%	52%	56%	55%	53%	57%	52%	52%	51%	54%	54%
		2013	58%	56%										
Password Reset Response **	Target 90%	2012	96%	98%	96%	98%	97%	98%	98%	99%	99%	99%	99%	99%
		2013	99%	100%										
Password Reset Resolve **	Target 90%	2012	97%	98%	98%	99%	98%	98%	99%	98%	99%	99%	99%	98%
		2013	98%	98%										
High Priority Incident Response **	Target 90%	2012	91%	99%	85%	96%	95%	88%	86%	97%	89%	92%	96%	94%
		2013	95%	100%										
High Priority Incident Resolve **	Target 90%	2012	84%	84%	77%	79%	82%	77%	67%	72%	51%	72%	44%	60%
		2013	65%	60%										
Medium Priority Incident Response **	Target 85%	2012	96%	100%	99%	99%	98%	99%	99%	96%	99%	98%	95%	92%
		2013	98%	100%										
Medium Priority Incident Resolve **	Target 85%	2012	88%	94%	93%	61%	68%	87%	91%	87%	97%	87%	79%	77%
		2013	81%	100%										
Low Priority Incident Response **	Target 85%	2012	97%	99%	96%	97%	96%	97%	97%	96%	94%	92%	94%	94%
		2013	93%	95%										
Low Priority Incident Resolve **	Target 85%	2012	96%	96%	96%	94%	96%	95%	97%	94%	96%	88%	86%	82%
		2013	86%	88%										
Assistance Service Request Response **	Target 85%	2012	97%	97%	94%	97%	95%	95%	96%	93%	95%	95%	95%	96%
		2013	95%	94%										
Assistance Service Request Resolve **	Target 85%	2012	95%	95%	91%	92%	94%	94%	95%	92%	95%	94%	91%	91%
		2013	91%	92%										

Each measurement shows target performance and actual performance by month. The measurements in green show when we met our targets for the month. The ones in red show when we missed our target (an ugly monkey). Process improvement will almost always focus on those where we missed our target. The dashboard highlights two major areas of concern:

1) High Priority Incident Response
2) High and Medium Priority Incident Resolve

An incident is an unplanned interruption of service. The severity and priority of an incident are based upon its impact to the customer. As the impact increases to the customer being able to perform their job and the broader the impact (number of customers), the priority increases.

High Priority Incident Response

Incident response time is the time it takes to accept the case by the individual who is responsible for correcting the issue. The target resolution time for a high priority incident is 2 hours or less from the time the incident was received and start working on a new high priority incident as quickly as possible. The target response time for high priority incidents is 90% within 15 minutes.

This issue was emphasized during the middle of 2012 to determine the causes. Figure 21 shows performance statistics as of mid-September, 2012.

Figure 21

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
				82%	89%	80%	76%	70%	59%	80%	83%
93%	98%	88%	96%	95%	88%	86%	96%	83%			
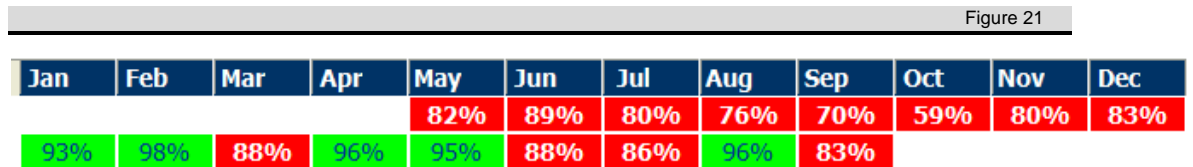
Figure 22 shows an example of analysis of response times for high priority incidents. This analysis was performed for all late responses during the period. Each case was reviewed to determine the circumstances and corrective actions were taken.
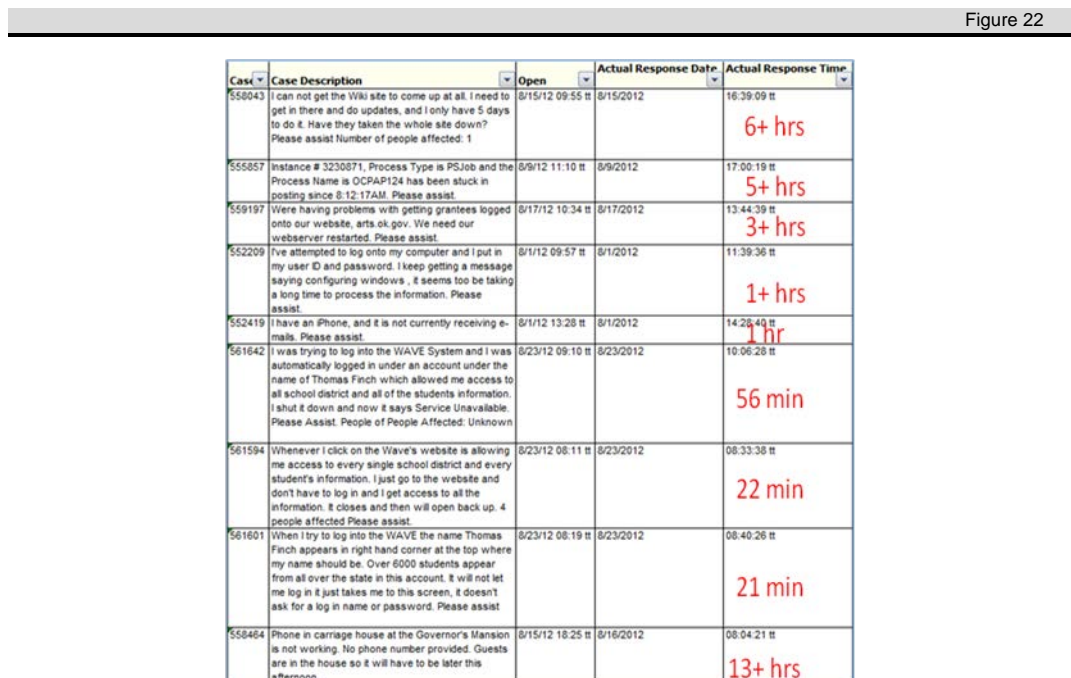
Figure 22

Response times for the last quarter of the year were:

Oct	Nov	Dec
92%	96%	94%

There will always be a few cases that are not recognized as priority 1 when first reported because it is not apparent that the incident is wide spread in nature until other customers report the same issue.

High Priority Incident Resolve

Quick resolution for high priority incidents has been the major focus of continuous improvement effort in response to the CIO Support Service Level Dashboard. These are generally events involving widely used services such as email, internet or PeopleSoft that impact multiple offices or agencies. During 2012 resolution for high priority incidents often fell short of the target of 90% within 2 hours as illustrated in Figure 24.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Target 90% 2012	84%	84%	77%	79%	82%	77%	67%	72%	51%	72%	44%	60%

Analysis of incidents was performed by group supporting the service, time of day, day or week, day of month and discovered multiple issues, displayed in Figure 25.

Fast incident resolution requires that personnel be available and have access to support the technical service having the issue. After analysis of this information, it was clear that adjustments needed to be made to work schedules to provide continuous coverage during the course of the business day. This meant staggering work and lunch schedules.

Figure 25
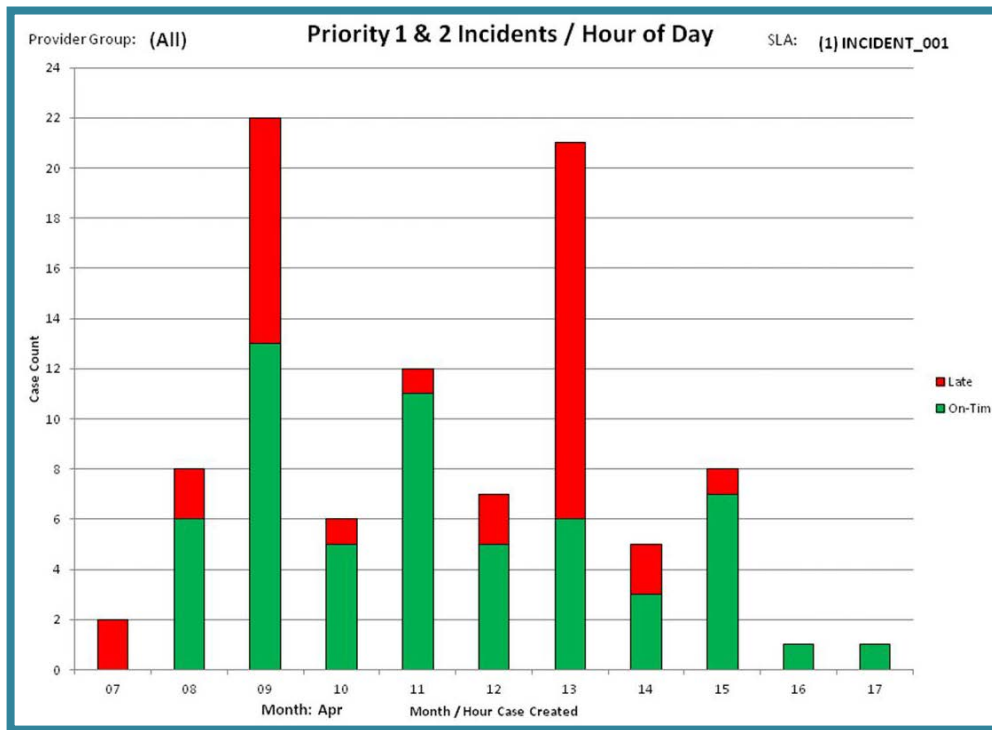
Groups support critical services are now required to make certain that sufficient staff is always immediately available during business hours.

Analysis by day of week showed that most late incidents occurred on Mondays. This was often the result of changes implemented over a weekend that had unintended consequences. Support groups implementing major changes are required to have staff standing by to resolve incidents on Monday mornings. This analysis is illustrated in Figure 26.

Figure 26
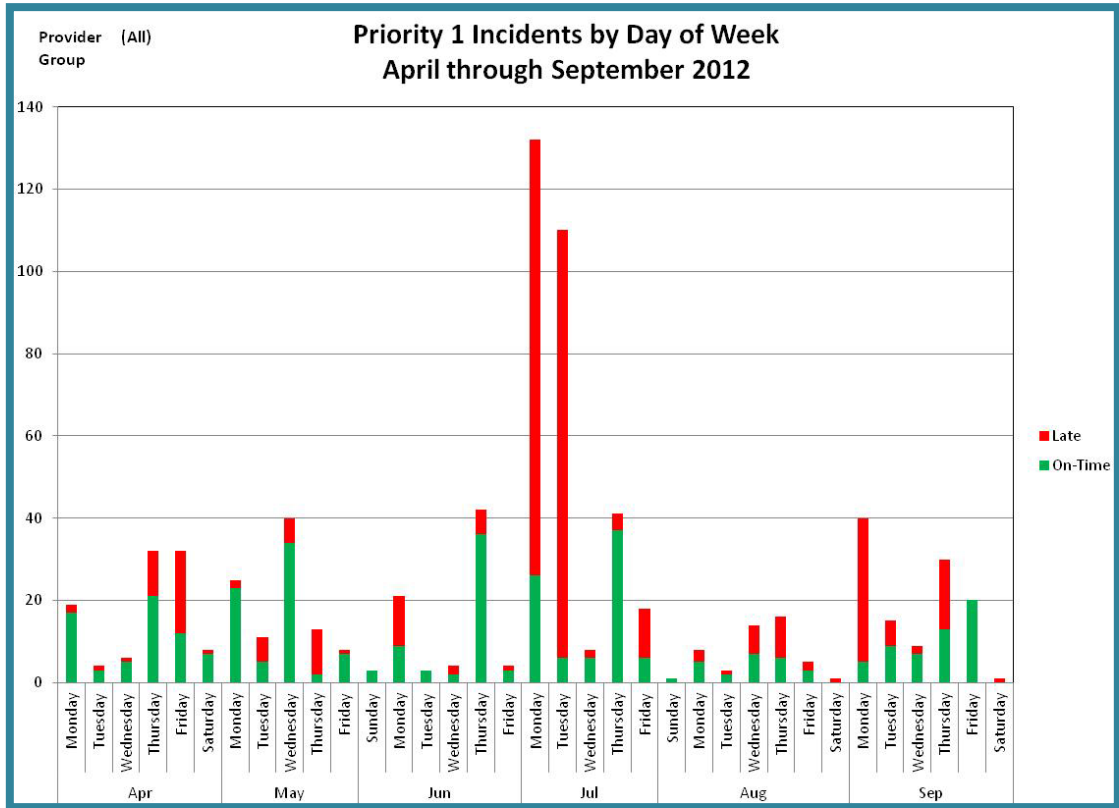
Another major area of analysis was in identifying large groups of incidents centered on events. An initial analysis performed in September showed that the majority of incidents were related to single events. Steps were immediately undertaken to review processes for handling incidents relating to major events. These can vary significantly by service support group as seen in Figure 27.

Figure 27

Date	App Development ENV	App Development FIN	App Development HCM	Data Communications	Server
4/19/2012			16		
4/20/2012					
5/16/2012	24				
5/21/2012	12				
6/14/2012	31				
7/16/2012				16	
7/26/2012	36				
7/30/2012	26			77	
7/31/2012	93				
9/10/2012		31			
9/14/2012				16	
9/27/2012					22
	222	31	16	109	22

|	
High Priority Incidents related to a major event	418
Total Count of High Priority Incidents	747
Total Count of High Priority Incidents with missed SLA's	396
Percentage of High Priority Incidents related to a major event	56%
Major event incidents where we missed SLA	266
Major Events Missed SLA as % of total missed SLA	67%
Major Events Missed SLA as % of total High Priority Incidents	36%

Statistics from the last quarter of calendar 2012 show a continuing pattern, discernible in Figure 28.

Figure 28

Row Labels	Agriculture	App Development ENV	Cabling Infrastructure (Outside Plant)	Data Communications	SDE-WAVE	SERVER	VOICE	App Development EBC	App Development TRE	Grand Total
10/10/2012		13								13
10/17/2012			9							9
10/25/2012					14					14
11/2/2012				5		10				15
11/8/2012		41								41
11/9/2012		24								24
11/15/2012								9		9
12/5/2012							7			7
12/10/2012				11						11
12/18/2012				9						9
12/21/2012						6			5	11
Grand Total	0	78	9	25	14	16	7	9	5	163

High Priority Incidents related to a major event	204	A
Total Count of High Priority Incidents	512	B
Total Count of High Priority Incidents with missed SLA's	244	C
Percentage of High Priority Incidents related to a major event	40%	A/B
Major event incidents where we missed SLA	163	D
Major Events Missed SLA as % of total missed SLA	67%	D/C
Major Events Missed SLA as % of total High Priority Incidents	32%	D/B

A technique called "Value Add Process Diagram" was used to identify key points in the incident handling process that needed improvement to shorten the time. This process analysis is being performed for all support groups having issues. An example is depicted in Figure 29.

Figure 29
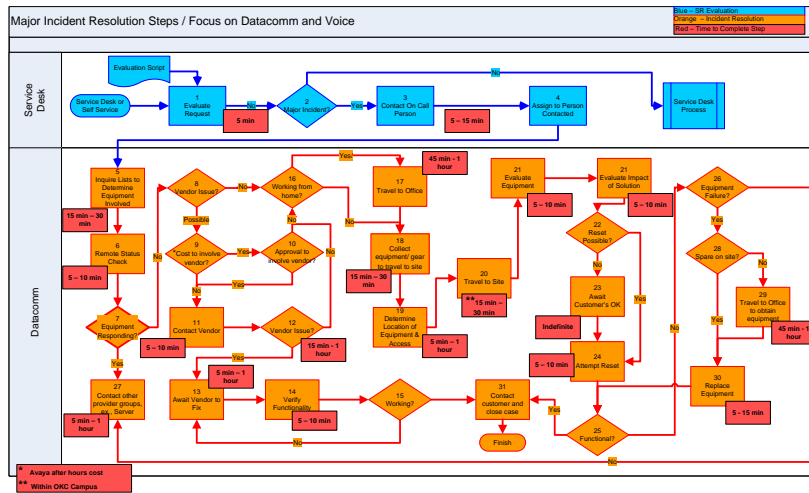
This has proven to be the most difficult area to address and is still under development. The most significant issue is providing status updates while working on the resolution. Since it is not expedient to take critical resources from incident resolutions to communicate status to customers, the communication and updating customer's cases with current status need to be separated from the resolution. Incident handling is under the oversight of the OMES Service Desk. As such, the Service Desk is developing a command center model to make certain technicians have the resources they need to resolve the issue, while simultaneously providing customer updates.

Support Group Performance

Accountability is the key word when analyzing performance with regard to meeting target resolution times. In order to make accountability more personal, starting in November, 2012, individual report cards were issued showing how well each person met the targets.

An example of one of the report cards is shown in Figure 30.

Figure 30

Server — Incident Resolution Scorecard 12/6/12 to 12/12/12

SLA_003 - Late	0	0			0	0
SLA_003 - On-Time	13	4			1	1
SLA_002 - Late			0	0	0	0
SLA_002 - On-Time			1	1	1	1
SLA_001 - Late	3			0	1	
SLA_001 - On-Time	2			2	1	

Root Cause Analysis

The ultimate goal behind resolving and preventing future occurrences of incidents is eliminating the root cause of the incident. These root causes are called "Problems" in ITIL (Information Technology Infrastructure Library) terminology. OMES ISD has undertaken multiple efforts over the last few months to eliminate root causes of high priority incidents. Figure 31 is a partial list of updates performed to eliminate root cause incidents with broad impact to customer services.

Figure 31

Description of issue	Change Implemented	Date
Internet web site lookup errors	Install DNS capability on firewalls	7/5/12
Avaya VoIP phone service outages	Upgrade equipment and software to high availability solution	7/27/12
Unstable network supporting PeopleSoft access	Restructuring of firewalls and network switch upgrades	9/22/12
VPN access failures	Upgrade to VPN software	10/11/12
Email issues requiring userid/password	Microsoft Exchange upgrade	12/10/12
Wiki site updates not appearing	Patches to Wiki server	12/13/12

OMES ISD resolved 19 major problems during the last half of calendar 2012 and currently has 28 open problems related to technical services for which root cause analysis is being performed.

4 Customer Service Survey / Dashboard

In 2009, the Information Services formally adopted the international Information Technology Infrastructure Library (ITIL) as our comprehensive IT framework. One of its fundamental elements is continual service improvement through data collection and analysis.

As part of that continual service improvement, we conducted our first annual review with each consolidated agency. Each consolidated agency was asked about their perception of our performance over the preceding 12 months.

The survey consisted of 29 questions in five major categories covering operational quality, project quality, price (reduced cost), price (value), and how well services met agency needs. It covered each of the three services pyramid strata – Infrastructure Services, Shared Application Services and Agency (Bespoke) Services and addressed three over-arching segments: 1) does OMES understand the specific business needs of the agency; 2) is OMES providing strong technical direction and leadership; and 3) are the services OMES offers meeting the agency business needs. The survey provided both defined responses and open text responses to ensure each agency was afforded every opportunity to fully voice their observations.

Figure 32
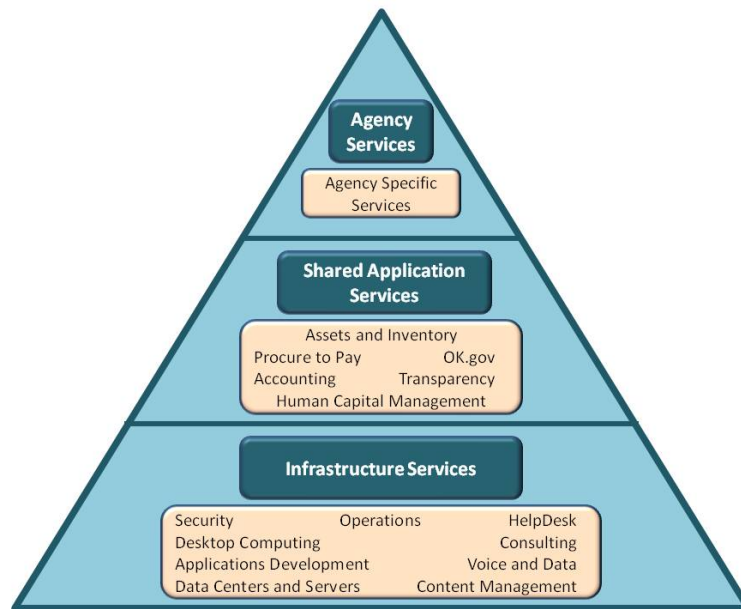
Respondents were asked to provide feedback related to performance. Each response was specifically tracked to an individual to allow us the opportunity to address specific issues or problems identified.

Some common definitions at the beginning will help explain some of the terminology used in each section.

Service Level Targets

Figure 33

SLA: Service Level Agreement

Service Level Targets:

90% of all incident 1 events within a 15 minute response, 2 hour restore
90% of all password requests within a 10 minute response, 20 minute restore
85% of all incident 2 events within a 2 hour response, 4 hour restore
85% of all incident 3 events within an 8 hour response, 7 calendar day restore
85% of all service requests within an 8 hour response, 5 business day restore

Our survey was voluntary, yet we achieved a 66% response rate, sufficient to feel it is representative of our customer base.

The Eligibility and Insurance, Health, and Public Safety and Defense business segments each had 100% response rate to the survey with other business segments reporting between 33% and 75%.
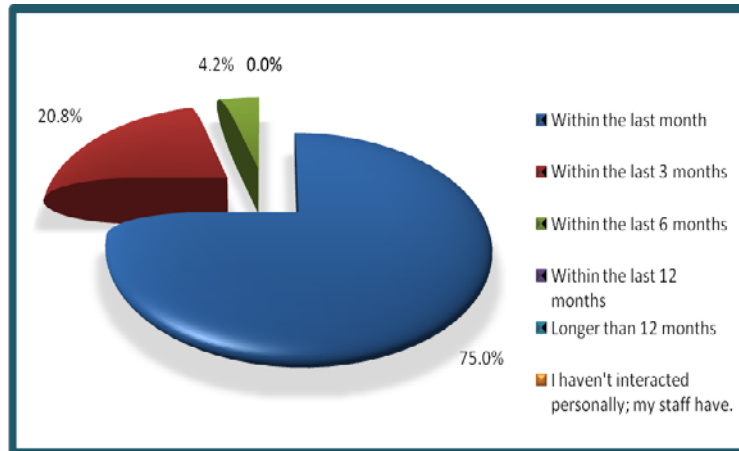
Segment Responding

Figure 34

Segment Responding
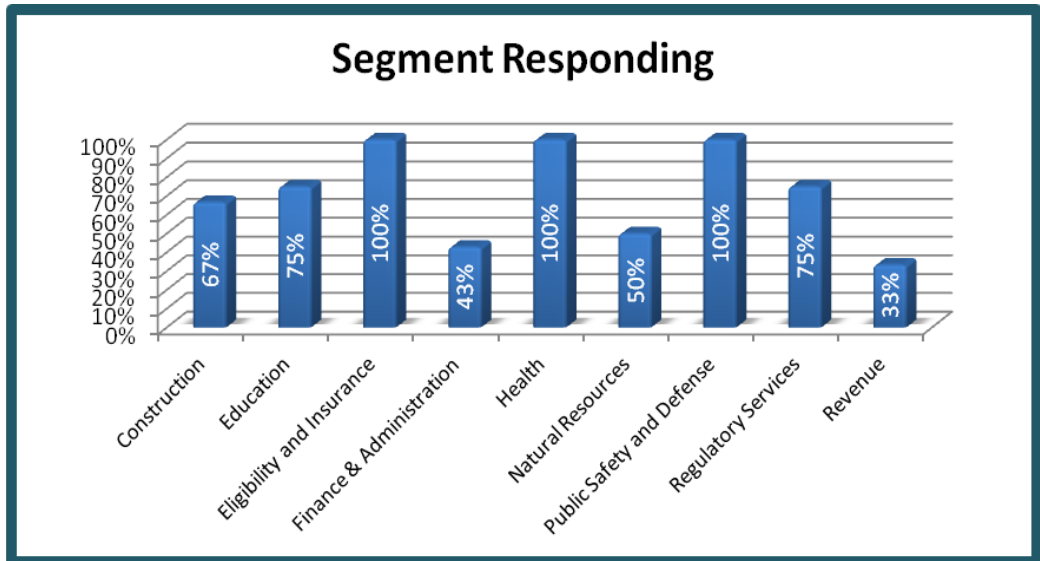
Last Contact

Figure 35

95.8% of the respondents contacted the OMES Service Desk within the last ninety days and fully 75% of those were within the last thirty days. The reported frequency of contact ensures the responses are contemporaneous with ongoing consolidation efforts.
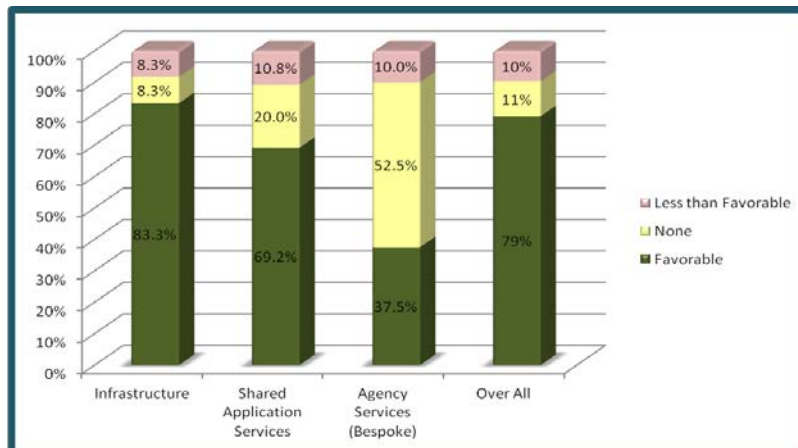
Analysis

Overall favorably ratings were within expected margins – with 83.3% favorability for infrastructure services and just under 70% for shared application services. A 52.2% "no opinion" reported for Agency Services (Bespoke) is indicative of consolidated agencies that have no bespoke services or have an issue that requires further investigation and we will follow up.

For ten percent of less-favorable responses, we were able to identify a specific event or project that lead to the rating. We continue to work with those agencies to address specific situations as part of continual service improvement to identify and eliminate technological barriers to our mission.
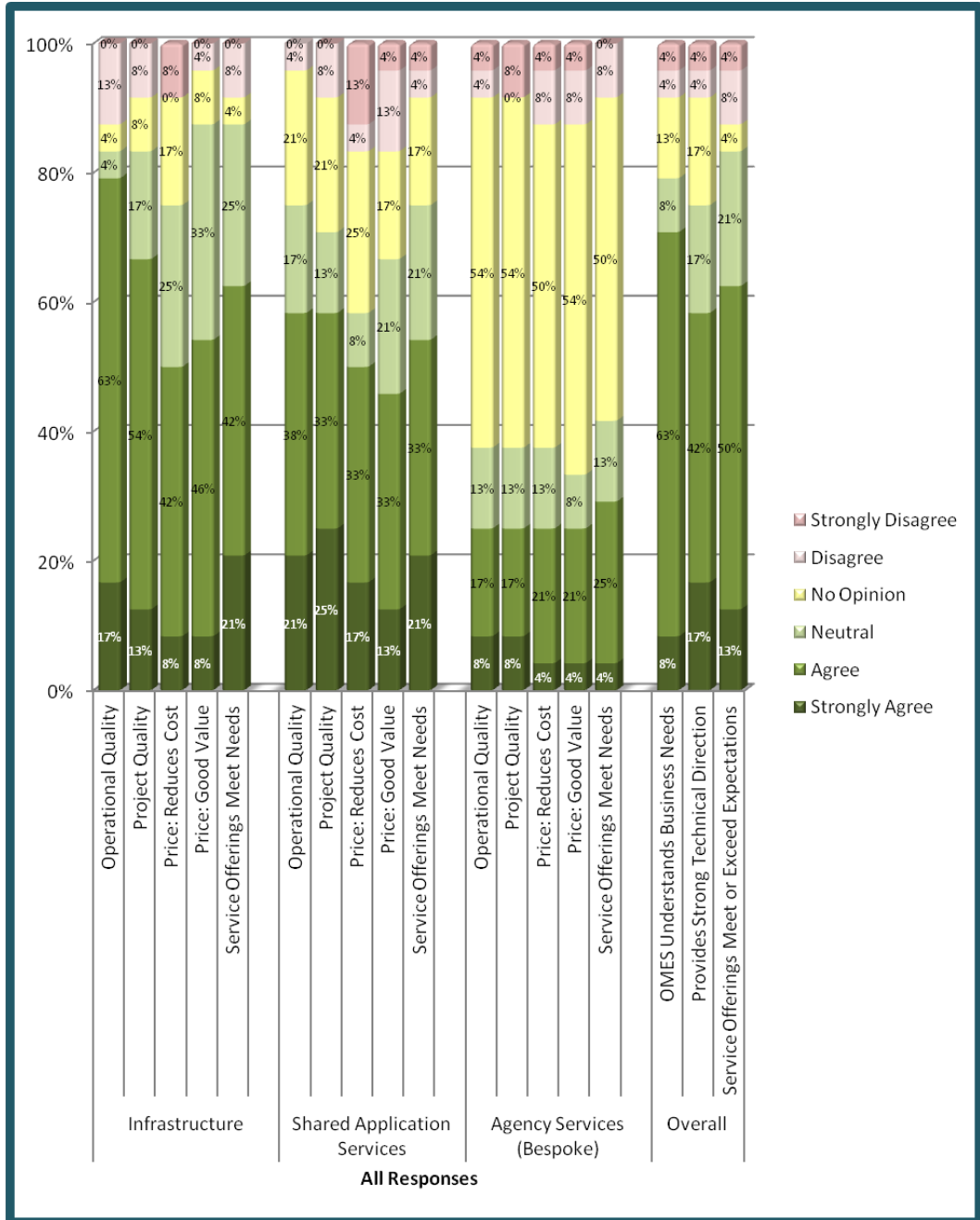
2012 Favorability

Figure 36

A deeper analysis of each of these ratings yields specific information both by pyramid stratum and by question category. This information is depicted in Figure 37.

Analysis of Ratings

Figure 37

How the Data is Utilized

Once our analysis is complete, an internal comprehensive review with senior management, business segment directors and the customer service department will ensure all internal stakeholders are aware of areas of improvement.

The business segment director and customer service account representative conduct an in-person annual review with the agency and, as part of the process, discuss the agency's survey responses. This annual review affords the agency an opportunity to clarify, expound upon, or revise their observations as well as provides OMES the opportunity to share new services and service improvements.

After the agency annual review, the identified areas of improvement undergo a proscribed improvement process including governance and monitoring of improvement initiatives. OMES then publishes performance metrics related to each initiative to ensure complete transparency.

As part of the ongoing OMES transparency initiatives, the annual responses will be detailed in a year-by-year comparison providing longitudinal performance analysis.

5 Conclusion

This concludes the fifth quarterly report of progress on HB 1304 and IT consolidation. Our next quarterly report will be posted for the period ending April 30, 2013. In that report, we will provide an update on our progress in IT Procurement, an update on the timeline for online license application and renewals, and our plans for the radio systems for the state.

Please direct any questions regarding this report to Alex Pettit, Chief Information Officer and Cabinet Secretary of Information Technology and Telecommunications, State of Oklahoma, at alex.pettit@omes.ok.gov.