The State of Oklahoma

PROGRESS ON UNIFICATION

Quarterly Report

GREETINGS,

As we bring fiscal year 2017 to a close, we finalize an important chapter of our journey, the consolidation of mandated agencies.

Consolidation of technology, financial and administrative services is not a unique idea in state government. Most states have consolidated technology services across their agencies, including our neighboring states of Missouri, New Mexico, Colorado and Texas.

In Oklahoma, state leadership had the foresight to recognize technology consolidation as a necessary step to position Oklahoma to accomplish intiatives of which other states can only dream. In 2011, they passed the Information Technology Consolidation and Coordination Act (ITCCA), which set in motion the consolidation of IT for executive branch, appropriated agencies and more than 30 voluntary agencies. The estimated reduced spending and projected savings for these agencies is currently more than $328 million.

This was a large endeavor for Oklahoma to take on, and I am proud of the strides we have made toward unifying technology, strengthening cybersecurity and building a solid foundation to further the state's priorities.

Today as we draw this chapter to a close, we shift focus to the coordination aspects of the act and its importance. These include being the shared services provider to all state agencies, evaluating the need for and the implementation of new shared services, overseeing technology investments and establishing state standards to further reduce costs and increase the value of IT.

As outlined in ITCCA, shared services provide the structure needed for moving forward with strategic investments in technology. ITCCA further asserts all state agencies should use shared services offered by OMES including, among others, data center, network, communication, email and security. Unification has made this possible.

As the State of Oklahoma CIO, my role is to be ever vigilant with the oversight of the state's IT investments. Oversight as expressed in ITCCA includes not just unified agencies and those that receive state appropriated funding, but all state agencies.This includes non-appropriated agencies, such as boards and commissions.

To aid in these responsibilities, most cabinets have helped establish IT governance bodies to identify partnership opportunities among member agencies, establish and adopt state standards, and avoid duplication of systems and expenses.

Every year, ITCCA mandates all agencies report technology assets, projects, people and more to the state CIO. Such reporting provides the information needed to improve technology decisions and strategies to better support Oklahoma agencies and the citizens they serve.

In the coming weeks, we will publish the first post-Unification IT Strategic Plan. We will partner with the agencies we serve to align initiatives to better support state employees and Oklahoma citizens. We will continue to strive for cost savings to help our agencies use technology to better meet their respective missions.

With coordination, Oklahoma can move from unification of technology, financial and administrative services to strategic investments that reduce taxpayers cost. No more working in silos, Oklahoma can now coordinate on our journey to be technology leaders and innovators for our citizens.

Respectfully,

Bo Reese
Chief Information Officer

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1 > Consolidation to Coordination

Oklahoma legislators had the foresight in 2011 to see technology consolidation as a necessary step towards building a better future for the State of Oklahoma.

The Information Technology Consolidation and Coordination Act, also known as House Bill 1304, set in motion the unification of 77 of the 78 mandated agencies by the end of fiscal year 2017 and more than 30 voluntary agencies at an estimated reduced spending and projected savings of more than $328 million, increased state cybersecurity, reduced footprints and added efficiency.

Before we close the chapter on mandated agency consolidation, let us take a moment and pause to review the history, steps, legislation, results and future outcomes of the act.

Why consolidate?

In 2009, the Legislature passed the Oklahoma Information Services Act, creating the position of Chief Information Officer and mandating an assessment of all technology and telecommunication assets and services (**IT Modernization Study**). The study found:

- An inability to leverage buying power across state government.

- The over-provisioning of IT infrastructure and human capital resources as each agency incorporated its surge capacity into its design and procurement.

- Expensive integration requirements to share data across agencies.

- Significant risks due to a lack of maturity in basic processes including backup, fault tolerance and disaster recovery.

The Legislature enacted the Information Technology Consolidation and Coordination Act in 2011. ITCCA charged the Office of Management and Enterprise Services with increasing the effectiveness and efficiency of the state's IT services. The goals were:

- Reduce the size of government.

- Improve transparency of IT spending.

- Increase accountability of IT activities and services.

ITCCA outlines several shared services for appropriated and non-appropriated agencies:

- Data Center services
- Networking services
- Communication and intercommunication systems
- Electronic mail systems
- Data and network security systems
- Payroll
- Employee leave system
- Human resources

- Accounts receivable
- Accounts payable
- Purchasing system
- Budgeting system
- Enterprise Learning Management (ELM)
- Budget request system
- Asset management
- Projects, grants and contracts, including federal billing

What is unification?

After nearly three years of consolidation, and half of the mandated agencies completed, OMES refined its approach to consolidation in the form of IT Unification – a more robust model that helped to advance the ongoing consolidation process. Unique to the State of Oklahoma, unification creates an improved consolidation model to meet the needs of our partner agencies with three tools:

- **Consolidation** emphasizes efficiencies through adherence to existing state IT standards and solutions.

- **Integration** provides value-added solutions for agencies that complement existing state IT standards.

- **Incorporation** creates opportunities to review and replace state IT standards when better solutions are discovered within agencies.

Is unification complete?

Consolidation for 77 of the 78 mandated agencies has been completed. While consolidation and improvement of technology, financial and administrative services continues, the agency-mandated consolidation by ITCCA has been completed for 110 state agencies and counting.

To fulfill legislation, OMES completed the following for each unified agency:

- An assessment of current technology.
- Review of IT assets including servers, network devices and asset documentation.
- Movement of IT personnel to the OMES Information Services reporting structure and teams according to needs.
- Establish use of OMES Service Desk to report service needs, to integrate and identify IT incidents, case resolution and approval.

Execution of MSA utilizing post-unification rate model.

Able Tech, Oklahoma	✓	Conservation Commission, Oklahoma	✓	Homeland Security, Oklahoma Office of	✓	Medicolegal Investigations, Board of	✓	Science and Technology, Oklahoma Center for the Advancement of (OCAST)	✓
Agriculture, Food and Forestry, Department of	✓	Consumer Credit, Commission on	✓	Horse Racing Commission, Oklahoma	✓	Merit Protection Commission	✓	Self-Insurance Guaranty Fund Board	✓
Alcoholic Beverage Laws Enforcement (ABLE) Commission	✓	Corporation Commission, Oklahoma	✓	Hospitals Authority, University	✓	Mines, Department of	✓	Sorghum Commission, Oklahoma	✓
Anatomical Board of the State of Oklahoma	✓	Disability Concerns, Office of	✓	Human Rights Commission (No longer exists.)	✓	Multiple Injury Trust Fund	✓	Tax Commission, Oklahoma	✓
Arts Council, Oklahoma	✓	Education Quality and Accountability, Office of	✓	Human Services, Department of	✓	Narcotics and Dangerous Drugs Control, Oklahoma Bureau of	✓	Teacher Preparation Commission (Part of OSDE.)	✓
Athletic Commission, Oklahoma State	✓	Education, State Department of	✓	Indigent Defense System, Oklahoma	✓	Native American Cultural and Education Authority	✓	Tourism and Recreation Department, Oklahoma	✓
Attorney General	✓	Emergency Management, Oklahoma Department of	✓	Investigation, Oklahoma State Bureau of (OSBI)	✓	OMES-Employees Group Insurance Board	✓	Transportation, Department of	✓
Behavioral Health Licensure, State Board	✓	Employees Benefits Council, Oklahoma State (Part of OMES.)	✓	J.D. McCarty Center for Children with Developmental Disabilities	✓	Pardon and Parole Board	✓	Treasurer, Office of the State	✓
Bond Advisor, Oklahoma State	✓	Environmental Quality, Department of	✓	J.M. Davis Memorial Commission	✓	Personnel Management Office (Part of OMES.)	✓	Veterans Affairs, Oklahoma Department of	✓
Building Bonds Commission, Oklahoma	✓	Ethics Commission	✓	Judicial Complaints, Council on	✓	Pet Breeders (Part of ODAFF.)	✓	Virtual Charter School Board	✓
Capital Investment Board, Oklahoma	✓	Finance Authority, Oklahoma Development	✓	Juvenile Affairs, Office of	✓	Physician Manpower Training Commission	✓	Uniform Building Code Commission, Oklahoma	✓
Capitol Improvement Authority, Oklahoma	✓	Fire Marshal Commission, State	✓	Labor, Department of	✓	Private Vocational Schools, Oklahoma Board of	✓	Water Resources Board, Oklahoma	✓
Career and Technology Education, Oklahoma Department of	✓	Governor, Office of the	✓	Law Enforcement Education and Training, Council on	✓	Rehabilitation Services, Oklahoma Department of	✓	Corrections, State Department of	✓
Children and Youth, Commission on	✓	Health Care Authority, Oklahoma	✓	Libraries, Oklahoma Department of	✓	Safety, Department of Public	✓	Mental Health and Substance Abuse Services, Department of	✕
Central Services (Part of OMES.)	✓	Health, State Department of	✓	Lieutenant Governor, Office of the	✓	Scenic Rivers Commission, Oklahoma	✓		
Commerce, Oklahoma Department of	✓	Historical Society, Oklahoma	✓	Management and Enterprise Services, Office of	✓	School of Science and Mathematics, Oklahoma	✓		

What is coordination?

Setting the foundation with consolidation and unification, OMES was able to reduce government and reform technology structure, operations and purchasing procedures. Closing the chapter on unification for the mandated agencies, OMES moves forward with coordination as outlined in ITCCA:

- Coordinate and require reporting and approval of state agency technology purchases and projects.

- Enable the CIO to assess technology needs and capabilities of Oklahoma.

- Move state government forward to ensure delivery of essential public services to citizens.

In short, the coordination part of the act requires two-way communication. Agencies, higher education and other affiliate organizations are mandated to send OMES-specific annual reports on various items such as technology assets, investments, projects, security risks and more.

Cost avoidance from statewide technology contracts is part of the reporting outlined in the coordination side of the act. With competitive statewide contracts and better pricing negotiation for state and affiliate organizations, Oklahoma has saved over $190 million due to lowered pricing for technology purchases.

Reported information provides OMES the necessary data for assessment of technology capabilities and needs for Oklahoma government. Reporting will be instrumental in shaping the next chapter for technology optimization in the State of Oklahoma, all the while meeting the legislative intent of ITCCA.

While $328 million in savings and reduced spend is no small feat, OMES is truly excited for the next chapter. Continuing with consolidation and coordination moves Oklahoma forward with improving interaction and education of citizens on government services, supporting innovation of processes among agency organizations and building 21st century infrastructure in place of outdated technology.

2 CIO in Washington

WASHINGTON — Duplicative and inconsistent federal regulations can hinder efforts to unify states' information technology, save taxpayers' money and secure citizens' data, Oklahoma Chief Information Officer Bo Reese testified on June 21 before the U.S. Senate Homeland Security and Governmental Affairs Committee.

"Over the past five years, (OMES has) reduced these redundancies, made large strides to unifying technology, and completed consolidation of 76 of the 78 mandated state agencies and more than 30 voluntary agencies," said Reese, who leads the Information Services division for the Office of Management and Enterprise Services.

Oklahoma's IT unification has also created a robust cybersecurity program, Oklahoma Cyber Command, Reese said. In 2016, Cyber Command successfully responded to about 32,000 cases of unique malware, about 750 instances of malicious activity and nearly 400 occasions of unauthorized access.

"We appreciate efforts by the federal government to secure and protect sensitive citizen information because we also share that responsibility at the state level," Reese said. "But we must accomplish our shared goal without overly burdening state governments, ensuring that we are delivering government services to citizens in the most efficient and cost-effective manner."

Reese, who also serves as vice president of the National Association of State Chief Information Officers, was invited to testify at the hearing, "Cybersecurity Regulation Harmonization," to give an overview on how federal data security regulations impact the work of CIOs to introduce efficiencies and generate savings.

"State CIOs and chief information security officers must comb through thousands of pages of federal regulations to ensure that states are in compliance with rules from our federal partners," he said. "Even though many federal regulations are similar in nature, in that they aim to protect high-risk information, they are mostly duplicative but have minor differences which can obscure the goal of IT consolidation, the whole point of which is to streamline IT applications and simplify the enterprise IT environment to produce savings for taxpayers."

In his testimony, Reese brought attention to several federal cybersecurity regulations that pose obstacles for state IT unification and risk-based cybersecurity investments. Examples included differences in IRS and FBI regulations on what to include in passwords and how long to keep them.

Reese also called on federal regulatory agencies to normalize the federal cybersecurity compliance audit process, which encourages states to make counterproductive compliance investments instead of ones based on risk.

"This approach is problematic for state government cybersecurity because it encourages state CIOs to make check-the-box compliance investments instead of ones based on risk, which is the more secure approach to managing sensitive data."

Reese's full testimony and a recording of the hearing can be found on the **U.S. Senate Homeland Security and Governmental Affairs Committee website.**

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Summary of Unification

Consolidation Project Savings

Agency Name	Status	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Alcoholic Beverage Laws Enforcement (ABLE) Commission IT Unification	Completed					$1,384.10	$119,254.34
Agriculture HelpDesk Transition	Completed		$3,086.25	$3,240.56	$3,402.59	$3,572.72	$3,751.36
Agriculture Department IT Consolidation	Completed		$120,055.98	$125,644.48	$125,644.48	$125,644.48	$125,644.48
AICCM IT Consolidation	Completed	$34,311.00	$48,511.00	$41,411.00	$41,411.00	$41,411.00	$41,411.00
Attorney General IT Unification	Completed						$11,573.16
Banking Department IT Consolidation	Completed	$7,250.79	$7,250.79	$7,250.79	$7,250.79	$7,250.79	$7,250.79
Behavioral Health Licensure IT Consolidation	Completed			$1,857.25	$3,450.25	$3,450.25	$3,450.25
Board of Nursing IT Consolidation	Completed	-$15,542.76	-$9,744.76	-$15,244.76	-$15,244.76	-$15,244.76	-$15,244.76
Boll Weevil IT Consolidation	Completed			$61,591.16	$61,591.16	$61,591.16	$61,591.16
Capitol Improvement Authority IT Consolidation	Completed	-$1,601.04	-$1,052.04	-$1,052.04	-$1,052.04	-$1,052.04	-$1,052.04
CareerTech IT Unification	Completed						$420,699.76
CareerTech Independent Contractor Unification	Completed		$39,960.00	$39,960.00	$39,960.00	$39,960.00	$39,960.00
CareerTech Position Unification	Completed		$98,150.00	$98,150.00	$98,150.00	$98,150.00	$98,150.00
Children & Youth Commission IT Consolidation	Completed		$107,390.89	$90,890.89	$90,890.89	$107,390.89	$90,890.89
Chiropractic Examiners IT Consolidation	Completed		-$2,524.00	-$2,524.00	-$2,524.00	-$2,524.00	-$2,524.00
COMIT Telemanagement Billing Module	Completed		$60,675.00	$123,925.00	$123,925.00	$123,925.00	$123,925.00
Conservation Commission IT Consolidation	Completed		$14,575.00	$14,575.00	$14,575.00	$14,575.00	$14,575.00
Corporation Commission IT Unification	Completed						$1,528,331.16
Council on Law Enforcement Education and Training IT Unification	Completed						$104,206.80
Court of Existing Claims IT Unification	Completed						$62,877.71
Decommission MidCon	Completed		$113,160.00	$113,160.00	$113,160.00	$113,160.00	$113,160.00
Decommission Unused Software - Infrastructure	Completed			$88,983.74	$88,983.74	$88,983.74	$88,983.74
Dentistry Board IT Consolidation	Completed		-$2,529.00	-$3,857.00	-$3,857.00	-$3,857.00	-$3,857.00
Department of Central Services IT Consolidation	Completed	$37,193.67	$9,054.50	$14,554.50	$9,054.50	$9,054.50	$3,554.50
Department of Commerce IT Consolidation	Completed			$0.00	$253,462.05	$17,203.55	$8,903.55

Agency Name	Status	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Department of Corrections IT Unification	Completed						$891,263.49
Department of Corrections HCM	Completed	-$132,472.00	$93,753.00	$234,892.00	$234,892.00	$234,892.00	$234,892.00
Department of Environmental Quality IT Unification	Completed						$117,944.34
Department of Libraries IT Consolidation	Completed		$115,599.00	$115,599.00	$110,099.00	$110,099.00	$115,599.00
Department of Mental Health and Substance Abuse IT Unification	Planning						$89,480.80
Department of Tourism IT Consolidation	Completed	$93,606.70	$94,406.70	$93,726.70	$93,726.70	$93,726.70	$93,726.70
Department of Transportation IT Consolidation	Completed			$12,265.50	$272,462.75	$362,461.75	$362,460.75
Department of Veterans Affairs IT Unification	Completed						$125,423.64
DEQ - Position Consolidation	Completed		$113,475.00	$113,475.00	$113,475.00	$113,475.00	$113,475.00
Disaster Recovery Services	Completed	$247,344.00	$419,245.00	$203,524.00	$203,524.00	$203,524.00	$203,524.00
DOC - Re-organization	Completed		$140,570.00	$140,570.00	$140,570.00	$140,570.00	$140,570.00
DPS E-Seek Barcode MSR Reader Solution	Completed			$4,452.00	$4,452.00	$4,452.00	$4,452.00
DSD Building Moves	Completed						$127,144.77
Educational Quality and Accountability IT Unification	Completed				$3,743.80	$14,208.97	$14,208.97
EGID - Manage Engine Renewal	Completed			$4,148.00	$4,148.00	$4,148.00	$4,148.00
EGID IT Consolidation	Completed			$60,500.00	$1,233,192.60	$1,584,005.78	$1,584,005.78
Eliminate Unused Software - Shared Services*	Completed		$125,204.00	$128,960.00	$132,829.00	$136,814.00	$140,918.00
Employee Benefits Council IT Consolidation	Completed	$150,114.51	$214,083.65	$208,583.65	$214,083.65	$208,583.65	$214,083.65
Employee Benefits Division - VM Ware	Completed			$5,357.00	$5,357.00	$5,357.00	$5,357.00
Fiber - Classen Buildings	Completed		-$33,335.80	$14,592.00	$14,592.00	$14,592.00	$14,592.00
Fiber - First National Building	Completed	$11,895.39	$49,115.40	$49,115.40	$49,115.40	$49,115.40	$49,115.40
Fiber - LandMark Tower	Completed		-$49,513.89	$14,820.72	$14,820.72	$14,820.72	$14,820.72
Fiber - Professional Engineers & Land Surveyors	Completed		-$29,921.80	$4,164.00	$4,164.00	$4,164.00	$4,164.00
Fiber Optic Asset Tracking System	Completed			$6,292.16	$2,453.94	$2,453.94	$2,453.94
Health Department IT Consolidation	Completed		$60,000.00	$1,431,406.14	$169,473.80	$597,779.92	$597,779.92
Health Department Network Unification	Completed		$1,822,537.00	$1,437,627.00	$1,437,627.00	$1,437,627.00	$1,437,627.00
Health Department Printer Optimization*	Completed		$342,190.43	$362,190.43	$362,190.43	$362,190.43	$362,190.43
Historical Society IT Unification	Completed						$65,073.91
Horse Racing Commission IT Unification	Completed						$74.38
Human Services Department IT Unification	Completed						$5,027,467.71
IPSH Health Exchange Information	Completed			$74,000.00	$196,100.00	$196,100.00	$196,100.00
ITSW1004 Cable Materials and Accessories	Completed			$2,604,000.00	$0.00	$0.00	$0.00
ITSW1024 Encrypted Email Software	Completed			$54,000.00	$5,400.00	$5,400.00	$5,400.00
ITSW1030 Good Technology RFP	Completed			$5,340.00	$5,340.00	$5,340.00	$5,340.00
J.M. Davis Memorial Commission IT Unification	Completed						$219.60
JD McCarty Center IT Unification	Completed						$76,161.00
Labor Department IT Consolidation	Completed		$86,293.24	$83,813.61	$86,924.59	$95,628.90	$93,429.34
LIMS - Laboratory Information Management System	Completed			$580,056.04	$116,034.16	$116,034.00	$116,034.16
Live Scan Fingerprinting System	Completed			$45,000.00	$45,000.00	$45,000.00	$45,000.00
Medical Claims Clearinghouse	Completed			$48,000.00	$28,200.00	$28,200.00	$28,200.00
Medical Examiners IT Consolidation	Completed		$13,932.00	$8,432.00	$13,932.00	$8,432.00	$13,932.00
Medicolegal Inv.- Software for LC/MS Liquid Crystal/Mass Spectronomy	Completed			$357,932.76	$0.00	$0.00	$0.00
Microsoft EA Cost Savings Project	Completed						$5,300,000.00
Mines Department IT Consolidation	Completed		-$10,913.04	-$16,413.04	-$16,413.04	-$10,913.04	-$16,413.04
Multi Injury Trust Fund IT Unification Project	Completed			$1,461.00	$6,461.00	$1,461.00	$1,461.00
ODAFF - Oracle Licensing Application	Completed			-$7,470.00	$5,028.00	$5,028.00	$5,028.00
ODOT Video Editing System	Completed			$29,669.75	$0.00	$0.00	$0.00
Office of Juvenile Affairs IT Unification	Completed						$33,250.44
Office of Personnel Management IT Consolidation	Completed	$70,595.68	$77,932.68	$77,045.68	$70,745.68	$70,745.68	$70,745.68
OKDHS Eliminate Unused Software*	Completed					$286,273.50	$202,987.00

Agency Name	Status	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
OKDHS Printer Optimization	Completed						$842,481.76
OKDHS Reduction in IT Staff FY15	Completed					$1,986,823.00	$2,522,988.32
Oklahoma Bureau of Narcotics IT Unification	Completed						$83,387.36
Oklahoma Department of Rehabilitation Services IT Unification	Completed						$9,522.63
Oklahoma Department of Veterans Affairs HelpDesk Transition	Completed		$145,700.00	$145,700.00	$145,700.00	$145,700.00	$145,700.00
Oklahoma Health Care Authority IT Unification	Completed				$654,792.17	$654,792.17	$654,792.17
Oklahoma Indigent Defense IT Unification	Completed						$1,223.96
Oklahoma State Bureau of Investigation IT Unification	Completed						$25,481.88
Oracle Contract Re-Negotiation	Completed						$1,241,221.24
OSBI-Desktop/Laptop Replacement	Completed				$27,952.95	$0.00	$0.00
OSDH - NetIQ Contract	Completed			$8,636.80	$8,113.68	$8,114.00	$8,114.00
OWRB - Annual Permitted Water Use Survey and Administrative Fee Mailing	Completed		$3,208.53	$0.00	$0.00	$0.00	$0.00
Pardon & Parole Board IT Consolidation	Completed		$38,051.73	$32,551.73	$32,551.73	$32,551.73	$32,551.73
Payroll Lapse Numbers**	Completed			$5,864,571.78	$7,223,765.30	$4,631,146.76	$0.00
People Move 2012	Completed	$2,336,741.00	$2,336,741.00	$2,336,741.00	$2,336,741.00	$2,336,741.00	$2,336,741.00
Pharmacy Board IT Consolidation	Completed		$94,000.00	$88,500.00	$88,500.00	$88,500.00	$88,500.00
Pre-Surplus Clearing House	Completed		$173,446.00	$0.00	$0.00	$0.00	$0.00
Private Vocational Schools Board IT Consolidation	Completed		-$1,155.00	-$605.00	-$605.00	-$605.00	-$605.00
Psychologists Examiners IT Consolidation	Completed		-$1,408.00	-$1,408.00	-$1,408.00	-$1,408.00	-$1,408.00
Real Estate Commission IT Consolidation	Completed			$118,755.84	$118,755.84	$118,755.84	$113,055.84
Resource Leveling FY17	Completed						$2,118,120.97
Scenic Rivers Commission IT Consolidation	Completed		-$6,194.76	-$6,194.76	-$6,194.76	-$6,194.76	-$6,194.76
SDE - CAS Contract Consolidation	Completed			$20,000.00	$21,000.00	$21,000.00	$21,000.00
SDE - Child Count Contract Consolidation	Completed		$18,499.74	$23,699.97	$23,699.97	$23,699.97	$23,699.97
SDE - Child Nutrition Contract Consolidation	Completed		$60,399.00	$60,399.00	$60,399.00	$60,399.00	$60,399.00
SDE - HUPP Contract Consolidation	Completed		$85,942.00	$92,056.26	$89,248.75	$86,357.01	$83,378.52
SDE - Printer Consolidation Phase 2*	Completed		$84,246.69	$5,246.69	$5,246.69	$5,246.69	$5,246.69
SDE Scantron Contract Consolidation	Completed			$140,548.00	$147,575.40	$147,575.40	$147,575.40
SDE-GED Lifelong Scoring	Completed		$5,838.00	$5,838.00	$5,838.00	$5,838.00	$5,838.00
Security as a Service - Phase I	Completed		$57,542.31	$723,797.67	$723,797.67	$723,797.67	$723,797.67
State Department of Education IT Consolidation	Completed	$1,098,231.00	$1,054,231.00	$933,231.00	$960,731.00	$1,054,231.00	$1,435,231.00
State Department of Education Managed Print Services	Completed	$200,251.38	$279,251.38	$279,251.38	$279,251.38	$279,251.38	$279,251.38
State Treasurer IT Consolidation	Completed	$277,472.83	$277,473.83	$277,474.83	$277,475.83	$277,476.83	$277,476.83
Statewide Mainframe Consolidation	Completed		$2,021,035.00	$2,341,345.00	$3,170,748.00	$3,176,610.00	$3,778,929.00
Tax Commission Network Unification	Completed						$1,328,331.00
Uniform Crime Report	Completed		$707.00	$1,107.00	$1,107.00	$1,107.00	$1,107.00
Used Motor Vehicles Commission IT Unification	Completed			$0.00	$69,016.00	$63,516.00	$63,516.00
Vet Board IT Consolidation	Completed		-$3,904.00	-$3,904.00	-$3,904.00	-$3,904.00	-$3,904.00
Virtual Technology Storage	Completed		-$491,410.03	$533,440.93	$545,977.99	$580,191.35	$617,826.04
VOIP OKC County Health Department.	Completed	-$11,794.20	$41,814.26	$41,814.26	$41,814.26	$41,814.26	$41,814.26
Water Resources Board IT Unification	Completed						$117,944.34
Wave Contract Consolidation	Completed				$322,250.00	$322,250.00	$322,250.00
Wheat Commission IT Consolidation	Completed		$3,598.04	-$1,901.96	-$1,901.96	-$1,901.96	-$1,901.96
Will Rogers Memorial Commission IT Unification	Completed						$600.00
Workers Compensation Commission IT Unification	Completed						$37,241.03
Total Annual Savings		**$4,403,597.95**	**$10,528,325.89**	**$23,454,338.49**	**$23,804,014.71**	**$24,245,293.01**	**$40,966,701.59**
Savings Over 6 Years [1]		**$111,770,146**					

Notes: [1] FY 12 plus NPV of savings achieved in FY 13 - FY 17

*Vendor and/or Employee Cost Savings Idea

**New reporting now available as a result of performance informed budgeting.

Cost Avoidance — Projects

Project Name	Status	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Legacy Voice Optimization	Completed						$424,230
eDiscovery Open Records Request Software	Completed						$1,886,573
Mainframe Emulation Transformation	Completed						$10,301,923
Health Network Consolidation	Completed		$1,822,538	$1,437,628	$1,437,628	$1,437,628	$1,437,628
ISD Procurement	Completed	$81,654	$81,654	$81,654	$81,654	$81,654	$81,654
Microsoft EES Statewide Contract	Completed		$1,139,031	$1,139,031	$1,139,031	$1,139,031	$1,139,031
Microsoft Enterprise Agreement – FY12	Completed	$1,778,419	$1,778,419	$1,778,419	($2,047,273)	($2,047,273)	($2,047,273)
Microsoft Enterprise Agreement – FY17	Completed						$5,300,653
SSL Certificate Savings	Completed	$7,888	$7,888	$7,888	$7,888	$7,888	$7,888
Total Annual Savings		$1,867,961	$4,829,530	$4,444,620	$618,928	$618,928	$18,532,307
Savings Over 6 Years [1]	**$26,932,532**						

Notes: [1] FY 12 plus NPV of savings achieved in FY 13-FY 17

Cost Avoidance — Purchasing

		FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Total Annual IT Contract Savings		$18,746,985	$26,463,196	$35,146,666	$36,736,079	$45,762,620	$27,395,617
Savings Over 6 Years [1]	**$190,251,163**						

Notes: [1] Actual savings for FY 12-FY 16 as reported in the annual OMES Procurement Cost Savings Report. FY 17 cost savings are still being reported and do not reflect total cost savings for the fiscal year.

Consolidation Portfolio Active Projects

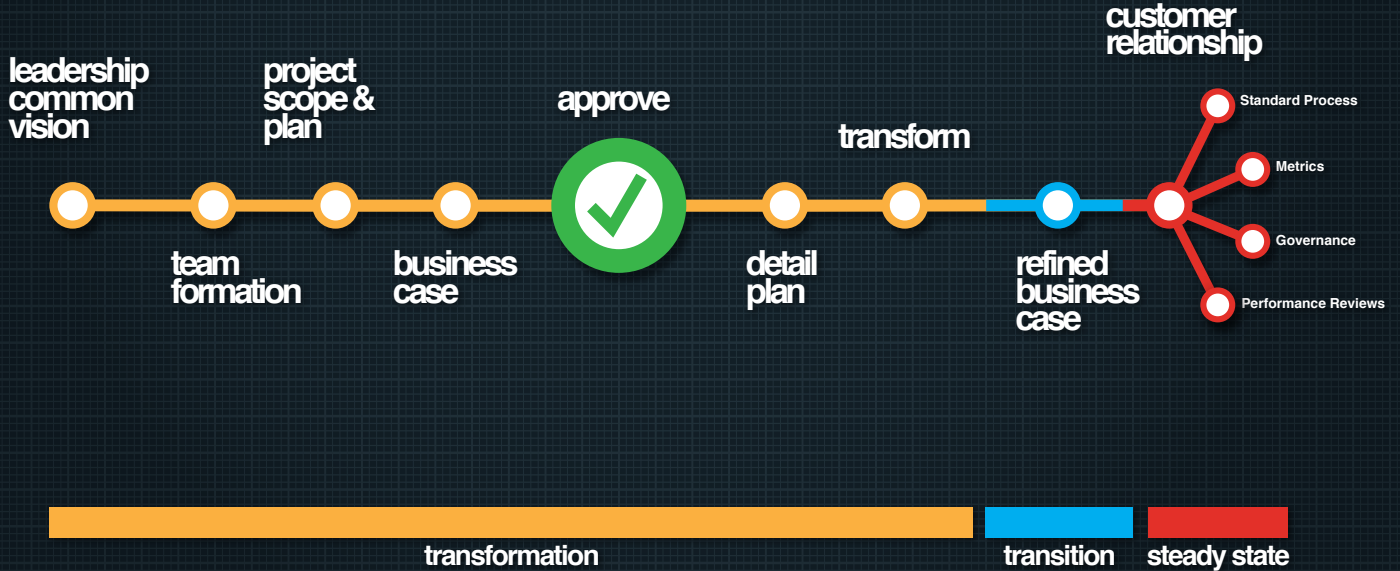| Agency by Agency					
Project No	**Project Name**	**Project Phase**	**Risk Rating** **(10 - 48)**	**CBA NPV**	**Total Forecast Cost**
60264	Department of Mental Health and Substances Abuse Services IT Unification	Planning	24	$383,047.00	$ -

unification approach
agency by agency

customer relationship

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team formation

project scope & plan

approve

transform

business case

detail plan

refined business case

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PLANNING:
- Department of Mental Health and Substance Abuse Services IT Unification

transformation

transition

steady state
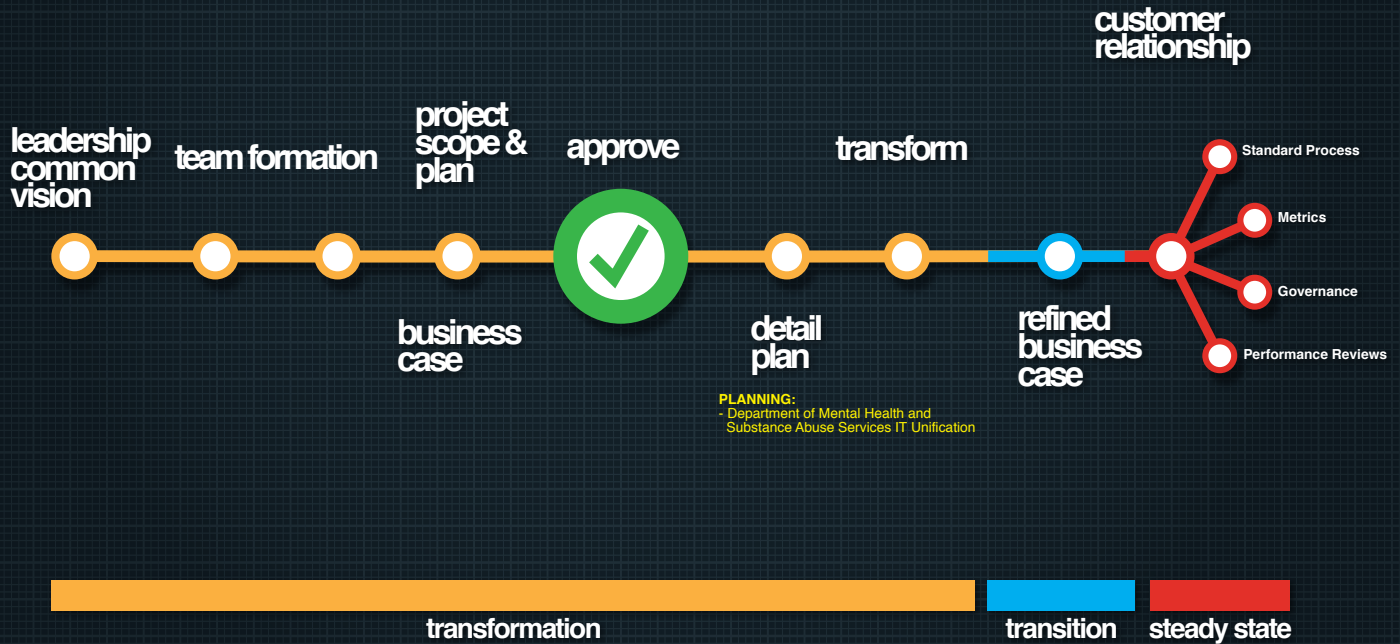
Agency-by-Agency Completion

- ABLE Tech
- Abstractors Board
- Accountancy Board
- Aeronautics Commission
- Agriculture
- Anatomical Board*
- Architects Board
- Arts Council
- Attorney General
- Athletic Commission
- Banking Department
- Boll Weevil
- Bond Advisor
- Building Bonds-Commission
- Bureau of Narcotics
- Capital Investment Board
- Capitol Improvement Authority
- Career Tech
- Center for Advancement of Science and Technology- OCAST
- Children & Youth Commission
- Chiropractic
- Commerce
- Conservation
- Corporation Commission IT Unification
- Court of Existing Claims IT Unification
- Construction Industries Board
- Consumer Credit Department
- Court of Existing Claims
- CLEET

- Dentistry Board
- Department of Central Services
- Department of Corrections
- Department of Environmental Quality IT Unification
- Disability Concerns
- Education Department
- Education Quality & Accountability
- EGID
- Employees Benefits Council
- Emergency Management
- Ethics Commission
- Finance Authority
- Fire Marshall
- Funeral Board
- Governor
- Health Dept.
- Historical Society
- Horse Racing Commission
- Human Rights Commission
- Human Services Department IT Unification
- Industrial Finance Authority
- Indigent Defense
- Interstate Oil Compact Commission
- J.D. McCarty Center Unification
- J.M. Davis Memorial Commission IT Unification
- Judicial Complaints Council*
- Juvenile Affairs
- Labor Department
- Libraries

- Licensed Social Workers Board
- Liquefied Petroleum Gas Board
- Long Term Care Admin. Board
- Marginal Well Commission
- Medical Examiners
- Merit Protection Commission
- Mines Department
- Motor Vehicle Commission
- Multiple Injury Trust Fund*
- Native American Cultural & Education Authority
- Nursing, Oklahoma Board of
- ODOT
- Oklahoma Health Care Authority IT Unification
- Optometry Board
- Pardon & Parole
- Personnel Management Office
- Pet Breeders*
- Pharmacy
- Physician Manpower Training Commission
- Private Vocational Schools Board
- Psychologists
- Public Safety Department
- Real Estate
- Rehabilitation Services
- Scenic Rivers Commission
- Science and Math
- Sorghum Commission
- Speech Pathology Board
- State Treasurer

- Teacher Preparation Commission
- Teachers' Retirement System
- Tobacco Settlement Endowment Trust
- Tourism & Recreation Department
- Uniform Building Code Commission
- University Hospitals Authority*
- Used Motor Vehicles Commission
- Veterans Affairs
- Veterinary Medical Examiners
- Water Resources Board IT Unification
- Will Rogers Memorial Commission IT Unification
- Wheat Commission
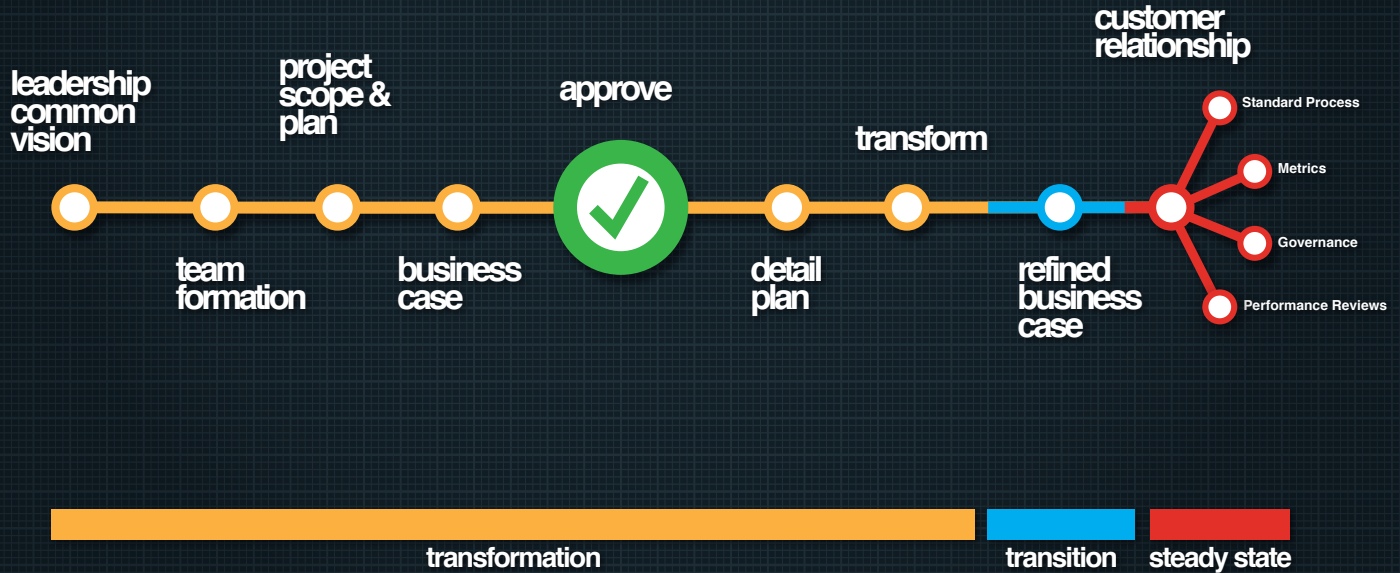- Workers' Compensation Commission

*No IT Services

unification approach

service by agency

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project scope & plan

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Service-by-Agency Completion

- 1st National Building – Fiber
- Career Tech – Email Consolidation
- Classen Buildings - Fiber
- Corrections – HCM
- Infrastructure- DHS Cloud Email
- Health Dept. - Network
- Health - Unused Software
- Health – Printer Optimization

- DHS – Disaster Recovery
- ISD - Unused Software
- Landmark Tower – Fiber
- ODAFF - Help Desk
- ODAFF – Printer Optimization
- ODOT VoIP
- OKC County Health Dept – VoIP
- OSBI-Desktop/Laptop Replacement

- Prof Engineers & Land Surveyors – Fiber
- SDE - HUPP Contract Consolidation
- SDE - Mainframe
- SDE - Print Services Phase 1
- SDE - Print Services Phase 2
- VA - Help Desk

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Service-by-Service Completion

- Antivirus/Spam/Encryption Pilot
- COMIT Tele-management Billing Module
- Microsoft Enterprise Agreement
- People Move 2012
- PPM Tool Pilot
- Pre-Surplus Clearing House — 2012 Cost
- Savings Idea

- Security as a Service Phase I
- Project Portfolio Management Rollout
- IT Advisory Services
- Security Education & Training
- Statewide Mainframe Consolidation
- Tax Commission Network Unification

4 ❯ Spotlight: 'One Mission,' OMES IS as a 'Team of Teams'

Strategies employed by the Office of Management and Enterprise Services to unify the state's information technology under one umbrella are highlighted in an important new book on organizational leadership, One Mission: How Leaders Build a Team of Teams, by bestselling author Chris Fussell.

One Mission is a follow-up to the New York Times bestseller Team of Teams: New Rules of Engagement for a Complex World authored by Gen. Stanley McChrystal with Fussell. In Team of Teams, McChrystal and Fussell articulate concepts used by the Joint Special

Operations Command in Iraq and Afghanistan to create a more adaptable and effective team.
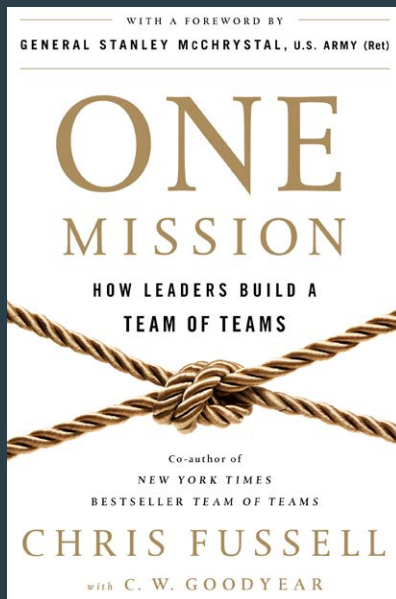
One Mission presents OMES Information Services as a case study in how to successfully apply these concepts to one of the most complex projects in state history: the State of Oklahoma's unification of IT assets.

"Our inclusion in this important book is an honor," said Secretary of Finance, Administration and Information Technology Preston L. Doerflinger, who is the director of OMES. "Our experience shows that it's possible to rethink government and employ forward-thinking, non-bureaucratic concepts to how we do business. Such thinking and tactics allow OMES to bring more value to our partner agencies and to Oklahoma taxpayers."

The Information Technology Consolidation and Coordination Act of 2011 charged OMES with increasing the effectiveness and efficiency of the state's technology services. Over the past six years, OMES has reduced redundancies, made large strides toward unifying technology and has completed unification of more than 100 mandated and voluntary agencies at a currently estimated reduced spending and projected savings of more than $328 million.

A critical tool employed by OMES Information Services from Team of Teams is the use of a daily video teleconference accessible across the entire organization.

Typically running 20-40 minutes, the daily call focuses on current issues, what the organization needs to accomplish before the next touch point and what new intelligence has been uncovered since the last touch point. It is an effective means to focus the state's IT resources on specific outcomes and empower team members to achieve desirable results as quickly as possible. This tool has allowed OMES to become more efficient and pass cost savings back to the agencies we serve, while maintaining, and in many cases improving, service levels.

"Using the tools from Team of Teams has helped us refocus and better coordinate our business," said Oklahoma Chief Information Officer Bo Reese. "By uniting our people around one vision, we increase our performance and can better serve our partner agencies."