

**Agency:** 275 Public Employment Relations Comm  
**Decision Package Code/Title:** 8L Lease Rate Adjustments  
**Budget Period:** 2015-17  
**Budget Level:** M2 - Inflation and Other Rate Changes

### Recommendation Summary Text:

The Public Employment Relations Commission's current lease for its Kirkland office expires on November 30, 2015. This package request is for funding to pay the negotiated 27.5% increase over the current lease rate.

### Fiscal Detail

Operating Expenditures	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
001-1 General Fund - Basic Account-State	4,539	7,827	12,366
415-1 Personnel Service Account-State	4,285	7,387	11,672
455-1 Higher Education Personnel Services-State	1,377	2,374	3,751
<b>Total Cost</b>	<b>10,201</b>	<b>17,588</b>	<b>27,789</b>

### Package Description:

PERC's current Kirkland office lease will expire November 30, 2015. RES authorized under RCW 43.82.010 negotiated a lease agreement with the owner of the building located at 9757 Juanita Drive NE, Kirkland, Washington. The agreed amount presents an increase of \$17,587.20 annually.

For additional information or questions, please contact Diane Tucker at 360-570-7335.

### Narrative Justification and Impact Statement

#### *What specific performance outcomes does the agency expect?*

The Public Employment Relations Commission is a small state agency with limited resources for administrative costs. Additional funding to pay for the lease increase will help the agency continue to provide the services its constituents need and expect.

### Performance Measure Detail

#### Activity:

#### Incremental Changes

No measures submitted for package

#### *Is this decision package essential to implement a strategy identified in the agency's strategic plan?*

Yes, it provides a convenient location for staff to perform their work and to collaborate as a team. An objective in PERC's strategic plan is to provide staff the capacity, commitment and management support to perform successfully and achieve the agency's goals and objectives.

***Does this DP provide essential support to one or more of the Governor's Results Washington priorities?***

Yes. This decision package contributes to the statewide result by strengthening government's ability to achieve results efficiently and effectively.

***What are the other important connections or impacts related to this proposal?***

Not funding this package will leave the agency limited administrative funds to implement strategies identified in the agency's strategic plan.

***What alternatives were explored by the agency, and why was this alternative chosen?***

We initially considered increasing the size of this office to accommodate more hearings and mediations but the cost was prohibitive. We also explored other locations in the King County market. Real Estate in this area is on the increase and we could not find anything for less.

***What are the consequences of adopting or not adopting this package?***

PERC would have to look for cuts in critical mission services to fund the increase in the lease.

***What is the relationship, if any, to the state's capital budget?***

None.

***What changes would be required to existing statutes, rules, or contracts, in order to implement the change?***

None.

***Expenditure and revenue calculations and assumptions***

Previous expenditures were \$63,567 annually. The cost annually is going up to \$81,154.68.

FY16	\$63,567.48
New Lease Costs December through June 30	\$10,200.58
Total	\$73,768.06
FY17	\$63,567.48
New Lease Costs	\$17,587.20
Total	\$81,154.68

***Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?***

This request is ongoing into future biennia.

<b><u>Object Detail</u></b>	<b><u>FY 2016</u></b>	<b><u>FY 2017</u></b>	<b><u>Total</u></b>
E Goods\Other Services	10,201	17,588	27,789

**Agency:** 275 Public Employment Relations Comm  
**Decision Package Code/Title:** 9Q Equip Maintenance/Software licenses  
**Budget Period:** 2015-17  
**Budget Level:** M2 - Inflation and Other Rate Changes

### Recommendation Summary Text:

The Public Employment Relations Commission replaced a failing critical case management system. The new application allowed PERC to begin automating processes. Having funding for ongoing licenses will allow us to continue improving our processes.

### Fiscal Detail

<b>Operating Expenditures</b>	<b><u>FY 2016</u></b>	<b><u>FY 2017</u></b>	<b><u>Total</u></b>
001-1 General Fund - Basic Account-State		63,850	63,850
415-1 Personnel Service Account-State		19,370	19,370
455-1 Higher Education Personnel Services-State		60,264	60,264
<b>Total Cost</b>		<b>143,484</b>	<b>143,484</b>

### Package Description:

The Public Employment Relations commission is requesting funding for Software licenses for a case management system that was replaced.

### Narrative Justification and Impact Statement

#### *What specific performance outcomes does the agency expect?*

Licenses will allow us to continue automating the processes we were unable to complete as part of our project to move to the new case management system due to short timeframe of original project that OCIO previously deemed an innovative project. Many other automation ideas have arisen as a result of moving to the new system, and will be examined and implemented as appropriate.

### Performance Measure Detail

**Activity:**

**Incremental Changes**

No measures submitted for package

***Is this decision package essential to implement a strategy identified in the agency's strategic plan?***

Yes, to improve case processing procedures so they are efficient, timely and useful to internal and external users while able to adapt to changing technology.

***Does this DP provide essential support to one or more of the Governor's Results Washington priorities?***

Yes. This decision package contributes to the statewide result by strengthening government's ability to achieve results efficiently and effectively.

***What are the other important connections or impacts related to this proposal?***

Not funding this package will leave the agency limited in making case management process improvement and will have an organizational impact on clientele. Not funding this package will also not allow us to proceed with process improvements identified during LEAN analysis.

***What alternatives were explored by the agency, and why was this alternative chosen?***

We considered several other case management systems, but Salesforce was the least expensive with the quickest delivery. We were also impressed having the ability to make incremental changes bringing continued improvement to our case management flow. Having the annual licenses will allow for this.

***What are the consequences of adopting or not adopting this package?***

PERC's legacy system was no longer supported. The new system is fully cloud-based and the license fee will ensure continued use of the Salesforce platform.

***What is the relationship, if any, to the state's capital budget?***

None

***What changes would be required to existing statutes, rules, or contracts, in order to implement the change?***

None

***Expenditure and revenue calculations and assumptions***

The licenses are purchased two years at a time. Each year costs \$66,000 plus tax.

Estimated \$132,000 x 8.7% tax = \$143,484

***Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?***

All are ongoing into future biennia.

<b><u>Object Detail</u></b>	<b><u>FY 2016</u></b>	<b><u>FY 2017</u></b>	<b><u>Total</u></b>
E Goods\Other Services		143,484	143,484

# Information Technology Addendum

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**Recsum Code and Title:** Salesforce licences  
**Brief Description:** Salesforce licenses in the amount of \$132,000 plus tax, in fiscal year 2.

If this investment includes the use of servers, do you plan to use the state data center?

Yes     No, waiver received     No, waiver not received     Does not apply

**Business Transformation** – This set of criteria will be used to assess IT proposals supporting business changes to improve services or access to information for agency customers or citizens.

***Business process improvement:*** Primary goal of the proposal is to transform an agency business process. This criterion will be used to assess the transformative nature of the project.  
(INTENT: Incent agencies to take transformative projects that may include risk.)

In 2015, PERC replaced a failing critical case management system. The former system, which was the critical system to all PERC business was a legacy custom-developed application using obsolete programming language. Additionally, no one on staff had current knowledge on the legacy application. PERC contracted to a vendor, Vertiba, who built a case management solution configured on top of the Salesforce platform. The new application allowed PERC to begin automating case processes. The application software is licensed annually, and, because it is a software-as-a-service (SaaS) and infrastructure-as-a-service (IaaS), no additional dollars are requested for on-premise hardware or infrastructure. PERC is seeking funding for the annual licensing costs.

Licenses will allow us to continue automating the processes we were unable to complete as part of our project to move to the new case management system due to short timeframe of original project that OCIO previously deemed a innovative project. Primary goal is to automate the few remaining processes that currently require duplication of work, then automate our templates for easier letter creation. Many other automation ideas have arisen as a result of moving to the new system, and will be examined and implemented as appropriate.

***Risk mitigation:*** Primary goal is to mitigate risks associated with transformative initiatives. This criterion will be used to determine if the initiative provides adequate resources to mitigate risks associated with a transformative initiative. Risk planning may include budgeting for independent quality assurance, organizational change management, training, staffing, etc.  
(INTENT: Drive business value by encouraging risk taking that is well managed.)

On-going payment of the annual licensing fee will allow us to make improvement and substantive changes. Changes managed through configuration settings controlled in the Salesforce platform will

make it difficult to truly “break” the system. We can continue working with Vertiba, the company who configured the application, to help facilitate major changes going forward.

***Customer-facing value:*** Add value in short increments. This criterion will be used to determine if the initiative provides “customer-facing value” in small increments quickly to drive agile strategy.

**(INTENT: Drive agencies to producing value more quickly and incrementally.)**

Ability to make incremental changes was key motivating factor behind original purchase. Licenses also affords us the three upgrades per year provided by Salesforce. System Administrator will work to keep on top of the updates and leverage any that may bring added benefit to agency. The agency was unable to make any substantive changes to the previous legacy application to keep current with changes in RCW.

***Open data:*** New datasets exposed. This criterion will be used to assess if the initiative will increase public access to searchable, consumable machine-readable data from agencies.

**(INTENT: Drive agencies to make more data available to citizens. We also value making data available internally for better decision making.)**

No new data sets are currently exposed to the public but is an area that will continue to be explored. The new application does make our data easier to search, export, and report on, which currently provides better access to data internally, and offers some improvement to the data provided to the public. For example, our IT Manager fulfilled our last records request for case files (over 10,000 pages, a large request for our agency), and was able to export it to a folder, where it was BATES numbered and uploaded to the requester. In our previous legacy application, there was no exporting utility and the agency would have had save each attachment manually. The export capability from the new application also creates an audit log with related attachment data (date created, comments, who filed the document) which was previously unavailable.

***Transparency/accountability:*** Project is clear, measurable, and immediate. This criterion will be used to assess if the initiative specifies the following: (1) Are the goals articulated? (2) Are performance outcomes identified, quantified and measurable?

**(INTENT: Award more points for better project and outcome performance measures.)**

N/A – Licensing will maintain and improve our new case management system. As we continue to build out processes, several steps will be eliminated on the support staff level that will be automated directly by the LRAM managing the case

**Technology Strategy Alignment** – This set of criteria will be used to assess the alignment of the request to the larger technology strategy of the state.

***Security:*** Improve agency security. This criterion will be used to assess the improvements to the overall security posture for an agency.

**(INTENT: Award additional points to projects where intent is to improve the security across an agency.)**

The case management application is configured on top of the Salesforce platform that had previously undergone a state IT security review and was certified for category 3 and 4 data. The agency only uses the case management application for category 2 data. Access to the application is in compliance with OCIO IT Security Standards (141.10).

***Modernization of state government: Cloud first.*** This criterion will be used to assess if the initiative will result in replacing legacy systems with contemporary solutions that drive our cloud-first strategy.

**(INTENT: Drive agencies to look more intently at leveraging cloud-based solutions.)**

The new case management application leverages the Salesforce platform which is fully cloud-based and the license fee will ensure continued use of the Salesforce platform.

***Mobility: New mobile services for citizens.*** This criterion will be used to assess the contribution of the initiative to support mobile government services for citizens and a mobile workforce.

**(INTENT: Drive agencies to look for ways to deliver results and services that are accessible to citizens from mobile devices. While we also value mobility for employees, we place greater value on mobility for citizens.)**

Since the Vertiba case management application is built on top of the Salesforce platform, it is already mobile capable and supports the agency's mobile workforce. Within the Salesforce platform, Salesforce1 is available as a mobile application that gives access to all of the data in our environment to the public when that capability is needed. We were unable to do a custom configuration under our project. Maintaining our licenses will give us a chance to customize our application to fit our needs and better serve our staff who travel frequently.

***Interoperability: Adds value in six months.*** This criterion will be used to determine if the initiative provides a technology system or software application that distributes, consumes or exchanges data.

**(INTENT: Drive agencies to acquiring and/or developing systems that are interoperable across the state enterprise.)**

Agency data standards were developed as part of the initial project and configured into the application standardizing all collected data across the agency. Now, for the first time, consistent data and reports are available to management and for external reporting with minimal effort to extract the performance data. Currently no exchanges of data planned or in place due to agency being small in size and scope of our work being unique.

**Financial** – This set of criteria will be used to assess the initiative's financial contribution, including the extent the initiative uses other fund sources, reduces cost for the state, or captures new or unrealized revenue.

***Captures new or unrealized revenue:*** This criterion is calculated based on the amount of new or unrealized revenue captured by the end of the 2017-19 biennium as a proportion of total

investment. To get the full points in this category, projects must capture at least five times the amount of the investment by the end of the 2017-19 biennium.

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***Reduces costs:*** This criterion is calculated based on the amount of cost reduction by the end of the 2017-19 biennium as a proportion of total investment. To get the full points for this criterion, projects must reduce costs by at least two times the amount of the investment by the end of the 2017-19 biennium.

This will reduce the amount of time (and dollars if possible for staff time and materials) spent on public disclosure requests. The 10,000 page disclosure request with the new system used 1/2 the time of using the old system. We will continue to refine that process for additional savings in time and money.

***Leverages federal/grant funding:*** This criterion is to calculate the degree in which projects are funded by federal or grant dollars. Projects that are fully funded by federal or grant sources receive full points.

No grants for this project and no federal grants for this project.