

Recommendation Summary

Budget Period: 2015-17

Version: J2 - 100 2015-17 Final 2016 Sup

Budget Level Criteria: ALL

Dollars in Thousands		Agency Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
CB - Current Biennium						
00	Current Biennium Base	0	318.1	26,320	99,251	125,571
SubTotal CB			318.1	26,320	99,251	125,571
Cumulative Total Thru CB			318.1	26,320	99,251	125,571
M2 - Inflation and Other Rate Changes						
8L	Lease Rate Adjustments	0	0.0	(18)	0	(18)
9T	Transfers	0	0.0	(9)	(760)	(769)
WB	One-Time Relocation	0	0.0	167	0	167
WC	Building Access Control System	0	0.0	75	0	75
WK	IT Systems Infrastructure	0	0.0	0	12	12
WM	Technical Corrections	0	0.0	187	0	187
WN	State Data Center Adjustments	0	0.0	10	0	10
WP	MS Office 365	0	0.0	74	0	74
WV	Vancouver Furniture COP	0	0.0	16	8	24
SubTotal M2			0.0	502	(740)	(238)
Cumulative Total Thru M2			318.1	26,822	98,511	125,333
Total Proposed Budget			318.1	26,822	98,511	125,333

Department of Social and Health Services

DP Code/Title: M2-8L Lease Rate Adjustments
Program Level - 100 Vocational Rehabilitation

Budget Period: 2015-17 Version: J2 100 2015-17 Final 2016 Sup

Recommendation Summary Text:

DSHS requests lease rate adjustments to correct funding discrepancies between programs and to fully support lease obligations.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	0	(18,000)	(18,000)
Total Cost	0	(18,000)	(18,000)

Staffing

Package Description:

Problem Statement

DSHS' 2015-17 agency-wide lease budget requires the following adjustments to eliminate funding discrepancies and shortfalls:
 Everett - OFM Facility Oversight redistributed funds between programs to account for square footage changes that will occur in Fiscal Year 2017 between programs. This duplicated an adjustment that DSHS had already made.
 Tacoma - OFM Facility Oversight removed funding for Fiscal Year 2017 related to an outdated plan to reduce space at the Centennial Complex. The leased space will continue to be needed to house DSHS programs for the foreseeable future.
 The Developmental Disabilities Administration expedited three expansion projects that were scheduled for completion during Fiscal Year 2017. These projects will now be completed in Fiscal Year 2016 to make additional space available for new hires anticipated in Fiscal Year 2017. An exchange of funds between fiscal years will be necessary to meet program need. These projects and the expedited timing were approved by OFM Facility Oversight via the Modified Predesign process.

Proposed Solution

Everett - Reverse the program redistribution between programs. The net change is an addition of \$24,074 because the Department of Early Learning (DEL), who is also a tenant in this building, was inadvertently included in OFM's calculation.
 Tacoma - Second year funding for the Centennial II facility must be added. The net increase is \$762,892.71. Please see the Lease Rate Adjustment worksheet for amounts by program.
 Developmental Disabilities Administration (DDA) redistribution of funds between fiscal years adds \$280,000 to Fiscal Year 2016 and reduces Fiscal Year 2017 by the same amount.

Agency Contact: Denise Kopel (360)902-7707

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Funding this request will enable DSHS programs to continue serving clients in these existing facilities with adequate lease funding.

Performance Measure Detail

Agency Level

Activity: J104 Vocational Counseling and Guidance
 No measures linked to package

Incremental Changes
<u>FY 1</u> <u>FY 2</u>
0.00 0.00

Department of Social and Health Services

DP Code/Title: M2-8L Lease Rate Adjustments
Program Level - 100 Vocational Rehabilitation

Budget Period: 2015-17 Version: J2 100 2015-17 Final 2016 Sup

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

Safety - Each individual and each community will be safe.

Public Trust - Strong management practices will be used to ensure quality and efficiency.

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

This Decision package supports the Result Washington:

Goal 4: Healthy & Safe Communities - Safe People - Help keep people safe in their homes, on their jobs, and in their communities.

Goal 5: Efficient, Effective & Accountable Government - Customer Satisfaction and Confidence - 1.1 Increase customer services.

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

This request supports nearly all DSHS programs. Lack of funding will cause programs to overspend their budgets which will negatively impact the clients they serve.

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

No alternatives were explored as the lease space is necessary to house increased staffing with in DSHS.

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

DSHS will be forced to cover these costs as the space is needed. Without additional funding, cuts in service will negatively impact the clients they serve.

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

This request has no impact on the capital budget.

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

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

See attachment: AW M2-8L Lease Adjustment Costs.xlsx

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

These costs are ongoing and will carry forward into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods\Other Services	0	(18,000)	(18,000)

Department of Social and Health Services

DP Code/Title: M2-8L Lease Rate Adjustments

Program Level - 100 Vocational Rehabilitation

Budget Period: 2015-17 Version: J2 100 2015-17 Final 2016 Sup

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	0	(18,000)	(18,000)
<i>Total for Fund 001-1</i>		0	(18,000)	(18,000)
Total Overall Funding		0	(18,000)	(18,000)

**2016 Supplemental Budget
M2-8L Lease Adjustments**

Department of Social & Health Services

Program	State			Other			Total		
	2016	2017	Total	2016	2017	Total	2016	2017	Total
010 - CA	\$0	\$672,000	\$672,000	\$0	\$70,000	\$70,000	\$0	\$742,000	\$742,000
020 - JRA	\$0	(\$115,000)	(\$115,000)	\$0	\$0	\$0	\$0	(\$115,000)	(\$115,000)
040 - DDD	\$165,000	(\$247,000)	(\$82,000)	\$115,000	(\$172,000)	(\$57,000)	\$280,000	(\$419,000)	(\$139,000)
050 - LTC	\$46,000	(\$22,000)	\$24,000	(\$46,000)	(\$109,000)	(\$155,000)	\$0	(\$131,000)	(\$131,000)
060 - ESA	\$0	\$276,000	\$276,000	\$0	\$166,000	\$166,000	\$0	\$442,000	\$442,000
100 - DVR	\$0	(\$18,000)	(\$18,000)	\$0	\$0	\$0	\$0	(\$18,000)	(\$18,000)
110 - ADMIN	\$0	\$5,000	\$5,000	\$0	\$1,000	\$1,000	\$0	\$6,000	\$6,000
Total	\$211,000	\$551,000	\$762,000	\$69,000	(\$44,000)	\$25,000	\$280,000	\$507,000	\$787,000

Total Request			
2015-17 Biennium Request (Incremental)			
Program	FY 2016	FY 2017	Total
010 - CA	\$ -	\$ 742,000	\$ 742,000
020 - JRA	\$ -	\$ (115,000)	\$ (115,000)
040 - DDD	\$ 280,000	\$ (419,000)	\$ (139,000)
050 - LTC	\$ -	\$ (131,000)	\$ (131,000)
060 - ESA	\$ -	\$ 442,000	\$ 442,000
100 - DVR	\$ -	\$ (18,000)	\$ (18,000)
110 - ADMIN	\$ -	\$ 6,000	\$ 6,000
Total	\$280,000	\$507,000	\$787,000

2016 Supplemental Budget M2-8L Lease Adjustments

City	Bldg_Address	Use_Primary	Program	Total FY2016	Total FY2017
Everett	840 N Broadway	Office	010	-	457,013.00
Tacoma	2121 S State St	Office	010	-	254,043.27
Tacoma	2121 S State St	Office	010	-	31,327.43
010 Total				-	742,383.70
Everett	840 N Broadway	Office	020	-	(117,757.00)
Tacoma	2121 S State St	Office	020	-	1,061.95
Tacoma	2121 S State St	Office	020	-	1,238.94
020 Total				-	(115,456.12)
Everett	840 N Broadway	Office	040	-	(146,247.00)
Tacoma	2121 S State St	Office	040	-	7,256.64
	See DDA Redistribution	Office	050	280,000.00	(280,000.00)
040 Total				280,000.00	(418,990.36)
Everett	840 N Broadway	Office	050	-	(144,307.00)
Tacoma	2121 S State St	Office	050	-	12,920.35
050 Total				-	(131,386.65)
Everett	840 N Broadway	Office	060	-	42,960.00
Tacoma	2121 S State St	Office	060	-	364,662.72
Tacoma	2121 S State St	Office	060	-	34,690.26
060 Total				-	442,312.97
Everett	840 N Broadway	Office	100	-	(18,279.00)
100 Total				-	(18,279.00)
Everett	840 N Broadway	Office	110	-	(49,309.00)
Tacoma	2121 S State St	Office	110	-	3,814.46
Tacoma	2121 S State St	Office	110	-	51,876.70
110 Total				-	6,382.17
Grand Total				280,000.00	506,966.71

Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 100 Vocational Rehabilitation

Budget Period: 2015-17 Version: J2 100 2015-17 Final 2016 Sup

Recommendation Summary Text:

DSHS requests the shift of FTEs and funding among programs in the 2015 17 Biennial Budget. This transfer will align FTEs and funds with the programs where the costs are incurred. The net impact is zero.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	(10,000)	1,000	(9,000)
001-2 General Fund - Basic Account-Federal	(380,000)	(380,000)	(760,000)
Total Cost	(390,000)	(379,000)	(769,000)

Staffing

Package Description:

DSHS requests internal transfers among several program budgets resulting in a net zero funding change for the department. This request aligns program appropriations with planned expenditures. DSHS requests the following adjustments for the 2015 17 Biennial Budget:

Information System Services Division (ISSD) Compensation Adjustment
(Program 110 to Programs 010, 020, 030, 040, 050, 060, 070, 100, 135):

Program 110 Administration and Supporting Services (ADMIN) will transfer compensation adjustments for staff in the Information Systems Services Division (Program 150) to other DSHS programs. ISSD is a chargeback program where the funding resides in program's Sub Object TZ budget. ADMIN will transfer GF State in the amount of \$468,000 for Fiscal Year 16 (FY16) and \$1,005,000 for FY17 to the other programs. The transfer will realign the funding with the correct DSHS programs to be charged by ISSD.

Communications Manager
(Program 010 to Program 110):

Program 010 Children's Administration will transfer 0.40 of an FTE and \$70,000 in GF State Funding (\$86,000 total) to administration Program 110. This transfer will result in the communications position being funded all from one program.

Consolidated Support Services (CSS) Funding
(Program 030 to Program 040):

When the Compensation Impact Model was developed the staff from CSS were included in the Mental Health Division Program 030. The CSS staff support both Eastern State Hospital and Lakeland Village. Transfer \$381,000 GF State / \$459,000 total funds for the staff providing services to Lakeland Village to the Developmental Disabilities Administration (DDA) Program 040.

DDA to Aging and Long Term Support Administration (ALTSA) Transfer
(Program 040 to Program 050):

Transfer of 17.1 FTEs and \$1,943,000 GF State / \$3,784,000 Total funds from DDA to ALTSA for Individual & Family Services (IFS) / Basic Plus / Community First Choice Option (CFCO) / Mandatory Workload Step as well as IT and Program staff.

DDA Category 2000 to Category 1000 Transfer
(Program 040):

Within DDA transfer three (3) Nursing Care Consultants from Category 2000 to Category 1000 and one (1) training position from Category 1000 to Category 2000. Net transfer between categories is 2.0 FTEs, \$320,000 GF State / \$534,000 total in funding.

Department of Social and Health Services

DP Code/Title: M2-9T Transfers

Program Level - 100 Vocational Rehabilitation

Budget Period: 2015-17 Version: J2 100 2015-17 Final 2016 Sup

ALTSA to ADMIN Board of Appeals
(Program 050 to Program 110):

When the Health Care Authority (HCA) was created a number of positions were transferred from DSHS to HCA. There were two (2) Review Judges that were transferred from ADMIN, with a Review Judge and Paralegal 2 (50%) remaining that are charged to ALTSA. The work being done by these positions is for all DSHS programs. Transfer 1.5 FTEs and \$177,000 GF State / \$339,000 Total funds from ALTSA to ADMIN for the work that is being performed that benefits all programs within DSHS.

Fleet Rate Reduction

(Program 145 to Programs 010, 020, 030, 040, 050, 060, 070, 100 and 110):

The 2015 17 Biennial Budget included a reduction in funding for Fleet Services. This reduction was placed in the PTOA (Program 145) budget. Fleet Costs are charged to each program using the Fleet Services. The reduction needs to be transferred from PTOA to the affected programs.

Office of the Chief Information Officer (OCIO)

(Programs 010, 020, 030, 040, 050, 060, 070, 100, 110 and 135 to Program 145):

OCIO monthly costs are currently being distributed to all the programs. The 2015 17 Biennial Budget included a reduction for the OCIO costs that was placed in the PTOA budget. When reviewing the reduction and process for the monthly payment, it was determined that the funding should be transferred from all programs to PTOA (Program 145). This is a payment to another state agency so it should reside in the PTOA budget and expenditures.

WaTech

(Programs 010, 020, 030, 040, 050, 060, 070, 100, 110 and 135 to Program 145):

WaTech monthly costs are currently being distributed to all the programs. The 2015 17 Biennial Budget included some adjustments to the WaTech funding that was placed in the PTOA budget. When reviewing the adjustments, as well a change in the monthly invoice process from WaTech, it was determined that the funding should be transferred from all programs to PTOA (Program 145) for Security Gateway, Enterprise Security, Secure File & State Data Network, and HRMS Production Support. This is a payment to another state agency so it should reside in the PTOA budget and expenditures.

ISSD Reorganization

(Programs 010, 020, 030, 040, 050, 060, 070, 100, 110, 135 and 150):

ISSD has reorganized resulting in a transfer of FTEs from ISSD to Admin for the Technology Services Division. This transfer results in a change in the amount of TZ that should be allocated in each program. TZ and other objects are adjusted in Admin and ISSD to reflect this change in ISSD.

These transfers will realign the funding with the DSHS programs to be charged.

Agency Contact: Bill Jordan (360) 902 8183

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

These transfers will realign the funding with the DSHS programs that are charged for the services.

Performance Measure Detail

Agency Level

Activity: J104 Vocational Counseling and Guidance

No measures linked to package

Incremental Changes

<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

Department of Social and Health Services

DP Code/Title: **M2-9T Transfers**

Program Level - 100 Vocational Rehabilitation

Budget Period: 2015-17 Version: J2 100 2015-17 Final 2016 Sup

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

The budget request supports DSHS Goals: Health - Each individual and each community will be healthy, and Public Trust - Strong management practices will be used to ensure quality and efficiency.

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

This decision package supports the Results Washington goals to: Goal 5: Efficient, Effective & Accountable Government - Resource Stewardship - Ensure that funding is used responsibly, and Goal 5: Efficient, Effective & Accountable Government - Transparency and Accountability - Ensure efficiency, performance, and accountability to the public by providing transparency and accountability in state agency operations.

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

None

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

The request transfers funding between programs so that the needs can be met within existing resources.

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

These transfers will realign the funding with the DSHS programs that are charged for the services.

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

This request has no impact on the capital budget.

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

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

See attachment AW M2 9T Transfers.xlsx.

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

The transfer is one-time, and then all costs associated with it will be ongoing and will carry-forward into future biennia.

Object Detail	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods\Other Services	(317,000)	(317,000)	(634,000)
G Travel	(4,000)	(4,000)	(8,000)
T Intra-Agency Reimbursements	(69,000)	(58,000)	(127,000)
Total Objects	(390,000)	(379,000)	(769,000)

Department of Social and Health Services

DP Code/Title: **M2-9T Transfers**

Program Level - 100 Vocational Rehabilitation

Budget Period: 2015-17 Version: J2 100 2015-17 Final 2016 Sup

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	(10,000)	1,000	(9,000)
<i>Total for Fund 001-1</i>		(10,000)	1,000	(9,000)
Fund 001-2, General Fund - Basic Account-Federal				
<u>Sources</u>	<u>Title</u>			
126F	Rehabilitation Svcs - Basic Supp (A) (78.7%)	(380,000)	(380,000)	(760,000)
<i>Total for Fund 001-2</i>		(380,000)	(380,000)	(760,000)
Total Overall Funding		(390,000)	(379,000)	(769,000)

**2016 Supplemental Budget
AW M2-9T Transfers**

Program	FTEs			FY 2016										FY 2017										2015-17 Biennium									
	FY16	FY17	Total	A	B	E	ED	G	J	P	TZ	Total	A	B	E	ED	G	J	P	TZ	Total	A	B	E	ED	G	J	P	TZ	Total			
110 Administration & Supporting Services																																	
1. ISSD Compensation Adjustments			0.0		(236,000)						(232,000)	(468,000)		(524,000)							(481,000)	(1,005,000)	0	(760,000)	0	0	0	0	0	(713,000)	(1,473,000)		
2. Communications Manager	0.4	0.4	0.4	32,000	10,000						42,000	42,000	33,000	11,000							44,000	44,000	65,000	21,000	0	0	0	0	0	0	86,000		
6. ALTA to ADMIN - Board of Appeals	1.5	1.5	1.5	116,000	43,000	8,000					2,000	169,000	116,000	44,000	8,000						2,000	170,000	232,000	87,000	16,000	0	0	0	0	4,000	339,000		
7. Fleet Program Rate Reduction			0.0					(6,000)			(6,000)	(6,000)					(6,000)				(6,000)	(6,000)	0	0	0	0	(12,000)	0	0	0	(12,000)		
8. OCIO Funding Transfer			0.0			(33,000)					(33,000)	(33,000)			(33,000)						(33,000)	(33,000)	0	0	(66,000)	0	0	0	0	0	(66,000)		
9. WaTech Funding Transfer			0.0			(161,000)					(156,000)	(156,000)			(161,000)						(156,000)	(156,000)	0	0	(322,000)	0	0	0	0	0	(312,000)		
10. ISSD Reorganization	55.8	55.8	55.8	4,142,000	1,324,000	1,070,000			310,000		(3,244,000)	3,602,000	4,509,000	1,516,000	759,000			310,000			(3,380,000)	3,714,000	8,651,000	2,840,000	1,829,000	0	0	620,000	0	(6,624,000)	7,316,000		
110 Total	57.7	57.7	57.7	4,290,000	1,141,000	884,000	0	(6,000)	310,000	0	(3,469,000)	3,150,000	4,658,000	1,047,000	573,000	0	(6,000)	310,000	0	(3,854,000)	2,728,000	8,948,000	2,188,000	1,457,000	0	(12,000)	620,000	0	(7,323,000)	5,878,000			
135 Special Commitment Center																																	
1. ISSD Compensation Adjustments			0.0								7,000	7,000									15,000	15,000	0	0	0	0	0	0	0	22,000	22,000		
8. OCIO Funding Transfer			0.0			(2,000)					(2,000)	(2,000)			(2,000)						(2,000)	(2,000)	0	0	(4,000)	0	0	0	0	0	(4,000)		
9. WaTech Funding Transfer			0.0			(104,000)					3,000	(101,000)			(104,000)						3,000	(101,000)	0	0	(208,000)	0	0	0	0	6,000	(202,000)		
10. ISSD Reorganization			0.0								(73,000)	(73,000)									(73,000)	(73,000)	0	0	0	0	0	0	0	(146,000)	(146,000)		
135 Total	0.0	0.0	0.0	0	0	(106,000)	0	0	0	0	(63,000)	(169,000)	0	0	(106,000)	0	0	0	0	(55,000)	(161,000)	0	0	(212,000)	0	0	0	0	(118,000)	(330,000)			
145 Payments to Other Agencies																																	
7. Fleet Program Rate Reduction			0.0			133,000			0			133,000			133,000			0				133,000	0	0	266,000	0	0	0	0	0	266,000		
8. OCIO Funding Transfer			0.0			327,000						327,000			327,000							327,000	0	0	654,000	0	0	0	0	0	654,000		
9. WaTech Funding Transfer			0.0			6,960,000						6,960,000			6,960,000							6,960,000	0	0	13,920,000	0	0	0	0	0	13,920,000		
145 Total	0.0	0.0	0.0	0	0	7,420,000	0	0	0	0	0	7,420,000	0	0	7,420,000	0	0	0	0	0	0	7,420,000	0	0	14,840,000	0	0	0	0	0	14,840,000		
150 Information System Services Division																																	
1. ISSD Compensation Adjustments			0.0		236,000						(236,000)	0		524,000							(524,000)	0	0	760,000	0	0	0	0	0	(760,000)	0		
9. WaTech Funding Transfer			0.0			232,000					(232,000)	0			232,000						(232,000)	0	0	0	464,000	0	0	0	0	(464,000)	0		
10. ISSD Reorganization	(55.8)	(55.8)	(55.8)	(4,142,000)	(1,324,000)	(1,070,000)	0	0	(310,000)	0	6,846,000	0	(4,509,000)	(1,516,000)	(759,000)	0	0	(310,000)	0	0	7,094,000	0	(8,651,000)	(2,840,000)	(1,829,000)	0	0	(620,000)	0	13,940,000	0		
150 Total	(55.8)	(55.8)	(55.8)	(4,142,000)	(1,088,000)	(838,000)	0	0	(310,000)	0	6,378,000	0	(4,509,000)	(992,000)	(527,000)	0	0	(310,000)	0	0	6,338,000	0	(8,651,000)	(2,080,000)	(1,365,000)	0	0	(620,000)	0	12,716,000	0		
160 Consolidated Field Services																																	
160 Total	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Agency-Wide Total:	0	0	0.0	0	0	266,000	0	(266,000)	0	0	0	0	0	0	266,000	0	(266,000)	0	0	0	0	0	0	0	532,000	0	(532,000)	0	0	0	0		

NOTES:

- Information System Services Division (ISSD) compensation adjustments from Administration & Supporting Services (Admin). Item adjusts object TZ costs. No Carry Forward Level (CFL) adjustment needed for the 2017-19 Biennial budget.
- Children's Administration transfer of Communications Manager funding (40%) to Administration and Supporting Services.
- Transfer Compensation Impact Model (CIM) funding from Mental Health Division to Developmental Disabilities Administration for Consolidated Support Services (CSS). All CSS positions were included in the Mental Health Division when the CIM file was created.
- Transfer FTEs and Funding from Developmental Disability Administration (DDA) to Aging and Long-Term Support Administration (ALTA) for IFS / Basic+ / CFCC / Mandatory Workload Step / IT staff and Program Staff.
- Transfer FTEs and Funding from Category 2000 to Category 1000 within the Developmental Disabilities Administration (DDA). Three (3) Nursing Care Consultants from Category 2000 to Category 1000 and One (1) Training position from Category 1000 to Category 2000.
- Transfer FTEs and Funding from Aging and Long-Term Support Administration (ALTA) to Administration and Supporting Services (ADMIN) for the Board of Appeals. This adjustment is needed because of a previous transfer to the Health Care Authority that should have come out of ALTA instead of ADMIN. No CFL Adjustment needed for the 2017-19 Biennial budget.
- Transfer the Fleet Program Rate Reduction from Payments to Other Agencies (PTOA) to all other DSHS Programs.
- Transfer the costs of the Office of the Chief Information Officer (OCIO) from the DSHS Programs to PTOA.
- Transfer the costs for WaTech from DSHS Programs to PTOA.
- ISSD has been reorganized, with a portion of the staff being transferred to Admin. This results in a change of TZ funding at the program level.

Department of Social and Health Services

DP Code/Title: M2-WB One-Time Relocation
Program Level - 100 Vocational Rehabilitation

Budget Period: 2015-17 Version: J2 100 2015-17 Final 2016 Sup

Recommendation Summary Text:

DSHS requests funding to cover one-time costs associated with relocating three facilities in Seattle to less costly leased space.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	167,000	0	167,000
Total Cost	167,000	0	167,000

Staffing

Package Description:

Problem Statement

DSHS planned to renew leases at three locations in Seattle which was supported by the 2015-21 Enacted Six-Year Facilities Plan. However, renewal rates sought by the lessors of these facilities were extremely cost prohibitive making it unfeasible to continue these leases. OFM Facility Oversight approved Modified Predesign requests to relocate these offices to less costly facilities.

Proposed Solution

OFM Facility Oversight has authorized the relocation of three offices currently located in downtown Seattle. Division of Vocational Rehabilitation (DVR) field services office, the Community Services Division (CSD) Regional headquarters and training center, and the Division of Disability Determination Services (DDDS) are affected.

Agency Contact: Denise Kopel (360)902-7707

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Funding this request will enable these programs to relocate to safe and secure facilities within the DSHS approved lease budget.

Performance Measure Detail

Agency Level

Activity: J104 Vocational Counseling and Guidance

No measures linked to package

Incremental Changes

<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

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

Health - Each individual and each community will be healthy.

Safety - Each individual and each community will be safe.

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

Department of Social and Health Services

DP Code/Title: M2-WB One-Time Relocation
Program Level - 100 Vocational Rehabilitation

Budget Period: 2015-17 Version: J2 100 2015-17 Final 2016 Sup

This Decision package supports the Result Washington:

Goal 4: Healthy & Safe Communities - Safe People - Help keep people safe in their homes, on their jobs, and in their communities.

Goal 5: Efficient, Effective & Accountable Government - Customer Satisfaction and Confidence - 1.1 Increase customer services.

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

Lack of funding will result in these programs remaining in locations that they cannot afford. This will negatively impact the clients they serve as reductions would have to be made elsewhere.

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

The alternative to relocating these programs would have been to remain in three locations with lease rates far above market in the downtown Seattle area. It was more cost effective to relocate all three offices to more reasonably priced leased office space.

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

DSHS will be forced to cover these costs as the space is needed. Without additional funding, cuts in service will negatively impact the clients they serve.

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

This request has no impact on the capital budget.

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

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

See attachment: AW M2-WB One-Time Relocation Costs.xlsx

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

These costs are one-time and will not carry forward.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods\Other Services	167,000	0	167,000

Department of Social and Health Services

DP Code/Title: M2-WB One-Time Relocation
Program Level - 100 Vocational Rehabilitation

Budget Period: 2015-17 Version: J2 100 2015-17 Final 2016 Sup

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	167,000	0	167,000
<i>Total for Fund 001-1</i>		167,000	0	167,000
Total Overall Funding		167,000	0	167,000

**2016 Supplemental Budget
M2-WB One-Time Relocation**

Program	FY 2016			FY 2017			2015-17 Biennium		
	State	Other	Total	State	Other	Total	State	Other	Total
010	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
020	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
040	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
050	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
060	\$ 605,000	\$ 355,000	\$ 960,000	\$ -	\$ -	\$ -	\$ 605,000	\$ 355,000	\$ 960,000
070	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
100	\$ 167,000	\$ -	\$ 167,000	\$ -	\$ -	\$ -	\$ 167,000	\$ -	\$ 167,000
110	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 772,000	\$ 355,000	\$ 1,127,000	\$ -	\$ -	\$ -	\$ 772,000	\$ 355,000	\$ 1,127,000

Program	FY 2016	FY 2017	2015-17	State %
010	\$ -	\$ -	\$ -	91%
020	\$ -	\$ -	\$ -	100%
040	\$ -	\$ -	\$ -	59%
050	\$ -	\$ -	\$ -	52%
060	\$ 960,000	\$ -	\$ 960,000	63%
070	\$ -	\$ -	\$ -	81%
100	\$ 167,000	\$ -	\$ 167,000	100%
110	\$ -	\$ -	\$ -	82%
Total	\$ 1,127,000	\$ -	\$ 1,127,000	

2016 Supplemental Budget
M2-WB One-Time Relocation

City	ding DSHS Control Number on Lease Matrix	Programs Involved	Project Completion Date	Square Feet	Estimated Staff Count Affected by Project	Building Security & Access Systems	Setup Costs \$500/ Workstation (SETUP ONLY)	Infrastructure \$750/ Workstation (Times 2 For New Facility)	Vendor and Supplies \$350/Person	Tenant Improvements \$10/RSF	Other/ Incentive	Biennium Total	Project Total FY 2016	Project Total FY 2017
Seattle	916	DVR	12/31/2015	7,333	25	\$ 35,000	\$ 25,000	\$ 25,000	\$ 9,000	\$ 73,000	\$ -	\$ 167,000	\$ 167,000	\$ -
Seattle	904	DDDS	6/30/2016	18,942	93	\$ 75,000	\$ 47,000	\$ 93,000	\$ 28,000	\$ 190,000	\$ -	\$ 433,000	\$ 433,000	\$ -
Seattle	394	CSD	11/30/2015	12,228	31	\$ 75,000	\$ 103,000	\$ 155,000	\$ 72,000	\$ 122,000	\$ -	\$ 527,000	\$ 527,000	\$ -
												\$ 1,127,000	\$ -	

Department of Social and Health Services

DP Code/Title: M2-WC Building Access Control System
Program Level - 100 Vocational Rehabilitation

Budget Period: 2015-17 Version: J2 100 2015-17 Final 2016 Sup

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests funding to support the upgrade of access control systems, panic alarms and intrusion alarms for multiple leased facilities statewide. DSHS is currently in the process of upgrading 32 sites whose access control systems had been running on the Windows XP operating system. While upgrading these sites with a Windows 7 compliant enterprise wide access control system, it became apparent that wiring needed to also be replaced. Another significant issue that has arisen is the incompatibility of existing panic and intrusion alarms that tie into the access control system. Most of these systems are obsolete and must be replaced.

Funding will be used to pay for two contracts; one for the additional wiring costs for the access control system, and one for the panic and intrusion alarm upgrades. The expected result is optimal security for staff and clients at 32 DSHS leased sites.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	75,000	0	75,000
Total Cost	75,000	0	75,000

Staffing

Package Description:

Problem:

By State policy (<https://www.ocio.wa.gov/policies/142-windows-xp-end-life>), all systems running Windows XP must be removed from State offices and from the State network. All remaining Windows XP devices must be removed and replaced with current Windows 7 or later systems.

Existing systems are obsolete and not compatible with Windows 7. Current hardware is failing in a way that jeopardizes both building security as well as posing a potential fire hazard.

Solution:

Procurement of modern security systems will produce continued security even when the network connection is lost as well as mitigate the potential fire hazard; provide management of badges from any of the sites, improving options for support; provide a single, but distributed database, reducing the management of badges for staff who do this in addition to their full time jobs (currently, staff have to be removed from every location they have access to; with this improvement, they only have to be removed or added once).

Agency Contact: Charles Wang (360) 902-8154

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Procurement of modern security systems will:

Produce continued security even when the network connection is lost;

Mitigate the potential fire hazard;

Provide management of badges from any of the sites, improving options for support;

Department of Social and Health Services

DP Code/Title: M2-WC Building Access Control System
Program Level - 100 Vocational Rehabilitation

Budget Period: 2015-17 Version: J2 100 2015-17 Final 2016 Sup

Provide a single, but distributed database, reducing the management of badges for staff who do this in addition to their full time jobs (currently, staff have to be removed from every location they have access to; with this improvement, they only have to be removed or added once);

Addresses DSHS' non compliance with state policy (<https://www.ocio.wa.gov/policies/142-windows-xp-end-life>) by replacing Windows XP devices with Windows 7 or later systems.

Performance Measure Detail

Agency Level

Activity: J103 Vocational Rehabilitation Administration

No measures linked to package

Incremental Changes

FY 1 **FY 2**

0.00 0.00

Activity: J104 Vocational Counseling and Guidance

No measures linked to package

Incremental Changes

FY 1 **FY 2**

0.00 0.00

Activity: J105 Vocational Rehabilitation Direct Client Services

No measures linked to package

Incremental Changes

FY 1 **FY 2**

0.00 0.00

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

Safety - Each individual and each community will be safe.

Public Trust - Strong management practices will be used to ensure quality and efficiency.

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

This Decision package supports the Result Washington:

Goal 4: Healthy & Safe Communities - Safe People - Help keep people safe in their homes, on their jobs, and in their communities.

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

All DSHS programs and management are in support of these upgrades to ensure security for staff and the clients they serve.

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

Existing funding is not available to cover these one-time costs.

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

Existing systems are obsolete and not compatible with Windows 7. Current hardware is failing in a way that jeopardizes both building security as well as posing a potential fire hazard.

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

This request has no impact on the capital budget.

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

This request has no impact to existing statutes, rules or contracts.

Department of Social and Health Services

DP Code/Title: M2-WC Building Access Control System
Program Level - 100 Vocational Rehabilitation

Budget Period: 2015-17 Version: J2 100 2015-17 Final 2016 Sup

Expenditure and revenue calculations and assumptions

See attachment: AW M2-WC Building Access Controls.xlsx

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

These costs are one-time and will not carry forward.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods\Other Services	75,000	0	75,000

DSHS Source Code Detail

Overall Funding	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources</u> <u>Title</u>			
0011 General Fund State	75,000	0	75,000
<i>Total for Fund 001-1</i>	75,000	0	75,000
Total Overall Funding	75,000	0	75,000

**2016 Supplemental Budget
M2-WC Building Access Controls**

Program	FY 2016			FY 2017			2015-17 Biennium		
	State	Other	Total	State	Other	Total	State	Other	Total
010	\$ 200,000	\$ 20,000	\$ 220,000	\$ -	\$ -	\$ -	\$ 200,000	\$ 20,000	\$ 220,000
020	\$ 1,000	\$ -	\$ 1,000	\$ -	\$ -	\$ -	\$ 1,000	\$ -	\$ 1,000
040	\$ 17,000	\$ 12,000	\$ 29,000	\$ -	\$ -	\$ -	\$ 17,000	\$ 12,000	\$ 29,000
050	\$ 33,000	\$ 31,000	\$ 64,000	\$ -	\$ -	\$ -	\$ 33,000	\$ 31,000	\$ 64,000
060	\$ 265,000	\$ 155,000	\$ 420,000	\$ -	\$ -	\$ -	\$ 265,000	\$ 155,000	\$ 420,000
070	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
100	\$ 75,000	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ 75,000	\$ -	\$ 75,000
110	\$ 2,000	\$ 1,000	\$ 3,000	\$ -	\$ -	\$ -	\$ 2,000	\$ 1,000	\$ 3,000
Total	\$ 593,000	\$ 219,000	\$ 812,000	\$ -	\$ -	\$ -	\$ 593,000	\$ 219,000	\$ 812,000

Program	FY 2016	FY 2017	2015-17	State %
010	\$ 220,000	\$ -	\$ 220,000	91%
020	\$ 1,000	\$ -	\$ 1,000	100%
040	\$ 29,000	\$ -	\$ 29,000	59%
050	\$ 64,000	\$ -	\$ 64,000	52%
060	\$ 420,000	\$ -	\$ 420,000	63%
070	\$ -	\$ -	\$ -	81%
100	\$ 75,000	\$ -	\$ 75,000	100%
110	\$ 3,000	\$ -	\$ 3,000	82%
Total	\$ 812,000	\$ -	\$ 812,000	

2016 Supplemental Budget
M2-WC Building Access Controls

City	Bldg_Address	Program	Division	Cost
Forks	421 5TH Ave	010	DCFS	\$ 9,655.50
Seattle	3600 S Graham ST	010	DCFS	\$ 21,960.00
Walla Walla	206 -208 W Poplar St	010	DCFS	\$ 15,600.00
Omak	S 126 Main St	010	DCFS	\$ 6,320.00
Kent	1313 W Meeker ST	010	DCFS	\$ 20,328.00
Shelton	2505 Olympic Hwy N Ste 440	010	DCFS	\$ 10,675.00
Mount Vernon	900 E College Way Ste 100	010	DCFS	\$ 4,837.50
South Bend	307 Robert Bush Dr W	010	DCFS	\$ 8,190.00
Port Angeles	201-5 W 1St	010	DCFS	\$ 13,130.00
Arlington	3906 172ND ST NE	010	DCFS	\$ 22,800.00
Tumwater	6840 & 6860 Capitol Blvd Se Bld 2 & 3	010	DCFS	\$ 27,500.00
Long Beach	2601 Pacific Ave NW	010	DCFS	\$ 4,650.00
Monroe	953 Village Way Ste 25	010	DCFS	\$ 25,000.00
Port Townsend	915 Sheridan Ave	010	DCFS	\$ 9,300.00
Bellevue	805 156Th Ave Ne	010	DCFS	\$ 20,304.00
		010 Total		\$ 220,250.00
Bellingham	4101 Meridian St	020	JRA	\$ 881.50
Mount Vernon	900 E College Way Ste 100	020	JRA	\$ 87.50
		020 Total		\$ 969.00
Omak	S 126 Main St	040	DDA	\$ 700.00
Kent	1313 W Meeker ST	040	DDA	\$ 4,116.00
Walla Walla	416 E Main St	040	DDA	\$ 1,988.00
Shelton	2505 Olympic Hwy N Ste 440	040	DDA	\$ 1,775.00
Mount Vernon	900 E College Way Ste 100	040	DDA	\$ 725.00
South Bend	307 Robert Bush Dr W	040	DDA	\$ 330.00
Port Angeles	201-5 W 1St	040	DDA	\$ 2,990.00
Long Beach	2601 Pacific Ave NW	040	DDA	\$ 112.50
Port Townsend	915 Sheridan Ave	040	DDA	\$ 3,075.00
Kennewick	500 N Morain St	040	DDA	\$ 11,275.00
Oak Harbor	275 Pioneer Way Se Ste 101, 201,202 &	040	DDA	\$ 1,650.00
		040 Total		\$ 28,736.50
Tumwater	6639 Capitol Blvd	050	HCS	\$ 5,840.00
Tumwater	6639 Capitol Blvd	050	RCS	\$ 2,220.00
Walla Walla	206 -208 W Poplar St	050	HCS	\$ 4,400.00
Omak	S 126 Main St	050	HCS	\$ 1,260.00
Bremerton	4710 Auto Center Blvd	050	HCS	\$ 9,320.00
Spokane	1313 N Maple St	050	RCS	\$ 225.00
Shelton	2505 Olympic Hwy N Ste 440	050	HCS	\$ 1,775.00
Mount Vernon	900 E College Way Ste 100	050	HCS	\$ 1,612.50
Mount Vernon	900 E College Way Ste 100	050	RCS	\$ 37.50
South Bend	307 Robert Bush Dr W	050	HCS	\$ 330.00
Arlington	3906 172ND ST NE	050	HCS	\$ 8,400.00
Arlington	3906 172ND ST NE	050	RCS	\$ 8,800.00
Long Beach	2601 Pacific Ave NW	050	HCS	\$ 325.00
Port Townsend	915 Sheridan Ave	050	HCS	\$ 1,000.00
Kennewick	500 N Morain St	050	HCS	\$ 13,725.00
Oak Harbor	275 Pioneer Way Se Ste 101, 201,202 &	050	HCS	\$ 4,600.00
		050 Total		\$ 63,870.00
Bellingham	4101 Meridian St	060	CSD	\$ 14,247.50
Bellingham	4101 Meridian St	060	DCS	\$ 1,045.50
Bellingham	4101 Meridian St	060	DEL	\$ 1,148.00
Forks	421 5TH Ave	060	CSO	\$ 10,844.50
Seattle	3600 S Graham ST	060	CSO	\$ 17,680.00
Seattle	2106 Second Ave	060	CSO	\$ 23,000.00
Omak	S 126 Main St	060	CSO	\$ 11,380.00
Bremerton	4710 Auto Center Blvd	060	CSD	\$ 29,440.00

2016 Supplemental Budget
M2-WC Building Access Controls

City	Bldg_Address	Program	Division	Cost
Bremerton	4710 Auto Center Blvd	060	ESA	\$ 1,000.00
Kent	1313 W Meeker ST	060	CSO	\$ 14,070.00
Kent	1313 W Meeker ST	060	DCS	\$ 210.00
Spokane	1313 N Maple St	060	CSO	\$ 22,275.00
Walla Walla	416 E Main St	060	CSO	\$ 10,024.00
Shelton	2505 Olympic Hwy N Ste 440	060	CSO	\$ 9,075.00
Mount Vernon	900 E College Way Ste 100	060	CSO	\$ 4,025.00
Mount Vernon	900 E College Way Ste 100	060	DCS	\$ 225.00
Mount Vernon	900 E College Way Ste 100	060	DEL	\$ 212.50
South Bend	307 Robert Bush Dr W	060	CSO	\$ 5,865.00
Port Angeles	201-5 W 1St	060	CSD	\$ 10,952.50
Port Angeles	201-5 W 1St	060	DEL	\$ 585.00
Renton	500 SW 7th St	060	CSO	\$ 30,177.00
Federal Way	616 S 348Th St	060	CSO	\$ 25,500.00
Tumwater	6840 & 6860 Capitol Blvd Se Bld 2 & 3	060	CSO	\$ 22,500.00
Long Beach	2601 Pacific Ave NW	060	CSO	\$ 7,300.00
Port Townsend	915 Sheridan Ave	060	CSO	\$ 8,625.00
Chehalis	151 NE Hampe Way Ste 151	060	CSO	\$ 10,000.00
Puyallup	201 W Main St	060	CSO	\$ 25,000.00
Seattle	9650 15Th Ave SW	060	CSO	\$ 40,000.00
Bellevue	805 156Th Ave Ne	060	CSO	\$ 19,536.00
Bellevue	805 156Th Ave Ne	060	DEL	\$ 3,744.00
Oak Harbor	275 Pioneer Way Se Ste 101, 201,202 &	060	CSO	\$ 17,650.00
Lakewood	5712 Main St SW	060	CSO	\$ 23,000.00
		060 Total		\$ 420,336.50
Bellingham	4101 Meridian St	100	DVR	\$ 3,177.50
Tumwater	6639 Capitol Blvd	100	DVR	\$ 1,940.00
Kent	1313 W Meeker ST	100	DVR	\$ 3,276.00
Walla Walla	416 E Main St	100	DVR	\$ 1,988.00
Shelton	2505 Olympic Hwy N Ste 440	100	DVR	\$ 1,325.00
Mount Vernon	900 E College Way Ste 100	100	DVR	\$ 650.00
South Bend	307 Robert Bush Dr W	100	DVR	\$ 165.00
Port Angeles	201-5 W 1St	100	DVR	\$ 4,290.00
Long Beach	2601 Pacific Ave NW	100	DVR	\$ 112.50
Port Townsend	915 Sheridan Ave	100	DVR	\$ 3,000.00
Seattle	400 Mercer St STE 508	100	DVR	\$ 12,500.00
Lacey	4565 7Th Ave SE	100	DVR	\$ 23,511.00
Lacey	4565 7Th Ave SE	100	DVR	\$ 994.50
Lacey	4565 7Th Ave SE	100	DVR	\$ 994.50
Silverdale	3888 Randall Way Stes 101 201	100	DVR	\$ 11,500.00
Bellevue	805 156Th Ave Ne	100	DVR	\$ 4,416.00
Oak Harbor	275 Pioneer Way Se Ste 101, 201,202 &	100	DVR	\$ 1,100.00
		100 Total		\$ 74,940.00
Seattle	3600 S Graham ST	110	EM	\$ 360.00
Omak	S 126 Main St	110	OFA	\$ 340.00
Bremerton	4710 Auto Center Blvd	110	OFA	\$ 240.00
Shelton	2505 Olympic Hwy N Ste 440	110	OFA	\$ 375.00
Mount Vernon	900 E College Way Ste 100	110	OFA	\$ 87.50
South Bend	307 Robert Bush Dr W	110	OFA	\$ 120.00
Port Angeles	201-5 W 1St	110	OIP	\$ 552.50
Renton	500 SW 7th St	110	OFA	\$ 1,323.00
		110 Total		\$ 3,398.00
		Grand Total		\$ 812,500.00

Department of Social and Health Services

DP Code/Title: M2-WK IT Systems Infrastructure
Program Level - 100 Vocational Rehabilitation

Budget Period: 2015-17 Version: J2 100 2015-17 Final 2016 Sup

Recommendation Summary Text:

DSHS requests funding in the 2016 Supplemental Budget for the replacement of information technology (IT) equipment that has passed end of useable life and provides critical support data network infrastructure needed to maintain data transport across the agency and to business partners in support of DSHS clients. This request is to support the lease-purchase of IT equipment through a certificate of participation (COP).

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-2 General Fund - Basic Account-Federal	0	12,000	12,000
Total Cost	0	12,000	12,000

Staffing

Package Description:

Problem Statement:

The department requires the replacement of necessary IT infrastructure equipment to meet the day-to-day operational needs of the department. These needs exceed the department's base equipment funding levels. Not replacing this end of life equipment greatly increases risk to the agency in both loss of vendor support for critical IT infrastructure resulting in increased outages and the loss of security updates which provides protection for confidential and sensitive client data. These risks put the agency in jeopardy of failed federal compliance audits and/or lawsuits if confidential client data is compromised. Factors that motivate this project include federal and state laws, statutes and policies such as the following:

- o Federal requirements mandate protection of Federal Tax Information (FTI) under IRS 1075
- o Internal Revenue Code (IRC) 6103 - Confidentiality and disclosure of returns and return information
- o State law (Chapter 19.255 RCW PERSONAL INFORMATION - NOTICE OF SECURITY BREACHES)
- o OCIO Policy 141 - securing Information Technology Assets

Proposed Solution:

Services and Enterprise Support Administration (SESA)

SESA staff and IT systems support mission critical network services of DSHS. SESA requests funding to procure replacement of end of life equipment that supports mission critical network services of DSHS; consisting of the border firewall, servers, routers and switches. This funding request will support data network infrastructure needed to maintain data transport across the agency and business partners supporting and serving citizens of Washington State. This funding request represents DSHS infrastructure needed to integrate with WaTech statewide network shared services, which is used for data transport. One of the components of this request refers to procuring the DSHS enterprise perimeter firewall. This equipment acts as a gatekeeper to control access between the internal DSHS network and the WaTech-managed networks including the State Government Network (SGN) and Inter-government network (IGN) as well as the public Internet. Equipment included in this funding request is: DSHS agency border firewall, statewide routing and switching equipment, and equipment supporting agency wide security authentication. Any disruption in infrastructure services impacts agency staff, business partners, clients, and the public when contacting the agency for services. DSHS will not be able to retire existing end of life systems, which are now at high risk of failure and prevents the department from transforming its service delivery model to one that can improve its service capabilities without continued increases in the cost of providing those services. The result will be compromises and heightened risk to client safety and wellbeing along with case workers diminished ability to serve them as the population at risk increases.

Juvenile Rehabilitation

This request funds the replacement of necessary IT systems equipment to meet the day-to-day needs of the youth placed into

Department of Social and Health Services

DP Code/Title: M2-WK IT Systems Infrastructure
Program Level - 100 Vocational Rehabilitation

Budget Period: 2015-17 Version: J2 100 2015-17 Final 2016 Sup

Juvenile Rehabilitation (JR) custody. Requested equipment items are critical to ensure operation of the program case management. Equipment beyond its useful life has been shown to become a risk to client confidentiality. Recovery software is currently used for backup and recovery of two of our virtual hosts, which support the operations and maintenance of our Automated Client Tracking (ACT) system, which supports operations in 24/7 direct care facilities. Renewing these licenses ensures the ability to continue to be able to successfully exercise the disaster recovery plan. Failure to renew these licenses would seriously degrade our ability to exercise our disaster recovery plan, resulting in the long-term outage of the ACT system in the event of a disaster.

The Dell EqualLogic Storage Area Network (SAN) addresses two problems. JR currently has a slower SAN, which is causing a performance bottleneck, which causes database "timeouts" due to deadlocks between transactions. Because the current SAN has limited storage due to increased utilization, the ACT system transferred to the requested faster SAN which would avoid the errors associated with the performance bottleneck of the current SAN, and free up space on the current slower SAN. The additional space is needed to accommodate the ever-increasing size of the application, database and file server backups.

Aging and Long Term Services Administration (AL TSA) and Developmental Disabilities Administration (DDA)
AL TSA and DDA currently have inadequate server capacity to support SharePoint. Currently, they use SharePoint 2007 in a production environment, which is running at near capacity in terms of a Central Processing Unit (CPU), Memory and Storage. If the administrations migrated to SharePoint 2013 without any server/memory/storage increases they will run into performance issues, which will affect applications such as the Comprehensive Assessment Reporting Evaluation (CARE) and Tracking Incidents of Vulnerable Adults (TIVA). The administrations are trying to avoid this by isolating SharePoint 2013 into its own environment. The migration to SharePoint 2013 will start in September 2016.

CARE is the main case management tool, which is used by 4,500+ case managers to intake, assess and authorize services for 60,000+ clients. Performance degradation in CARE could potentially mean clients not getting the services in a timely manner. TIVA is the main Incident Reporting tool, which contains Residential Complaints as well as Adult Protective Services Incidents. Performance degradation in TIVA could potentially mean not being able to get the investigations taken care of in a timely manner.

This request includes personal computers at end of usable life for DDA which would put the program on the same funding stream for personal computers as in AL TSA.

Special Commitment Center (SCC)

SCC provides a specialized mental health treatment program on McNeil Island for civilly committed sex offenders who have completed their prison sentences. The majority of equipment used at the Total Confinement Facility (TCF) and Secure Community Transition Facilities (SCTF) has exceeded its useful life. The IT infrastructure supports institution and island security such as the i.LON server replacement of NCB parts that control communications. This system allows communication between staff through intercom buttons throughout the facility and between residents (in their rooms) to staff in case of personal medical emergency or lockdown. The network switches, laptops and desktops are eight years old and are used to document security, clinical, resident treatment and progress notes as well as administrative tasks.

Agency Contact: Ken Brown (360) 902-7583

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Procurement will involve tracking all levels of this project; deployment schedules, Quality Assurance reviews and post-performance service metric analysis. Funding this request will strengthen the foundation for the current continuum of care and access to client services. Client support systems will continue to operate as designed.

Performance Measure Detail

Agency Level

Department of Social and Health Services

DP Code/Title: M2-WK IT Systems Infrastructure
Program Level - 100 Vocational Rehabilitation

Budget Period: 2015-17 Version: J2 100 2015-17 Final 2016 Sup

Activity: J103 Vocational Rehabilitation Administration

No measures linked to package

Incremental Changes

<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

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

This decision package is essential to implementing SESA's Strategic Objective.

1.1 Provide data, analyses, and information to support innovations that improve the effectiveness of services to clients.

1.3: Fiscal stewardship of programs and activities.

1.1 Provide data, analyses, and information to support innovations that improve the effectiveness of services to clients.

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

This decision package supports the Results Washington Goal 5: Efficient, Effective & Accountable Government - Resource Stewardship - Ensure that funding is used responsibly.

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

This funding request supports the agency and Washington State citizens it serves with updated, consistent and reliable network infrastructure and systems.

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

One alternative is to continue to use systems infrastructure equipment well beyond the end of its usable life. This alternative would greatly increase the risk to the department of system failure and possible breaches in client confidentiality. Repairing equipment, when practical, is an option, but is not always feasible or cost effective. This alternative was chosen because it provides funding for immediate replacement of necessary equipment to maintain safety and security for clients and staff.

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

Failure to provide funding for the replacement of information technology equipment presents a risk to program operations. Programs have already exceeded their base equipment budgets and do not have the capacity to support this need. Insufficient funding for essential equipment exposes clients, staff, and the department to excessive risk.

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?

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

See attachment: AW M2-WK IT Systems Infrastructure.xlsx

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

These costs are ongoing and carry forward into future biennia.

2016 Supplemental Budget
AW M2-WK IT Systems Infrastructure

Department of Social & Health Services

Program	Year			ISSD - TZ			Total		
	2016	2017	Total	2016	2017	Total	2016	2017	Total
010	\$ -	\$ 55,000	\$ 55,000	\$ -	\$ -	\$ -	\$ -	\$ 55,000	\$ 55,000
020	\$ -	\$ 21,000	\$ 21,000	\$ -	\$ -	\$ -	\$ -	\$ 21,000	\$ 21,000
030	\$ -	\$ 39,000	\$ 39,000	\$ -	\$ -	\$ -	\$ -	\$ 39,000	\$ 39,000
040	\$ 470,000	\$ 968,000	\$ 1,438,000	\$ -	\$ -	\$ -	\$ 470,000	\$ 968,000	\$ 1,438,000
050	\$ -	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000
060	\$ -	\$ 191,000	\$ 191,000	\$ -	\$ -	\$ -	\$ -	\$ 191,000	\$ 191,000
070	\$ -	\$ 1,000	\$ 1,000	\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ 1,000
100	\$ -	\$ 12,000	\$ 12,000	\$ -	\$ -	\$ -	\$ -	\$ 12,000	\$ 12,000
110	\$ -	\$ 70,000	\$ 70,000	\$ -	\$ -	\$ -	\$ -	\$ 70,000	\$ 70,000
135	\$ -	\$ 52,000	\$ 52,000	\$ -	\$ -	\$ -	\$ -	\$ 52,000	\$ 52,000
160	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 470,000	\$ 1,509,000	\$ 1,979,000	\$ -	\$ -	\$ -	\$ 470,000	\$ 1,509,000	\$ 1,979,000

State/Other Split

Program	State			Federal			Total		
	2016	2017	Total	2016	2017	Total	2016	2017	Total
010	\$ -	\$ 50,000	\$ 50,000	\$ -	\$ 5,000	\$ 5,000	\$ -	\$ 55,000	\$ 55,000
020	\$ -	\$ 21,000	\$ 21,000	\$ -	\$ -	\$ -	\$ -	\$ 21,000	\$ 21,000
030	\$ -	\$ 35,000	\$ 35,000	\$ -	\$ 4,000	\$ 4,000	\$ -	\$ 39,000	\$ 39,000
040	\$ 282,000	\$ 586,000	\$ 868,000	\$ 188,000	\$ 382,000	\$ 570,000	\$ 470,000	\$ 968,000	\$ 1,438,000
050	\$ -	\$ 52,000	\$ 52,000	\$ -	\$ 48,000	\$ 48,000	\$ -	\$ 100,000	\$ 100,000
060	\$ -	\$ 113,000	\$ 113,000	\$ -	\$ 78,000	\$ 78,000	\$ -	\$ 191,000	\$ 191,000
070	\$ -	\$ 1,000	\$ 1,000	\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ 1,000
100	\$ -	\$ -	\$ -	\$ -	\$ 12,000	\$ 12,000	\$ -	\$ 12,000	\$ 12,000
110	\$ -	\$ 52,000	\$ 52,000	\$ -	\$ 18,000	\$ 18,000	\$ -	\$ 70,000	\$ 70,000
135	\$ -	\$ 52,000	\$ 52,000	\$ -	\$ -	\$ -	\$ -	\$ 52,000	\$ 52,000
160	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 282,000	\$ 962,000	\$ 1,244,000	\$ 188,000	\$ 547,000	\$ 735,000	\$ 470,000	\$ 1,509,000	\$ 1,979,000

Department of Social and Health Services

DP Code/Title: M2-WM Technical Corrections
Program Level - 100 Vocational Rehabilitation

Budget Period: 2015-17 Version: J2 100 2015-17 Final 2016 Sup

Recommendation Summary Text:

DSHS requests technical corrections in the 2016 Supplemental Budget for the Children's Administration (CA), Rehabilitation Administration (RA), Behavioral Health and Service Integration Administration (BHSIA) Mental Health Division (MHD), Developmental Disability Administration (DDA), Aging & Long Term Support Administration (ALTSA), Economic Services Administration (ESA), Division of Vocational Rehabilitation (DVR), Administration & Supporting Services (Admin), Special Commitment Center (SCC), and Consolidated Field Services (CFS).

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	117,000	70,000	187,000
Total Cost	117,000	70,000	187,000

Staffing

Package Description:

Research and Data Analysis (RDA) FTEs only
(Program 110):

RDA provides support to DSHS programs as well as other state agencies for special projects needing data and analytical skills. There are Memorandums of Understanding with the programs or other state agencies for the special projects. Funding for the projects is provided by the programs and other state agencies. The costs for projects within DSHS are charged to the program providing the funding. For other state agencies reimbursement is based on monthly invoices sent to the benefiting agency. In either case, the FTE expenditures are not recovered. This request would provide for 16.0 FTEs for the Special Projects.

Admin Special Projects FTEs only
(Program 110):

Funding was provided for Improving Service Delivery. During the Carry Forward Level process the FTEs related to the funding were removed. The funding allows RDA to design, test, implement, maintain and enhance highly complex programming processes integrating disparate data sources into analytical processes that meet legislatively required health care quality and outcome metric reporting requirements. This request would restore the 2.0 FTEs for the program.

Consolidated Field Services (CFS) Regional Business Centers (RBCs) FTE only
(Program 160):

When the CFS budget was determined for the RBCs it was based on funding for 22 FTEs. Only 21 FTEs were transferred from the programs to CFS. This request is for 1.0 FTE to align the number of FTEs with the funding for the RBCs.

DDA Specialized Services
(Program 040):

The 2015 17 Biennial Budget placed all of the funding for Specialized Services in Category 2000. Some of the services are provided by professional services, Budget Unit H54, Category 1000. This request moves the funding between Categories within DDA the net impact is zero.

Reconciliation of Lease Facilities
(Program 010, 060, 100 and 110):

The Total Need for Leases for the 2015 17 Biennium is \$122,180,000. The amount provided in the 2015 17 Biennial Budget was \$87,000. This leaves a Carry Forward Level (CFL) of \$122,093,000. The DSHS Agency Request CFL was \$122,040,000. This

Department of Social and Health Services

DP Code/Title: M2-WM Technical Corrections
Program Level - 100 Vocational Rehabilitation

Budget Period: 2015-17 Version: J2 100 2015-17 Final 2016 Sup

request is for \$53,000 to bring the funding for Lease Facilities into line with the Total Need for Leases. GF State \$84,000 / GF Federal (\$21,000)

Compensation for New FTEs
(Programs 010, 020, 030, 040, 050, 060 and 135)

There were several steps in the 2015 17 Biennial Budget that either added or removed FTEs and related salaries and benefits to the DSHS programs. These FTE changes are not reflected in the Compensation Impact Model file so any increases in compensation (3% + 1.8%, Health Insurance Premium and Pension Rates) would not have been included in the funding provided to the agency for the FTEs. This request is for \$3,670,000 GF State, \$4,865,000 Total funds.

Compensation Impact Model Correction
(Programs 020, 160):

When reconciling the funding provided to the agency for the various compensation steps (WFSE, Coalition, SEIU, Non Rep, etc.) it was determined that the amount of funding in two programs was incorrect. Working with the Office of Financial Management compensation staff, the following was determined: For JRA there was a reallocation of the Juvenile Rehabilitation classifications. OFM calculated the increase on 572 affected positions. The actual number of positions affected was 649. The JRA request is for \$263,000 for the biennium. In the Admin budget, the amount of funding provided should have been the amount needed for Admin, Information Support Services Division, and CFS. The CFS information was not included in the output that was used to enter the funding into the DSHS budget. The Admin request is for \$764,000 for the biennium. The CFS funding is distributed out to the programs based on the chargeback methodology for CFS. The total request is for \$881,000 GF State, \$1,027,000 Total Funds.

DDA Financial Eligibility
(Program 040):

DDA requests 3.3 FTE and \$571,000 Total Funds, \$144,000 GF State, for financial eligibility workers for new workload due to the caseload increase resulting from implementing the Community First Choice (CFC) Medicaid state plan option. These positions were inadvertently left out of the budget appropriation for DDA to implement the CFC initiative.

MHD Category Correction
(Program 030):

MHD requests the transfer of \$2,000 in FY18 and \$5,000 in FY19, General Fund State funding from Category 1000 to Category 9000. This transfer will correct the category for the Carry Forward Level G05 Biennialize Employee PEBB Rate.

These technical corrections will bring the funding into line with anticipated expenditures throughout the agency.

Agency contact: Bill Jordan 360 902 8183.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Funding this request will prevent any negative impact on client services.

Performance Measure Detail

Agency Level

Activity: J103 Vocational Rehabilitation Administration
No measures linked to package

Incremental Changes	
<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

Activity: J104 Vocational Counseling and Guidance
No measures linked to package

Incremental Changes	
<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

Department of Social and Health Services

DP Code/Title: M2-WM Technical Corrections
Program Level - 100 Vocational Rehabilitation

Budget Period: 2015-17 Version: J2 100 2015-17 Final 2016 Sup

Activity: J105 Vocational Rehabilitation Direct Client Services	Incremental Changes	
	<u>FY 1</u>	<u>FY 2</u>
No measures linked to package	0.00	0.00

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

The budget request supports DSHS Goals: Health - Each individual and each community will be healthy, and Public Trust - Strong management practices will be used to ensure quality and efficiency.

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

This decision package supports the Results Washington goals to: Goal 5: Efficient, Effective & Accountable Government - Resource Stewardship - Ensure that funding is used responsibly, and Goal 5: Efficient, Effective & Accountable Government - Transparency and Accountability - Ensure efficiency, performance, and accountability to the public by providing transparency and accountability in state agency operations.

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

None

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

The request cannot be absorbed within existing resources without reducing the funding for services to clients.

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

Funding this request will prevent any negative impact on client services.

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

This request has no impact on the capital budget.

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

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

See attachment AW M2 WM Technical Corrections.xlsx.

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

These technical corrections are one time, and then all costs associated with it will be ongoing and will carry forward into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods\Other Services	117,000	70,000	187,000

Department of Social and Health Services

DP Code/Title: M2-WM Technical Corrections

Program Level - 100 Vocational Rehabilitation

Budget Period: 2015-17 Version: J2 100 2015-17 Final 2016 Sup

DSHS Source Code Detail

Overall Funding	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources</u> <u>Title</u>			
0011 General Fund State	117,000	70,000	187,000
<i>Total for Fund 001-1</i>	117,000	70,000	187,000
Total Overall Funding	117,000	70,000	187,000

2016 Supplemental Budget
M2-WM Technical Corrections
COMPENSATION FOR NEW FTEs

FY 2016	PROGRAM							TOTAL
	010 CA	020 RA	030 MHD	040 DDA	050 ALTSA	060 ESA	135 SCC	
SALARY	58,000	2,000	343,000	216,000	148,000	196,000	(2,000)	961,000
BENEFITS	32,000	-	194,000	108,000	87,000	105,000	-	526,000
TOTAL	90,000	2,000	537,000	324,000	235,000	301,000	(2,000)	1,487,000
STATE	88,000	2,000	500,000	191,000	122,000	223,000	(2,000)	1,124,000
FEDERAL	2,000	-	37,000	133,000	113,000	78,000	-	363,000
TOTAL	90,000	2,000	537,000	324,000	235,000	301,000	(2,000)	1,487,000

FY 2017	PROGRAM							TOTAL
	010 CA	020 RA	030 MHD	040 DDA	050 ALTSA	060 ESA	135 SCC	
SALARY	118,000	(5,000)	788,000	442,000	369,000	318,000	(9,000)	2,021,000
BENEFITS	78,000	(4,000)	527,000	303,000	245,000	215,000	(7,000)	1,357,000
TOTAL	196,000	(9,000)	1,315,000	745,000	614,000	533,000	(16,000)	3,378,000
STATE	191,000	(9,000)	1,225,000	440,000	320,000	395,000	(16,000)	2,546,000
FEDERAL	5,000	-	90,000	305,000	294,000	138,000	-	832,000
TOTAL	196,000	(9,000)	1,315,000	745,000	614,000	533,000	(16,000)	3,378,000

BIENNIAL TOTAL	PROGRAM							TOTAL
	010 CA	020 RA	030 MHD	040 DDA	050 ALTSA	060 ESA	135 SCC	
SALARY	206,000	(3,000)	1,288,000	633,000	491,000	541,000	(11,000)	3,145,000
BENEFITS	80,000	(4,000)	564,000	436,000	358,000	293,000	(7,000)	1,720,000
TOTAL	286,000	(7,000)	1,852,000	1,069,000	849,000	834,000	(18,000)	4,865,000
STATE	279,000	(7,000)	1,725,000	631,000	442,000	618,000	(18,000)	3,670,000
FEDERAL	7,000	-	127,000	438,000	407,000	216,000	-	1,195,000
TOTAL	286,000	(7,000)	1,852,000	1,069,000	849,000	834,000	(18,000)	4,865,000

Department of Social and Health Services

DP Code/Title: M2-WN State Data Center Adjustments
Program Level - 100 Vocational Rehabilitation

Budget Period: 2015-17 Version: J2 100 2015-17 Final 2016 Sup

Recommendation Summary Text:

DSHS requests funding in the 2016 Supplemental Budget for the increase in facility charges by WaTech for information technology (IT) equipment enclosures in the new State Data Center. Revised Code of Washington (RCW) 43.41A.150 states, "state agencies shall locate all existing and new servers in the State Data Center". The equipment located in the State Data Center provides critical IT infrastructure needed to support and serve DSHS clients.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	5,000	5,000	10,000
Total Cost	5,000	5,000	10,000

Staffing

Package Description:

Problem:

RCW 43.41A.150 requires all state agencies to locate all existing and new IT equipment into the new State Data Center. The facility costs for locating this equipment in the new State Data Center has significantly increased for DSHS. These increased costs exceed the agency's current funding levels for this service due to this required change. The IT equipment moved into the new State Data Center supports IT infrastructure needed to provide critical support to serve the citizens of Washington State.

Solution:

DSHS recently completed the required migration of moving existing and new Information Technology equipment from the OB2 Data Center to the new State Data Center by the June 30, 2015 deadline to comply with RCW 43.41A.150. The facility costs have increased from \$53,000 for FY15 using the OB2 Data Center to \$511,200 for FY16 and future years (based on current usage) using the new State Data Center.

The new State Data Center rates are based on both enclosure space and electrical usage. The new rate formula is:
- \$1000 per 42 RU enclosures per month @5KW and \$500 per 2.5KW increase up to a maximum of 12.5 KW or
- \$650 per 21 RU maximum per month @2.5KW for a partially filled enclosure.

DSHS has 4 enclosures costing \$650, 20 enclosures costing \$1000, 8 enclosures costing \$1500, and 4 enclosures costing \$2000 per month.

Agency Contact: Don Petrich 360-902-7831
Program Contact: Pat Marsh 360-902-7721

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

DSHS is utilizing the new State Data Center in compliance with RCW 43.41A.150. The new State Data Center reduces security risks for state agencies and provides a robust and reliable facility environment for IT equipment providing critical client services. Funding this request will strengthen the foundation for delivering these critical services to citizens in need.

Performance Measure Detail
Agency Level

Department of Social and Health Services

DP Code/Title: M2-WN State Data Center Adjustments
Program Level - 100 Vocational Rehabilitation

Budget Period: 2015-17 Version: J2 100 2015-17 Final 2016 Sup

Activity: J104 Vocational Counseling and Guidance

No measures linked to package

Incremental Changes

<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

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

This decision package is essential in supporting strategic objects:

1.1 Provide data, analyses, and information to support innovations that improve the effectiveness of services to clients.

1.3: Fiscal stewardship of programs and activities.

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

This decision package support Results Washington Goal 5: Efficient, Effective & Accountable Government - Resource Stewardship - Ensure that funding is used responsibly.

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

This funding request supports the agency and Washington State citizens it serves with updated, consistent and reliable information technology infrastructure and systems.

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

DSHS consolidated and virtualized as much of the DSHS information technology equipment as possible prior to the migration from the OB2 Data Center to the new State Data Center to reduce the total costs and footprint at the new State Data Center.

No other alternatives were available as this migration was required by law (RCW 43.41A.150).

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

Failure to provide funding for the increased mandatory costs presents a risk to program operations. Programs have already exceeded their base information technology budgets and do not have the capacity to support this need. Insufficient funding for essential information technology services exposes clients, staff, and the department to excessive risk.

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?

This request allows DSHS to comply with RCW 43.41A.150 without negatively impacting funding for direct client services.

Expenditure and revenue calculations and assumptions

Please see attached M2-WN State Data Center Adjustment workbook.

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

All costs are one-time; however, if there are adjustments in rates, DSHS will ask for an adjustment to compensate for that future rate adjustment.

Department of Social and Health Services

DP Code/Title: M2-WN State Data Center Adjustments
Program Level - 100 Vocational Rehabilitation

Budget Period: 2015-17 Version: J2 100 2015-17 Final 2016 Sup

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
T Intra-Agency Reimbursements	5,000	5,000	10,000

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	5,000	5,000	10,000
<i>Total for Fund 001-1</i>		5,000	5,000	10,000
Total Overall Funding		5,000	5,000	10,000

Department of Social and Health Services
M2-WN State Data Center Adjustment Workbook

Program	FY2016	FY2017	Total
010	71,000	71,000	142,000
020	13,000	13,000	26,000
030	11,000	11,000	22,000
040	15,000	15,000	30,000
050	50,000	50,000	100,000
060	276,000	276,000	552,000
070	2,000	2,000	4,000
100	5,000	5,000	10,000
110	12,000	12,000	24,000
135	3,000	3,000	6,000
150	0	0	0
Total	458,000	458,000	916,000

Program	FY2016 EL	FY2016 TZ	FY2017 EL	FY2017 TZ
010	38,000	33,000	38,000	33,000
020	6,000	7,000	6,000	7,000
030	0	11,000	0	11,000
040	0	15,000	0	15,000
050	33,000	17,000	33,000	17,000
060	173,000	103,000	173,000	103,000
070	0	2,000	0	2,000
100	0	5,000	0	5,000
110	0	12,000	0	12,000
135	0	3,000	0	3,000
150	208,000	(208,000)	208,000	(208,000)
Total	458,000	0	458,000	0

Program	FY2016 GFS	FY2016 FED	FY2016 Total	FY2017 GFS	FY2017 FED	FY2017 Total	2015-17 GFS	2015-17 FED	2015-17 Total
010	69,000	2,000	71,000	69,000	2,000	71,000	138,000	4,000	142,000
020	13,000	0	13,000	13,000	0	13,000	26,000	0	26,000
030	10,000	1,000	11,000	10,000	1,000	11,000	20,000	2,000	22,000
040	9,000	6,000	15,000	9,000	6,000	15,000	18,000	12,000	30,000
050	26,000	24,000	50,000	26,000	24,000	50,000	52,000	48,000	100,000
060	172,000	104,000	276,000	172,000	104,000	276,000	344,000	208,000	552,000
070	2,000	0	2,000	2,000	0	2,000	4,000	0	4,000
100	5,000	0	5,000	5,000	0	5,000	10,000	0	10,000
110	10,000	2,000	12,000	10,000	2,000	12,000	20,000	4,000	24,000
135	3,000	0	3,000	3,000	0	3,000	6,000	0	6,000
150	0	0	0	0	0	0	0	0	0
Total	319,000	139,000	458,000	319,000	139,000	458,000	638,000	278,000	916,000

Department of Social and Health Services

DP Code/Title: M2-WP MS Office 365
Program Level - 100 Vocational Rehabilitation

Budget Period: 2015-17 Version: J2 100 2015-17 Final 2016 Sup

Recommendation Summary Text:

DSHS requests funding in the 2016 Supplemental Budget for the purchase of Microsoft Office 365 and Enterprise CAL Suite software license for the department. By funding this request, the department will be able to improve productivity, reduce legal exposure regarding license tracking, provide enhanced abilities for legal discovery and public disclosure requests, and remain in compliance with federal Health Insurance Portability and Accountability Act (HIPAA) and Internal Revenue Service (IRS) 1075 Category 3 and Category 4 data requirements.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	37,000	37,000	74,000
Total Cost	37,000	37,000	74,000

Staffing

Package Description:

Problem:

DSHS currently operates using minimal basic licenses for the primary business tools used across the Department. Without this critical upgrade, the Department continues to fall further behind in IT advancements which limits capabilities in developing an enterprise cloud strategy to enable the Department to remain in alignment with the broader overall state strategy and direction for information technology. Without needed upgrades to key business tools utilized enterprise-wide, the Department is at risk for federal audit findings in relation to HIPPA and IRS 1075 laws, which could result in significant monetary penalties for crucial federal funding streams. The Department is further at risk to legal exposure around license tracking, legal discovery and public disclosure requests.

The Department currently is unable to utilize such features as delivering key performance indicators on SharePoint dashboards, enhanced search of documents, and automated document routing and approvals, which could reduce time to delivery of services. Currently there is no ability to integrate Office documents and Business Analytics Reporting. This prevents the use of intelligent dashboards for making better business decisions and tracking performance indicators. In addition, the Department will incur additional licensing and other fees for the use of Skype for Business conferencing.

With the upgrade to Microsoft Office 365 and the Enterprise CAL Suite, DSHS Programs can realize the full business productivity features of SharePoint, Office, Skype for Business conferencing and applications developed using the Microsoft environment. This software will always operate on the latest release giving users immediate access to ever-changing technological advancements. Office 365 and the Enterprise CAL Suite moves DSHS from a per device licensing to a per user licensing method for some products. In field offices, this means that fewer licenses are likely to be required. This will position DSHS stakeholders to access critical e-mails, schedules, tasks, etc. from anywhere, thereby increasing productivity from the latest workflow and collaboration based office tools. Platform enhancements will result in zero productivity loss and reduced time to value realization. The Department can save key resources by significantly reducing capital investments and increasing transparency in terms of service cost and improved billing processes.

Solution:

DSHS would upgrade 19,181 user licenses from the current basic license of the Microsoft Enterprise Agreement to the Microsoft Office 365 and Enterprise CAL Suite. This upgrade requires no organizational change management requirements, is technically simple, will not require any change in business operations, and will not introduce any new technical complexity into the

Department of Social and Health Services

DP Code/Title: **M2-WP MS Office 365**

Program Level - 100 Vocational Rehabilitation

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environment. This will provide new capabilities to improve security across the Department's enterprise, and is designed to significantly modernize a core part of state IT infrastructure using a cloud-based approach with primary goals and outcomes well defined, and results that can be measured immediately upon completion.

Agency Contact: Don Petrich 360-902-7831
Program Contact: Kristine Marree Williams 360-902-8040

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Procurement of the Microsoft Office 365 and Enterprise CAL Suite license offers upgrades to SharePoint, Skype for Business conferencing and other features that provide the ability to implement improvements such as management dashboards tied to key indicators (providing real time decision data), search for documents across all DSHS SharePoint sites (improving ability to locate documents for public disclosure and the like), direct editing of files from SharePoint web pages (improving productivity and reducing duplication of files), and conferencing features (reducing the need for travel costs and time), among many other features.

Performance Measure Detail

Agency Level

Activity: J103 Vocational Rehabilitation Administration

No measures linked to package

Incremental Changes

FY 1 **FY 2**

0.00 0.00

Incremental Changes

FY 1 **FY 2**

0.00 0.00

Incremental Changes

FY 1 **FY 2**

0.00 0.00

Activity: J105 Vocational Rehabilitation Direct Client Services

No measures linked to package

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

This decision package is essential to implement the following strategic objectives:

- 1.1 Provide data, analyses, and information to support innovations that improve the effectiveness of services to clients.
- 5.14 Ensure technology investments meet current and emerging business needs.

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

This decision package supports the following Result Washington Goals:

Goal 5: Efficient, Effective & Accountable Government - by reducing future ongoing costs while continuously improving services; supporting a more productive workforce and increasing/maintaining the timely delivery of state services; ensuring funding is used responsibly by increasing the percentage of projects with measured improvements in cost, quality, time and customer and employee satisfaction; keeping the Microsoft service platform efficient, nimble, and cost-effective; improving service, and providing increased options to partners and clients.

Goal 5: Efficient, Effective & Accountable Government - Resource Stewardship - Ensure that funding is used responsibly.

Goal 5: Efficient, Effective & Accountable Government - Transparency and Accountability - Ensure efficiency, performance, and accountability to the public by providing transparency and accountability in state agency operations.

Goal 5: Efficient, Effective & Accountable Government - Customer Satisfaction and Confidence - 1.1 Increase customer

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DP Code/Title: M2-WP MS Office 365
Program Level - 100 Vocational Rehabilitation

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services.

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

The stakeholders are the DSHS users who will benefit from Microsoft Office 365 and Enterprise CAL Suite. Some of the agencies that DSHS interacts/partners with have developed applications that require Office 365 and the Enterprise CAL Suite to be able to connect and use. WaTech is implementing some communication services that require users to have Office 365. This Office 365 and Enterprise CAL Suite procurement will enhance the work efficiency of our internal stakeholders by providing the ability to use document workflow for initiating, tracking, document review and approval, issue tracking, and signature collection. DSHS stakeholders will also have access to Systems Center data protection manager to secure their desktops.

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

The Department considered the alternative of continuing with minimal basic licenses through the Microsoft Enterprise Agreement and not upgrading to the Microsoft Office 365 and Enterprise CAL Suite software license. However, minimal basic licenses for the primary business tools used across the Department impede productivity, expose the agency to legal and financial risks around license tracking, legal discovery and public disclosure requests, and limit the Department's abilities to move to a shared service cloud model, improve communications and support workflow automation.

By funding this request, the Department will be able to improve productivity, reduce legal exposure regarding license tracking, provide enhanced abilities for legal discovery and public disclosure requests, and remain in compliance with a strategic stance for federal HIPAA and IRS 1075 Category 3 and Category 4 data requirements.

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

Consequences of not funding this package include reduced productivity and increased legal and financial risk around license tracking, legal discovery and public disclosure requests.

Not upgrading the primary business tools used enterprise-wide limits the Department's abilities to move to a shared service cloud model, improve communications and support workflow automation.

Without upgrades to the key business tools utilized enterprise-wide, the Department is also at risk for federal audit findings in relation to HIPAA and IRS 1075 Category 3 and 4 data requirements, which could result in significant monetary penalties and loss of crucial federal funding streams.

Without this upgrade, the Department is also unable to utilize such features as:

- Automated document routing and approval workflows, which could reduce time for delivering services.
- Improved communications between staff and across programs through tools such as Skype for Business conferencing service (without incurring additional licensing and other fees).
- Collaboration between SharePoint and other applications such as Microsoft Dynamics CRM.
- Intelligent dashboards for making better business decisions and tracking performance indicators.
- Enhanced search and electronic discovery of documents for improved efficiencies in work processes and in response to public disclosure and investigative requests.

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.

Department of Social and Health Services

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Expenditure and revenue calculations and assumptions

Please see attached M2-WP MS Office 365 workbook.

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

Costs are one-time but need to continue forward in the 2017-19 Carry Forward Level.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
J Capital Outlays	37,000	37,000	74,000

DSHS Source Code Detail

Overall Funding	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources</u> <u>Title</u>			
0011 General Fund State	37,000	37,000	74,000
<i>Total for Fund 001-1</i>	37,000	37,000	74,000
Total Overall Funding	37,000	37,000	74,000

Department of Social and Health Services

M2-WP MS Office 365 Workbook

Program	FY2016	FY2017	Total
010	250,000	250,000	500,000
020	99,000	69,000	168,000
030	256,000	184,000	440,000
040	336,000	228,000	564,000
050	125,000	125,000	250,000
060	533,000	533,000	1,066,000
070	7,000	7,000	14,000
100	37,000	37,000	74,000
110	93,000	93,000	186,000
135	62,000	40,000	102,000
Total	1,798,000	1,566,000	3,364,000

Program	FY2016 GFS	FY2016 FED	FY2016 Total	FY2017 GFS	FY2017 FED	FY2017 Total	2015-17 GFS	2015-17 FED	2015-17 Total
010	244,000	6,000	250,000	244,000	6,000	250,000	488,000	12,000	500,000
020	99,000	0	99,000	69,000	0	69,000	168,000	0	168,000
030	239,000	17,000	256,000	171,000	13,000	184,000	410,000	30,000	440,000
040	198,000	138,000	336,000	135,000	93,000	228,000	333,000	231,000	564,000
050	66,000	59,000	125,000	66,000	59,000	125,000	132,000	118,000	250,000
060	333,000	200,000	533,000	333,000	200,000	533,000	666,000	400,000	1,066,000
070	6,000	1,000	7,000	6,000	1,000	7,000	12,000	2,000	14,000
100	37,000	0	37,000	37,000	0	37,000	74,000	0	74,000
110	76,000	17,000	93,000	76,000	17,000	93,000	152,000	34,000	186,000
135	62,000	0	62,000	40,000	0	40,000	102,000	0	102,000
Total	1,360,000	438,000	1,798,000	1,177,000	389,000	1,566,000	2,537,000	827,000	3,364,000

Information Technology Addendum

Recsum Code and Title **Agency Wide – DSHS M2-WP MS Office 365**

Brief Description: The Services and Enterprise Support Administration (SESA) requests funding in the 2016 Supplemental Budget for the purchase of Microsoft Office 365 and Enterprise CAL Suite software license for the Department. By funding this request, the Department will be able to improve productivity, reduce legal exposure regarding license tracking, provide enhanced abilities for legal discovery and public disclosure requests, and remain in compliance with federal HIPAA and IRS 1075 Category 3 and Category 4 data requirements.

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 criteria is used to assess the IT proposals supporting business changes made to improve service 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: to incent agencies to take transformative projects that may include risk).

By moving to the Microsoft Office 365 and Enterprise CAL Suite software license for the Department, we will obtain additional features that will allow us to transform our business processes and enhance our services through the use of enhanced desktop productivity tools across the agency.

- There is an increasing need for the SharePoint ECAL as part of the SharePoint 2013 Project. These features include:
 - Business Intelligence to allow for enterprise wide use of scorecards and trending analysis, using real time data.
 - Enterprise Search features to allow for more efficient response to discovery requests.
 - Could be cost offsets from current BI expenditures.
- As we move towards an Enterprise System Center Configuration Manager solution we will require the System Center Suite CAL, included with the ECAL, which will allow us to better manage workstations and better align with recent OCIO policy and standards for products reaching end of life.
- Exchange Enterprise benefits:
 - Help support the mobility initiative by giving us the ability to apply advanced ActiveSync policies, which will give a higher level of management of mobile devices.

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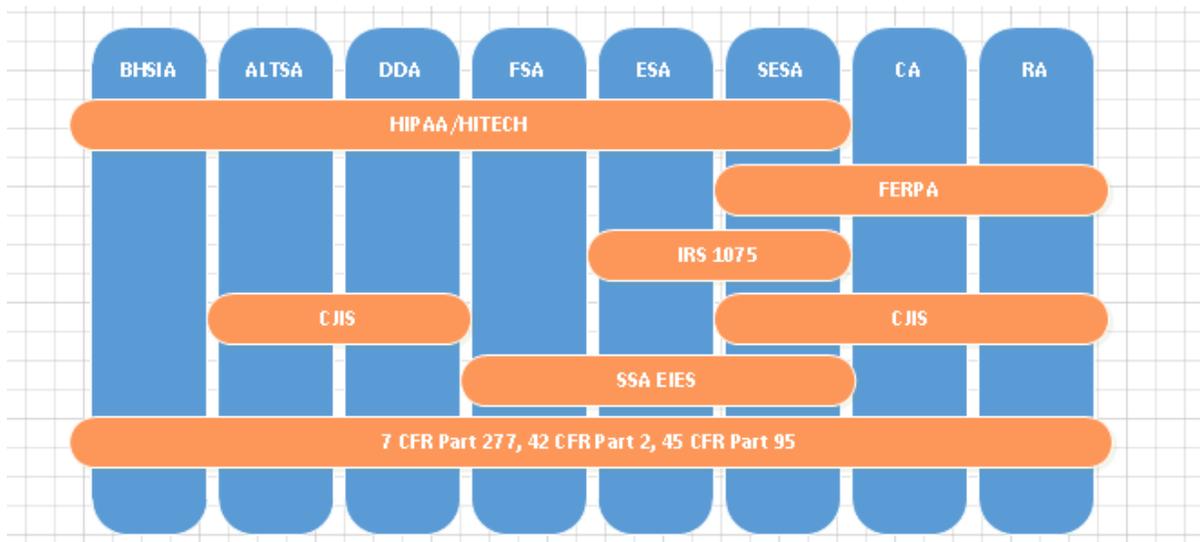
- Data Loss Prevention will provide the Department with the ability to control the release of sensitive data, such as PII, credit cards, or any data determined to be sensitive.

Procurement of the Microsoft Office 365 and Enterprise CAL Suite license offers upgrades to SharePoint, Skype for Business conferencing and other features that provide the ability to transform business processes by implementing improvements such as management dashboards tied to key indicators (providing real time decision data), searching for documents across all DSHS SharePoint sites (improving ability to locate documents for public disclosure and the like), direct editing of files from SharePoint web pages (improving productivity and reducing duplication of files), and conferencing features (reducing the need for travel costs and time), among many other features.

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.)

Without upgrades to the key business tools utilized enterprise-wide, the Department is at risk for federal audit findings in relation to HIPAA and IRS 1075 category 3 and 4 data requirements, which could result in significant monetary penalties and loss of crucial federal funding streams.

DSHS Federal Privacy and Information Security Compliance Requirements



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 our agile strategy. (INTENT: drive agencies to producing value more quickly and incrementally).

The customers immediately receiving value from this investment are the DSHS users who will quickly benefit from Microsoft Office 365 and Enterprise CAL Suite.

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Procurement of the Microsoft Office 365 and Enterprise CAL Suite license offers upgrades to SharePoint, Skype for Business conferencing and other features that provide customers the ability to implement improvements such as management dashboards tied to key indicators (providing real time decision data), search for documents across all DSHS SharePoint sites (improving ability to locate documents for public disclosure and the like), direct editing of files from SharePoint web pages (improving productivity and reducing duplication of files), and conferencing features (reducing the need for travel costs and time), among many other features.

This Office 365 and Enterprise CAL Suite procurement will enhance the work efficiency of our internal customers by providing the ability to use document workflow for initiating, tracking, document review and approval, issue tracking, and signature collection. DSHS customers will also have access to Systems Center data protection manager to secure their desktops.

As some of the agencies that DSHS interacts/partners with have developed applications that require Office 365 and the Enterprise CAL Suite to be able to connect and use, customers will quickly receive value by being able to use these partners' applications.

Customers will also see value through reduced future ongoing costs and continuously improving services; supporting a more productive workforce and increasing/maintaining the timely delivery of state services; ensuring funding is used responsibly by increasing the percentage of projects with measured improvements in cost, quality, time and customer and employee satisfaction; keeping the Microsoft service platform efficient, nimble, and cost-effective; improving service, and providing increased options to partners and clients

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

This Office 365 and Enterprise CAL Suite procurement will make data available internally for better decision making.

The Department will be able to take advantage of features such as SharePoint dashboards to speed and improve decision making through delivery of key performance indicators and integration of Office documents and Business Analytics Reporting; enhanced document searches, which would assist in timelier response to legal discovery and public disclosure requests; as well as automated workflows for document routing and approvals, which could speed and improve decisions as well as reduce time to delivery of services.

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: agency with better project and outcome performance measure get more points).

The investment's goals for procuring Microsoft Office 365 and Enterprise CAL Suite include:

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- reducing future ongoing costs while improving services
- supporting a more productive workforce
- providing enhanced abilities for legal discovery and public disclosure requests
- strengthening compliance with federal HIPAA and IRS 1075 Category 3 and Category 4 data security requirements
- reducing legal exposure regarding license tracking, legal discovery and public disclosure requests
- keeping the Microsoft service platform efficient, nimble, and cost-effective
- improving service and providing increased options to partners and clients

The functionality resulting from productivity software licensing at the Office 365 and Enterprise CAL Suite level includes improved communication, collaboration, presence, synchronous communications (instant messaging), enterprise content management, information rights management, client workstation security, server and Web security, client and server real-time monitoring and updates, conferencing, Web-based forms solutions, and business data connectors, among many other features.

Sample performance outcomes include:

- Time/productivity gains through improved ability to locate documents across current information boundaries and overcome lack of search features across sister organizations (without which documents are unnecessarily duplicated and cause increased IT storage requirements and costs)
- Reduced travel time and associated costs by using multi-point group video conferencing through Skype for Business conferencing, and eliminating the need to pay for additional licenses for WebEx, GoToMeeting, or other conferencing services currently used in the Department
- Better/faster decision-making as a result of access to real-time decision support through key performance indicators highlighted in management dashboards posted on SharePoint webpages or sent via e-mails directly to management wherever they can access Outlook
- Improved collaboration and productivity, and reduced duplication of files, through direct editing of files from SharePoint webpages

Sample performance measures include:

- Improved response times for public disclosure requests as a result of better document search capabilities
- Reduction in IT storage costs for documents as a result of reduced duplication of files
- Reduction in license costs for WebEx, GoToMeeting and other conferencing services as a result of using Skype for Business conferencing included in the Microsoft Enterprise CAL Suite of products.

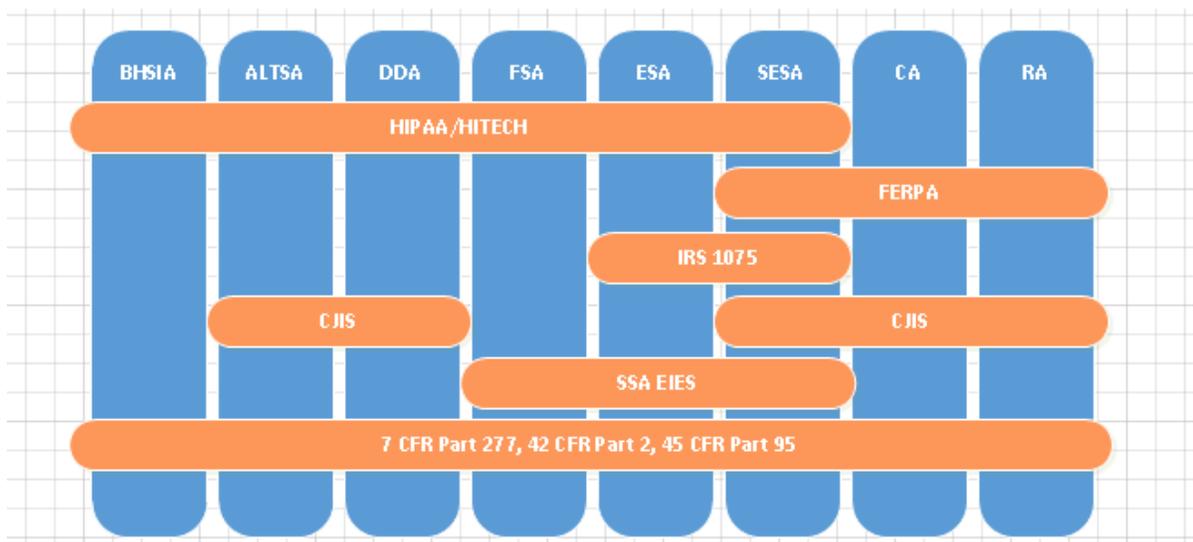
Technology Strategy Alignment – This criteria is used to assess the alignment of the request to the larger technology strategy of the state.

Security: Improve agency security - This criterion will be used to assess the improvements to the overall security posture for an agency. (INTENT: to award additional points to projects where intent is to improve the security across an agency).

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The investment enhances the overall security posture for DSHS through the use of key business tools across the enterprise that allow for better protection of Category 3 and Category 4 data covered by regulations such as HIPAA, IRS 1075 and others pictured below. The Department's data is at risk without the improved infrastructure security provided by these software products.

DSHS Federal Privacy and Information Security Compliance Requirements



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: to drive agencies to look more intently at leveraging cloud based solutions).

This will be a key step for DSHS to develop an enterprise cloud strategy in alignment with broader state strategy; to identify and move key workloads to the cloud; to always be on the latest software release, and to allow seamless upgrades as part of service.

This investment allows the Department to move forward in adoption of Cloud services. This Microsoft Office 365 software license helps position the Department to take advantage of Cloud-based business tools and processes, promotes innovative delivery of services by allowing for more Cloud adoption to increase agility and pace of government, and improves security by allowing integration of Cloud technology with the Department's infrastructure.

This investment will reduce our dependency on legacy systems. It will also enhance and modernize our current desktop productivity tools, allowing for a more efficient and secure computing environment. These enhanced toolsets will increase the availability of business analytical tools to all staff for improved decision making.

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: to drive agencies to look for ways to deliver results and

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services that are accessible to citizen from mobile devices. We value mobility for employees as well but value mobility for citizens more).

This investment does not directly improve mobile access to services for customers.

Interoperability: Adds value in 6 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).

This investment provides a suite of Microsoft software applications that are interoperable across the state enterprise and promote improved communication, collaboration, presence, synchronous communications (instant messaging), enterprise content management, information rights management, client security, server and Web security, client and server real-time monitoring and updates, conferencing, Web-based forms solutions, and business data connectors, among many other features.

The shared Microsoft platform also enables development of more interoperable applications across the state enterprise.

Financial - This criterion will be used to assess the initiatives financial contribution. 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 criteria is calculated based on the amount of new or unrealized revenue captured by the end of biennium 17-19 as a proportion of total investment. To get the full points in this criteria projects must capture at least 5x the amount of the investment by the end of biennium 17-19.

This investment does not generate new revenue or capture additional revenue left “on the table” by current solutions.

Reduces Costs: This criteria is calculated based on the amount of cost reduction by the end of biennium 17-19 as a proportion of total investment. To get the full points in this criteria projects must reduce costs by at least 2x the amount of the investment by the end of biennium 17-19.

This investment could eliminate the need for additional agreements with other software vendors (McAfee; WebEx) which could result in a cost savings of over \$150,000 per year. This will also reduce the number of CRM licenses required as the Enterprise CAL would allow reports to be generated from CRM data and viewed in SharePoint. Users could view these reports via the SharePoint site, eliminating the need of an explicit CRM license.

Leverages Federal/Grant Funding: This criteria 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.

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Many program areas in DSHS receive federal or grant dollars and have requested the expansion of the licensing agreement to support management of documents within their workflow processes, and other features that the Office 365 and Enterprise CAL Suite provide to meet their business needs. We estimate approximately 30% of the cost is expected to be federally funded.

The following chart shows the federal/state funding splits for these licensing costs.

Program	Number of Users based on Jan 2015 Renewal Counts	PROJECTED COSTS TO MOVE TO O365			FY16 State	FY16 Federal	FY17 State	FY17 Federal	FY16 State Rounded	FY16 Federal Rounded	FY17 State Rounded	FY17 Federal Rounded
		Year 1 True Up Payment - Feb 2016 (FY16) One Time Payment - to bring remaining 259 Users to ECAL Suite and readiness for O365 Add On - Covers thru end of term	O365 Increase for Year 2 (March 2016)	O365 Increase for Year 3 (March 2017)								
TOTALS	19181	\$233,080.87	\$1,565,896.48	\$1,565,896.48	1,360,814	438,164	1,176,973	388,923	1,360,000	438,000	1,177,000	389,000
010 CA	2878	\$0.00	\$250,558.39	\$250,558.39	244,294	6,264	244,294	6,264	244,000	6,000	244,000	6,000
020 JRA	1108	\$29,697.69	\$69,361.24	\$69,361.24	99,059	0	69,361	0	99,000	0	69,000	0
030 MH HQ	60	\$0.00	\$5,986.20	\$5,986.20	5,577	409	5,577	409	6,000	0	6,000	0
030 MH CSTC	153	\$5,399.58	\$8,897.79	\$8,897.79	13,319	978	8,289	609	13,000	1,000	8,000	1,000
030 MH ESH	706	\$19,798.46	\$43,934.68	\$43,934.68	59,374	4,359	40,930	3,005	59,000	4,000	41,000	3,000
030 MH WSH	1958	\$47,696.29	\$124,917.79	\$124,917.79	160,807	11,807	116,373	8,544	161,000	12,000	116,000	9,000
040 DDA	3749	\$107,990.60	\$227,727.82	\$227,727.82	198,141	137,577	134,405	93,323	198,000	138,000	135,000	93,000
050 AAS	1502	\$0.00	\$123,509.46	\$123,509.46	64,324	59,186	64,324	59,186	64,000	59,000	64,000	59,000
060 ESA	4974	\$0.00	\$533,151.37	\$533,151.37	333,380	199,772	333,380	199,772	333,000	200,000	333,000	200,000
070 DASA	55	\$0.00	\$6,846.70	\$6,846.70	5,548	1,299	5,548	1,299	6,000	1,000	6,000	1,000
100 DVR	321	\$0.00	\$37,051.38	\$37,051.38	37,051	0	37,051	0	37,000	0	37,000	0
050 ODDH	13	\$0.00	\$1,595.19	\$1,595.19	1,595	0	1,595	0	2,000	0	2,000	0
110 /150	1024	\$0.00	\$92,403.47	\$92,403.47	75,891	16,513	75,891	16,513	76,000	17,000	76,000	17,000
135 SCC	680	\$22,498.25	\$39,955.00	\$39,955.00	62,453	0	39,955	0	62,000	0	40,000	0

Department of Social and Health Services

DP Code/Title: M2-WV Vancouver Furniture COP
Program Level - 100 Vocational Rehabilitation

Budget Period: 2015-17 Version: J2 100 2015-17 Final 2016 Sup

Recommendation Summary Text:

DSHS requests funding to cover the ongoing costs of a Certificate of Participation (COP) for new furnishings purchased for the new leased facility in Vancouver which opened November 1, 2014.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	8,000	8,000	16,000
001-2 General Fund - Basic Account-Federal	4,000	4,000	8,000
Total Cost	12,000	12,000	24,000

Staffing

Package Description:

Problem Statement

DSHS requested one-time relocation costs for Fiscal Year 2015 in the 2014 Supplemental Budget to cover the first of seven annual COP payments for furniture at the new Vancouver site. The department planned on including the six remaining annual COP payments in the agency's ongoing lease budget. While OFM Facility Oversight supported the furniture purchase and funding request, they determined that the ongoing lease budget was not the appropriate place to make a request for furniture financing. Subsequently, OFM Facility Oversight removed the amount from DSHS' lease adjustment request prior to making their recommendation in the Governor's budget.

Proposed Solution

DSHS is committed to six annual payments to the State Treasurer of \$301,500 beginning Fiscal Year 2016 and ending Fiscal Year 2021. This cost cannot be absorbed within existing resources without a negative impact to client services. New funding will be necessary.

Agency Contact: Denise Kopel (360)902-7707

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Funding this request will allow DSHS to meet its financial obligation to the State Treasurer.

Performance Measure Detail

Agency Level

Activity: J104 Vocational Counseling and Guidance

No measures linked to package

Incremental Changes

<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

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

Health - Each individual and each community will be healthy.

Department of Social and Health Services

DP Code/Title: M2-WV Vancouver Furniture COP
Program Level - 100 Vocational Rehabilitation

Budget Period: 2015-17 Version: J2 100 2015-17 Final 2016 Sup

Safety - Each individual and each community will be safe.

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

This Decision package supports the Result Washington:

Goal 4: Healthy & Safe Communities - Safe People - Help keep people safe in their homes, on their jobs, and in their communities.

Goal 5: Efficient, Effective & Accountable Government - Customer Satisfaction and Confidence - 1.1 Increase customer services.

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

Lack of funding will negatively impact client services.

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

DSHS considered used and/or pre-owned systems furniture for this facility. The availability was insufficient to provide the clean and uniform appearance for 387 workstations. While DSHS will most likely occupy this newly constructed facility for twenty or more years, this was a prime opportunity to introduce new furnishings into the agency inventory and dispose of old broken furniture systems.

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

DSHS will not meet its financial obligation to the State Treasurer without overspending program budgets or cutting services to clients.

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

This request has no impact on the capital budget.

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

This request has no impact to existing statutes, rules or contracts.

Expenditure and revenue calculations and assumptions

See attachment: AW M2-WV Vancouver Furniture COP.xlsx

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

These costs are financed over six years and will carry forward into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
P Debt Service	12,000	12,000	24,000

Department of Social and Health Services

DP Code/Title: M2-WV Vancouver Furniture COP
Program Level - 100 Vocational Rehabilitation

Budget Period: 2015-17 Version: J2 100 2015-17 Final 2016 Sup

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	8,000	8,000	16,000
<i>Total for Fund 001-1</i>		8,000	8,000	16,000
Fund 001-2, General Fund - Basic Account-Federal				
<u>Sources</u>	<u>Title</u>			
126F	Rehabilitation Svcs - Basic Supp (A) (78.7%)	4,000	4,000	8,000
<i>Total for Fund 001-2</i>		4,000	4,000	8,000
Total Overall Funding		12,000	12,000	24,000

**2016 Supplemental Budget
M2-WV Vancouver Furniture COP**

Furniture Certificate of Participation for Vancouver Facility

Program	State			Other Funds			Total		
	2016	2017	Total	2016	2017	Total	2016	2017	Total
050 - LTC	\$ 41,000	\$ 41,000	\$ 82,000	\$ 38,000	\$ 38,000	\$ 76,000	\$ 79,000	\$ 79,000	\$ 158,000
060 - ESA	\$ 132,000	\$ 132,000	\$ 264,000	\$ 78,000	\$ 78,000	\$ 156,000	\$ 210,000	\$ 210,000	\$ 420,000
100 - DVR	\$ 8,000	\$ 8,000	\$ 16,000	\$ 4,000	\$ 4,000	\$ 8,000	\$ 12,000	\$ 12,000	\$ 24,000
TOTAL	\$ 181,000	\$ 181,000	\$ 362,000	\$ 120,000	\$ 120,000	\$ 240,000	\$ 301,000	\$ 301,000	\$ 602,000

Financed Amount is \$1,606,353 over six years (FY2016-FY2021)

**2016 Supplemental Budget
M2-WV Vancouver Furniture COP**

Furniture Certificate of Participation for Vancouver DSHS Collocation

Division	Program	Fund	Approp	SProgram	Org Code	Allocation	Total		
							2016	2017	Total
HCS 77%	050	001	EA*	E4391	E43X	9533	\$ 61,188	\$ 61,188	\$ 122,376
RCS 23%	050	001	EA*	E3729	E73X	9529	\$ 18,277	\$ 18,277	\$ 36,554
TOTAL 050							\$ 79,465	\$ 79,465	\$ 158,930
DCS	060	001	FA*	F4211	M6B0	9999	\$ 75,570	\$ 75,570	\$ 151,140
CSD	060	001	FA*	F9711	R6E1	9999	\$ 134,779	\$ 134,779	\$ 269,558
TOTAL 060							\$ 210,349	\$ 210,349	\$ 420,698
DVR	100	001	KA*	J1811	J607	P26B	\$ 11,686	\$ 11,686	\$ 23,372
TOTAL 100							\$ 11,686	\$ 11,686	\$ 23,372
TOTAL OBJECT P							\$ 301,500	\$ 301,500	\$ 603,000

Financed Amount is \$1,606,353 over six years (FY2016-FY2021)