

Recommendation Summary

Budget Period: 2015-17

Version: P2 - 150 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	198.6	0	0
	SubTotal CB		198.6	0	0
	Cumulative Total Thru CB		198.6	0	0
M2 - Inflation and Other Rate Changes					
9T	Transfers	0	(55.8)	0	0
WN	State Data Center Adjustments	0	0.0	0	0
	SubTotal M2		(55.8)	0	0
	Cumulative Total Thru M2		142.8	0	0
Total Proposed Budget			142.8	0	0

Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 150 Information Systems Services Division

Budget Period: 2015-17 Version: P2 150 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			
	<i>Program Cost</i>		
	Total Cost		
 <u>Staffing</u>	 <u>FY 1</u>	 <u>FY 2</u>	 <u>Annual Avg</u>
Agency FTEs	(55.8)	(55.8)	(55.8)

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.

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

Department of Social and Health Services

DP Code/Title: M2-9T Transfers

Program Level - 150 Information Systems Services Division

Budget Period: 2015-17 Version: P2 150 2015-17 Final 2016 Sup

Activity: P001 Information Systems 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?

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.

Department of Social and Health Services

DP Code/Title: M2-9T Transfers

Program Level - 150 Information Systems Services Division

Budget Period: 2015-17 Version: P2 150 2015-17 Final 2016 Sup

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	(4,142,000)	(4,509,000)	(8,651,000)
B Employee Benefits	(1,088,000)	(992,000)	(2,080,000)
E Goods\Other Services	(838,000)	(527,000)	(1,365,000)
J Capital Outlays	(310,000)	(310,000)	(620,000)
T Intra-Agency Reimbursements	6,378,000	6,338,000	12,716,000
Total Objects	0	0	0

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund ,			
<u>Sources Title</u>			

Total for Fund

Total Overall Funding

Totals for all funds

**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		33,000	11,000								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	4,000	339,000		
7. Fleet Program Rate Reduction			0.0					(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)		0	0	(66,000)	0	0	0	0	0	(66,000)		
9. WaTech Funding Transfer			0.0			(161,000)					(156,000)				(161,000)						(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	22,000	22,000			
8. OCIO Funding Transfer			0.0			(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	6,000	(202,000)			
10. ISSD Reorganization			0.0								(73,000)	(73,000)									(73,000)	(73,000)	0	0	0	0	0	0	0	0	(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	0	(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	0	(464,000)		
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-WN State Data Center Adjustments
Program Level - 150 Information Systems Services Division

Budget Period: 2015-17 Version: P2 150 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			
	<i>Program Cost</i>		
	Total Cost		

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.

Department of Social and Health Services

DP Code/Title: M2-WN State Data Center Adjustments
Program Level - 150 Information Systems Services Division

Budget Period: 2015-17 Version: P2 150 2015-17 Final 2016 Sup

Performance Measure Detail

Agency Level

Activity: P001 Information Systems 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?

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 - 150 Information Systems Services Division

Budget Period: 2015-17 Version: P2 150 2015-17 Final 2016 Sup

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods\Other Services	208,000	208,000	416,000
T Intra-Agency Reimbursements	(208,000)	(208,000)	(416,000)
Total Objects	0	0	0

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund ,			
<u>Sources Title</u>			

Total for Fund

Total Overall Funding

Totals for all funds

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