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Executive Summary

Section 715 of the 2013–15 operating budget (Third Engrossed Substitute Senate Bill 5034) directed the Office of Financial Management to reduce General Fund-State allotments for state agencies by \$2.5 million per fiscal year to reflect \$5 million in savings for fiscal years 2014 and 2015. These efficiencies were expected in statewide information technology (IT) expenditures. Agencies were required to report to the Office of the Chief Information Officer (OCIO) and the Office of Financial Management (OFM) at least annually on efficiencies gained through these efforts.

This report builds on the [Report to the Legislature on Information Technology Expenditures](#) published in February 2014. It includes the responses received from agencies in December 2013 and December 2014. Due to the timing of the report's submittal, six months of the fiscal year had passed when agencies were asked to provide responses. Additional IT efficiencies may still be achieved in the remainder of fiscal year 2015.

Included in this report is a summary of the responses from 33 of the 35 agencies that were required to participate in the allotment reduction and 12 more agencies that were not required to reduce allotments but volunteered to complete the survey.

At a high level, the IT efficiency measures and cost reduction ideas identified by agencies are:

- » Increase use of master contracts offered by the Department of Enterprise Services and the Western States Contract Alliance.
- » Renew or renegotiate current contracts, including allowing multi-year contracts.
- » Avoid or reduce need for procurement, including using enterprise licenses, buying items in bulk and collaborating and sharing resources with other state agencies.
- » Consolidate IT resources and services such as help desk support.
- » Redesign infrastructure using more efficient technology, such as refreshing hardware and software with options that have lower maintenance costs, or increasing virtualization.
- » Increase use of enterprise or shared services.
- » Increase use of online training.
- » Increase use of online collaboration tools (such as Microsoft Lync) to reduce travel costs and boost performance of mobile workers.
- » Downgrade staff positions or leave positions unfilled.
- » Delay purchases or switch to leasing of equipment.
- » Incorporate Lean management and process improvements to identify efficiencies and innovative solutions.
- » Increase use of cloud, data integration and unified communications technology such as Microsoft Office 365.

The responses provided by each agency are included in Appendices C, D and E.

Results and Findings

Of the 35 agencies that were required to participate in the IT allotment reduction, 33 agencies responded to the 2014 OCIO survey. This is an improvement from 2013, when 22 of the 35 agencies responded. An additional 12 agencies elected to complete surveys in 2014, down from 15 in 2013.

Due to the timing of report submittal, agencies were about six months into the fiscal year when asked to provide responses of efforts to date. Additional IT cost efficiencies may have been achieved in the remainder of FY 2015.

Appendix A is the memo from the director of OFM requesting selected agencies to reduce allotments for IT spending and the list of affected agencies.

Appendix B is the December 2014 survey sent to state agencies.

Summaries below recap the highlights of the 2014 responses. For summaries of the 2013 responses, please see the [prior year report](#). A more thorough documentation of each agency's responses to both the 2013 and 2014 surveys is included in Appendices C, D and E.

Procurement Efficiencies

- » *Increased use of current contracts:* Agencies found savings by using [Department of Enterprise Services \(DES\) technology master contracts and enterprise agreements](#) (such as the Microsoft Enterprise Agreement) and the [Western States Contract Alliance](#). Such contracts reduce the necessity for agency-specific procurement efforts and were mentioned in many agency responses.
- » *Use of consortiums or projects for leverage:* Eastern Washington University mentioned using the [Northwest Academic Computing Consortium](#) and the [Washington Higher Education Technology Consortium](#) to leverage and negotiate buying power for products while the University of Washington noted valuable assistance as a result of participation in the [Internet2 Project](#).
- » *Review/renegotiate current contracts:* The University of Washington and Central Washington University reported significant savings from renegotiation of several key and costly contracts. The Department of Corrections is undertaking a process to rigorously review all current contracts, intending similar outcomes. Contract (or lease) review, renegotiation and/or use of multi-year renewals were mentioned by multiple agencies in response to other questions on the survey.
- » *Avoid or minimize need for procurement:* A number of agencies cited use of [DES technology leasing](#), pursuit of enterprise licensing, bulk ordering or the acquisition of multiple services from a single vendor where appropriate; increased server virtualization or shared printing; or collaboration with other state agencies through interagency agreement. For an example of collaboration, see the Department of Services for the Blind response describing an interagency agreement with the Washington State School for the Blind. The Washington State Patrol's approach to procurement and support of standardized mobile office platforms used by troopers was credited with a cost savings.

- » *Agency highlights:* The University of Washington and Central Washington University, as well as a couple other agencies, achieved very large savings through contract renegotiation. The State Investment Board achieved procurement savings by using pre-qualified vendor pools when seeking external assistance, and the Washington State Patrol noted that it's established a 'ready-to-hire' pool to fill vacancies more quickly with pre-qualified candidates from prior job recruitments.

Maintenance and Operations Efficiencies

- » *Help desk consolidation and IT service management tools:* Many agencies cited more or better use of IT service management tools to streamline and standardize internal processes or to identify opportunities for improvements to operations. Several agencies, including the Department of Health, consolidated multiple internal help desks into a single help desk. Other agencies are partnering and sharing staff with 'like' agencies: The Department of Services for the Blind has partnered with State School for the Blind, and the Recreation for Conservation Funding Board has partnered with the Puget Sound Partnership.
- » *Addressing network needs while reducing cost:* Several agencies reported savings from redesigning infrastructure or changing technology approach. For example, the Department of Commerce and Office of Superintendent of Public Instruction saved money through data line improvements and renegotiated pricing. The Department of Health saved money by using mobile hotspots and cut significant circuit cost by shrinking overbuilt bandwidth. The Department of Licensing and the Military Department redesigned network infrastructure and server operations.
- » *Standardization and/or increased use of enterprise or shared services:* Several agencies cited standardization of their hardware and software platforms and configuration settings and greater use of Consolidated Technology Services (CTS) services (such as Lync or proxy servers) as helping drive down their maintenance and operations costs. The Utilities and Transportation Commission indicates that while its costs have not yet dropped as a result of greater usage (and sometimes piloting usage) of CTS service offerings, it is hopeful that as CTS brings on more customers, the cost per customer will drop and savings will be realized. Similarly, Central Washington University cites improved IT governance and greater use of enterprise approaches in its response.
- » *Increased use of online training:* A few agencies, such as the Washington State Patrol, experienced savings by extending online training tools to its staff, enabling staff members to take training at convenient times and locations.
- » *Agency highlights:* In addition to those agencies mentioned above, several other agencies had interesting responses that were not easily categorized. These are:
 - The Department of Corrections achieved significant savings by moving a major application off the mainframe.
 - CTS, the Governor's Office and OFM transitioned to MyApps, provided by DES, which uses a system center configuration manager approach to allow employees to deploy applications to their desktops themselves without administrator approval and interaction each time a new application is needed.
The Department of Fish and Wildlife found ways to reduce the cost of storing historic and/or duplicated data that needed to be stored, archived or backed up offsite.
 - The Washington State Patrol similarly noted use of online tools for data archiving.

IT Staffing Efficiencies

- » *Downgrading or shifting positions, or leaving positions unfilled:* The Department of Retirement Systems, the Office of Superintendent of Public Instruction and the Military Department reported leaving vacancies unfilled for longer periods either by active choice or as a result of difficulty recruiting candidates. Other agencies, such as the departments of Revenue and Agriculture, reported shifting staff around to ensure they were addressing the highest agency priorities. Both DES and the Office of Superintendent of Public Instruction also reported downgrading positions (in some cases, from managerial to working-level IT).
- » *Little to no capacity for additional IT staffing cuts remains:* In general, agencies reported they are already stretched thin from staffing cuts during the Great Recession and challenges in recruitment for vacancies due to retirements and departures. Many small agencies, such as the Department of Veterans Affairs and the Public Disclosure Commission, are *so* small they effectively have nowhere else to cut.

Savings Achieved Through Delayed Purchases

- » *Delayed purchases of equipment:* Several agencies indicated they had delayed purchasing workstations, servers, phone equipment and network components. Most of these agencies also noted that they were beyond the recommended refresh cycle or life cycle recommendations. Some agencies noted delaying purchases had led them to enter into multi-year agreements or extended maintenance options for hardware. As noted in the procurement section above, some agencies have moved from purchasing to leasing. Still other agencies indicated that they were reviewing cloud or CTS options for purchase avoidance in these areas.
- » *Lost opportunities or increased risk:* This theme was most prevalent in the 2014 responses of three higher education institutions. Washington State University noted its list of delayed purchases, projects and upgrades now exceeds \$100 million and is affecting its ability to adequately maintain technology deployments. Central Washington University reports its inability to build out its wireless infrastructure because of delayed purchases, which is resulting in less competitiveness in attracting and retaining students. Western Washington University reports that delaying purchase of some core network infrastructure has placed it at risk of catastrophic network failure.

Other Implemented IT Cost Savings or Expense Avoidance

- » *Lean management and process improvement:* Many agencies reported centralization, and streamlining of, agency-specific procurement and approval processes. These are performed to reduce cost of procurement or identify opportunities for collaboration or alternative solutions. Agencies also reported adoption or formalization of Lean processes in reviewing and changing other processes.

Of particular note, see the responses from Washington State University, Eastern Washington University and the Department of Retirement Systems, which indicate investing in training Lean Green and Black Belts who return continuing value to the agency. Agencies often indicated that they were reinvesting their savings achieved through these efforts.

- » *Increased use of cloud, data integration or unified communications software (e.g., Lync):* Several agencies reported migrating to Software as a Service or Platform as a Service technologies to cut cost. This shift is consistent with state technology direction and strategy, and is already happening organically as agencies try to meet required savings targets.

Several agencies cited use of Lync, usually provided to them via CTS, as helping to cut costs associated with collaboration and/or meetings held with entities at various locations. Some agencies also noted use of Box, enabled through a DES master contract, as a cost-saver. Agencies also reported using Tableau and Salesforce to reduce costs, as well as other cloud services for data-related services (data deduplication, data archiving and online backups).

- » Central Washington University noted that migrating to Microsoft Office 365 led to significant savings; other agencies indicated intent/desire to do the same. The Department of Revenue transitioned to collecting data electronically rather than by mail, resulting in ongoing savings of \$215,000 per year.
- » *Agency highlights:*
 - The Health Care Authority procured a solution set (tool and methodologies) that facilitates multi-agency business, information/data and technology architecture modeling. It did so by leveraging federal funding through the Medicaid Information Technology Architecture program so the state-side bill was limited to 10 percent of total cost. Additionally, the Health Care Authority has taken the lead on convening a cross-agency work group that includes both business and technology representation, and the Department of Social and Health Services and Health Benefit Exchange. The work group will expand to include the departments of Health, Corrections and Early Learning. The combination of the solution set, architectural approach and multi-agency collaboration should encourage stronger integration as well as greater strategic agility at lower cost than prior practices.
 - The Washington State Patrol's programs to deploy mobile computers and cameras in troopers' and sergeants' vehicles are coming in under budget and ahead of schedule. The patrol attributes this to efficient and effective project management, procurement and installation processes. Between the two projects, it estimates a savings of nearly \$900,000.
 - The Military Department has engaged in considerable internal partnership, resulting in stronger relationships between the IT and other divisions, and savings. See its detailed response in this section for additional detail.

IT Cost Savings Ideas for Future Consideration

- » *Duplicate/expand cloud, Lean or other activities reported above:* A preponderance of agencies reported either successes in lowering cost through greater use of cloud services or a strong desire to explore or expand upon cloud savings approaches already in place in other agencies. Ideas include:
 - More master contracts for use of common cloud services
 - Clearer guidance (such as standard boilerplate language or terms and conditions) that should be used when assessing or entering into agreements with cloud service vendors to satisfy liability, legal or other requirements for data security¹
 - Ability for agencies to enter into multi-year (such as 60-month) maintenance agreements
 - Expanded use of process improvements through more focus on Lean or other analysis that can lead to internal efficiencies
 - Optimized use of technology such as server virtualization and better phone contracts

¹Note that OCIO is in process of preparing this type of guidance to agencies by no later than the end of FY 2015.



STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

Insurance Building, PO Box 43113 • Olympia, Washington 98504-3113 • (360) 902-0555

September 25, 2013

TO: Agency Directors

FROM: David Schumacher
Director

**SUBJECT: ALLOTMENT REDUCTION FOR INFORMATION TECHNOLOGY
EXPENDITURES**

Section 715 of 3ESSB 5034 (Chapter 4, Laws of 2013, 2nd Special Session) directs the Office of Financial Management to reduce General Fund-State allotments for information technology (IT) expenditures by \$5.0 million for the 2013-15 biennium to “drive efficiency in state procurement, maintenance, and operations of information technology.”

For non-higher education agencies, OFM used the following methodology to allocate the allotment reduction:

- FY 2012 actual agency spending on IT expenditures reported as X and Y data in AFRS.
- Applied central service model fund splits to estimate the General Fund-State portion of IT spending.

For higher education agencies, OFM used the following methodology to allocate the allotment reduction:

- Self-reported FY 2012 actual agency spending on IT expenditures to the Office of the Chief Information Officer (OCIO).
- Estimated GF-S portion of IT spending based on total FY 2012 actual expenditures from General Fund-State, Tuition (149), and Fees (148).

Attached is the agency breakdown of allotment reductions to fulfill the requirements of Section 715. Please submit an allotment packet by October 7, 2013, using a packet purpose type of “Operating Legislative Allotment Reductions” to place your reduction in reserve.

Questions may be directed to your [assigned budget analyst](#).

cc: Agency Budget Officers

Attachment

	2014	PDC has deferred making any major investments in IT infrastructure.
Other IT Cost Savings Implemented or Expenses Avoided	2013	In addition to the measures described above, we also temporarily reduced one IT4 position from full to part-time (to meet other general budget reduction targets during FY 2013) and eliminated all IT professional development expenditures for the past few years. To more efficiently utilize remaining IT staff, who have been re-allocated responsibilities previously handled by the Systems Administrator, we have implemented a centralized help desk intake/assignment system. This has mitigated, somewhat, the impact of adding these assignments to our remaining two applications developers, one database administrator, and CTO, at least to the extent the CTO can direct and monitor the helpdesk workload more systematically.
	2014	PDC has discontinued the purchase of desktop computers in favor of leasing through DES. This has allowed PDC to replace systems that were being used beyond their reasonable lifetime and the maintenance effort required to keep them going, without incurring the large upfront investment in replacement systems.
Cost Saving Ideas Under Exploration or Recommended for Statewide Consideration	2013	In adopting the agency's 2013-15 Strategic Plan, the Commission has identified restoring lost IT O&M resources as a critical need for the agency to meet core operational functions and statutory mandates. In recognition of the critical nature of the situation, the PDC Chair wrote to the Governor in October, requesting reconsideration of the additional allotment reductions for IT expenditures. The agency has also submitted a maintenance-level decision package requesting \$9,141 for FY 2015 to maintain basic software maintenance and assurance agreements that are necessary to the continued functionality of our IT systems and applications.
	2014	PDC has put together a comprehensive budget package for the 2015-17 biennium that will dramatically redefine IT at the PDC. By divesting of commodity IT and leveraging third party (cloud) services, PDC's IT will be customer focused. By shifting to a subscription model for services, PDC will only be paying for resources it is using and converting large up-front capital expenses to more predictable operating expenses.
Agency 085 – Secretary of State Subject to \$28,000 biennial reduction (\$14,000 per FY)		
Implemented Procurement Efficiencies	2013/2014 response	We do price comparison on all hardware/software purchases.
Implemented Maintenance & Operations Efficiencies	2013/2014 response	Our hardware replacement cycle is 5 to 7 years.

Implemented IT Staffing Changes	2013	We have reduced our IT staff count by 4 full-time FTEs (1 ITS2 and 3 ITS3s)
	2014	None
Delayed IT Infrastructure Purchases	2013/2014 response	Yes
Other IT Cost Savings Implemented or Expenses Avoided	2013/2014 response	We extended our hardware recycle period; reviewed our bandwidth usage and reduced our circuit costs; combined server functions and reduced server count; and reduced staff printers/centralized printing functions.
Cost Saving Ideas Under Exploration or Recommended for Statewide Consideration	2013/2014 response	Not at this time
Agency 103 – Department of Commerce Subject to \$6,000 biennial reduction (\$3,000 per FY)		
Implemented Procurement Efficiencies	2014	Commerce is replacing network switches in 2015. Instead of purchasing them outright, it was decided to take advantage of the CTS Enterprise Leasing Program. This approach reduces the one-time cost incurred in FY 2015 from \$101,000 to a yearly cost of \$21,000, over a five-year period.
Implemented Maintenance & Operations Efficiencies	2014	<p>We have begun the implementation and deployment of CTS Shared Lync Services which will allow us to greatly reduce trips to Seattle, Spokane and Yakima. Using Lync will ultimately reduce costs for travel, as well as staff time spent in transit. Actual cost savings have not been tracked yet, as we are still implementing Lync with CTS. A very conservative estimate would be an annual savings of approximately \$1,000 per year.</p> <p>We are implementing new, faster data lines to Seattle and DDC, which will require new service contracts with the CenturyLink vendor for the connections. This change will save approximately \$8,800 per year.</p>
Implemented IT Staffing Changes	2014	None
Delayed IT Infrastructure Purchases	2014	We have delayed lifecycle replacements for laptops in large and small conference rooms and unit breakout rooms. We are planning to install solid state hard drives (SSD) that will speed desktop performance allowing us to add two years to lifecycle. This will save approximately \$20,000 this year.

Other IT Cost Savings Implemented or Expenses Avoided	2014	Using Lync video and tele-conferencing capabilities and eliminating licenses for GotoMeeting, GotoWebinar and WebEx. We are saving a minimum of \$15,000 per year by eliminating those licenses. To date we have had three Lync webinars that have greatly reduced travel by both Commerce and the other attendees. Between the cost savings of renting a room, the travel from Spokane to Olympia and Olympia to Seattle, and per diem for the Spokane participants, several thousands of dollars were saved.
Cost Saving Ideas Under Exploration or Recommended for Statewide Consideration	2014	<p>Commerce continues to establish a Mobile Work Force environment to provide enhanced remote access support to Commerce staff. Some staff efficiencies have been achieved, and tangible cost savings/reductions will be realized in 2015.</p> <p>Commerce is in the process of implementing the agency's Results Commerce process map, in support of the Governor's Results WA initiative. "Leveraging technology" was identified as a key support process. Commerce IT management is currently working with IT staff and other agency staff to identify and define the associated sub-processes and process performance measures for this support process. We expect that once these sub-processes and performance measures are in place and actively managed, efficiency gains and/or cost savings are possible.</p> <p>Decommissioning an older Data Warehouse system and moving to Data.wa.gov and the Open Data initiative. This will reduce our systems maintenance workload as well as resource requirements to provide reporting data for transparency purposes. Also reduces our data storage footprint on Commerce servers.</p>

Agency 105 – Office of Financial Management
Subject to \$14,000 biennial reduction (\$7,000 per FY)

Implemented Procurement Efficiencies	2013	See responses from the Department of Enterprise Services, which is our IT service provider.
	2014	DES is our IT service provider.
Implemented Maintenance & Operations Efficiencies	2013	See responses from the Department of Enterprise Services, which is our IT service provider.
	2014	DES is our IT service provider.
Implemented IT Staffing Changes	2013	See responses from the Department of Enterprise Services, which is our IT service provider.
	2014	DES is our IT service provider.
Delayed IT	2013	See responses from the Department of Enterprise Services, which is our IT service provider.

Infrastructure Purchases	2014	DES is our IT service provider.
Other IT Cost Savings Implemented or Expenses Avoided	2013	See responses from the Department of Enterprise Services, which is our IT service provider.
	2014	OFM's server costs for JINDEX decreased by \$38,000 from FY 2013 to FY 2014.
Cost Saving Ideas Under Exploration or Recommended for Statewide Consideration	2013	See responses from the Department of Enterprise Services, which is our IT service provider.
	2014	DES is our IT service provider.
Agency 107 – Health Care Authority Subject to \$172,000 biennial reduction (\$86,000 per FY)		
Implemented Procurement Efficiencies	2013	The HCA plans to continue the strategy practices of expanding virtualization as opportunities arise and technology advance, leasing versus purchasing equipment where it makes sense in order to minimize the total cost of ownership (i.e., with PC's) and increasing efficiencies.
	2014	The HCA plans to continue the strategy practices of expanding virtualization as opportunities arise and technology advances, leasing versus purchasing equipment where it makes sense in order to minimize the total cost of ownership (i.e., with PC's) and increasing efficiencies.
Implemented Maintenance & Operations Efficiencies	2013 and 2014 response	Nothing to contribute at this time.
Implemented IT Staffing Changes	2013 and 2014 response	Nothing to contribute at this time.
Delayed IT Infrastructure Purchases	2013	Yes, the HCA delayed purchasing needed Business Analytics (BA) and Business Intelligence (BI) infrastructure improvements.
	2014	Yes, the HCA delayed purchasing needed Business Analytics (BA) and Business Intelligence (BI) infrastructure improvements; however, we are beginning to plan for and implement some of these services by leveraging federal funding with no state match requirements.

Other IT Cost Savings Implemented or Expenses Avoided	2013	<p>A Service Operations tracking and ticketing mechanism is being implemented in the HCA service desk to provide for greater efficiencies (reduced turn-around time, accountability, tracking of requests, request fulfillment, reminders, etc.), and helps alignment with Apptio and Portfolio Management.</p> <p>Consolidated printing services to one leased environment with multifunctional devices (scan, copy, e-mail, print, and some with fax).</p>
	2014	<p>The Service Operations tracking and ticketing tool mentioned in last year's response has been used to enhance business processes improvements, and Portfolio Management tracking and reporting, while aligning HCA with the Governor's goals of addressing legacy systems and improving transparency.</p> <p>Consolidated printing services noted last year were extended to one leased environment with multifunctional devices (scan, copy, e-mail, print, and some with fax).</p> <p>Leveraged Cloud hosting of Software as a Service (SaaS) for an Enterprise Architecture, and Project and Portfolio Management tool.</p> <p>HCA was able to obtain Federal Financial Participation (FFP) (90%/10%) through the Medicaid Information Technology Architecture (MITA) program, a solution set (tool and methodologies) which facilitates multi-agency Business Architecture, Information/Data Architecture, and Technology Architecture modeling, reporting, and "As-Is" to "To-Be" planning. (This is being used for HCA's five-year strategy planning and roadmap required by CMS and encompasses facets of the DSHS and HBE.)</p> <p>HCA has developed a partnership with "Decision Lens" (SaaS solution used for OFM and OCIO's prioritization of Decision Packages) to develop a proof-of-concept for tracking and prioritizing CMS's BaTA Business, Information/Data, and Technology architectures': A) maturity levels, and B) subsequent related funding opportunities and projects. It potentially will facilitate tracking progress of increasing maturity levels, and reporting with CMS. Additional states (CA) are following this with keen interest because they too want to track their priority Business, Information/Data, and Technology improvements and maturity levels from cradle-to-grave.</p> <p><i>Additional note on MITA/BaTA:</i> This is associated with and known as "Business and Technology Architectures" or BaTA in Washington State. BaTA uses CMS's guidance and expands it beyond the Medicaid program to create a business reference model for Washington's Healthcare Enterprise. The outcome is creating a Business and Technical Architecture tailored to reflect the realities of Health Care Enterprise which include using the MITA 3.0 framework, Behavioral Health MITA framework (SAMHSA), and the National Human Services Interoperability Architecture (NHSIA). The BaTA program aspires to build the enterprise business-driven architecture, aiming for greater strategic agility, encouraging a strong integration and collaboration between business and technology across the HCA, and in conjunction with DSHS, HBE, and other agencies in the near future (DOH, DOC, DEL).</p>
Cost Saving Ideas Under Exploration or Recommended for Statewide Consideration	2013	<p>The HCA is exploring but not has yet implemented:</p> <ul style="list-style-type: none"> ▪ Leveraging Cloud hosting of Software as a Service (SaaS) for a Portfolio Management tool for the agency, and Platform as a Service (PaaS) ▪ Improved Business Analytics (BA) and Business Intelligence (BI) reporting capabilities with HCA's infrastructure and multiple programs' operations

		<ul style="list-style-type: none"> ▪ The HCA is remapping IT systems Roadmap plans that will align across all systems. ▪ Leveraging the federal government's Medicaid Information Technology Architecture (MITA) 3.0 and potential federal investments to adopt a more efficient and comprehensive approach to service deliver, and develop a sustainable foundation of interoperable systems and information sharing. ▪ The potential of IT shared services with other states that might include: Data sharing and integration strategies, leveraging Provider credentialing and MMIS functionality, Disaster recovery <p>Intra-agency or statewide IT savings ideas:</p> <ul style="list-style-type: none"> ▪ Shared services availability of certain security services that otherwise would be expensive for agencies to expense themselves ▪ OCIO provided SaaS for Portfolio Management functions
	2014	<p>In addition to ongoing work in areas from last year's response, the HCA is exploring but not has yet fully implemented:</p> <ul style="list-style-type: none"> ▪ The HCA is in early stages with remapping Business, Information/Data, and Technology Roadmap plans that will align across all systems and includes integrated components with the DSHS, and the Health Benefit Exchange (HBE). ▪ Implemented a formal change management process which reduced unplanned outages and increased customer satisfaction.

Agency 140 – Department of Revenue
 Subject to \$292,000 biennial reduction (\$146,000 per FY)

Implemented Procurement Efficiencies	2013	DOR continues to use Washington's Electronic Business Solution (WEBS) to post acquisitions and has realized efficiencies through this method.
	2014	The Department of Revenue (DOR) undertook a LEAN effort to improve the agency procurement processes while continuing to use WEBS to post acquisitions and solicit bids from vendors for IT products and services as noted in last year's response. DOR expects continued savings through these activities.
Implemented Maintenance & Operations Efficiencies	2013	DOR continues to virtualize servers wherever possible, surpassing the 80% virtualization target set by Executive Order. DOR also continues to converge its phone and network systems whenever possible in order to gain efficiencies with its existing Voice over IP solution.
	2014	The Department of Revenue has continued virtualization efforts as well as expansion of the use of its existing Voice over Internet (VoIP) solution.
Implemented IT Staffing Changes	2013	No staff reductions or changes have been made as a result of the allotment reduction.
	2014	No staff reductions were made in response to the allotment reduction. The Department of Revenue has shifted staff within the organization to align with and focus on the top priorities for the agency.

Delayed IT Infrastructure Purchases	2013 and 2014 response	No. Reductions were taken in other areas of the Department to protect the planned technology investments needed to continue to provide efficiencies.
Other IT Cost Savings Implemented or Expenses Avoided	2013	No response
	2014	The Department of Revenue continued to work with cities and counties to receive their data electronically rather than via the U.S. Postal Service. The Governor's 2015-17 budget proposal for DOR included a reduction for these savings.
Cost Saving Ideas Under Exploration or Recommended for Statewide Consideration	2013	DOR is considering leasing computers rather than purchasing.
	2014	The Department of Revenue investigated the option of leasing computers instead of purchasing. At this point, the Department has elected to continue its practice of purchasing computers. DOR is evaluating the opportunity to reduce the number of computers deployed across the agency. DOR has established a managed print services contract for its multi-function devices. DOR is evaluating the opportunity to expand this contract to include network printers.
Agency 225 – Washington State Patrol Subject to \$78,000 biennial reduction (\$39,000 per FY)		
Implemented Procurement Efficiencies	2013	During FY 2014, the Washington State Patrol (WSP) initiated a Lean effort focused on improving the purchasing and payment efficiency of IT procurements. This Lean effort is currently being piloted to implement initial strategies and identify possible areas for ongoing improvement. If these improvements are validated they will be deployed across the WSP in FY 2014 and 2015. At this time no specific savings areas have been identified.
	2014	The Washington State Patrol (WSP) realized efficiencies in IT procurements and initiated several LEAN efforts across the agency during this reporting period. Mobile Office Platform (MOP) Procurement: The WSP IT Division (ITD) has begun the replacement of ruggedized notebooks with ruggedized mobile tablets devices to selected troopers and sergeants as part of the Mobile Office Platform program. The MOP program has been very effective and efficient in the IT procurement process, installation and support of the MOP program which has resulted in significant reduction in the amount of debt service funding required (see response below).

		Ready Hire Recruitment Pool: The Human Resources Division (HRD) initiated a recruitment ready-hire pool for office administrative staff which significantly reduced the amount of time required to fill vacant administrative positions. Similarly, the HRD and ITD are in the process of initiating an IT ready-hire pool to reduce the time necessary to fill IT positions.
Implemented Maintenance & Operations Efficiencies	2013	<p>The agency has emphasized utilization of online training opportunities both within the IT Division and also within other agency business areas. This has increased training attendance. This effort has allowed increased training attendance without a corresponding increase in training costs due to the reduction in travel expenses. At this time, we are unable to report specific cost savings of this effort due to incomplete data collection.</p> <p>Additionally, the IT Division Customer Service Unit has initiated an upgrade of the service desk work order system with a goal of improving efficiency of the IT service desk. This effort is scheduled to be deployed in the last quarter of FY 2014.</p>
	2014	<p>Online Training: The agency continues to emphasize the use of on-line training opportunities within the IT Division and also within other agency business areas which has increased training attendance while reducing associated expenses. Of note, the Human Resources Division (HRD) utilized online training for critical recurring and required personnel training resulting in increased numbers of personnel receiving training while decreasing travel cost and time away from the office. HRD also adopted an online method to accomplish new employee orientations eliminating the need for employees throughout the state to travel to Olympia.</p> <p>Help Desk Work Order System: The IT Division Customer Service Unit (CSU) implemented an upgrade of the service desk work order system that has allowed the CSU to more efficiently answer and process calls for service. While all indicators show Help Desk personnel are more efficient and effective, insufficient cost saving information has been collected to date.</p>
Implemented IT Staffing Changes	2013	In the ongoing interest of identifying more efficient methods of supporting WSP goals and objectives, the IT Division conducted a review of business and personnel requirements for selected IT units. This effort identified personnel shortfalls in the division's ability to meet agency business requirements. The division has prioritized existing staffing and selectively reallocated a number of IT personnel positions to address these shortfalls. These personnel actions have improved the IT Division's ability to support agency needs within assigned personnel allotments without the addition of new FTEs.
	2014	MOP Staff Reduction: The IT Division has continued its review of business and personnel requirements within the division with a goal of identifying the most efficient methods of supporting WSP goals and objectives. The most recent review identified an IT GIS position within the Mobile Office Platform (MOP) program was not needed, given the effectiveness and efficiency of the existing IT MOP positions. The GIS position was recommended for elimination due to possible allotment reductions.
Delayed IT Infrastructure Purchases	2013	The agency has continued to maintain its IT infrastructure thru scheduled technology upgrade and replacement efforts. For the past several years, WSP has utilized a five-year life cycle for these replacements. Given the preference for a four-year life cycle as indicated in OCIO Policy 201: PC Procurement Policy, WSP will document our thoughts on maintaining a longer life cycle and submit to the OCIO for further discussion.

	2014	Standard Technology Replacement Program (STR): The agency has continued to maintain its IT infrastructure through scheduled technology upgrades and replacement efforts. WSP utilizes a five-year replacement cycle for personnel computers versus the OCIO Policy 201: PC Procurement Policy that recommends a four-year cycle. The five-year life cycle has helped contain agency costs.							
Other IT Cost Savings Implemented or Expenses Avoided	2013	The WSP IT Division has recently deployed new call center technology, the Cisco Systems VoIP UCCX tool, which allows improved management of call center workflows. The system supports the development of key performance and customer satisfaction indicators, which in turn, allow measurement of performance outcomes in key service desk areas. Thus far, this initiative has resulted in identifying opportunities to maximize staff coverage at peak customer service times utilizing existing personnel and resources. WSP anticipates additional efficiencies as this system is expanded within our call center.							
	2014	<p>Windows 7 Deployment: The WSP IT Division completed an Agency wide deployment of the Windows 7 personnel computer operating system upgrade. This effort maintained the required Microsoft security standards and also eliminated the need to expend funds to continue the Microsoft security patch support for the obsolete XP Windows operating system.</p> <p>Mobile Office Platform Deployment: WSP IT Division has been very effective in implementing the Mobile Office Platform (MOP) Program which deploys mobile computers as well as cameras in all FOB line troopers' vehicles. The result is the MOP program is significantly under budget and ahead of schedule.</p> <p>This achievement is due to efficient and effective program management, excellent project management, IT procurement efficiencies, and MOP installation processes. This excellent work resulted in WSP being able reduce the amount of funding required. The primary mechanism of funding the equipment for this project is through financing authorized by the Legislature. This financing is accomplished through the sale of bonds at an authorized level. WSP was able to achieve an 11% decrease in the financing required to complete the project which equates to a \$750,000 savings.</p> <p>The same level of efficiency and effectiveness of the MOP Trooper program was applied to the MOP Sergeant project that installs computers in Sergeant vehicles. These efficiencies resulted in an accelerated project schedule with expectations of reaching full deployment early in the next fiscal year (August 2015), almost a year ahead of schedule. These improvements will result in a 17% reduction of financing required equal to \$150,000 savings.</p> <p><i>Online Data Archiving:</i> The IT Division replaced its tape-based archival system with an online solution that provided annual cost savings in the following areas;</p> <table border="0" data-bbox="596 1182 1039 1312"> <tr> <td>Annual Hardware Maintenance</td> <td>\$22,218</td> </tr> <tr> <td>Annual Software Maintenance</td> <td>5,185</td> </tr> <tr> <td>Transportation</td> <td><u>582</u></td> </tr> <tr> <td>Total Annual Savings</td> <td>\$27,985</td> </tr> </table> <p>WSP utilized existing software from Microsoft provided under our enterprise agreement to replace the functionality of our tape-based backup system.</p>	Annual Hardware Maintenance	\$22,218	Annual Software Maintenance	5,185	Transportation	<u>582</u>	Total Annual Savings
Annual Hardware Maintenance	\$22,218								
Annual Software Maintenance	5,185								
Transportation	<u>582</u>								
Total Annual Savings	\$27,985								

		In addition to achieving these operational savings, WSP will see improved services including quick access to archived information and more efficient use of staff time.
Cost Saving Ideas Under Exploration or Recommended for Statewide Consideration	2013	<p>WSP is currently working with the OCIO and the Apptio vendor to implement the Apptio budget tracking application to model WSP IT spending. The IT Division continues to work to implement a more detailed model of the agency's IT spending by ensuring consistency across the agency in the coding/tracking/reporting of IT expenditures and by continuing to fine-tune the cost model built in Apptio.</p> <p>The WSP IT Division has begun the replacement of selected employee laptops and personal computers with mobile tablet devices. This effort has not yet expanded to the point of being able to confirm resulting savings.</p>
	2014	Apptio Financial Management: WSP continues efforts to model IT expenditures by working with the OCIO to fully implement the Apptio budget management application. WSP will complete the build-out of its financial model and begin realizing the benefits provided by Apptio by July 2015.
Agency 227 – Criminal Justice Training Commission Subject to \$6,000 biennial reduction (\$3,000 per FY)		
Implemented Procurement Efficiencies	2013	Reduce yearly costs on data services with Internet Access. Previously, our yearly subscription for T1 services through CTS was \$36,000. This past summer, we moved to Comcast Fiber. With the move to Comcast, we now pay \$18,000 a year, cutting our yearly fees in half.
	2014	<p>Antivirus, web protection, remote access for troubleshooting, and patch management are managed through the cloud giving full access and control of all our systems through one console. Instead of having separate licenses for each service, it's maintained through one vendor.</p> <p><i>Total ownership:</i> In the past, we have outsourced administrative jobs to perform basic upgrades and updates. Patch management, firmware updates, etc. all have been managed in house.</p> <p>We are in the process of opening a second training location in Spokane. Instead of deploying a full blown network, we will utilize the Cloud services through Office 365 allowing our remote users to utilize and access resources specific to their needs. We are still in the research and exploring phase, with intentions to focus heavily with Office 365 that could streamline how we conduct and provide training to our stakeholders and customers.</p>
Implemented Maintenance & Operations Efficiencies	2013	Due to licensing, warranty support maintenance, and various subscriptions, the agency has not implemented any savings in regard to maintenance and operations. However, we are looking into all-in-one solutions to reduce cost on services such as: remote support, virus subscriptions, and backup.

	<p>Symantec vault. Instead all content would be created, stored, indexed, discoverable, and RM-policy enforceable via SP's infrastructure, O365 and SkydrivePro's centralization and exposure to the SP. The supplemental ECM and CLM expand required content-management workflow, unified document capture/index/meta-tagging, and automated RM-policy enforcement and management.</p>
<p>2014</p>	<p>Agencies with Microsoft Office 365 enterprise agreements can avoid millions of dollars (combined) expenditures for similar CTS-provided services. Most Microsoft-centric organizations will sustain a Microsoft software licensing, support, and maintenance enterprise agreement (EA); Microsoft offers Office 2013 (computer installed) and Office 365 (cloud-hosted) EA, and the Office 365 EA is an exceptionally better value. Office 365 includes cloud versions of Office 2013, SharePoint (workplace collaboration), OneDrive and Mysite (employee cloud document storage and intranet portal), Exchange (email and calendaring), Lync (workplace messaging), and Yammer (workplace social), all hosted in Microsoft's secure and redundant government-cloud. Federal, DoD, many state and local governments, and untold numbers of private-sector organizations have already switched to the service. According to Gartner, approximately 70% of its surveyed clients have already switched to Office 365 with Yammer, Exchange and Lync being the first services implemented.</p> <p>For context, even after recently-lowered email archive (Symantec Vault) rates, DFW's approximate email and related vault storage costs are \$240,000 and growing 30% annually. This one enterprise service expense could be totally negated by using Office 365 Exchange-online. This savings example continues for Lync and SharePoint. Additionally, Office 365 online products significantly enhance work mobility and continuity operations since staff's productivity software and documents are available from any device, anytime and anywhere they have internet (not just SGN) connectivity.</p> <p>AWS Storage Gateway – The AWS hosted Storage Gateway solution is a potential alternative to long term, on site storage infrastructure. We have a budget request in for the next biennium for expanding our existing Netapp storage with an additional 120TB storage shelf that will cost around \$100,000 initially and \$150,000 over its four-year life span when including support. The AWS Storage Gateway solution, which costs \$.03/GB/Month, would be a great potential alternative. This solution requires a VPN connection to an AWS hosted VPN or a direct connect solution, which would extend a portion of the State Government network into an AWS hosted cloud or Gov cloud environment.</p> <p>Currently researching an email export tool to improve the efficiency of gathering email for public disclosure requests. Early evaluation indicates a several hundred percent time savings for staff.</p> <p>Continue to build an enterprise approach to technologies by supporting existing user community groups and creating new groups where they do not currently exist.</p> <p>Standardize frameworks that can be used across programs in our department with an emphasis on reusability. For example, GIS framework, Web Service framework, mobile framework, and common development frameworks.</p>

Agency 490 – Department of Natural Resources
 Subject to \$38,000 biennial reduction (\$19,000 per FY)

Implemented Procurement Efficiencies	2013	Standardized the make and models for purchases of new/refreshed PCs and servers to get better purchasing power.
	2014	Continued to use DES master contracts and ITPS for needed work, as applicable.
Implemented Maintenance & Operations Efficiencies	2013	Continued migration away from MSFT Server 2003, migration away from MSFT SharePoint 2007, reduction in the number of earlier versions of software to standardize support contracts.
	2014	Needed servers are added in DNR's virtual environment.
Implemented IT Staffing Changes	2013	Have not reduced staff but have repurposed IT staff where appropriate.
	2014	None.
Delayed IT Infrastructure Purchases	2013	Yes.
	2014	No.
Other IT Cost Savings Implemented or Expenses Avoided	2013	Implementing managed print at DNR. Instead of building a custom business application, DNR will be using the Force.com platform (PaaS) for development beginning in Jan 2014.
	2014	Implemented a Salesforce application for a business program versus custom build and self-hosted. Estimated savings of \$25,000 for hardware. Associated staff savings from maintenance of the application is indeterminate.
Cost Saving Ideas Under Exploration or Recommended for Statewide Consideration	2013	No response
	2014	Continued review for movement to cloud – state or private – on a case-by-case basis.

Agency 495 – Department of Agriculture
Subject to \$8,000 biennial reduction (\$4,000 per FY)

Implemented Procurement Efficiencies	2013 and 2014 response	The Department of Agriculture (AGR) uses a very efficient IT procurement process whereby all IT purchases are vetted to ensure business needs are sound. All IT purchases then require IT approval prior to purchase as a form of checks and balances.
Implemented Maintenance & Operations Efficiencies	2013	AGR has partnered up with the Department of Natural Resources (DNR) within the data center in the Natural Resources Building. DNR is now hosting the majority of AGR servers in its virtual server environment in exchange for AGR Helpdesk personnel aiding them with their annual PC refresh effort. AGR benefits by deferring the replacement purchase of about five servers each year. AGR is currently researching and exploring the financial benefits of implementing Information Technology Service Management (ITSM) tools and processes. The goal is to implement efficiencies in the IT Helpdesk that may free up existing agency IT FTEs to perform critical enterprise-level work that the agency is struggling with accomplishing.
	2014	Same as 2013 response with exception of eliminating mention of specific server deferred purchases.
Implemented IT Staffing Changes	2013	IT resources at AGR continue to be limited and include the minimum necessary to meet the agency mission. We have implemented efficiencies and partnered with business units in order to respond to the allotment reduction.
	2014	AGR has implemented efficiencies and partnered with business units in order to respond to the allotment reduction.
Delayed IT Infrastructure Purchases	2013 and 2014 response	AGR has deferred purchasing approximately 10 servers as a result of our sharing agreement with the DNR.
Other IT Cost Savings Implemented or Expenses Avoided	2013	Other than being consciously prudent of our IT purchasing, the agency has not driven any specific IT cost-savings initiatives.
	2014	AGR has implemented a BYOD (Bring Your Own Device) plan which is currently being used by 16 FTEs. An estimated savings for AGR of \$5,800 annually.
Cost Saving Ideas Under Exploration or Recommended for Statewide Consideration	2013 and 2014 response	As mentioned above, AGR is currently exploring the implementation of ITSM technology as a way of driving efficiencies in the area of IT Helpdesk. We don't envision that these efficiencies will result in any dollar saving reductions, but they should help us avoid hiring additional IT staff to help implement and maintain critical enterprise-wide IT solutions.

Agency 699 – State Board for Community and Technical Colleges
 Subject to \$792,000 biennial reduction (\$396,000 per FY)

Implemented Procurement Efficiencies	2013	Greater use of WA State Master Contracts and WISCA contracts. Cooperative procurement process with colleges and universities: <ul style="list-style-type: none"> ▪ CANVAS - Learning Mgmt Ssyt (LMS) and Lecture Capture ▪ Community & Technical College System Adobe Software Agreement
	2014	Continue to utilize and encourage colleges to make greater use of WA State Master and WISCA contracts. Room Scheduling System Mobility (In-progress)
Implemented Maintenance & Operations Efficiencies	2013	Transitioned email to the cloud using MS Office 365 Implemented cloud-based e-discovery tools Decommissioned Bellevue data and print center
	2014	Transitioned from pre-printed vendor check forms to laser print
Implemented IT Staffing Changes	2013	None. Other staffing adjustments include cross-training and job-shadowing
	2014	Completed a reorganization of the IT Division to better align capabilities and job functions Other staffing adjustments include cross-training and job shadowing
Delayed IT Infrastructure Purchases	2013	Yes: PBX upgrade at our Bellevue office
	2014	No
Other IT Cost Savings Implemented or Expenses Avoided	2013	We have implemented a centralized shared analytics service for colleges deeply discounted by vendor Transitioned from pre-printed vendor and payroll check forms to laser print Direct deposit for financial aid Implemented a Security Event and incident management (SEIM) appliance to move away from a very manual network monitoring process to an automated system that allows for preventative measures and a more secure environment Implemented server virtualization where possible to decrease the overall server footprint Created an IT Security Task Force to share best practices, implement standards, create awareness, and mitigate costs associated with a potential breach

	2014	Reducing the server footprint currently housed at the OB2 building by purchasing less hardware and virtualizing applications and systems that will be brought online at the new State Data Center.
Cost Saving Ideas Under Exploration or Recommended for Statewide Consideration	2013	Evaluating cloud service providers for cold storage of data Evaluating other cloud offerings for: <ul style="list-style-type: none"> ▪ Scalability and flexibility of services ▪ Backup ▪ Security as a Service
	2014	Evaluating cloud service providers for various services such as: <ul style="list-style-type: none"> ▪ Scalability and flexibility of services ▪ Backup ▪ Software as a Service

Appendix D: Responses from Judicial and Executive Branch Agencies Not Subject to Allotment Reductions

This appendix contains responses provided by Judicial and Executive branch agencies **not** subject to the General Fund-State (GF-S) IT Expenditure Allotment Reductions in FY 2014 and FY 2015.

Judicial

Agency 057 – Office of Civil Legal Aid		
Implemented Procurement Efficiencies	2014	Continue to take advantage of OCIO approved technology systems through the CTS Master Contract process. Acquired cloud-based systems for file management and sharing for two-location state agency using CTS approved contractor. Adopted CTS Enterprise Vault for e-mail archiving.
Implemented Maintenance & Operations Efficiencies	2014	Enhanced file sharing, collaboration, security through OCIO-approved BOX system.
Implemented IT Staffing Changes	2014	We have no dedicated technology staff. Agency too small. We work closely with CTS staff on basic technology system needs.
Delayed IT Infrastructure Purchases	2014	N/A
Other IT Cost Savings Implemented or Expenses Avoided	2014	No response
Cost Saving Ideas Under Exploration or Recommended for Statewide Consideration	2014	No response

Executive

Agency 090 – Office of the State Treasurer		
Implemented Procurement Efficiencies	2013	None. DES dismantling of Technology Acquisition Services adds some procurement effort for our agency staff, but we are able to absorb the increased workload.
	2014	None. DES decision this year to not renew master contract for printer services (Cascade) adds some procurement effort for our agency staff, but we are able to absorb the increased workload.
Implemented Maintenance & Operations Efficiencies	2013	Ongoing virtualization of our servers has allowed us to consolidate from two a la carte racks to a single rack as of this December, saving us \$800/month based on current CTS rates. Virtualization also represents an overall savings on server hardware.
	2014	We virtualized an additional two servers this past year. Virtualization represents an overall savings on server hardware.
Implemented IT Staffing Changes	2013 and 2014 response	None. OST has no General Fund appropriations so was not subject to allotment reduction.
Delayed IT Infrastructure Purchases	2013 and 2014 response	No
Other IT Cost Savings Implemented or Expenses Avoided	2013 and 2014 response	None this fiscal year
Cost Saving Ideas Under Exploration or Recommended for Statewide Consideration	2013	We are continually working with our business customers to enhance our treasury management system for efficiencies in how they do their business. Although we are conservative in our IT spend, our primary focus is on business process improvement. Our IT expenses are nearly at the same level as FY96-97 and, while Salaries & Benefits have increased, our IT staffing level has fallen from 21 to 14.
	2014	In addition to 2013 response: This past year we implemented new functionality for administration of the state's School Bond Guarantee program. Moving that program off a business staff maintained Access database, not only improved security and reporting capabilities, but freed up staff time for more directed business-related tasks.

Agency 095 – State Auditor’s Office

Implemented Procurement Efficiencies	2013	Providing wireless connectivity to remote users has been changed from single wireless cards to Mi-Fi Hotspots that allow our auditor teams to use one hotspot per location.
Implemented Maintenance & Operations Efficiencies	2013	Leasing laptops for our teams instead of purchasing, saves by standardizing unit image, streamlines deployment process. Streamlined the data backup of laptops to Iron Mountain. Purchased reusable, pre-built code for building applications IT cross training and streamlining of processed and functions to maximize manpower.
Implemented IT Staffing Changes	2013	IT cross training and streamlining of processed and functions to maximize manpower.
Delayed IT Infrastructure Purchases	2013	Yes.
Other IT Cost Savings Implemented or Expenses Avoided	2013	Sunsetted Blackberry Server and all Blackberry for ActiveSync Sunsetted Polycomm systems Internet refresh in-house vs outsource
Cost Saving Ideas Under Exploration or Recommended for Statewide Consideration	2013	Potential savings could be realized by cross agency sharing of common applications instead of every agency building their own.

Agency 100 – Office of the Attorney General

Implemented Procurement Efficiencies	2013	Nothing to report at this time.
	2014	PC Leasing Conversion from Blackberry to iPhones Consolidated Wireless Data Plans Server Virtualization

		Wide Area Network (WAN) re-design Corporate Wi-Fi
Implemented Maintenance & Operations Efficiencies	2013	Nothing to report at this time.
	2014	Cloud based backup of data eDiscovery Tool implementation Proxy Server migration to CTS Implementation of ITSM Implementation of GovDelivery – Digital Communications Tool
Implemented IT Staffing Changes	2013	Nothing to report at this time.
	2014	Modified full time Seattle desktop support to assist two days per week with centralized IT Desktop Administration.
Delayed IT Infrastructure Purchases	2013	Nothing to report at this time.
	2014	Desktop computer refresh cycle was previously delayed, and continues to be delayed to stagger leasing cycles.
Other IT Cost Savings Implemented or Expenses Avoided	2013	Nothing to report at this time.
	2014	The AGO is migrating public website hosting from CTS to WSCA contracted Amazon Web Services to reduce costs and enable increased functionality.
Cost Saving Ideas Under Exploration or Recommended for Statewide Consideration	2013	Nothing to report at this time.
	2014	ITSM Virtual Private Network (VPN) to allow automated ticket creation from email.
Agency 110 – Office of Administrative Hearings		
Implemented Procurement Efficiencies	2014	All purchases go through a financial approval process Signature authority has been implemented All User requests for IT purchase such as software/hardware are examined for validity and authorized through chain of command. Enterprise licensing where it makes sense Standardized our hardware and software

Implemented Maintenance & Operations Efficiencies	2014	<p>Moved to a lease model for production workstations and servers</p> <p>Did not renew terminal emulation software to access CTS mainframe services. Instead we utilized free host on demand service offered by CTS for mainframe services</p>
Implemented IT Staffing Changes	2014	None in response to the allotment reduction
Delayed IT Infrastructure Purchases	2014	No
Other IT Cost Savings Implemented or Expenses Avoided	2014	Nothing new with any significant cost savings
Cost Saving Ideas Under Exploration or Recommended for Statewide Consideration	2014	<p>Consolidation of caseloads into one Case Management System (CMS) allowing the development of border services to exchange information in an electronic medium thus greatly reducing the reliance on paper and the time it takes to move it from office to office.</p> <ul style="list-style-type: none"> ▪ Licensing costs ▪ Remove the COTS managed environments at CTS for both development and production ▪ Annual subscription fee is no longer needed <p>Telecommunications are being examined</p> <ul style="list-style-type: none"> ▪ The use of WebEx as our telecommunication bridge for teleconference hearing will be replaced with a less expensive, more reliable solution ▪ Expanding the use of teleworkers which will allow possible savings through RSA token removal and ultimately savings from facilities as they negotiate lower lease costs based on needed Sq. Foot. <p>A new recording solution is part of the 2015-2017 OAH IT Roadmap. This will replace the need to buy \$500 digital recorders with an integrated application that will capture the recording of the case participants during a hearing.</p> <p>Elimination of Citrix</p> <ul style="list-style-type: none"> ▪ Licensing costs ▪ Elimination of old server hardware (2003)

Agency 117 – Gambling Commission

Implemented Procurement Efficiencies	2013 and 2014 response	IT procurement in the Gambling Commission is centralized within the Information Technology Division. We continue to look for IT procurement efficiencies through an agency-wide cost savings process.
Implemented Maintenance & Operations Efficiencies	2013	The Gambling Commission's Information Technology Division has taken steps to identify and evaluate internal costs associated with ongoing, routine IT work to ensure that we adequately address our current business capacity. Work that directly impacts the agency's mission is given the highest priority. Any other work is risk assessed to see if it really needs to be done now or whether it can be deferred. We are evaluating our current PC replacement strategy to see if any purchases can be deferred.
	2014	Same as 2013 response with substitution for last sentence: We have adjusted our current PC replacement strategy in order to defer costs to future biennia.
Implemented IT Staffing Changes	2013 and 2014 response	The Gambling Commission is a non-general fund and non-appropriated fund agency and was not subject to the allotment reductions directed in Section 715(3) of the 2013-15 omnibus operating budget; therefore no IT staffing changes have been implemented.
Delayed IT Infrastructure Purchases	2013	The Gambling Commission has deferred purchasing new network switches until FY 2015.
	2014	The Gambling Commission has deferred purchasing new network switches until late FY 2015. We have also deferred replacement of telephone systems at our headquarters and field offices indefinitely.
Other IT Cost Savings Implemented or Expenses Avoided	2013	The Gambling Commission has deferred several software upgrades, such as SharePoint and Microsoft Office, until at least FY 2015.
	2014	The Gambling Commission has deferred several software upgrades, such as SharePoint and Microsoft Office, until at least FY 2015. The Gambling Commission is actively expanding its virtual server infrastructure. By virtualizing our server environment, we avoid costs associated with replacing server hardware.
Cost Saving Ideas Under Exploration or Recommended for Statewide Consideration	2013 and 2014 response	The Gambling Commission is exploring various cost savings ideas such as increased use of technology to mitigate other costs like printing and travel.

Agency 124 – Department of Retirement Systems

Implemented Procurement Efficiencies	2013 and 2014 response	DRS seeks to purchase from established central service master contracts. This contributes to shorter procurement times and cost savings. DRS continuously balances purchased asset benefits against cost and procurement times. If the cost savings are significant enough to warrant effort in procurement or the purchase supports the agency's IT strategic vision in such a way as to save cost in the near future, exceptions to the standard purchase process are considered.
Implemented Maintenance & Operations Efficiencies	2013	<p>To the extent possible, DRS has standardized its hardware platforms, configurations and software versions. This reduces the number of support models needed.</p> <p>DRS has migrated most of its Employer Information System VSAM data files to ADABAS, resulting in a 60%-70% storage savings for that data.</p>
	2014	<p>DRS has purchased ADABAS SQL Gateway. This product allows direct access to core legacy data through more modern SQL/C#.NET technologies. Because of this, DRS has experienced significant reductions in certain projects requiring access to core data through newer technologies. For example, a recent data extraction was estimated at 200 hours of effort using traditional legacy tools. With ADABAS SQL Gateway in place, the data was able to be extracted in 30 minutes.</p> <p>DRS has moved its public web site to Adobe Cloud. This has allowed updates to the web site from any location (necessary for the agency's Disaster Recover/Business Resumption Plans) and also eliminates the need for internal staff to maintain software tools for managing the public web site.</p>
Implemented IT Staffing Changes	2013 and 2014	<p>Being non-General Fund, DRS received no allotment reductions. However, in response to the state's general allotment reductions and in the interest of being vigilant in its resource stewardship, DRS has chosen to hold several positions vacant. The Information Services Division is currently running at a reduction of approximately 5 FTEs. Potential recruitments to fill positions are analyzed very carefully and alternatives are always considered.</p> <p>For example, in our Enterprise Architecture Unit, a team member whose duties are primarily managing mainframe security will retire in February 2014. This unit has needed some programming skills in support of mainframe, reporting and production control efficiency initiatives for quite some time. This unit has two vacant positions that have been considered for recruitment of a programmer. After significant analysis, it was decided that when filling the position of the retiring team member, we would update the position to include programming skills, rather than hire two positions.</p>
Delayed IT Infrastructure Purchases	2013	DRS has delayed purchases in infrastructure. DRS has purposely done this in an effort to ensure that all purchases support both a sustainable cost model and the DRS IT strategic vision for the near future.
	2014	DRS has delayed purchases in anticipation of new services offered by Consolidated Technology Services (CTS) that meet the needs of DRS IT operations. Most notably, DRS was a pilot agency in the use of the new Private Cloud service offered by CTS. Having

		<p>vetted that service and determining that it will meet DRS operational needs, DRS has delayed the purchase of new servers in anticipation of employing the CTS Private Cloud service.</p> <p>Opportunities to use publicly available cloud services are also analyzed in lieu of purchasing new infrastructure.</p>
Other IT Cost Savings Implemented or Expenses Avoided	2013	<p>DRS has put further monitoring in place to identify some of our most process-intensive and costly batch jobs. When we identify outliers, our Enterprise Architect and the mainframe programmers collaborate to identify ways to make these jobs more efficient.</p> <p>DRS has continued its work to reduce print costs. We have removed several old reports that are not used. We have moved reports to electronic format, where feasible. DRS utilizes EOS and the EOS Thin Client.</p> <p>DRS has three Lean Black Belts and 19 Lean Green Belts. Two of the Green Belts are in the Information Services Division. One more team member is scheduled to be trained. These individuals all work to consistently improve inefficient processes. In the Information Services Division, we are working on initiatives regarding Notification of Releases, Employee Onboarding and Production Control.</p>
	2014	<p>DRS continues to invest in Agile Development. The agency has further optimized development procedures through the use of Microsoft's Team Foundation Server Agile Toolset.</p> <p>DRS has invested time in refining the use of online reports to the end of reducing paper print. Further development of CTS' EOS report tool has helped to promote its use throughout the agency.</p> <p>DRS continues to train Lean Black and Green Belts. This has resulted in one additional Green Belt in the Information Services Division (ISD). These individuals all work to consistently improve inefficient processes. Green Belts in ISD have embarked on initiatives to improve employer requests for information, as well as the agency's employee onboarding process.</p>
Cost Saving Ideas Under Exploration or Recommended for Statewide Consideration	2013	<p>The most significant idea we are currently planning to pursue is the use of Amazon Web Services. Our first effort will be to explore the use of cloud-based storage on Amazon Web Services for off-site network backups. This will eliminate the need for backup tapes (a cost) and potentially reduce or eliminate our storage requirement with Iron Mountain to hold these backups. It also has the potential to reduce or eliminate future expenditures in onsite backup equipment such as tape drives</p> <p>Upon completion, we should be able to back up directly to the cloud. These backups will be encrypted prior to transfer to the cloud and then stored with another level of encryption (double-encrypted). Storage cost savings are expected to be significant. We also anticipate the benefit of having our backups available for immediate use; whereas now, we must order the backups to be delivered from Iron Mountain, when needed.</p> <p>Mainframe Optimization Ideas: Program buffer pool caching, Data retrieval caching, MQ Series optimizations</p>
	2014	<p>DRS plans to employ CTS Enterprise Security products; reducing the need for self-purchased tools and their maintenance.</p> <p>DRS looks to use Distributed File System (DFS) in place of the current Secure File Transfer (SFT) for the exchange of sensitive data. DFS reduces storage needs, is more secure and automation can be used more extensively than SFT.</p>

Agency 126 – State Investment Board

Implemented Procurement Efficiencies	2014	WSIB has achieved IT procurement efficiencies through the use of Pre-Qualified Pools of vendors for Investment Technology Consulting and IT Security and Audit Services. WSIB currently is evaluating additional vendors to include in the IT Security and Audit Services pool. This refresh of the pool will expand the number of pre-qualified vendors with which WSIB can work, speed up the engagement process for cybersecurity services and testing, and create more competition within the pool to potentially drive down pricing.
Implemented Maintenance & Operations Efficiencies	2014	WSIB has embraced LEAN methodologies and is using them to review processes such as transaction processing, administrative forms, and investment data processing. Most of the IT savings have been in the form of staff time and efficiencies gained in the processes reviewed. Through the “Fix What Bothers You” LEAN project, WSIB has reduced e-mail traffic and saved staff time by automating the room scheduling process across the agency. A larger project was created to clean-up duplicate documents on network drives, saving storage and ongoing staff time maintaining duplicate versions of documents. Staff is also working at automating administrative forms and workflow processes.
Implemented IT Staffing Changes	2014	Not applicable. We are not a general fund agency.
Delayed IT Infrastructure Purchases	2014	One specific purchase delayed until early 2015 is an upgrade to our Sybase database software underlying the investment data warehouse. The upgrade has not been critical to performance of the application. Otherwise, WSIB maintains a four-year infrastructure replacement cycle for most equipment, which will occur on schedule in 2015 and include the Sybase upgrade.
Other IT Cost Savings Implemented or Expenses Avoided	2014	<p>As reported last year, by using a new interactive reporting and dashboard tool (Tableau) and leveraging internal staff for most new data integration work, we have reduced our reliance on key vendors and avoided proprietary and costly enhancements to vendor supported systems. While avoided costs would just be estimates, comparable enhancements would have been much more costly, less robust and possibly delayed without these tools and approaches. For example, WSIB implemented a completely new process for loading daily transaction, security and pricing data into its investment data warehouse in 2014, while working with a completely new data source, State Street Bank. This overhaul was done with existing staff resources and less than \$15,000 of external vendor assistance, far less than the costs for comparable work performed during the initial implementation of the warehouse.</p> <p>We also reduced redundant processing in multiple systems. Performance calculations performed in two systems for a particular portfolio were consolidated to one system with some minor configuration changes, reducing the staff time needed to maintain both systems and future costs for that component in the redundant system. Those costs can be realized as savings or repurposed for other analytics capabilities.</p>
Cost Saving Ideas Under Exploration or Recommended for Statewide Consideration	2014	The largest ongoing expenses, and most meaningful savings opportunities, will continue to be in the investment application maintenance (e.g. risk) and data management areas. Internal efficiencies in reporting (using Tableau) and data integration (using existing staff and software) offer further potential to realize savings and add value in a cost-effective manner. We continue to assess the ongoing value of the tools we use and address unneeded overlap with other applications or services.

Agency 160 – Office of the Insurance Commissioner (OIC)

Implemented Procurement Efficiencies	2013	As an agency that has maximized server virtualization and implemented a virtual private cloud that provides the entire computing infrastructure for the agency (i.e., production, development, testing and disaster recovery), OIC has continued forward with its virtualization efforts and has replaced traditional desktop PC's with Wyse/Windows 7 thin clients. Implementing desktop virtualization in conjunction with server virtualization has streamlined service delivery for IT, created mobility and flexibility for end users, and over the lifecycle costs of delivering desktop computing will bend the cost curve for IT procurement and maintenance and effort.
Implemented Maintenance & Operations Efficiencies	2013	OIC continues its focus to “do more and deliver more within existing resources constraints” by continuing to keep the agency’s technology footprint small and nimble by means of leveraging virtualization and undertaking “continuous” enterprise system development efforts. Within OIC, ongoing infrastructure and application maintenance and operations are not segregated and measured a standalone tower. Rather, maintenance and operations are folded into the iterative lifecycle of each project. This approach has allowed OIC to keep the IT infrastructure and application fresh and closely aligned with emerging business needs.
Implemented IT Staffing Changes	2013	None. OIC did not experience significant allotment reductions during the current reporting period. External legislative demands placed on the agency resulting from national public policy decisions, such as the Affordable Care Act and national healthcare reform, have required OIC to maintain existing staffing levels.
Delayed IT Infrastructure Purchases	2013	Not during the current reporting period.
Other IT Cost Savings Implemented or Expenses Avoided	2013	During the last reporting period, OIC focused significant effort on renegotiating hardware and software maintenance agreements to achieve better renewal pricing. Due to the sluggish economy, OIC was able to obtain very competitive pricing for numerous software maintenance agreements and hardware acquisitions.
Cost Saving Ideas Under Exploration or Recommended for Statewide Consideration	2013	<p>We have a couple of items for consideration:</p> <p>Cost containment for certain shared services is still problematic. Unfortunately, the implementation of some CTS shared services remains a cost increase to agencies – not a cost decrease – with little or no service improvement. Take shared email for example, OIC is in the process of fully migrating to the CTS shared email service (OIC has been vaulting email since 2010) and the ongoing cost – in actual dollars – to OIC will be several times more costly as compared to OIC provisioning the service internally. The implantation of certain shared services will continue to be slow if we are unable to drive down the initial startup costs for the service and bend the M&O cost curve for agencies.</p> <p>Implement a WA Government private cloud as a comprehensive shared service.</p>
	2014	

Agency 165 – Board of Accountancy

Implemented Procurement Efficiencies	2013	The Board gains IT efficiencies through: <ul style="list-style-type: none"> ▪ Utilizing master contracts for procurement. ▪ Carefully researching and planning IT Investments. ▪ Always looking to other agencies for solutions before purchasing or planning.
Implemented Maintenance & Operations Efficiencies	2013	Efficiency measurements implemented in our IT maintenance and operations to generate savings – reducing the amount of IT inventory both hardware and software that must be maintained and or stored (while not in use). The Agency runs very lean as it relates to IT purchases. Another efficiency to reduce maintenance costs is to use CTS or DES's services whenever possible; therefore, avoiding additional support and or maintenance costs. Utilization of “free” services such as, forward proxy, network vulnerability scanning, SAW, etc.
Implemented IT Staffing Changes	2013	We staff one IT person in the agency – not a lot of room for allotment reduction.
Delayed IT Infrastructure Purchases	2013	Yes – we’ve delayed PC and server purchase beyond the recommended life cycle to save money. Most of our PCs are six years old; however, still functioning. Soon we will upgrade our servers from 2003 to 2012 without replacing hardware as the hardware in the servers is sufficient to meet our needs.
Other IT Cost Savings Implemented or Expenses Avoided	2013	We’ve received shared code for an online application and e-commerce system from OIC – saving time and money. We’ve shared our developed online application code with several agencies. When implementing our e-commerce system we built it in a way that encourages ACH usage vs. bankcard - saving the state several thousands of dollars. An ACH transaction cost the state \$.10 a transaction where a bankcard transaction can cost as much as 2.2% for total transaction.
Cost Saving Ideas Under Exploration or Recommended for Statewide Consideration	2013	We are always looking for ways to do streamline processes – providing high customer service at a low cost. We are currently looking for a records management system that will help to reduce cost related to our public records.

Agency 179 – Department of Enterprise Services

Implemented Procurement Efficiencies	2013	Leaned our IT procurement process and switched from using purchase orders to using purchasing cards. All IT purchases are now made with a purchase card except when credit cards are not accepted by the vendor. This has significantly cut down on procurement time and paperwork.
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	2014	<p>Utilize DES master contracts to consolidate contracts, reduced duplicate enterprise licensing agreements and duplicate maintenance contracts.</p> <p>Primarily use purchase cards and decommissioned unsupported, antiquated PO systems and spreadsheets.</p>
Implemented Maintenance & Operations Efficiencies	2013	Virtualized 95% of all our servers which reduces the time needed to maintain equipment and allows us to be much more agile when making choices about hosting, upgrades, re-platforming, etc. Implemented software-defined storage to consolidate most of our storage and allow us to manage it from a single interface.
	2014	<p>Identified 110 duplicate or unused systems and decommissioned them.</p> <p>Provided e-learning to deliver system training for state agency staff to take classes where they work at a time that is convenient for them, which saved agencies money because staff did not have to travel to Olympia to take classroom training</p> <p>Consolidated 13 help desks into one Solution Center.</p> <p>Implemented automatic firewall on workstations to reduce infections.</p> <p>Implemented a central standard process and technology to prepare, deliver and maintain PC's to end users (SCCM).</p> <p>Perform annual software audits to align licensing based on business needs.</p> <p>Provided self-service application deployment by implementing MyApps (SCCM).</p>
Implemented IT Staffing Changes	2013	We conducted a skills assessment survey to identify the knowledge and skill levels of existing DES staff. This enables us to quickly identify internal resources to meet urgent needs, and in many cases, avoid the need to hire additional staff.
	2014	<p>Consolidated/centralized support of the Learning Management System (LMS) and the HRMS service centers into the Solution Center.</p> <p>Converted higher level IT Management positions to working level IT positions to fill gaps.</p>
Delayed IT Infrastructure Purchases	2013	No
	2014	We have delayed the upgrade/refresh of our current backup system and are exploring options for cloud based backups.

Other IT Cost Savings Implemented or Expenses Avoided	2013	Not subject to reduction
	2014	Utilizing third party vendor support (i.e., Rimini Street for HRMS M&O) Eliminated two contractors and consolidated two teams into one so all HRMS support is provided by one organization. In the process of moving servers to the State Data Center Reduced the number of individual SQL databases which reduces software costs.
Cost Saving Ideas Under Exploration or Recommended for Statewide Consideration	2013	DES is working on a proof of concept with the Department of Fish and Wildlife (DFW) to explore the possibility of leveraging investment in self-service Business Intelligence/Reporting capabilities. DFW could realize significant savings by using the DES Business Objects installation with DFW data instead of purchasing its own Business Intelligence solution. There are third-party vendors who provide SAP support. Many companies have successfully reduced their overall support costs by not using the traditional SAP-provided support. We are exploring how we could leverage these vendors to reduce the cost of supporting our own SAP suite of tools. We have been experimenting with Branch Office VPN options for smaller offices to eliminate the need for directly-connected SGN circuits. We believe most of the smaller offices across the state could also realize significant cost savings by replacing expensive SGN-connected circuits with a private ISP and Branch Office VPN services from CTS.
	2014	Evaluate statewide line-of-business applications and identify candidates for enterprise solutions and decommission unused and/or duplicative systems. Convert all state agencies to software defined infrastructure (storage, compute and network). Implement Azure Active Directory statewide. Implement Office 365 statewide.
Agency 190 – Board of Industrial Insurance Appeals		
Implemented Procurement Efficiencies	2013	Not subject to reduction
Implemented Maintenance & Operations Efficiencies	2013	Virtualized servers decreasing number of physical servers by nearly 50%
Implemented IT Staffing Changes	2013	Not subject to reduction

Appendix E: Legislative Agency 2013-15 Cost Efficiency Information

Excerpt from Joint Legislative Services Committee (JLSC) 2015-2017 IT Plan

This is applicable to the following agencies that received a 2013-15 GF-S IT Expenditure Allotment Reduction.

Agency #	Agency	Total 2013-15 GF-S IT Expenditure Allotment Reduction (in thousands)
020	Legislative Evaluation and Accountability Program (LEAP) Committee	(\$22)
038	Joint Legislative Systems Committee	(\$128)

Current biennium cost savings through IT investments (2013-15)

- » Migration from Cisco network equipment to less costly Juniper equipment decreased network infrastructure cost, resulting in a \$150,000 savings for the 13-15 biennium.
- » Microsoft software licensing moved from a per-device model to the Office 365 model in January 2014, resulting in a \$78,000 savings.
- » Sixty-five per cent of legislative servers are virtual, resulting in a decrease of 70 physical servers over the course of the last two biennia. Approximately \$180,000 savings will be realized during the 2013-15 biennium.
- » Implementing satellite TV reduced the cost of campus TV by 50%, for a savings of \$40,000 for the biennium.
- » Eliminated email archival product by using the Microsoft solution that is part of our existing license with a savings of \$20,000 in maintenance costs and avoidance of upgrade costs for the eliminated product.
- » Eliminated the Help Desk call-tracking product, thereby saving \$16,000 for the biennium and avoiding upgrade costs associated with the newer version of the product.
- » Badgered vendors to keep annual maintenance contract increases to a minimum.
- » Reallocated personnel resources to application development through staff attrition in administrative and customer support positions. Currently LSC is allocated 46.6 FTEs, down from 51 in 2008-2009.
- » Thin client usage for interns and some session staff reduced CSG staff time preparing and maintaining desktop devices.
- » Legislative agency accounting consolidation reduced costs for JLARC and LEAP.
- » Committee Meeting Documents made committee materials available online, thereby reducing committee staff time to provide the materials.
- » Web services provide legislative information to agencies (OFM, Governor's office, TVW) and public.
- » SharePoint for House and Senate, legislative agency sites provides a single platform, master pages, site structure.
- » Concurrence Dispute Tracker reduces Workroom and caucus staff time managing recommendations for actions on second house's amendments.
- » Rules Committee applications reduce caucus and Administrative staff time.
- » Legislative Bill Lists reduce caucus staff time and provide bill-tracking tools to state agencies.
- » Reports to the Legislature makes reports available to staff and public, sends them to Secretary of State's office.