MINUTES OF THE HOUSE GOVERNMENT EFFICIENCY AND TECHNOLOGY COMMITTEE

The meeting was called to order by Chairman Jim Morrison at 3:42 P.M. on January 30, 2008, in Room 526-S of the Capitol.

All members were present except Representatives Loganbill, Johnson, Tafanelli, Wilk, Frownfelter, Holland, and Mah, all of whom were excused.

Committee staff present:
  Mary Galligan, Kansas Legislative Research Department
  Renae Jefferies, Office of Revisor of Statutes
  Gary Deeter, Committee Assistant

Conferees appearing before the committee:
  Eldon Rightmeier, Deputy Director, Division of Information Systems and Communications

Others attending:
  See attached list.

The Chair welcomed Eldon Rightmeier, Deputy Director, Division of Information Systems and Communications (DISC), who continued a report on Unified Communications (UC) from January 22, 2008 (Attachment 1). He said that a state-wide strategic approach is crucial if UC is to be established among state agencies, an approach that will converge systems to integrate service offerings around customers' and employees' habits and needs. As an example of the need for a new system, he cited agencies whose voice communications systems are obsolete, having technologies unsupported by vendors. He commented that DISC staff have been talking to agencies and to the Kansas Board of Regents regarding cross-functional planning in order to develop a strategic plan.

Mr. Rightmeier announced that the Gartner Group will hold a symposium for DISC and agency technical personnel at the Shawnee Country Club on Thursday and Friday, March 13-14, 2008; the symposium will provide the foundation for developing a strategic direction for migrating state communications systems to UC. He stated that current plans are to develop an RFP (Request for Proposal) in the fall, 2008, and deploy a UC system in 2009-2010. He illustrated the need for a strategic plan, saying that one direction would create a UC within the state network; another direction would allow commercial enterprises to develop a system.

Mr. Rightmeier explained that a common communications platform will give all state agencies the same type of services, will provide better use of resources, and will result in significant cost savings. Answering questions, he said the Regents system is primarily data and that his first concern is creating a voice platform. Replying to another question, he said that the proposed UC can embrace all three branches of state government. He explained that selecting a UC provider among all the vendors will be a crucial decision.

Members discussed what legislators can do to advance the UC approach among agencies. Mr. Rightmeier said a key element for success in promoting UC is avoiding a federated approach, which would create multiple platforms; he recommended an aggregated approach to UC. He said that if individual agencies develop their

CONTINUATION SHEET

MINUTES OF THE House Government Efficiency and Technology Committee at 3:42 P.M. on January 30, 2008, in Room 526-S of the Capitol.

own systems, the cost would run from $80,000 per agency upwards; he noted that Colorado effected savings of $22 million annually by deploying UC. He cited Sprint's new two-platform system, which created unanticipated gaps in communications. Responding to another question, he acknowledged that UC will ultimately result in data center consolidation.

A member commented on the need for consistent broadband connectivity for Kansas libraries, since presently only 20% of libraries have adequate internet service. Mr. Rightmeier said an RFP was issued in November and negotiations are nearly complete to deploy a T1 connection to every public library in Kansas. A pilot system will be deployed from August to December 2008 and by the end of 2009 all of the 326 libraries can connect to the network. He stated that KAN-Ed can build the system with current dollars, that the system will be supported by the E-rate, that the sites themselves will cost less than at present, and that the state will spend less money that it presently does on the sites.

The meeting was adjourned at 4:23 p.m. The next meeting is scheduled for Thursday, January 31, 2008.

HOUSE GOVERNMENT EFFICIENCY AND TECHNOLOGY COMMITTEE

GUEST LIST

DATE: JANUARY 30 2008

NAME	REPRESENTING
Lindsey Douglas	Hein Law Firm
Jamie Slack	Federico Consulting
Denise Moore	CITO - Exec
Cort Buffington	KANREN
Erica McDilett	KanREN
Marc Galbraith	STATE LIBRARY
Scott Schneider	Cox Communications
Eldon Richtmeier	DFSC
Bill Brady	Oracle

Statewide Networking

- A Strategic Approach -

Understanding the Game

"It's Chess - Not Checkers."

"In the Beginning…"

- There was *Voice*: Local, LD, PBX, Centrex (1970s & 1980s)
- Plain Old Telephone Service (POTS)
- Reliable, Dependable, 99.999% Uptime
- Regulated, Universal

"And then…."

- There was *Data*: (1990s to approx. 2005)
- The Internet, Internet2, KanREN, KanWIN, Kan-ed
- Not as reliable, not as dependable, between 98.5 and 99.9% Uptime
- Not regulated, not universal

Understanding the Game

"It's Chess - Not Checkers."

"And Now..."

- There is <u>Unified Communications (UC)</u> – The Name of the Game
- Voice, (video) and Data on one system
- Lots of moves:
    - Nortel, Cisco, Avaya, Seimens, Alcatel Lucent, Genesys, MicroSoft
- Enterprise organizations face the following questions:
    - Do we change? (What are the benefits)
    - What do we change? (Everything or stages)
    - When do we change? (Early or late)
    - How do we change? (Internal systems, managed systems, hybrid systems)

"The Game is On..."

Putting the Pieces in Place...

"It's Chess - Not Checkers"

"So, What does it take to Play the Game?"

- A "Service Delivery" <u>organization</u>
  - Requires a cultural shift
  - New or better departmental communications channels
  - Identify and close organization gaps
  - IT and end user training
  (Source: Forrester Research, Inc)

- A "Service Delivery" <u>infrastructure</u>
  - Requires a pre-deployment network assessment
  - Must be highly reliable, scalable, manageable
  - Must be MPLS, QoS, Multi-cast etc. capable
  (Source: Forrester, Gartner, Calence research documents)

Putting the Pieces in Place

"It's Chess - Not Checkers"

- ## *A Strategy*

    - Chess, not checkers
        - Rotary dial to Touchtone = Checkers (advancement)
        - POTS / Data to Unified Communications = Chess (*transformation*)
    - Guiding Philosophy
        - Commercial philosophy
            - Industry will do it via the Commercial Internet
            - Positives – Universal, cost effective, done for you
            - Negatives – Untimely, uncertainty, lack of uniformity
        - Enterprise philosophy (do it yourself)
            - Effectively become a "carrier"
            - Positives – Timely, Uniform services, control
            - Negatives – Less universal, more cost, takes resources

Putting the Pieces in Place

"It's Chess - Not Checkers"

"So, What Pieces does Kansas have in Play?"

- DISC Organization (BOT) Uplift
    - Organization gaps identified (Calence Study)
    - Uplift in progress (Culture change)
    - IT Training in progress

- KanWIN Infrastructure Upgrade
    - Network Assessment complete
    - Hierarchical, Modular for reliability
    - Layer 3 Services Capable
    - Single vendor (Cisco) for services, manageability, and local support

- KanWIN / Kan-ed Infrastructure Consolidation
    - Spreads Layer 3 Service Capability across the state
    - Demonstrates improved inter-departmental communication

Note

The actions taken thus far do not require advancement to full-blown Unified Communications. UC is still optional although these efforts do lay the foundation for a Kansas UC deployment.

- Uplifting the DISC Telecom organization is required for service improvement to State agencies regardless of UC.

- The KanWIN Infrastructure Upgrade is required to improve network reliability regardless of UC.

- The Kan-ed / KanWIN consolidation is consistent with legislative directives and will improve connectivity and cost effectiveness regardless of UC.

These steps will, and should, take place whether UC is formally adopted or not.

Putting the Pieces in Place
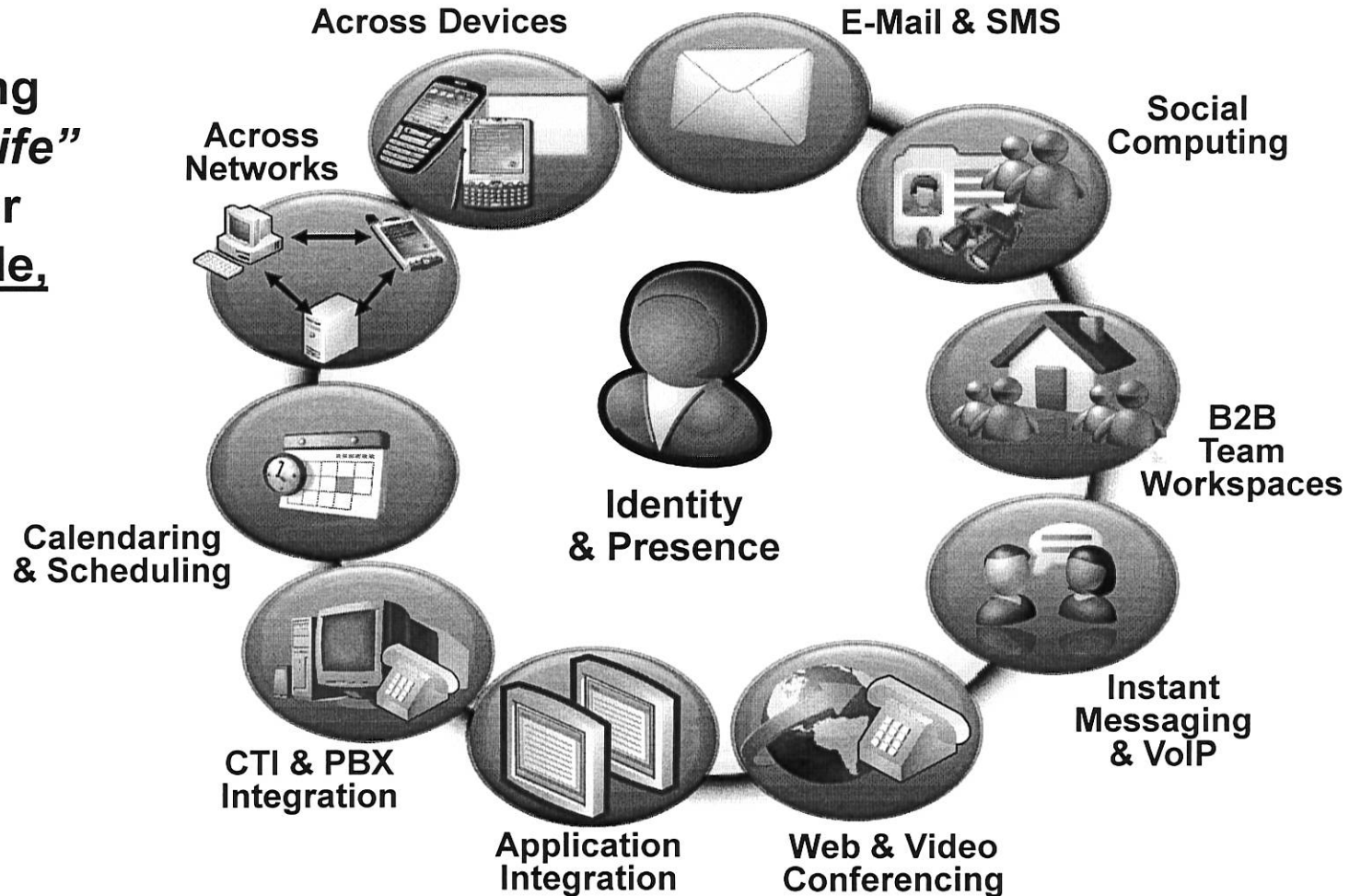
"It's Chess - Not Checkers"

"What Pieces are <u>not</u> in Play?"

- The Main Thing – A UC Strategy
  - Takes Understanding – What is UC?
  - Takes Acceptance – UC is going to happen
    - Planned and organized
    - Random, agency by agency or school by school
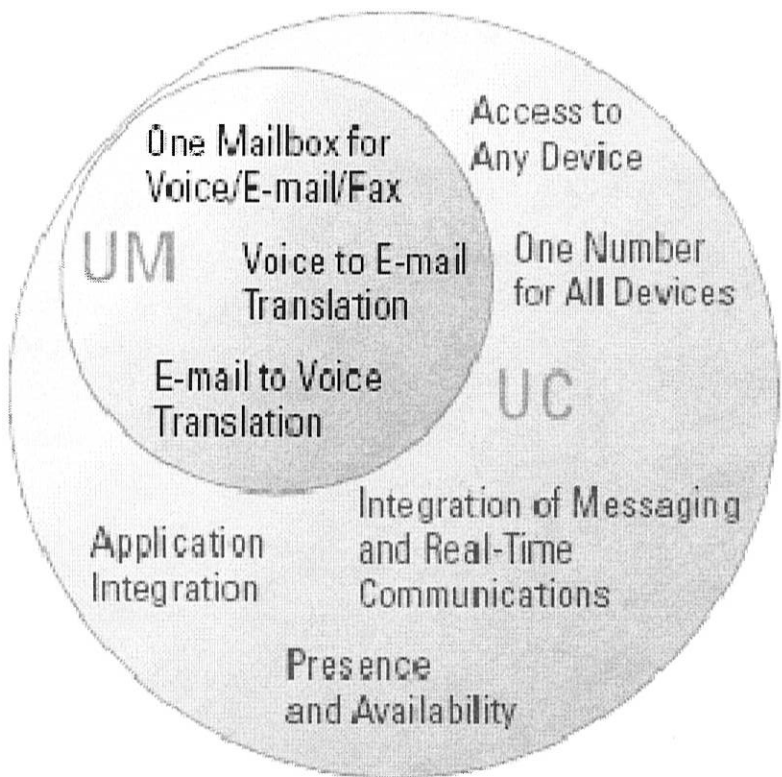 - UC is the only "real" alternative to existing telecom systems

- <u>First</u>, what is Unified Communications?

Evolving Communication Landscape

The ever growing *"swiss-army knife"* and our need for <u>easily-accessible,</u> <u>integrated,</u> <u>on-demand</u> <u>communication</u> <u>technology</u>!

Across Devices

E-Mail & SMS

Social Computing

Across Networks

B2B Team Workspaces

Identity & Presence

Calendaring & Scheduling

Instant Messaging & VoIP

CTI & PBX Integration

Application Integration

Web & Video Conferencing

UC Convergence Viewpoints

"Enterprises should look at UC as a way of tightly integrating their service offerings around their customer's and employee's habits."
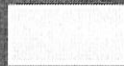
Gartner Vendor Overview

	ALCATEL	AVAYA	Microsoft	CISCO	NORTEL NETWORKS	SIEMENS
UC package	OmniTouch UC	Com Manager	OCS (was LCS)	Cisco UC Mngr	MCS5100	Openscape
Telephony	MyPhone/OMNI-PCX	MultiVantage		Call Manager	CS1000	HiPath 8000
Unified Messaging		Modular Messaging		Unity		
Desktop Client	MyPersonal Commtr	One-X Desktop	Office Communicator	Cisco Desktop	MCS5100	OpenScape / OpenStage
E-mail	Partners		Exchange	Partners	Partners	Partners
Instant Messaging	MyTeamwork		OCS		MCS5100	OpenScape/partner
Audio Conference	multiple	Meeting Exchange	LiveMeeting/partners	MeetingPlace	MCS5100	OpenScape/partner
Video Conference	MyTeamwork	Partners		MeetingPlace	MCS5100	OpenScape/partner
Web Conference	MyTeamwork	partners	Live Meeting	MeetingPlace	MCS5100	OpenScape/partner
Rich Presence		2008+	OCS			OpenScape
Contact Center	Genesys	CIS	MSS & Partners	IPCC	NCC v6	HiPath ProCenter

Limited Capability ▨ ☐ ▦ ▮ **Advanced Capability**

July 2006

Putting the Pieces in Place
"It's Chess - Not Checkers"

"What Pieces are <u>not</u> in Play?"

- <u>Second</u>, what is happening to make this transition appear inevitable?
  - Existing systems reaching end-of-life (legacy)
    - The State's voicemail system reaches end-of-life October 2008
    - Existing Automatic Call Distributor (ACD) system requires replacement
    - DISC Plexar costs for Topeka & Wichita increased 25% in 2007
    - Avaya maintenance costs going up approx. 400% for University PBXs
  - Agencies are already on the move
    - Labor already on Avaya VoIP and Genesys ACD solution (potential island)
    - Corrections requires up to eight PBX replacements
    - SRS requesting voice system upgrades statewide
    - Revenue considering voice and ACD upgrades
    - The Banking Commission and Gaming Commission have requested moves to commercial UC suppliers

- <u>Point</u> – The game is already being played without a strategy

Putting the Pieces in Place

"It's Chess - Not Checkers"

Strategy Proposal

- Complete DISC Telecom organization uplift and Infrastructure Upgrade as scheduled (by June 2009)
- Complete Kan-ed / KanWIN consolidation as scheduled (by June 2010)
- Kick-off UC planning with Gartner UC Symposium
  - Gain understanding through expert analysis
  - Scheduled for March 13th and 14th 2008
- Form Planning Team for cross-functional planning
  - Develop statewide strategy
  - Issue RFP for UC in 4th Quarter 2008
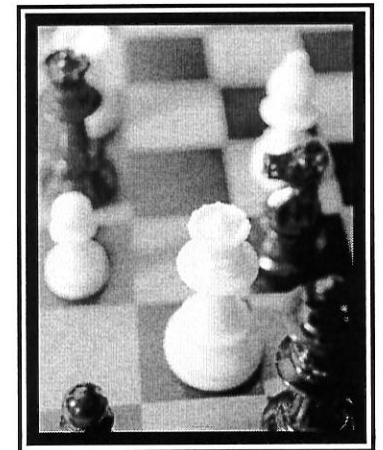 - Deploy and Implement in 2009 / 2010

The Board Can Be Set

With all the Pieces in Place, the State of Kansas can…

…improve services to all Kansas public institutions

…increase the availability of services to Kansas citizens

…save dollars in IT deployment while increasing services

Checkmate!

How will Kansans Benefit if State Agencies Adopt a Common Platform?

➢ Uniform telecom services to all
- Same platform, same services
- Different platforms, different services

➢ Better use of resources both fiscal and human
- A common system distributed statewide is more cost effective than multiple systems purchased independently

➢ Increased efficiency through centralized management
- A single source for management is more efficient than multiple management sources

Are there anticipated budget savings on hardware and software from adoption of a common platform and can services be significantly increased?

➤ Short answers – Yes and Yes

What problems exist in state agency coordination for acquiring hardware and software that the DISC proposal will address?

- ➢ Coordination – Complicated by the "federated" approach to financing agencies
- ➢ Proposal recommends bringing CIOs together to commence planning
- ➢ Gartner Seminar the Kick-Off event

Efficiency of Consolidation

- ➤ Kan-ed Today
  - $4.0 M in Backbone (Regents)
  - $1.0 M in access (Constituents)
  - Total $5.0 M for 300 connected sites
  - T1 & 3.0 Mb access
- ➤ KanWIN Today
  - $2.7 M total for 500 connected sites
  - 56K to T1 access
- ➤ Total for both = $7.7 Million for 800 sites

Efficiency of Consolidation

➢ Kan-ed Tomorrow
- $0 in Backbone
- $3.0 M in constituent access (with e-rate)
- Total = $3.0M for 700 connected sites

➢ KanWIN Tomorrow
- $3.1 M for 500 connected sites
- All T1 access

➢ Total for both = $6.1M for 1200 sites

Efficiency in Consolidation

➤ Summary

- Total Savings = $1.6 M
- Total Increase in connections = 400
- 21% decrease in cost
- 50% increase in connections

➤ All on one standardized platform