



Technology Replacement Program

Program Status - February 2009



STATE OF WYOMING - CIO

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Program Update

Pursuant to Section 315 of the 2008 Appropriations Act, the Office of the Chief Information Officer (OCIO) completed an analysis of the benefits/costs of leasing versus purchasing computers for the State of Wyoming. As a result of this analysis, the OCIO recommended purchasing computers, and that a state-wide Technology Replacement Program (TRP) be developed and implemented in conjunction with the existing IT governance model.

On June 20, 2008, the Joint Appropriations Committee (JAC) reviewed the analysis conducted by the OCIO and its recommendations. The OCIO was subsequently authorized by the JAC to proceed with the Technology Replacement Program, with the provision that an update be provided to the JAC by January of 2009. This report has been compiled to comply with that provision.

Through the guidance and oversight of the OCIO, a TRP workgroup was established. This workgroup is staffed with volunteers from various state agencies. Five subcommittees were organized from this workgroup to address different aspects of the TRP. Participating agencies are listed herein as "Attachment C, Participating Agencies." Each subcommittee was asked to explore options which would address standardization, efficiencies, cost-effectiveness, and improved service to the state business operations. Specifically, the subcommittees and the areas they were asked to address are:

1. **Finance and Allocations**
 - a. TRP funding
 - b. Current agency inventories
 - c. Computer refresh program
2. **Configurations and Standards**
 - a. 2-3 standard configurations and warranties for desktops/laptops/notebooks
 - b. Options list and availability issues
 - c. Configuration refresh cycle
 - d. Imaging standards
3. **Software**
 - a. Pre-load of standardized software from vendor
 - b. Standard operating system
 - c. Office standardization (identify common products)
 - d. Master Service Agreements
4. **Logistics**
 - a. Maintenance Program (repair/replacement/disposal)
 - 1) Spare parts
 - b. Replacement standard and policy
 - c. Shipping
 - d. Deployment and installation
 - e. Disposal and/or return methodology

5. **Request for Proposal (RFP)**
 - a. Develop a competitive RFP
 - b. Develop service-level agreements
 - c. Contract term & renewal
 - d. Asset tracking and management

Each subcommittee selected co-chairs and has met on a regular basis to work on the tasks outlined above. The subcommittees were asked to submit their recommendations to the OCIO by December 8, 2008. These are included herein as "Attachment B, Subcommittees Recommendations." Utilizing the recommendations from each of the subcommittees, the OCIO was able to define a draft overview of the proposed TRP process. An example of how this process is expected to work is included herein as "Attachment A, TRP Process Overview."

Program Requirements

The Technology Replacement Program will consist of centralized purchasing, tracking, inventory, disposal, and program management system to be initially housed in the OCIO. The TRP will establish:

- Standardized computer configurations and software;
- Four year replacement cycle with a 25% annual replacement rate;
- Extended four-year warranty maintenance program;
- Enterprise disposal and/or return program;
- Statewide computer hardware and software inventories;
- Enterprise TRP fund - Funding to be captured as a result of inventory to sustain the program;
- Identification of efficiencies;
- Improved, competitive pricing; and
- Detailed cost justification and savings.

Startup

The initial startup of this program requires the mandatory participation of all state agencies in a comprehensive hardware inventory to establish a solid baseline inventory of IT equipment. This is essential as not all state agencies are utilizing the WOLFS system, so it is not possible to get an accurate inventory of all state-owned IT equipment through any other means currently available. To help agencies facilitate completion of the inventory, they will be able to utilize information already existing in WOLFS and i-Inventory (OCIO's current inventory tool for PCs and laptops only) to populate the statewide inventory. Any equipment not currently listed in these two programs will have to be inventoried manually.

The statewide inventory will capture the following information:

1. Date the equipment was originally leased/purchased;
2. Equipment status (leased or owned);
3. The state asset ID number;
4. The equipment serial number;
5. Model number;
6. Description of the equipment;
7. The equipment invoice cost;
8. Funding source/budget string;
9. Term of lease, if existing;
10. Lease expiration date;
11. Equipment location (agency and physical address);
12. Position number and position description that currently utilizes this equipment; and

The statewide inventory will help facilitate:

1. Identification of equipment in critical need of replacement;
2. Prioritization of remaining equipment based upon age and need;
3. Development of a phased replacement schedule;

4. Justification for the creation of an Enterprise TRP Fund;
5. Cost-savings analysis (savings vs. benefits); and
6. Implementation of a semi-annual purchasing cycle.

Request for Information (RFI)

Initially, until funding is approved/reallocated, the TRP will release an RFI in the summer of 2009 to validate its expectations and approximated costs.

Funding

The initial Enterprise TRP Fund will be established through an exception budget request for the 2011-2012 Biennium Budget, with the assumption that the funding will then be rolled into the standard budget for subsequent bienniums. The Enterprise TRP Fund will have its own budget code assigned to it and be administered by the OCIO. As new agency programs and/or employees are approved, additional funding for new equipment will need to be added to the Enterprise TRP Fund. The new equipment will then be purchased out of the Enterprise TRP Fund. The new equipment will be assigned a replacement date and added to the prioritized replacement schedule. These measures will ensure that the funding has been captured and will continue to be utilized as it was intended. Subsequent savings will be captured within the Enterprise Fund for additional equipment and strategic IT initiatives.

Request for Proposal (RFP)

Upon approval of the funding, the workgroup will draft a RFP to be released in the spring of 2010, which will stipulate:

1. Best Practices and recommendations;
2. Compliance with all applicable Federal and State laws;
3. Specific replacement cycles;
4. Required asset tracking, reporting and accountability requirements;
5. Vendor warranty and maintenance program;
6. Vendor shipping and delivery program;
7. Standardized equipment and software configurations;
8. Disaster recovery;
9. Processes for how changes to standardized configurations will be handled;
10. Vendor cost management/containment processes;
11. Standardized disposal program; and
12. Strict guidelines for vendor invoicing and payments.

Responses to the RFP will be evaluated by a team of individuals from the TRP workgroup and the OCIO. Once a successful proposal is selected, the contract will be awarded, and contract negotiations with the selected proposer(s) will commence. It is anticipated that a contract could be negotiated and signed prior to the start of BY 2011/12.

The target date for full implementation of this program is the 2011-2012 biennium, unless approved sooner.

Attachment A

Process Overview

The statewide inventory will be consolidated into a single database to be developed (currently does not exist) at the completion of the inventory. A prioritized asset list will be developed according to age and need. Those assets identified as critical or in urgent need of replacement will be included in the first replacement cycle. Equipment for new FTEs will be added to the prioritized list as it is purchased, and prioritized accordingly.

Semi-annually, each agency will receive a prioritized equipment replacement list that shows the cycle their equipment will be replaced. Each agency will be required to verify the assets listed for their agency are correct. Corrections or changes received from an agency will be input into the database. Once each agency has completed the verification process, a final list will be sent to each agency for their records, and for order positioning. The prioritized equipment list and asset management (tracking) will be a coordinated effort between the vendor and the OCIO.

Initially, the TRP program will include computer hardware such as desktops, laptops, notebooks, and tablets. Monitors are an option with all hardware configurations, as they typically have a longer life span than CPUs. Agencies will continue to purchase agency-specific software not included in the standard configuration. Hardware and software configurations will be reviewed every six months to ensure optimal alignment with State requirements/needs and industry changes. Software will be reviewed and evaluated regularly to ascertain volume purchasing discount opportunities.

The TRP program may be expanded in the future to include items such as servers, peripherals (keyboards, cables, etc), printers, and scanners. This will depend upon the success of the program, as well as availability of funding. A full replacement cycle of all included assets must be completed before this is considered.

The TRP program will provide the agencies with one or two vendor choices, through the State's procurement (RFP) process. This will be determined by the RFP and the responses received. However, it shall be the responsibility of the TRP Coordinator to ensure that the State is able to take advantage of the best possible pricing under the TRP contract.

Regular Order Purchase Process

The following is an example of how this process is expected to work:

The TRP Coordinator will place orders with the vendor(s) according to the prioritized equipment replacement schedule.

1. The equipment would be built, configured, and imaged by the vendor(s).
2. Vendor will affix an inventory tag of the State's specifications to the equipment prior to shipment.
3. Delivery will be made directly to the purchasing agency, and an agency representative will be required to sign for the delivery.

4. The vendor will be required to send a written confirmation of delivery to the TRP Coordinator. Confirmation will specify:
 - a. Delivery date
 - b. Signature of receiver
 - c. Name of the agency that the equipment was delivered to
 - d. Delivery address
 - e. State inventory tag number
 - f. TRP tracking number
 - g. Name of the person who authorized the purchase
 - h. Serial number of the equipment, and
 - i. Description of the equipment.
5. The new equipment will be added to the asset database, and assigned a replacement date at the end of its life cycle.

Exception Purchase Process (New Employees, New Programs etc.)

Funds for exceptions will be captured through the budget process when funding for new positions and new programs have been approved. The following is an example of how this process is expected to work:

1. Agency initiates a purchase request, including the following information:
 - a. Name and title of person initiating purchase request;
 - b. Position number and job title that the equipment is requested for;
 - c. Equipment description; and
 - d. Shipping address.
2. The completed purchase request will be forwarded to the TRP Coordinator to verify receipt of funds in the Enterprise TRP Fund.
 - a. If funding has been appropriated through the state budget process, then the TRP Coordinator will approve the purchase request and assign a TRP tracking number.
 - b. If funding has not been appropriated through the state budget process, then the purchase request will be denied until such time that the appropriate funding is made available.
3. Approved purchase requests would be processed by the TRP Coordinator, who would place the order with the appropriate vendor(s).
 - a. The equipment would be built, configured, and imaged by the vendor(s).
 - b. Vendors will be responsible for assigning a state inventory tag to the equipment prior to shipment.
 - c. Delivery would be made directly to the purchasing agency, and an agency representative will be required to sign for the delivery.
 - d. The vendor will be required to send a written confirmation of delivery to the TRP Coordinator before payment will be authorized. Confirmation of delivery will specify:

- 1) Delivery date,
 - 2) Signature of receiver,
 - 3) Name of the agency that the equipment was delivered to,
 - 4) Delivery address,
 - 5) State inventory tag number,
 - 6) TRP tracking number,
 - 7) Name of the person who placed the order,
 - 8) Serial number of the equipment, and
 - 9) Description of the equipment (i.e., 12 Optiplex 755).
- e. The new equipment will be added to the asset database, and assigned a replacement date at the end of its life cycle.

Equipment Disposal

1. The TRP Coordinator will contact the vendor to pick up the old computer equipment from the agency for proper disposal.
 - a. As part of the RFP process, the possibility of a data purging/wiping service being provided by the vendor will be investigated.
 - b. The vendor will only be authorized to pick up equipment with specific tag and serial numbers as specified by the TRP Coordinator.
 - c. An agency representative will be required to sign a receipt from the vendor to acknowledge that the equipment was picked up.
 - d. The vendor will be required to send a written confirmation of the equipment pick up to the TRP Coordinator before payment will be authorized. This confirmation will specify pick up date, name of person who signed for the pickup, the state inventory tag number, and the serial number(s) of the equipment picked up, along with a copy of the signed pick up receipt.
 - e. The state asset database will be updated to reflect the equipment disposal information.
2. Vendors will be required to submit an invoice to the TRP Coordinator for the equipment purchased, and/or picked up for disposal.
 - a. Invoices shall be approved by the TRP Coordinator upon confirmation that the invoice is for a valid replacement of equipment through the TRP program (i.e. vendor delivery confirmation report matched against the state inventory report).
 - b. Invoices shall indicate the equipment description, state inventory tag number, TRP order tracking number, equipment serial number, name of the agency that the equipment was delivered to, delivery address, and cost of the equipment.
 - c. Payment to vendors through this program will be made out of the TRP Enterprise Fund.

Vendor Reporting

Vendors will be required to provide to the state on a monthly basis, a report of all computer equipment purchased, and shipped (even if it is shipped outside of the TRP program). These reports will include:

1. The type of equipment,
2. State inventory tag number,

3. Serial numbers,
4. Date shipped,
5. Agency shipped to,
6. Shipping address,
7. Name of individual who signed for the delivery,
8. Name of individual who authorized the purchase,
9. The TRP tracking number, and
10. Costs.

Equipment Maintenance

Maintenance of equipment will be managed through four year warranties with the vendor(s). The warranty process will include the ability for the state to “self-maintain” equipment. This will allow the state to stock vendor parts and perform maintenance and repairs on the equipment without voiding the vendor warranty. Any repair activities performed by the state would be reimbursed by the vendor(s). This will significantly reduce equipment down-time, and repairs will be tracked so that any significant failure of equipment can be identified. Equipment or parts identified with a repeated failure rate will be negotiated with the vendor, to obtain replacement equipment and parts. The TRP Coordinator will establish coordination of the maintenance/warranty program between the vendor(s) and the agencies.

It should be noted that equipment with existing contracts and/or leases would not be eligible for replacement until the contract/lease ends. These will be handled on a case-by-case basis as they are identified during the state inventory process.

Note: Exceptions to the above process (if allowed) will be handled on a case-by-case basis after review by the TRP Coordinator and the OCIO.

Attachment B

Subcommittee Recommendations

Finance and Allocations

It is recommended that each agency complete a survey to determine agency equipment inventories, funding sources, and replacement needs. A preliminary survey was developed for this purpose. It was further recommended that agencies continue to purchase software using the current methodology in place, and also that agencies should continue to dispose of their equipment in accordance with each agency's current disposal processes. In terms of computer purchasing, it was suggested that agencies purchase off of the RFP Subcommittee's negotiated price list via their current purchasing processes and that A&I would consolidate these requests in order to meet the requirement for volume discounts.

Configuration and Standards Subcommittee

Standardized computer configurations have been developed for desktops and laptops with options for those requiring more advanced features. Tablets are a custom application altogether, and therefore, no standardized configuration was identified. Recommended replacement cycle is four years, with a regularly scheduled review of configuration standards every six months to ensure optimal alignment with state usage requirements. It was also suggested that vendors should be able to accept various custom images from the agencies, as opposed to one standardized image.

Software

Standardized minimum software specifications have been identified as: 1) the current supported Microsoft operating system, down-gradable to state preferred Microsoft operating systems; 2) Microsoft Office Professional; 3) the current state enterprise solution for antivirus; and 4) Adobe Acrobat Professional. While software packages will likely include features that not all agencies will utilize, it will be more cost effective for the state to negotiate an enterprise pricing and licensing agreement. Agencies that do not require some of the more advanced functions can opt not to turn them on. The issue of standardized imaging has raised questions regarding individual agency needs and/or preferences, and as a result, there are no current recommendations at this time.

Logistics

Maintenance: Should be handled by the state in cooperation with the vendor(s) so that the state can stock spare parts to facilitate quicker repairs, and a potential loaner PC program should be developed for those machines which will take longer than 24 hours to repair. Warranty work should be performed in a 24 hour period and machines should be shipped directly to the agency after repairs have been completed. Vendors should be required to provide the TRP Coordinator with a list of parts replaced and why they were replaced. **Recalls**: The TRP Coordinator should receive an alert from the vendor. The TRP Coordinator would then check the state inventory to see which agencies currently utilize machines that are being recalled, and then notify the affected agencies. The TRP Coordinator should then have replacement parts shipped directly to the agencies. **Shipping and deployment of new equipment**: New equipment should be shipped direct to the location indicated by the purchasing agency on the purchase order form. Actual deployment, scheduling and installation should be handled by each agency.

Disposal and/or Return Methodology: The state should explore different options to see which is most viable, regardless of whether or not this is handled at the enterprise or agency level. Options include arrangements with Public Surplus, at <http://publicsurplus.com> (WYDOT uses this one), free recycling to be negotiated through the RFP process (like “Action Recycling” in Denver), and lastly, the state could continue to pay for recycling. It is highly recommended that all disk drives be wiped clean prior to disposal, and that any vendor chosen, must have a reasonable and regular pick up schedule. Machines should be removed from the state inventory after they have been disposed of.

Request for Proposal (RFP)

Nothing to report at this time as this subcommittees’ work product is dependent upon results from other subcommittees.

Attachment C

Participating Agencies

Administration & Information, Department of
Budget Division
Information Technology Division
State Library
Agriculture, Department of
Attorney General's Office
Division of Criminal Investigations
Audit, Department of
Chief Information Officer, Office of
Corrections, Department of
Education, Department of
Employment, Department of
Environmental Quality Council
Family Services, Department of
Fire Prevention and Electrical Safety
Health, Department of
Military Department
Public Service Commission
Revenue, Department of
State Engineer's Office
State Forestry Department
State Parks and Cultural Resources
State Treasurer's Office
Supreme Court of Wyoming
Transportation, Department of
Workforce Services, Department of
Wyoming Game and Fish Department