

Government Efficiency and Accountability Review (GEAR)

GEAR12 Board Meeting
January 17th 2019



<https://gear.delaware.gov/>

Agenda

45 min

1. Introductions
2. Old Business
 - Review/approve minutes
 - 2019 Schedule
 - GEAR team update
3. New business
 - Review of 2018 annual report talking points

75 min

4. Deep Dive
 - Information Technology
 - GEAR 2019
5. Open Topics discussion -- Board
6. Public Comment
7. Adjourn

Opening Comments

- Welcome to 2019 -- the third year of GEAR!
- Welcome new Board members

Old Business

Review/Approve Minutes from Prior Board meeting

Sent to Board for review January 11th, 2019



New Business

2019 GEAR Board Schedule

Wednesday, January 17, 2019

9:00am to 11:00am

Haslet Armory, Conference Room 219

Tuesday, March 19, 2019

10:00am to 12:00pm

Buena Vista, Buck Library

Wednesday, May 16, 2019

8:00am to 10:00am

Haslet Armory, Conference Room 219

Tuesday, July 16, 2019

9:00am to 11:00am

Buena Vista, Buck Library

Wednesday, September 18, 2019

10:00am to 12:00pm

Haslet Armory, Conference Room 219

Tuesday, November 19, 2019

8:00am to 10:00am

Buena Vista, Buck Library



New Business

2019 Deep Dive Schedule

Wednesday, January 17, 2019

Information Technology

Education → GEAR

Tuesday, March 19, 2019

P3 – Public/Private Partnership

Financial Services, *Education*

Wednesday, May 16, 2019

DHSS & Healthcare

Criminal Justice

Tuesday, July 16, 2019

Information Technology

Human Resources

Wednesday, September 18, 2019

Financial Services, Education

Criminal Justice

Tuesday, November 19, 2019

DHSS & Healthcare

P3 – Public/Private Partnerships

Action: HR second Deep Dive schedule needed

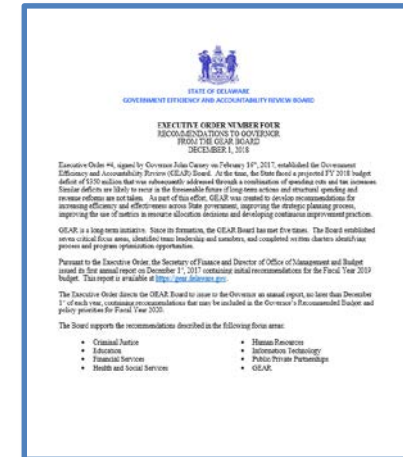


New Business



GEAR Team Update

- GEAR Annual Report Issued
 - Dec 1st → 3rd Report posted on GEAR website
 - Dec 6th Press release
- GEAR P3 Award to be announced January 17th at State of the State address
- Cabinet Initiatives
- Information Technology update
- Human Resources Delivery update
- DNREC Connect



<https://news.delaware.gov/2018/12/06/governor-carney-releases-second-annual-report-government-efficiency-accountability-review-gear-board/>

<https://gear.delaware.gov/>



2018 Annual Report Talking Points

Executive summary highlights from annual report:

- Criminal Justice
- Financial Services
- Health and Social Services
- Human Resources
- Public Private Partnerships (P3)
- Education
- Systemic recommendations to support GEAR
- Information Technology

Talking Points

- Criminal Justice
 - Support Reforms to the Criminal Code
 - Review Problem-Solving Courts
- Financial Services
 - Reintroduce Strategic Planning and Performance Budgeting Processes
 - Implement a Comprehensive Review of the State's Banking Structure
 - Review Office Space Leases
 - Leverage Use of Delaware Population Consortium Projections across All Agencies
 - Leverage FirstMap for Data Sharing
 - Establish a State Land Inventory

Talking Points

- Health and Social Services
 - Establish Health Care Spending and Quality Benchmarks
 - Identify and Implement Overhead Cost Savings and Leverage Federal Funding
 - Increase Fees to Offset Costs of Service Delivery
- Human Resources
 - Implement and Integrate Human Resource Systems and Technology
 - Address Recommendations of the Total Compensation Study Consistent with Funding Availability

Talking Points

- Public Private Partnerships (P3)
 - Establish the Public-Private Partnership (P3) Innovation and Efficiency Award
- Education
 - Identify Strategies to Improve Cost Savings, Efficiencies and Equity within the Public Education System

Talking Points

- Systemic Recommendations to Support GEAR
 - Initiate Continuous Quality Improvement Training and Development
 - Create a GEAR Expert team
- Information Technology
 - Drive Information Technology (IT) Centralization

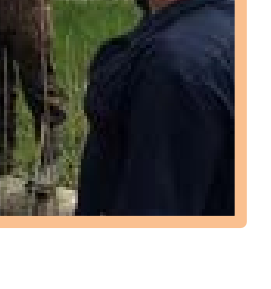
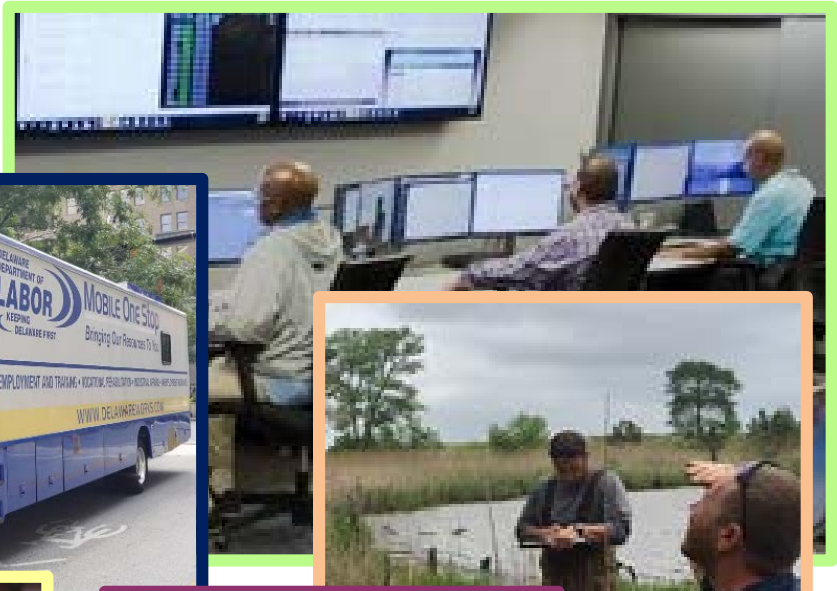
Deep Dive

Information Technology

James Collins

Chief Information Officer

Moving to Data-Driven Coordinated Services for Families and Youth



Go ahead *stay* home



Explore Delaware in
amazing 360 degrees
Begin your journey today! 📍



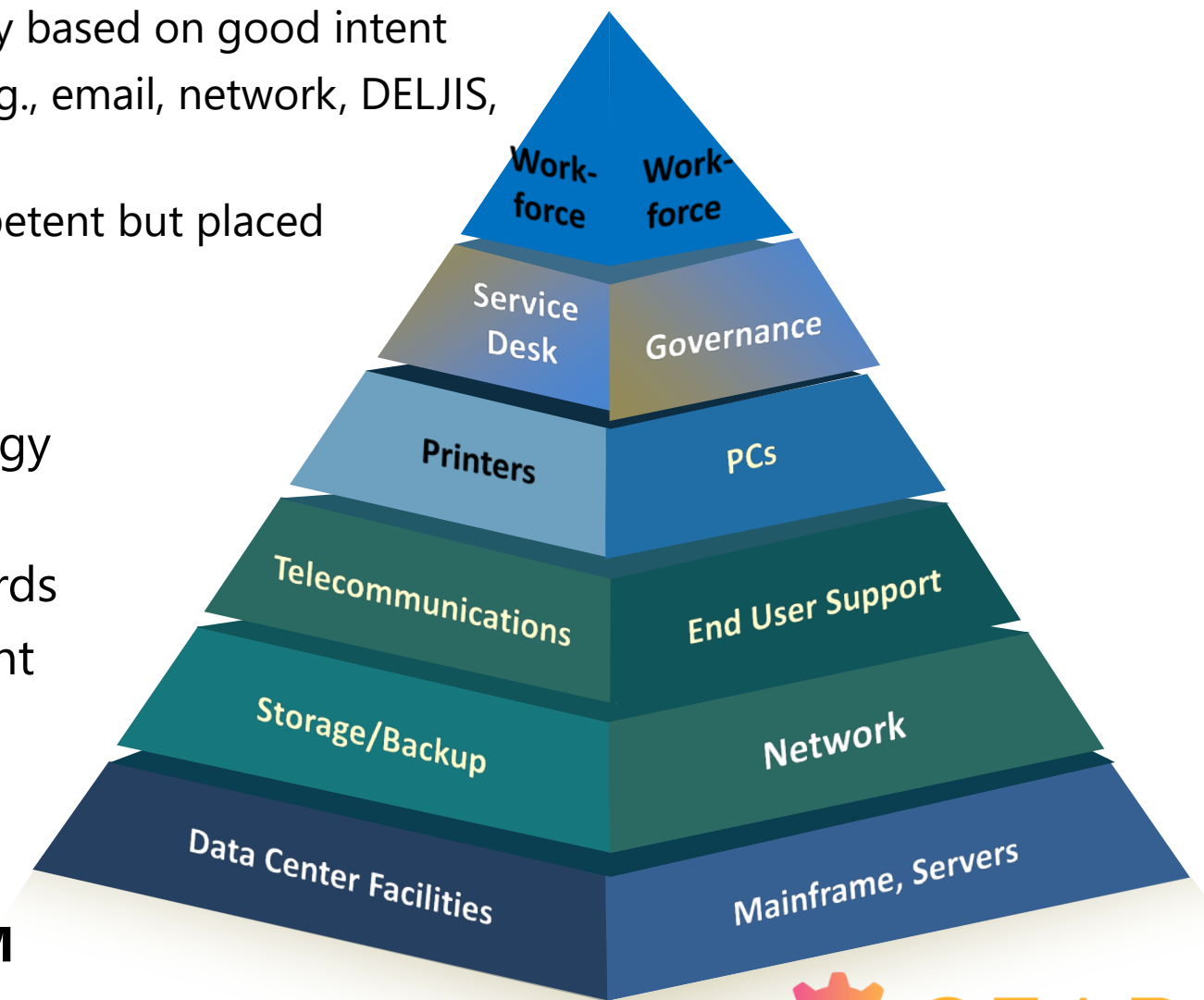
FOCUS: IT Efficiency – Key Excipio Findings

Current Environment

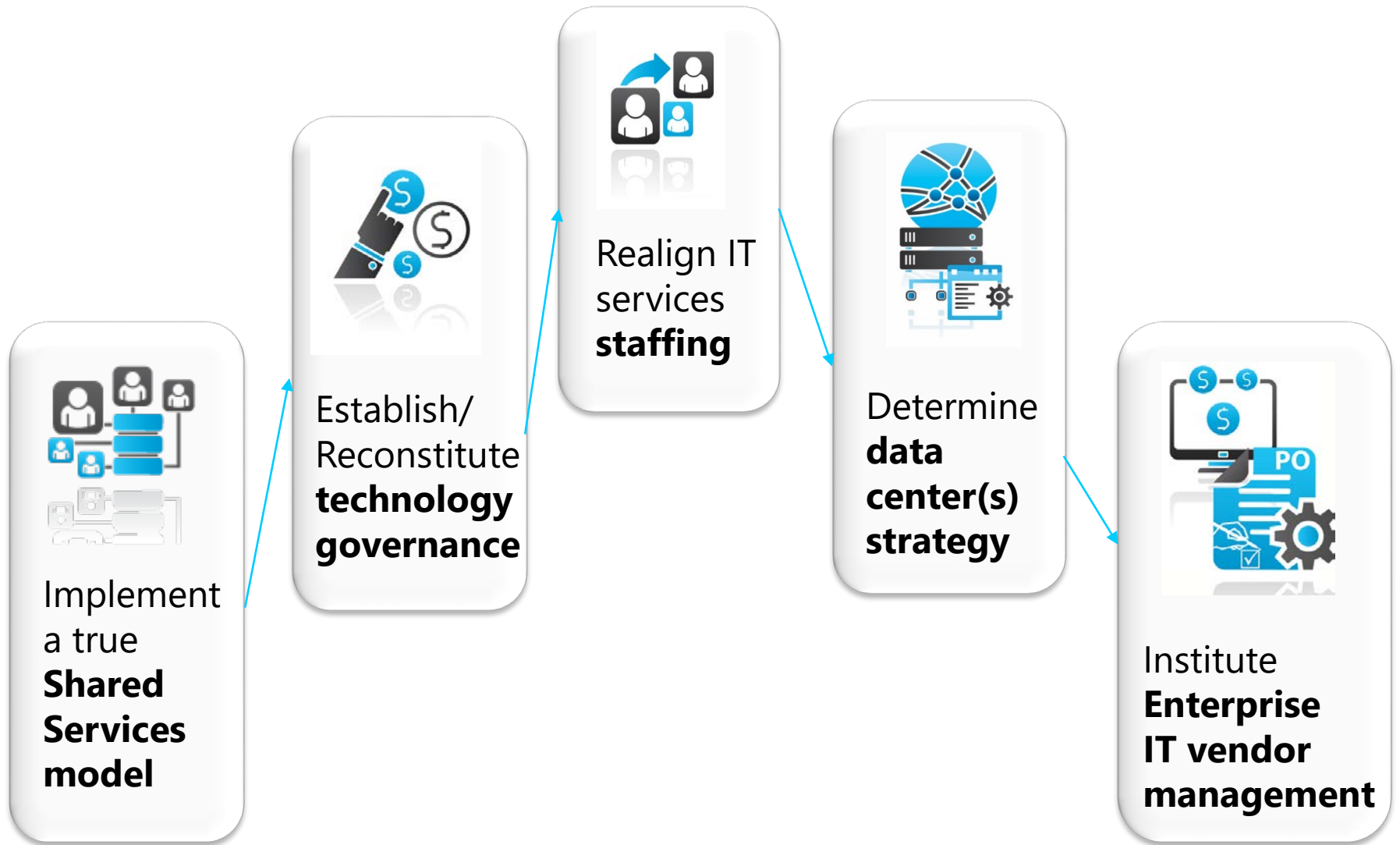
- Centralization strategy based on good intent
- Enterprise services (e.g., email, network, DELJIS, ERP)
- Technical teams competent but placed in difficult structure

Significant Issues

- Inefficient technology model
- Unenforced standards
- Outdated equipment
- Security risks
- Immature shared services model
- **Potential for \$11M annual savings**



FOCUS: IT Efficiency – Recommended Next Steps



FOCUS: IT Efficiency – Current Initiatives



Review of ALL major **State IT Contracts**

- **\$ 200M** Total FY2018 IT Contracts
- Reduce risks
- Identify savings



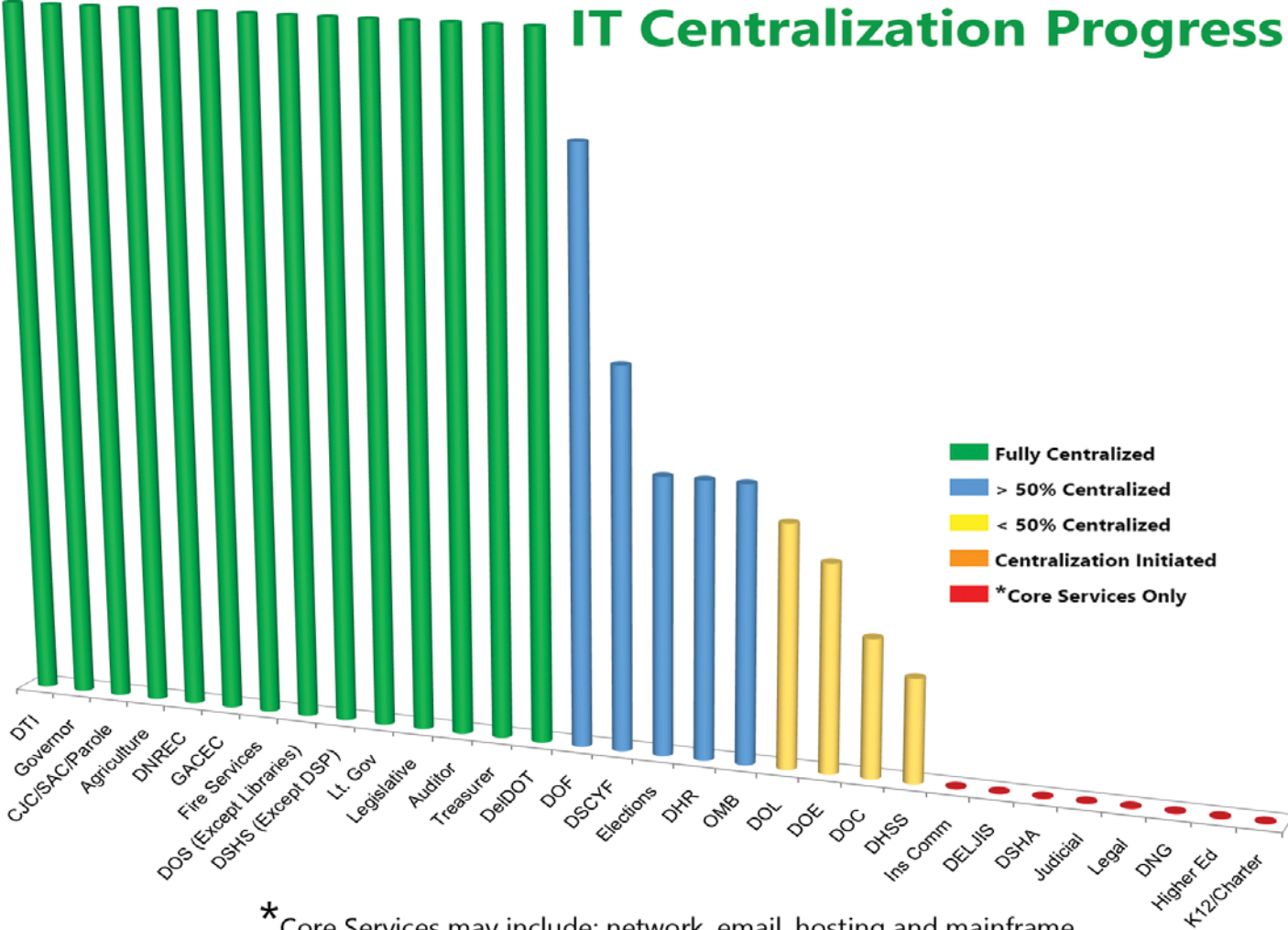
Establish **Desktop-as-a-Service** Contract



Update **DTI enabling statute:**

Title 29, Chapter 90c

FOCUS: IT Efficiency – Current Initiatives



FOCUS: IT Efficiency – IT Contract Review Initiative



* Pass-through reimbursement (e.g., licenses [DTI], PCard purchases [Accounting])

FOCUS: IT Efficiency – Desktop-as-a-Service (DaaS)



Establish new contract to procure and manage user computer devices

CapEx model is costly, cumbersome – Example:

Desktop Purchase - 60 Month Lifecycle	\$ 1,059.00	\$ -	\$ -	\$ -	\$ -	\$ 1,059.00
Desktop - DaaS - 60 Month Lifecycle	\$ 228.00	\$ 228.00	\$ 228.00	\$ 228.00	\$ 228.00	\$ 1,140.00
Laptop Purchase - 36 Month Lifecycle	\$ 1,559.00	\$ -	\$ -	\$ -	\$ -	\$ 1,559.00
Laptop - DaaS - 36 Month Lifecycle	\$ 456.00	\$ 456.00	\$ 456.00	\$ -	\$ -	\$ 1,368.00

Move to OpEx subscription-based, commoditized service that is flexible, responsive

- ✓ Standardize system configurations enterprise-wide
- ✓ Device upgrades vendor's responsibility
- ✓ Consumption-based: "pay for only what you use"
- ✓ Streamlined procurement/replacement process

FOCUS: IT Efficiency – Legislative Changes



ACTION ITEM

Update DTI's enabling statute

- ❑ **Reconstitute enterprise IT governance body**
 - Decision-making Technology Investment Council
 - Include Cabinet-level agency/organization partner representatives

- ❑ **Require commoditized IT services** (email, servers, computers, service desk, desktop support, network, telephones, data centers, mainframe) to be either delivered or brokered by DTI
 - Reassign related State IT positions to DTI

FOCUS: IT Efficiency – Budget

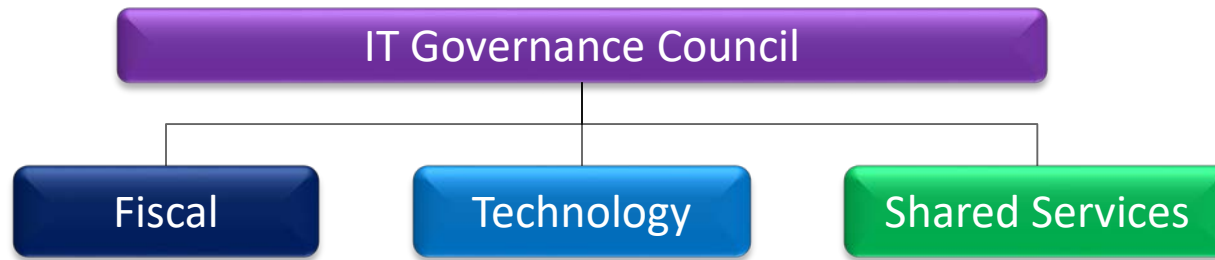


Revise IT Funding Model

- Convert to a **total chargeback model** and ASF funding
- **Revise service catalog** based on realistically-defined financial model
- **Standardize** Service Level Agreements (SLA) and Statements of Work (SOW) with partner agencies
- Establish and enforce **statewide standards as a cost control measure**
- Migrate to **subscription-based IT services**
- **Actively reinvest IT savings** recovered to modernize and sustain Delaware's IT environment

FOCUS: IT Efficiency – IT Governance

Enterprise-level IT Governance Body



- Based on industry-accepted IT Services Management Policy and Governance Model
- Exercise fiscal and budgetary oversight
- Vets technology offering choices, focused on delivering enterprise digital government
- Prioritizes and oversees IT projects
- Enforces compliance with security and regulatory requirements
- Includes broad, executive-level representation
 - OMB, executive agency and other organization/branch partners
 - Subject Matter Experts

FOCUS: IT Efficiency – People



IT Resource Deployment Model

- **Realign State IT Staff resources providing commoditized services**
 - **Special considerations to support changes and mitigate impacts**
 - Merit vs. Exempt options
 - Creation of associate-level positions to facilitate transitions
 - Workforce development/training
 - Minimize work site changes
- **Strategically-placed teams require northern-based IT facility to support New Castle County locations most efficiently**

FOCUS: IT Efficiency – Status and Timeline

2021 +

ENTERPRISE IT

- Evaluate new technology
- Data Center Model
- Mainframe Model

2020 +

VENDOR MANAGEMENT

- IT Governance Model Operational
- Staff Migration Plan Completed
- DTI Delivers or Brokers all IT Services
- Digital Government Enhancements
- Refine Data Center strategy
- Refine Mainframe strategy

2019 Q3-Q4

IT GOVERNANCE EMPANELED

- Engage IT Governance Representatives
- Initiate Staff Migration Plan
- Service Catalog Linked to Chargeback Model
- Initiate Standardized Service Level Agreements
- Intiate Standardized Statements of Work
- Data Center Planning
- Mainframe Planning

2019 Q1-Q2

LEGISLATIVE ACTION

- Desktop-as-a-Service Contract
- Contract Review Continues
- Update DTI Enabling Statute
- Refine Chargeback Model
- Refine IT Governance Model
- Finalize Staff Migration Plan

2018 Q4

PLANNING

- Staff Planning
- Contract Review
- Desktop-as-a-Service
- Chargeback Model
- Governance Model

Timeline/actual implementation is dependent on successful legislative update to DTI enabling statute

FOCUS: IT Efficiency – Critical Dependencies

Risk mitigation and effective delivery of digital government will require IT reinvestment. IT efficiency gains are based on the following assumptions:

- ✓ **Successful legislative update of statute in FY2019**
- ✓ **Smooth 18-24 month implementation period**
 - Governance model deployed
 - SLAs/SOWs standardized
 - Chargeback model/Service Catalog
 - Resource realignment completed
 - Vendor Management in place

Deep Dive

GEAR 2019

GEAR Objectives for 2019

- Reinststate the First State Quality Improvement Fund (FSQIF)
- GEAR Award
- Create a GEAR Expert team
- EdGEAR

First State Quality Improvement Fund

- The First State Quality Improvement Fund (FSQIF) was created in 1996
(29 Del. C. § 6071)
- Beginning FY2009 epilogue language suspended funding of the program
- GEAR Board supported reinstating funding for the FSQIF
- New focus on building the capacity and sustainability of GEAR and other continuous improvement (CI) initiatives
- Support creating a cadre of trained practitioners throughout State with skills in project management, change management, and business process improvement
- Expect trainees to lead and implement initiatives that improve the efficiency and effectiveness of government processes and programs statewide
- FY2020 full restoration of funding (\$150,000) will support training for ~20+ state employees annually

First State Quality Improvement Fund

- Legacy FSQIF does not require funding proposals to be submitted by State agencies – submission criteria/process for the Fund must be revised:
 - Trainee nominated by a Cabinet Secretary or Director
 - Trainee must have a GEAR/CI project to lead
- FSQIF certification includes a Delaware Quality Partnership (DQP) membership for the first year after the certification
- Objective is to build a community of practice, supported by DQP, to sustain continuous learning through regular meetings and workshops

GEAR-P3 Innovation and Efficiency Award

- The GEAR P3 award is a cooperative effort between the State of Delaware, Delaware Business Roundtable, and Delaware State Chamber of Commerce
- Intended as the apex award within the Delaware Governor's Team Excellence Awards process
- The award will:
 - Recognize outstanding teams comprised of State employees
 - Leverage attributes of the existing Team Excellence award – but raise the bar considerably
 - Expand upon, and add to, the current continuous improvement criteria of the Team Excellence award
 - Seek to identify and award exemplar(s) of specific, ranked attributes
- Awards people and teams that clearly demonstrate they have risen above and beyond the expectations of their job

GEAR-P3 Innovation and Efficiency Award

- Award provides Governor with means to compensate employees directly for demonstrating commitment to sustainable continuous improvement and GEAR
- Designed to drive:
 - Innovative and efficient business processes and services
 - **Connections** to industry and academic partners
 - Interest in continuous improvement methodologies and project management skills
 - Understanding that these skills contribute to greater **career mobility**
 - **Commitment of resources** to formal project management, PMO, 6 Sigma, Lean, etc. training
 - **Discovery of existing centers of excellence** so that a formal, statewide community of practice can be formed

GEAR-P3 Innovation and Efficiency Award

- Business Community Sponsors

- Mark Turner

WSFS

- Chip Rossi

Bank of America

- Gary Stockbridge

Delmarva Power

- Ernest Dianastasis

The Precisionists, Inc.



Create a GEAR Expert team

- There are numerous **opportunities** to improve process efficiency and reduce costs, enhance the quality of services delivered and replace or terminate ineffective processes and services
- Opportunities remain **unaddressed** due to a lack of personnel with continuous improvement (CI) expertise -- particularly in smaller agencies
- Directed to form a **GEAR Expert Team** (a.k.a. “SWAT” team)
 - Comprised of experienced practitioners
 - Organized as a project management office
 - Tasked to design and execute process and service quality improvement programs statewide
- Intend to form the team from multiple State agency **employees**
 - Need those who can demonstrate CI expertise, project management and/or program leadership experience
- Expect to utilize additional non-State resources, i.e. loaned executives, university students, interns, and consultants as the situation requires

We are Creating a GEAR Virtuous Cycle

- Partnerships with UD and DMEP
- Methodology training 6S, Lean, other
- Seed funding for CI projects (internal VC)



- Recognition
- Incentivize teams and individuals
- Promote CI and GEAR brand
- Promote DE business community partnering
- Proof of progress

- Sustain the gain through a community of practice
- Broad-based training to drive interest in CI

EdGEAR: GEAR Partners with School Districts

- House Concurrent Resolution 39 (HCR 39) sponsored the School District Consolidation Task Force
- The Legislature, through HCR 94, recommended that the GEAR Board act upon recommendations regarding formal committees tasked with finding savings in the Delaware school system
- GEAR will partner with school districts to identify and implement additional strategies to improve cost savings, efficiencies and equity within public education

EdGEAR: GEAR Partners with School Districts

- The GEAR Board now has additional responsibility to drive greater efficiency in the provisioning of school support services
 - School districts are a major client of the state’s financial support systems, representing more activity both in terms of dollars and transactions than any other state agency
 - GEAR will continue developing a relationship with school districts to maximize opportunities for economies-of-scale
 - State agencies and school districts will be encouraged to increase their collaboration efforts
 - School districts will be provided the opportunity to become a more active strategic partner in state initiatives such as streamlining state financial processes and procedures and improving financial reporting consistency, and transparency

EdGEAR: GEAR Partners with School Districts

- The Governor supports the introduction of an education/K12-specific GEAR program
- The objective is to introduce an appropriately scaled GEAR-like structure, organization, and set of processes to the school districts (a.k.a. “EdGEAR”)
- Ownership and accountability for the program should reside within superintendents and/or district business managers’ team, who will work in partnership with the Department of Education

- **Open topics Discussion – Board**
- **Public Comment**

Adjourn



Contact



Please direct any inquiries about the Delaware GEAR program to:

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