


MEMORANDUM

April 18, 2019

TO: Government Operations and Fiscal Policy Committee

FROM: Dr. Costis Toregas, Council IT Adviser 

SUBJECT: NDA: Device Client Management (DCM)

PURPOSE: Review and recommend action on the FY20 Operating Budget for the DCM NDA

Expected to attend:

Sonny Segal, Chief Information Officer, Department of Technology Services
Dieter Klinger, Chief Operating Officer, Department of Technology Services
Jennifer Nordin, Analyst, Office of Management and Budget (OMB)

Staff recommendation: Adopt the Executive's recommended FY20 budget for Device Client Management of \$8,006,200.

Discussion

The Device Client Management (DCM) program is part of the Non-Departmental Accounts budget; it is charged with maintaining a modern and cost-effective computing environment in the County by funding Help Desk support and by managing, maintaining, and replacing PCs on employees' desks. It targets the annual replacement of approximately one-fourth of all managed PCs. In FY19, the target of one-fourth was relaxed because of fiscal pressures. The primary strategy of executing this mandate is through a contract with an outside vendor; currently, that contract is held by L3 Communications. The FY20 budget recommendations for DCM are on ©1. The budget request of \$8,006,200 is \$800,000 higher than the FY19 approved budget, restoring a cut of \$800,000 made necessary by fiscal conditions last year.

A shift from buying one-time software licenses for all County desktop computers to buying annual "subscriptions" for Office 365, the new, cloud-based offering of Microsoft, occurred in FY17. It provides up to 15 additional versions of Office 365 for every County employee on multiple devices such as tablets, laptops and smart phones, thereby boosting employee productivity (both during and outside office hours).

In addition, encrypting all emails and unlimited archiving of emails are new and welcome benefits of the migration to Office 365. The County currently purchases more than 11,000 licenses for this system.

To gauge progress made in the DCM program and ensure that the FY20 goals can address current challenges, Council Staff posed a series of questions. These questions, DTS answers and, where relevant, Council Staff comments are provided below.

The one-time restoration of the budget reduction from FY19 is welcome. Please update the PC/laptop table provided in prior budget discussions showing approximate age by type and highlighting the impact of this increase.

	PC Age						TOTAL
	1Yr	2Yr	3Yr	4Yr	5Yr	6+Yr	
PC-DESKTOP	187	1111	1420	142	1862	2632	7354
PC-LAPTOP	263	549	173	109	691	286	2071
PC-TABLET	239	104	101	7	28	9	488
PC-WORKSTATION	0	9	6	0	21	18	54
TOTAL	689	1773	1700	258	2602	2945	9967

DTS will replace approximately 1,500 units in FY20.

What is the impact of County cloud migration strategies on the type and cost of hardware being procured through this NDA? Are we buying cheaper computers since the software and support are cloud-based?

DTS continues to see increased demand for laptops and tablets due to a desire for increased mobility as well as the use of multiple monitors. DTS considers pricing, required specifications, and long-term supportability when evaluating PC acquisition alternatives. In some cases, the user needs only email and a single web application in which case a lower caliber and lower cost device, such as amazon kindle, can be assigned rather than a higher caliber, higher cost computer.

How many years remain in the DCM outsourced contract?

The renewal term covers the period of August 2019 through August 2020.

Staff Comment: It is Staff's understanding that DTS anticipates issuing a renewal RFP before the end of 2019. As a consequence, 2020 may very well see changes in the costs and SLAs for this program negotiated under the new arrangement. The Committee should remain aware of possible changes and be informed of cost or service level improvements as they occur.

Please provide details on the Help Desk costs (staffing levels, a copy of the SLAs currently in use, and performance metrics).

The IT Help Desk responds to approximately 35,000 help desk calls annually. It is staffed by 6-8 call takers daily during business hours. The DCM Contractor continues to meet or exceed all contract SLAs in FY19, including:

No.	Performance Category	Minimum Acceptable Level
1	<i>Installation/Move/Add/Change (IMAC) Quality</i>	<i>99% of IMACs are successful. No more than 1% of tickets require a secondary visit or rework.</i>
2	<i>IMAC Efficiency</i>	<i>During 98% of all replacements, user is without access to device for 90 minutes or less.</i>
3	<i>IT Help Desk (ITHD) Mean Time to Answer</i>	<i>Average wait time (both ring time and queue time) is thirty (30) seconds or less for all calls received.</i>
4	<i>First Call Resolution</i>	<i>90% of all eligible calls are resolved on first contact. An eligible call is defined as any call authorized for resolution by the County, which can be resolved without a deskside visit.</i>
5	<i>After-hours Response Time</i>	<i>98% of after-hours calls are acknowledged or acted upon by 8:30 a.m. on the next business day.</i>
6	<i>Ticket Quality</i>	<i>95% of not-closed-on-first-call tickets pass ticket quality measures and are error-free. Ticket Quality is a measure of completeness, timeliness, and accuracy as defined by the County.</i>
7	<i>Warranty Repairs</i>	<i>All PCs are repaired or a loaner device is installed within four (4) business hours of a trouble call being received at the Service Desk. Note: Warranty support for non-PC devices may be negotiated subsequent to contract award.</i>
8	<i>Inventory Update Timeliness</i>	<i>All updates from IMACs or department notifications complete within an average of two (2) business days.</i>
9	<i>Inventory Update Accuracy</i>	<i>For those county-owned devices designated for inventory control, 98% of all data updates must be accurate at all times. No more than 2% of updates on county-owned devices designated for inventory may require corrections.</i>
10	<i>Customer Satisfaction</i>	<i>98% of all Customer Service Survey Responses are "Satisfied" or better (100 survey minimum).</i>

Staff Comment: The SLA achievement levels are impressive and reflect a good partnership strategy between DTS and the selected vendor. The outsourcing strategy and the metrics and their actual levels appear to work very well in this instance, and the costs are predictable as they are defined in the contract.

FY20 Recommended Changes

Expenditures

FY20 Recommended

74,728

0.00

Device Client Management

The Device Client Management (DCM) program is based on a best practices approach to maintaining a modern and cost effective computing environment in the County. The program reduces the Total Cost of Ownership (TCO) of personal computers (PCs) and laptops through standardization, asset management, and maintenance services. DCM includes the centralized management, support, and maintenance of PCs and targets the annual replacement of approximately one-fourth of managed PCs. The program also includes PC-related training and software. This NDA includes funding for Help Desk support, management, maintenance, and replacement of PCs.

FY20 Recommended Changes

Expenditures

FY19

FY19 Approved

7,206,200

0.00

Increase Cost: Restore one-time reduction in PC replacements

800,000

0.00

FY20 Recommended

8,006,200

0.00

Early Care and Education

This NDA will support the Early Care and Education Initiative by providing resources for the expansion, access, and sustainability of quality early care and education programs throughout the County. Its investments will be guided primarily by the recommendations of a four-year action plan developed by a cross agency working group with representatives from County Government, Montgomery County Public Schools, Montgomery College, and community partners.

FY20 Recommended Changes

Expenditures

FY19

FY19 Approved

0

0.00

Add: Early Care and Education Initiative

7,000,000

0.00

FY20 Recommended

7,000,000

0.00

Future Federal/State/Other Grants

This NDA enables the County to implement new grant-funded programs up to \$200,000 each and provides funds for grant continuations and enhancements without having to process individual supplemental appropriations through the County Council. Upon approval by the County Executive, funds in this program are transferred to the receiving department's grant account.

FY20 Recommended Changes

Expenditures

FY19

FY19 Approved

20,000,000

0.00

FY20 Recommended

20,000,000

0.00

Grants To Municipalities in Lieu Of Shares Tax

This NDA funds payments required in accordance with State law. The 1968 Session of the General Assembly revised the tax structure to include a County income tax. As part of this restructuring, the shared tax on banks and financial institutions was