



GTA Board of Directors

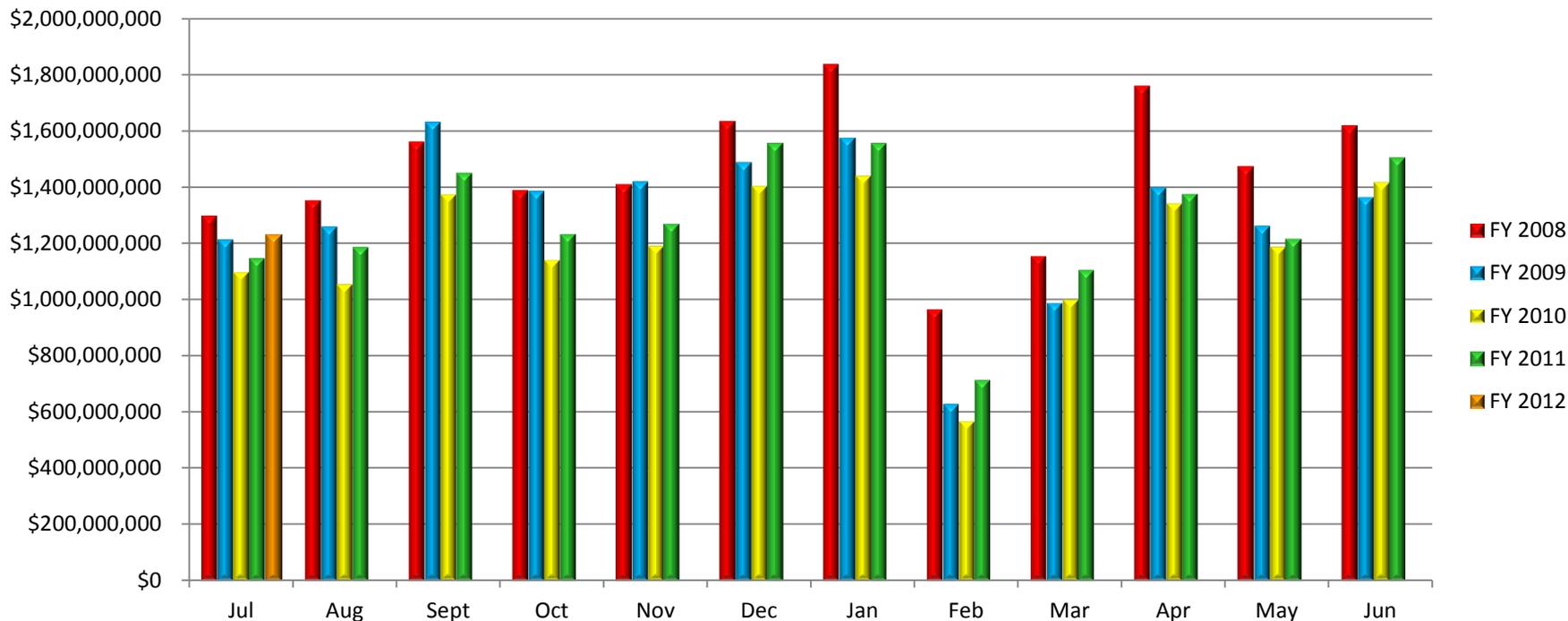
September 8, 2011

Agenda

- **Financial Update (10 – 10:15)**
- **AT&T Status Report (10:15 – 10:45)**
- **IT Transformation Status Report (10:45 – 11:15)**
- **KPMG Assessment Briefing (11:15 – 11:45)**
- **Open Discussion (11:45 – Noon)**



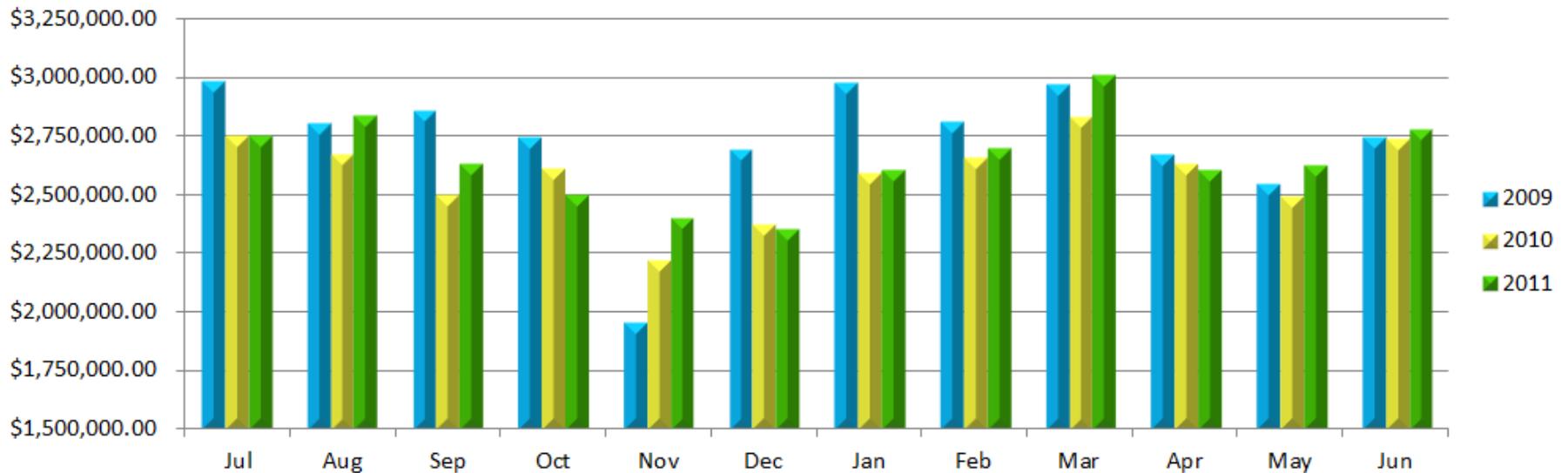
State Revenues: FY 2008 to FY 2012



- State revenues in FY 2011 were 7.8% higher than FY 2010
- State revenues in July 2011 were 7.3% higher than July 2010



Data Sales Revenues: FY 2009 to FY 2011



- **Data Sales revenue in FY11 was 2.4% higher than FY10**
 - **FY 2011 – \$31,797,000**
 - **FY 2010 – \$31,076,000**



FY12 Annual Operating Budget Highlights

- **GTA operating revenues and performance**
 - Data Sales: Revenue increased 2.4% in FY11; additional \$1 million for GTA
 - Portal Services: Billings of \$1.2 million in FY11 (first year of chargeback model)
- **GTA operating expenditures**
 - Statewide legislative increase for employer fringe rates
 - Statewide cost increase in employer (GTA) share of health insurance and retirement rates
 - GTA does not receive state-appropriated funds to offset increase
 - Decrease in GTA's internal GETS charges
 - \$2.9 million budget reduction for GTA's internal consumption of IBM and AT&T services
- **Decrease in GETS contract pricing – Year 3**
 - \$10.5 million reduction in base charges for Year 3
 - Annual decline in vendor pricing included as part of contractual agreements



FY 2012 Planned Budget

GTA Operating Revenues and Expenditures

	FY12 GTA Budget	FY12 Vendor Pass Through	FY12 AOB Budget
REVENUES:			
State Appropriated Funds	\$0	\$0	\$0
GTA Administrative Fees	\$13,739,909	\$0	\$13,739,909
IBM Infrastructure Revenues	\$0	\$108,602,708	\$108,602,708
ATT MNS Revenues	\$0	\$62,845,459	\$62,845,459
Revenues from Sales of Data	\$31,837,647	\$0	\$31,837,647
Revenues from Retained Services	\$2,989,000	\$7,902,000	\$10,891,000
TOTAL REVENUES	\$48,566,556	\$179,350,167	\$227,916,723
EXPENSES:			
PERSONAL SERVICES	\$21,998,587	\$0	\$21,998,587
REGULAR OPERATING	\$1,126,452	\$200,000	\$1,326,452
COMPUTER CHARGES	\$209,410	\$6,009,839	\$6,219,249
REAL ESTATE RENTALS	\$1,759,821	\$0	\$1,759,821
TELECOMMUNICATIONS	\$3,629,366	\$0	\$3,629,366
CONTRACTS	\$11,757,298	\$173,140,328	\$184,897,626
TRANSFERS	\$2,000,000	\$0	\$2,000,000
TOTAL EXPENSES	\$42,480,934	\$179,350,167	\$221,831,101
Budget Basis Surplus/(Deficit)	\$6,085,622		\$6,085,622
Authorized Positions	165		165



FY 2012 End-of-Year Projection

GTA Operating Balance

FY11 End-of-Year Balance	\$24,323,895
FY12 Projected Operating Surplus	\$6,085,622
FY12 Transfer to Treasury	(\$20,822,832)
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FY12 Projected End-of-Year Balance	\$9,586,685

Financial Summary

- **State revenues continue to improve – 7.8% higher in FY 2011**
- **Agencies asked to continue to reduce spending**
 - OPB requested 2% reductions for AFY 2012 and FY 2013
 - Cuts focus strategically on the core businesses of the state
- **We are meeting GETS contract business case savings**
 - \$181 million savings estimated over 10-year term
- **We are seeing an improvement in agency collections**
- **Continuous need to tightly manage GTA spending**



AT&T Status Report: Jeannie Gustafson

AT&T Agenda

- **SLA Performance**
- **Transformation**
- **Voice Refresh**
- **New Services & Retention**

State of Georgia

Critical Service Levels



Green	= Met or Exceeded Expected Target
Yellow	= Missed Expected target but Met Minimum target
Red	= Missed Minimum target

State of Georgia Critical Service Levels

Data Network Services

1.1.1 WAN Packet Delivery

1.1.2 Site Availability

1.1.3 WAN Chronic Problems

1.1.4 Adherence to Capacity Performance Levels

1.1.5 ISP Availability for Public Facing Access

1.1.6 Critical Network Element Uptime

1.1.7 VPN Availability or Performance

1.1.8 WAN Average Latency

Min. Target	Exp. Target
95.00%	97.00%
99.92%	99.95%
< 5 WAN Assets	< 3 WAN Assets
90.97%	95.95%
99.81%	99.91%
99.53%	99.83%
98.64%	99.19%
40 ms	35 ms

Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11
99.94%	99.94%	99.96%	99.95%	99.95%	99.96%	99.96%	99.96%	99.96%	99.97%	99.96%	99.96%
99.97%	99.97%	99.98%	99.98%	99.97%	99.98%	99.97%	99.97%	99.96%	99.98%	99.95%	99.97%
2	2 ^a	2	1	2	0	2	1	4	1	1	1
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	99.87%	100.00%
99.82%	99.99%	99.97%	99.98%	99.99%	99.99%	99.99%	99.99%	99.96%	99.99%	99.99%	99.98%
99.71% ^a	100.00%	100.00%	100.00%	100.00%	100.00%	99.99% ^a	100.00%	100.00%	100.00%	99.95% ^a	100.00%
29.35 ms	30.50 ms	30.47 ms	31.51 ms	30.31 ms	29.81 ms	30.62 ms	31.44 ms	32.27 ms	31.69 ms	30.94 ms	30.19 ms

Voice Network Services

1.2.1 Dedicated Site Capacity (Grade of Service)

1.2.3 Voice Mail Systems Availability

1.2.6 Dedicated Circuit Availability

1.2.7 Voice -- Network MTTR – Switched Access Lines

1.2.8 Voice – Network MTTR – Dedicated Access Lines

Min. Target	Exp. Target
P03	P01
99.09%	99.91%
99.90%	99.95%
< 21.66 Hours	< 9.72 Hours
< 7.22 Hours	< 4.86 Hours

Quarterly	Quarterly	P01	Quarterly	Quarterly	P01	Quarterly	Quarterly	P01	Quarterly	Quarterly	P01
100.00%	100.00%	100.00%	100.00%	99.86% ^a	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	99.92%
99.99%	99.99%	99.99%	100.00%	100.00%	99.99%	99.99%	99.99%	100.00%	99.99%	99.99%	100.00%
7.89	8.55	7.25	7.69	7.79	8.19	8.99	8.60	8.50	7.71	8.36	9.67
3.77	3.76	6.51	0.00	0.00	4.12	4.11	1.73	0.00	3.63	4.72	0.00

Incident Management

1.3.1 Time to Resolve Severity Level 1 Incidents

1.3.2 Time to Resolve Severity Level 2 Incidents

1.3.4 Time to Resolve Severity Level 3 Incidents

Min. Target	Exp. Target
89.55%	94.60%
89.55%	94.60%
86.46%	91.40%

100.00%	100.00%	94.11%	100.00%	85.71% ^a	100.00%	100.00%	100.00%	93.33% ^a	100.00%	100.00%	100.00%
96.05%	96.76%	97.82%	96.96% ^a	96.06%	94.70% ^a	94.57% ^a	95.30%	94.95% ^a	93.37% ^a	94.83% ^a	96.62%
92.84%	91.39%	91.51%	91.68% ^a	94.53%	92.83% ^a	91.10%	90.78%	91.34% ^a	90.74% ^a	91.71%	91.55%

Request for Service Management

1.4.1 IMAC Completion Time

Min. Target	Exp. Target
90.97%	95.95%

95.51%	95.54% ^a	95.60%	95.96%	95.79%	96.21%	96.92%	96.02%	96.71%	97.08%	96.33%	96.83%
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Video Services

1.5.1 Availability of the Video Conference

Min. Target	Exp. Target
95.48%	98.38%

98.61%	100.00%	100.00%	100.00%	99.25%	99.30% ^a	100.00%	99.39%	100.00%	100.00%	100.00%	100.00%
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Cross Functional

1.6.1 Reports Delivered On time

Min. Target	Exp. Target
95.48%	98.38%

100.00%	100.00%	100.00%	98.72%	100.00%	99.34%	98.00%	99.30%	100.00%	100.00%	100.00%	100.00%
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1.6.2 Customer Satisfaction - Point of Service

8.37	8.34	8.41	8.37	8.20	8.22	5.09 ^c	5.25	5.25	5.10	5.11	5.06
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8.37	8.34	8.41	8.37	8.20	8.22	5.09 ^c	5.25	5.25	5.10	5.11	5.06
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Transformation & Voice Refresh

AT&T's Transformation Project Plan Status



Milestone	Comments	Ck Pt	Start Date	Finish Date	% Comp	Status
Milestone 1 (A/I/G)	Integrated Project Plan	02/10/10	02/10/10	02/12/10	100%	
Milestone 2 (A/I/G)	Capitol Hill NW	07/12/10	02/11/10	07/15/10	100%	
Milestone 3(A/G)	MRS IP Sec S2S-	07/15/11	12/15/09	07/20/11	100%	
Milestone 4 (A/G)	MSS/MIS-DDS & DOAS URL Filtering	08/29/11	05/01/09	12/31/11	83%	
Milestone 5(A/G)	Radius- Core Plan Coordination	08/29/11	09/25/09	11/08/13	32%	
Milestone 6(A/I/G)	DNS/DHCP- GTA Pilot	08/29/11	11/20/09	04/09/12	72%	
Milestone 7(A/I/G)	Re-IP- GTA Remediation	08/29/11	09/08/10	06/08/12	58%	
Milestone 8 (A/G)	IPAM-DDS	08/29/11	07/18/11	04/06/12	1%	
Milestone 9 (A/G)	SSL/VPN- DDS Migration	08/29/11	11/02/09	12/29/12	75%	
Milestone 10 (A/G)	SSL/VPN2- DOR Migration	08/29/11	08/02/11	09/09/12	31%	
Milestone 11(A/I/G)	Policy Communication to Field	08/29/11	02/15/10	12/22/11	80%	
Milestone 12(A/I/G)	MRS Engagement Process	02/15/10	02/15/10	02/19/10	100%	
Milestone 13(A/I/G)	Current GTA Plan Transformation	08/29/11	05/01/09	12/22/11	78%	

AT&T Integrated Project Plan Schedule by Agency



Agency	Capitol Hill	Sec Node	Ip Sec	(DNS/DHCP)	(Re-IP)	SSL/VPN	Radius
DJJ	N/A	4/18/10 complete	N/A	6/11/10 complete	N/A	3/30/2012	N/A
DDS	N/A	5/09/10 complete	N/A	8/07/10 complete	07/14/2010 - complete	12/25/2011	5/31/2011 complete
OPB	5/02/10 complete	5/23/10 complete	N/A	8/11/10 complete	N/A	1/31/2012	N/A
DOR	5/13/10 complete	6/27/10 complete	8/3/10 - complete	10/6/10 - complete	9/28/10 complete	8/26/2011 complete	N/A
GOV	6/24/10 complete	8/08/10 complete	N/A	12/16/10 - complete	11/10/10 complete	5/23/2012	12/30/2011
DOAS	5/10/10 complete	6/20/10 complete	N/A	12/23/10 - complete	12/7/10 complete	N/A	N/A
DCH	6/03/10 complete	7/11/10 complete	7/30/10 complete	7/31/10 complete	3/4/2011 complete	6/21/2011 complete	1/31/2012
GBI	N/A	8/22/10 complete	8/24/10 complete	8/30/2011 Complete	8/19/2011 complete	12/31/2013	4/23/2012
GTA/SAO	5/25/10 complete	8/01/10 complete	N/A	12/5/2011	11/4/2011	N/A	8/6/2012
DNR	5/25/10 complete	9/12/10 complete	N/A	12/17/2012	2/3/2012	N/A	11/6/2012
GDC	N/A	9/26/10 complete	N/A	8/10/2012	7/20/2012	N/A	3/11/2013
DHS/DB HDD	07/14/2010 - complete	10/24/10 complete	10/25/10 complete	10/26/2012	10/5/2012	5/11/2011 complete	10/8/2013
End Date	7/14/2010	1/1/2012	12/22/2011	11/15/2012	11/1/2012	12/31/2013	11/8/2013

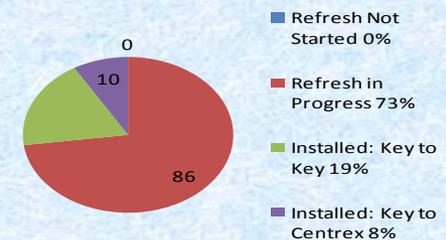
Voice Refresh – Wave 1 Status



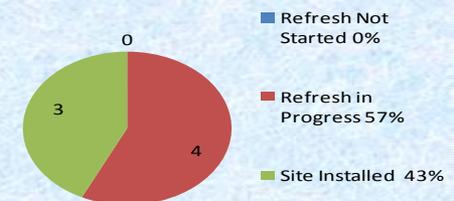
Voice Refresh Wave 1 Activity to Date As of: 08-30-11

Wave 1 Key System Refresh			
	<u>Number of Systems</u>		
Total Number of Key Systems	118	Percent Installed	27%
Refresh Not Started	0		
Refresh in Progress	86		
Installed: Key to Key	22		
Installed: Key to Centrex	10		
Wave 1 PBX System Refresh			
	<u>Number of Systems</u>		
Total Number of Systems	7	Percent Installed	43%
Refresh Not Started	0		
Refresh in Progress	4		
Site Installed	3		
Wave 1 Centrex, Single Line, P-Phone, ISDN, Other* Refresh			
	<u>Number of Phone Sets*</u>		
Total Number of Phone Sets	12,857	Percent Installed	22%
Refresh Not Started	5,952		
Refresh in Progress	4,066		
Phone Sets Installed	2,839		

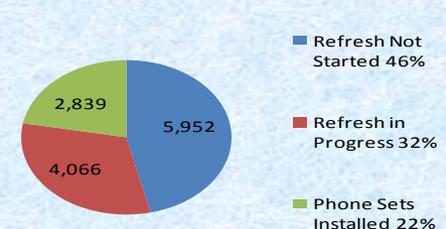
Wave 1 Key System Refresh



Wave 1 PBX System Refresh



Centrex, Single Line, P-Phone, ISDN, Other



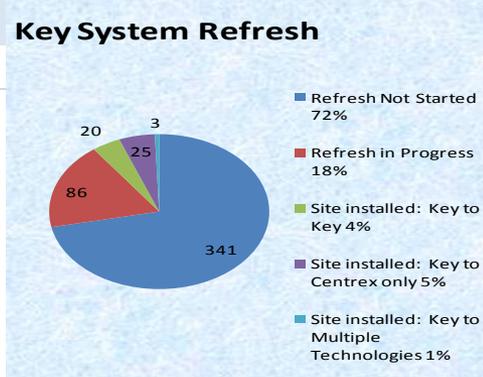
15* Wave 1 total is based on 14% of approximate total. Program level refresh process & tracking under development.

Voice Refresh - Overall Status

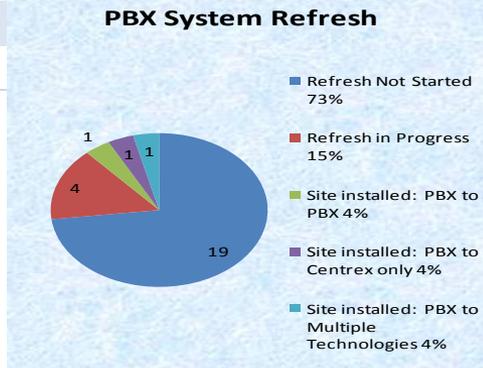


Voice Refresh Program Activity to Date As of: 08-30-11

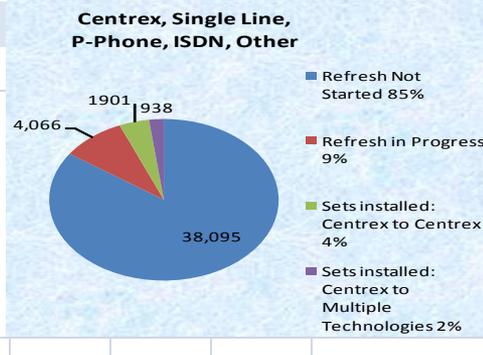
Key System Refresh			
	<u>Number of Systems</u>		
Total Number of Key Systems	475	Percent Installed	10%
Refresh Not Started	341		
Refresh in Progress	86		
Site installed: Key to Key	20		
Site installed: Key to Centrex only	25		
Site installed: Key to Multiple Technologies	3		



PBX System Refresh			
	<u>Number of Systems</u>		
Total Number of Systems	26	Percent Installed	12%
Refresh Not Started	19		
Refresh in Progress	4		
Site installed: PBX to PBX	1		
Site installed: PBX to Centrex only	1		
Site installed: PBX to Multiple Technologies	1		



Centrex, Single Line, P-Phone, ISDN, Other* Refresh			
	<u>Number of Phone Sets</u>		
Total Number of Phone Sets	45,000	Percent Installed	6%
Refresh Not Started	38,095		
Refresh in Progress	4,066		
Sets installed: Centrex to Centrex	1,901		
Sets installed: Centrex to Multiple Technologies	938		



* Total number of Phone Sets = 50% of the approximate 90,000 Phone Set total. Refresh process & tracking under development.

New Services & Retention

State of Georgia

Voice Services Changes



- **Premium VoIP Service**
 - Presented to Board of Regents schools in June
 - Presented to TCSG in June
- **IPT Connect Resource Unit**
 - Presented to:
 - Board of Regents & TCSG
 - Georgia Port Authority
- **Pinpoint 911 Resource Unit**
 - Presented to UGA on 07/28/11
- **Voice Tower Restructure**
 - Communicated value to customers 8/1/11

State of Georgia

Customer Retention Activity

- Meetings with School CIOs progressing
 - Highlighted schools have been visited
 - Most willing to listen but keeping options open
 - Most concerns are price-related for Premium VoIP
- Board of Regents Top 10 Targets



Institution	Total # Voice Ports*	Status	Strategy
Kennesaw State University	3,035	Small Shoretel system deployed	VoIP Offer
Valdosta State University	2,047	Looking at VoIP options	VoIP Offer
Fort Valley State University	1,559	Refresh should retain	Refresh
Columbus State University	1,487	Moving to VoIP over time	VoIP Offer
Augusta State University	1,133	Tentative mtg 1 st wk of Sept.	TBD
Macon State College	1,080	Meeting scheduled 09/08/11	TBD
Georgia College & State University	999	Tentative mtg 1 st wk of Sept.	TBD
North Georgia College & State University	929	Small Shoretel system deployed	VoIP Offer
Middle Georgia College	674	Tentative mtg 1 st wk of Sept.	TBD
Georgia Southwestern State University	562	Meeting scheduled 06/20/11	VoIP - Future

State of Georgia

Additional Business Development Activity



- **Addition of unbundled services**
 - Kickoff meeting scheduled week of 08/08/11
 - Potential services to include
 - Data – WAN
 - Voice
 - Network services – Local & LD
 - Equipment
 - Maintenance
 - Video conferencing
 - Telepresence
- **Developing offers to meet non-Enterprise agency needs**
 - AT&T to present full suite of *“as a Service” cloud* offers
 - AT&T to work with GTA to determine how to add these services

Questions?



IT Transformation Status Report



Transformation/Operations Updates

(1 of 6)

Metric description	# completed in July	# planned in July	# Completed out of total	Total # in scope	GTA Health Indicator	Trend	Comment
IBM Lead Programs							
Server Consolidation (SCON)					R		No approved plan.
SCON - # of servers migrated	0	0	65	1048			Pending 1) GETS HE Remediation and
SCON - # of application affinity migrations	0	0	28	TBD			2) Completion of MVD Pilot at DOR
Active Directory (AD)					Y		Pending GETS HE Remediation
# of users migrated	0	0	2921	~41,000			

Transformation/Operations Updates

(2 of 6)



Metric description	# completed in July	# planned in July	# Completed out of total	Total # in scope	GTA Health Indicator	Trend	Comment
IBM Lead Programs							
EMAIL					Y	↑	Pending GETS HE Remediation
# of mailboxes migrated	0	0	3770	41386			
# of BES users migrated	0	0	136	3069			
FILE Services					Y	↔	Pending completion of Pilot
# of sites transformed	0	0	0	487			



Transformation/Operations Updates

(3 of 6)

Metric description	# completed in July	# planned in July	# Completed out of total	Total # in scope	GTA Health Indicator	Trend	Comment
IBM Lead Programs							
MALWARE					G	↔	
# of Servers	60	61	626	1730			
# of workstations	312	312	3727	25036			
EUC Refresh					G	↔	
# Refreshed	877	830	12487	35,080			
Server Currency					G	↔	
# Servers refreshed	28	8 to 10	179	326			2 Peachtree Moves ++ #



Transformation/Operations Updates

(4 of 6)

Metric description	# completed in July	# planned in July	# Completed out of total	Total # in scope	GTA Health Indicator	Trend	Comment
IBM Lead Programs							
Tool Deployment & Monitoring					R		
# workstation w/DDM & verified			17355	33440		↑	Based on billing & Maximo verification, Installed base higher
# Servers w/Tools & Monitored			68%	2403			Average across Unix, Windows and Novell



Transformation/Operations Updates

(5 of 6)

Metric description	# completed in July	# planned in July	# Completed out of total	Total # in scope	GTA Health Indicator	Trend	Comment
AT&T Lead Programs							
IP Re-addressing					R	↔	Awaiting end to end schedule & plan to bring schedule back in.
# of sites remediated			59%				
LAN/WAN Refresh Program					R	↑	Pending approved end to end project schedule.
LAN/WAN - # of devices refreshed	29	60	207	1423			
LAN/WAN - # of Firewalls Decommissioned	16	56	41	811			



Transformation/Operations Updates

(6 of 6)

Metric description	# completed in July	# planned in July	# Completed out of total	Total # in scope	GTA Health Indicator	Trend	Comment
AT&T Lead Programs							
Voice Refresh Program					G		
PBX System	1	1	3	25			
Key System	7	10	42	450			
Centrex phone sets	1824	925	2579	45000			
Legend: Green - On Schedule, No major issues; Yellow - Issues but plan in place to address/tracking; Red - Major Issue no approved plan.							

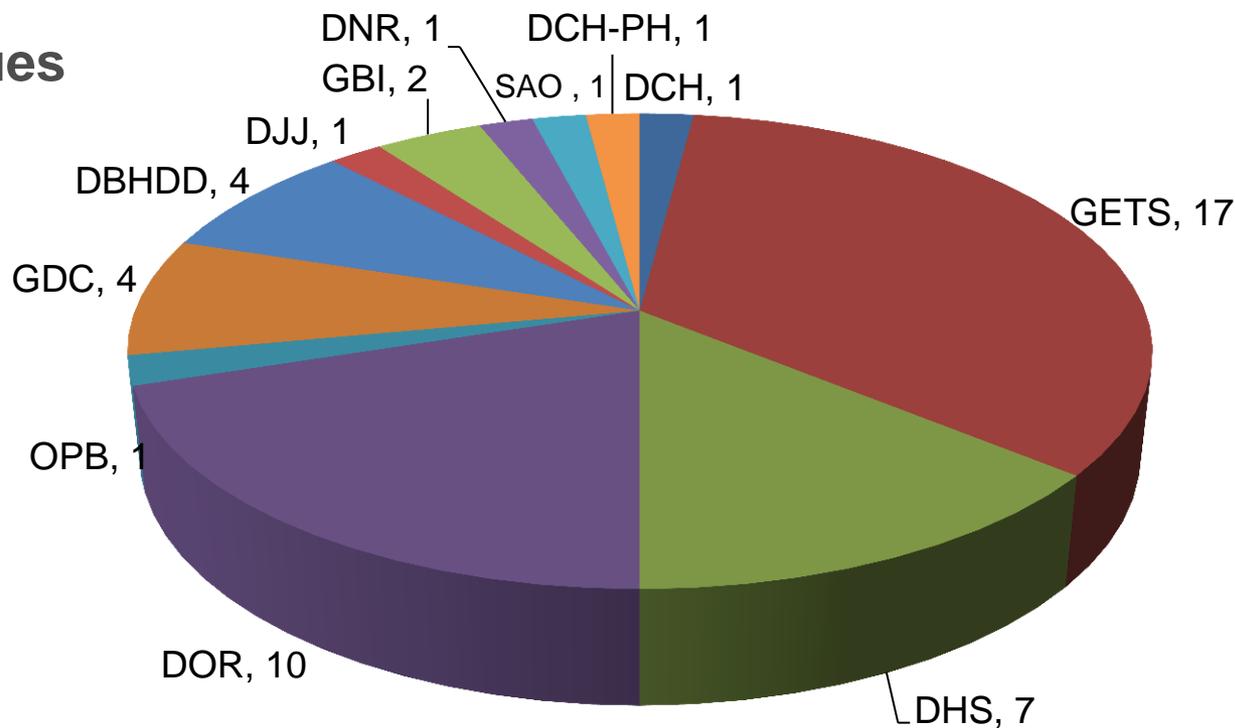
Security and Risk Program

- **Functions included in this program are**
 - EUC Malware
 - Server Malware
 - EUC Patching
 - Server Patching
 - Health Checking
 - Information Security Compliance (ISEC)
 - Intrusion Prevention System (IPS)
 - SPAM (mail filtering)
- **GTA, IBM and AT&T work with agencies to mitigate risk and improve security profile**
- **Dedicated Risk Tower Lead**
- **Governed through Risk Management Board, active monitoring and, when necessary, risk acceptance letters issued in specific cases**



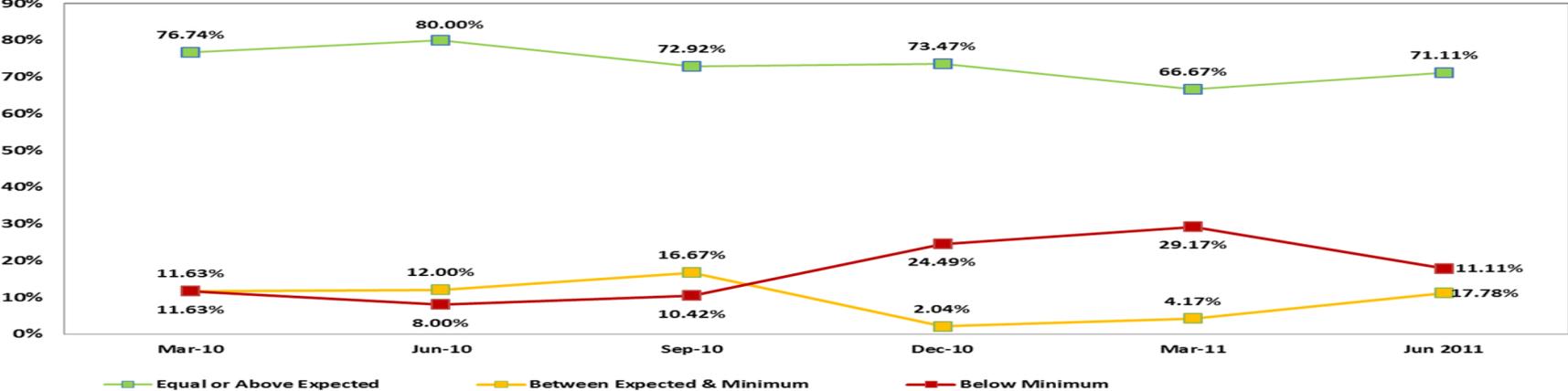
Security Risk Management

- 3 high risk issues
- 10 medium risk issues
- 37 low risk issues

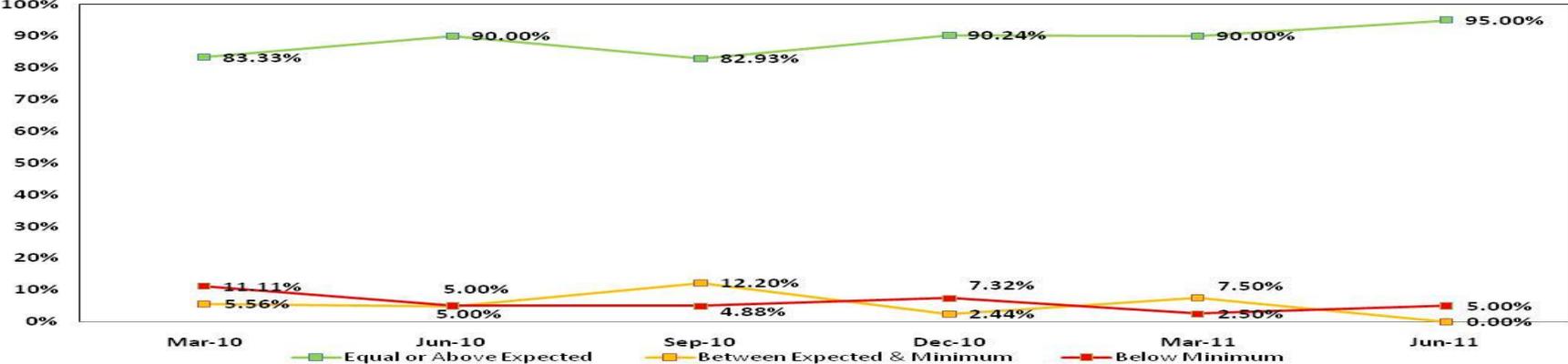


SLA Performance Trend

Infrastructure Quarterly SLA Performance Trend



MNS Quarterly SLA Performance Trend



Disaster Recovery

- **Latest test conducted August 21-27, 2011**
- **Participating agencies**
 - DCH
 - DOAS
 - DOR
 - DPH
 - GBI
 - GDC
 - GTA
- **Preliminary results indicate success**



KPMG Assessment Briefing

KPMG Assessment: Key Messages

- **GTA negotiated a deal within market ranges: price, terms and conditions, service levels**
- **Current difficulties are consistent with other large outsourcing engagements in first 2-3 years**
- **Issues exist, but they are not dire and require proactive changes**
- **Corrective actions are addressing service-related performance, but transformation is more problematic**
- **More involvement is required by state agency leadership in enterprise IT decisions**
- **Potential for enterprise improvements will justify pain of cultural changes**



KPMG Assessment: Overall GETS Status

Work Stream	Criteria	Status	Comments
Contract	Comparison to the Market		Most provisions are leading practice levels
Pricing	Comparison to the Market		Many RU's above market but two large RU's below and skewing results
Service Levels	Comparison to the Market		Compare favorably with others buying like-services
	Alignment with Agency Needs		More enterprise focused than desired
Communication	Internal Communication		
	Communication with Service Providers		GTA and IBM are more adversarial than necessary
	Communication to Agencies		Communication is insufficient, ineffective and not timely
Governance	Service Provider		Escalation path designed and used but resolution not timely
	Agencies		Agencies are not involved in decisions and have GTA decisions imposed upon them
Transformation	Status of Transformation		Incomplete
	Go-Forward Plan		No agreed upon plan – pilot in work

KPMG Assessment: Recommendations

- **GTA should work with agencies to review all service levels to determine their value and validity**
- **GTA should develop a formal, multi-tier communications plan to include internal and external stakeholders**
- **GTA and IBM should provide all performance metrics to agencies**
- **GTA should revamp governance processes to empower agencies in enterprise decision making**
- **IBM, GTA and agencies should develop an application-centric transformation plan and schedule**
- **Continue with the Operational Stability Program and Service Improvement Plans**



KPMG Assessment: Overall GETS Status

Work Stream	Criteria	Status	Comments
Contract	Comparison to the Market		Most provisions are leading practice levels
Pricing	Comparison to the Market		Many RU's above market but two large RU's below and skewing results
Service Levels	Comparison to the Market		Compare favorably with others buying like-services
	Alignment with Agency Needs		More enterprise focused than desired
Communication	Internal Communication		
	Communication with Service Providers		More adversarial than necessary
	Communication to Agencies		Communication is insufficient, ineffective and not timely
Governance	Service Provider		Escalation path designed and used but resolution not timely
	Agencies		Agencies are not involved in decisions and have GTA decisions imposed upon them
Transformation	Status of Transformation		Incomplete
	Go-Forward Plan		No agreed upon plan – pilot in work



Georgia