



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Administration

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March 2, 2021

The Honorable Bert Stedman
Senate Finance Committee
State Capitol, Room 508
Juneau, AK 99801

Subject: Response to Questions Raised during the DOA Pandemic Preparedness Plan (PPP) Presentation

Dear Senator Stedman and Committee:

Thank you for allowing the Department of Administration (DOA) to present to the Senate Finance Committee on Tuesday, February 9, 2021. DOA received less than 1% of the [State of Alaska's total federal funding for the COVID-19 response](#). Below please find a list of questions asked by the committee and our responses to how DOA used those funds in completing the PPP:

1. Complete list of PPP contracts, including cost for each:

Please see attached spreadsheet. Column D shows calendar year 2020 expenditures and Column E shows calendar year 2021 year-to-date and anticipated expenditures that are known as of the date of this letter.

2. Of the expenses, how much is in-house costs verses outside services:

Please see attached spreadsheet. Column I show calendar year 2020 State employee hours and Column J show calendar year 2021 year to date and anticipated State employee hours that are known as of the date of this letter.

3. How many teleworkers are out of state?

Based on information provided by departments to the Division of Personnel and Labor Relations (DOPLR), the state currently has 49 employees on out-of-state telework status.

4. What is the policy for telework and how are we tightening up the policy?

The state's policy for telework is found here: [State of Alaska Telework Policy](#) It grants authority to commissioners to authorize out-of-state telework agreements.

DOA has established a governance structure in which other departments now have a decision-making and advisory role in the decisions DOA makes that affect them. As part of the HR Advisory Committee, there is a working group to review the telework policy, including agreements for out-of-state-telework, and make recommendations for revision. Some factors being considered to limit approval of out-of-state telework are:

family/personnel emergency; medical situations; or in the best interest of the state (i.e. critical knowledge transfer/training of a new incumbent or completion of a significant project).

5. Full list of DF&G Priorities for Digitization – Were any Services Related to Food Security:

Of the 128 projects prioritized in Phase I of the Pandemic Preparedness Plan, the 3 identified for the Department of Fish and Game (DF&G) are identified below. These projects were selected because they were necessary to enable DF&G employees to provide services remotely from telework locations to Alaska constituents. Digitization of services to improve telework capabilities for public employees to enable compliance with COVID-19 health precautions is an authorized use of CARES Act Funds.

DFG	Constituent Services	DFG - Fish Habitat Permitting	Opportunity to convert work queue to electronic documents to reduce dependency on in-person physical processing. Opportunity to move Permit Database to a multi-channel front end web application that would automatically flow Permit Geolocation to GIS Database. Opportunity to use IVR and ChatBots or Electronic Status Tracker to handle simple status inquiries and reduce phone call volume. Opportunity to automate current manual workflow to produce uniform Fish Habitat numbers across all DF&G offices
DFG	Constituent Services	DFG - Fishing and hunting licensing and endorsements	Opportunity to enable virtual service on ADF&G's online store and internal databases
DFG	Constituent Services	DFG - Subsistence permits and post season harvest reporting	Opportunity to provide a virtual mechanism for those seeking subsistence permits to obtain those permits

6. How much money would be saved by investing in the digitization or automation of 128 services:

DOA has begun implementation of foundational technologies needed to automate 128 constituent facing services by deploying AlaskaNow, a statewide Service Management System. In order to support the development of the other digitization projects, a Common Services Platform must be developed, using AlaskaNow as the base, in order to deploy the State's Customer Service Platform, document management tool, and constituent services software programs that enables benefits, protect privacy, and detect fraud.

Across the State, there are nine essential "Enabling Capabilities" needed to launch digitalization of most constituent services and to develop internal processes that will enable remote work and digital interaction with constituents. Shared people, processes, and technologies can be leveraged across departments to handle engagement, constituent information, documents, notifications, location information, eligibility information, and more. Once these foundational technologies and enabling

capabilities are established, DOA can begin the process of transitioning the 128 services identified for automation.

DOA estimates the first 23 would cost about \$6M to build (and \$2.1M to sustain in ongoing costs) because they will require outside expertise to design, build, and deploy. As State of Alaska staff work alongside the developers, however, they will learn the skills for designing and developing these automated applications and services. Future digitization's are estimated to cost between \$80,000-\$100,000 each as the State transitions from a blended-led model to an SOA-led model for developing these tools.

During the Core Services Review performed in Phase I, it was determined the State of Alaska would save \$97.5M annually by digitizing and automating all 128 services and processes. These savings come from shared capabilities rather than siloed technology investments; automated digital processes rather than inefficient manual processes; and small reduction of leases that can be avoided by leveraging a teleworking workforce. Less the ongoing costs of maintaining the digitized services and licenses, the annual savings is estimated to be \$89.7M.

The breakdown for moving forward with automating and digitizing government operations is as follows:

<u>Government Digitization Costs PPP Phases 4-6</u>	
Customer Service Platform Development and Implementation	\$6,100,000
Development of 9 Essential Capabilities	\$4,000,000
Digital Service Development for Prioritized 23 Capabilities	\$5,800,000
Digital Service Development for Prioritized 105 Remaining Capabilities (Est)	\$9,450,000
TOTAL EST. COSTS OF DEVELOPMENT	\$25,350,000
Government Digitization Savings (Est) - Annually	\$97,500,000
Less Ongoing Costs for 23 Capabilities (Est) - Annually	-\$2,100,000
Less Ongoing Costs for 105 Capabilities (Est) - Annually	-\$5,670,000
TOTAL EST. ANNUAL SAVINGS	\$89,730,000

PPP Phase	Projects*	Contractor	Dollar Amount		Emergency RAP	Competed	Existing Core Contract	Estimated State Employee Hours		Notes
			CY2020	CY2021				CY2020	CY2021	
Phase 1										
Phase 1	Phase 1 Oversight	Wostmann	\$ 61,330.00		X					All work product overseen and approved by SOA employees before being finalized. Quality Assurance for work performed by contractors assigned to Phase 1
Phase 1	Core Service Review	Alvarez & Marsal	\$ 714,911.89		X					Assess SOA digital readiness transformation and implement technological solutions and automate costly or inefficient-back-end processes.
Phase 1 Total			\$ 776,241.89					0	0	
Phase 2										
Phase 2	Pathway Project	Tandem Motion	\$ 3,374,680.99			x		4,094		All work product overseen and approved by SOA employees before being finalized. Projects included are Pathway, AspireAlaska, and AlaskaNow. The Pathway Project actualized many efforts, including: developed a remote training platform for employee professional development; digitized the performance management system; and produced customized online supervisor skills training for managing teleworking staff.
Phase 2	Enabling Platform	Cornerstone	\$ 2,289,336.00			x		616		NASPO ValuePoint Cooperative Contracts. All work product overseen and approved by SOA employees before being finalized. Implement a State wide Learning Management and Performance Management system for use by all Departments to increase training capabilities and streamline an efficient method for staff evaluations.
Phase 2 Total			\$ 5,664,016.99					4,710	0	
Phase 3										
Timekeeping	Timekeeping - Bridge Phase Contract: 2020-0200-4401;RPA POC (CGI)	CGI	\$ 96,727.00				x	20		Professional Services - software implementation
MyAlaska HelpDesk	Laptop Purchase Staff Augmentation (PC imaging and Deploy Support)	Dell	\$ 460,800.00				x	2,695		16 Contract Technicians to prepare and deploy laptops; 4 Non-Perm SOA employees SDM# 30727
MyAlaska HelpDesk	myAlaska Zammo AI	ACS	\$ 2,400.00		x			140	140	Professional Services - software implementation
MyAlaska HelpDesk	Tier 1 HelpDesk (MyAlaska) Extension 2	ACS	\$ 132,000.00				x	1,145		Extension of Contract Technicians SDM# 30729
MyAlaska HelpDesk	Tier 1 HelpDesk	ACS	\$ 156,020.00				x	20		6 Contract Technicians initially, scaled down to 4 SDM# 027265 (v.3)
MyAlaska HelpDesk	Tier 1 HelpDesk Extension	ACS	\$ 249,600.00				x	20		Extension of 5 Contract Technicians SDM# 027265 (v.3)
MyAlaska HelpDesk	SOA Tier 1 DOLW/DOC	ACS	\$ 19,200.00				x	60		1 Contract Technician SDM# 29758
SOA Remote Work Security & Migration from MS G3 to G5	Ivanti Professional Services	Ivanti	\$ 83,655.00			x		110	50	Professional Services - software configuration (3 contractors) CT 21*244
SOA Remote Work Security & Migration from MS G3 to G5	SHI Licensing (Year 1)	SHI	\$ 3,225,969.55			x		68		NASPO used as the competitive contract vehicle
SOA Remote Work Security & Migration from MS G3 to G5	Azure Security (Enabling Tech) 'ACS' Pilot	ACS	\$ 418,389.00				x	1,420		Professional Services - planning and implementation Quote # 027627, v.1
SOA Remote Work Security & Migration from MS G3 to G6	Teams Phones Implementation (Enabling Tech) P1 - (ACS)	ACS	\$ 486,958.83				x	220		Professional Services - planning and implementation SDM 30156
SOA Remote Work Security & Migration from MS G3 to G7	Session Boarder Controllers - Audio codes	SHI	\$ 146,142.15				x	40		SHI AudioCode 19591397
SOA Remote Work Security & Migration from MS G3 to G8	MS Teams Phone poly Handsets P1 (Dell)	Dell	\$ 154,242.90			x		40		NASPO used as the competitive contract vehicle
SOA Remote Work Security & Migration from MS G3 to G9	MS Teams Phone poly Handsets P2 (Dell)	Dell	\$ 38,378.30			x		25		NASPO used as the competitive contract vehicle

PPP Phase	Projects*	Contractor	Dollar Amount		Emergency RAP	Completed	Existing Core Contract	Estimated State Employee Hours		Notes
			CY2020	CY2021				CY2020	CY2021	
SOA Remote Work Security & Migration from MS G3 to G10	Sip Trunks (GCI)	GCI	\$ 29,610.00				x	40		SDM 182726 - CO 30627 (ANC) & SDM 182727 - CO30527 (JNU)
Core Network & Edge Firewall Upgrades	Wireless Enterprise Upgrade (Structured Comm Sys, Inc.)	Structured Comm Sys	\$ 343,746.13	\$ 100,000.00		x		60	TBD	Professional Services - system implementation
Core Network & Edge Firewall Upgrades	WWT Protectwise* (Hardware, Hardware CPTFND, and Maintenance & Support)	WWT	\$ 124,855.80				x	40		
Core Network & Edge Firewall Upgrades	SOA Edge Architecture Redesign (WWT) - Arista BGP Routers ITB 2021-0200-4701	WWT	\$ 168,274.90			x		40	120	CT 21*288
Core Network & Edge Firewall Upgrades	Palo Alto Networks Azure Cloud Firewalls (WWT)	WWT	\$ 30,780.00				x	50		
Core Network & Edge Firewall Upgrades	ACS Bundle 2 2015-0200-2583-2 (ACS) express route data/network	ACS	\$ 139,986.00				x	60		2015-0200-2583-2 (SDM 28799 & 28800)
PCI Compliance	TOPS 0261-02-21 (2012-0200-0879) DOA DMV Online Payment Gateway (Resource Data Inc.)	Resource Data Inc.	\$ 64,312.43			x		40		Professional Services - software implementation
Cloud Acceleration	TOPS CT# 0254-02-21 Cloud Migration (Computer Task Group 'CTG')	CTG	\$ 452,031.44			x		820		State TOPS contracting program (CT 21*363, Ln.1)
Cloud Acceleration	TOPS CT# 0255-02-21 Azure Modernization (Computer Task Group 'CTG')	CTG	\$ 477,750.00			x		180		State TOPS contracting program (CT 21*366, Ln.1)
Cloud Acceleration	Planet Phase 1 discovery (OIT Azure Acceleration)	Planet	\$ 342,392.00				x	532		Professional Services - assessment and planning ACS Core Contract SDM# 30459
Cloud Acceleration	Planet Phase 2 assessments/migrations/HSS Aries/HSS MVD (Azure Accel. P2)	Planet	\$ 1,823,261.00				x	1,536		Professional Services - assessment and planning ACS Core Contract SDM# 31326
Cloud Acceleration	Azure Data Platform Design (ACS)	ACS	\$ 152,174.00				x	38		Professional Services - assessment and planning ACS Core Contract SDM# 31520
Cloud Acceleration	CTG Cloud Migration TOPS 0254-02-21 (Amendment under PPP extension)	CTG		\$ 92,365.00		x			100	State TOPS contracting program (CT 21*363, Ln.2)
Cloud Acceleration	CTG Cloud Modernization TOPS 0255-02-21 (Amndmt under PPP ext)	CTG		\$ 95,550.00		x			140	State TOPS contracting program (CT 21*366, Ln.2)
Cloud Acceleration	Veeam Availability Suite with NAS Subscription (Shi)	SHI		\$ 28,044.93			x		260	SHI 'preferred (reseller) contract' SHI quote 19840270 Professional Services - assessment and planning
Laptop Purchase	Privileged Access Workstations 'PAW' (Microsoft Corp.)	Microsoft Corp.	\$ 20,605.40			x		60		NASPO used as the competitive contract vehicle
Laptop Purchase	OIT PAW Corsair 64GB Secure USB 3.0 Flash Drive (Amazon)	Amazon	\$ 699.90			x		30		"Reasonable and Adequate", no contract required
Service Management System	ServiceNow Licensing and Implementation - Year 1 ServiceNow (Carahsoft)	Carahsoft	\$ 6,608,234.00			x		7,420		Professional Services - software implementation NASPO used as the competitive contract vehicle
Service Management System	ServiceNow Instance for AlaskaNow (Carahsoft)	Carahsoft	\$ 9,990.20	\$ 14,184.72		x		20	20	NASPO used as the competitive contract vehicle
Service Management System	ServiceNow Support contract (Cask LLC)	Carahsoft		\$ 200,489.98		x			1,420	Professional Services - software implementation NASPO used as the competitive contract vehicle
Phase 3 Total			\$ 16,459,185.93	\$ 530,634.63				16,989	2,250	
Quality Assurance Phase										
QA Phase	Phase 2 Oversight	OrgShakers	\$ 355,000.00			x		1,152		All work product overseen and approved by SOA employees before being finalized. Implementation of Phase 2 - technology, telecommuting and business changes, as well as the significant workplace and workflow changes. expertise on building telework infrastructure and support for change management, communications services, and preparing the SOA workforce and HR staff for sustainable telework.
QA Phase	Phase 2 & 3 Oversight	Wostmann	\$ 1,059,743.00			x		596		All work product overseen and approved by SOA employees before being finalized -Quality Assurance, Project Management and Portfolio Oversight for Phase 2 & 3 projects. Including Phase 2 - Pathway, AspireAlaska; Phase 3 - AlaskaNow, Teams Voice, Firewall upgrades, myAlaska helpdesk, endpoint management, deployment of 3,600 laptops, acceleration of cloud migration, and Microsoft Security Suite
Quality Assurance Phase Total			\$ 1,414,743.00	\$ -				1,748	0	

*Projects reflect services, not goods