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Sharing news about service, support and solutions for Ohio government



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The Public Servant is the internal newsletter published by the Ohio Department of Administrative Services, Office of Communications and External Relations. Our mission is to inform employees about agency progress to enhance services, support and solutions for Ohio government.

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Governor gives procurement reform update

Governor Ted Strickland is releasing an update on the efforts of procurement reform, which has changed the way that state government spends money on goods and services.

"Last year, I directed state agencies to adjust the way they spend money on goods and services, and they have taken these procurement reforms seriously," Strickland said. "As a result, we are saving taxpayer dollars and increasing our purchases from Ohio-based companies and minority and disadvantaged businesses."

Since Strickland's procurement reforms:

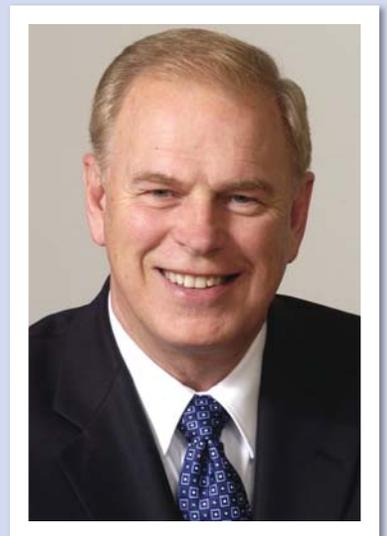
- State government has shifted its purchases to more Ohio companies for supplies and services. Purchases from Ohio companies now make up 69.9 percent (Q4 FY 2009) of total spending on supplies and services, up from 67.5 percent (Q1 FY 2009). In the fourth quarter of FY 2009 state agencies spent \$206,829,355

with Ohio companies out of a \$295,977,976 total.

- Minority Business Enterprise and Encouraging Diversity, Growth and Equity program (MBE/EDGE) buying is on the rise. From FY 2008 to FY 2009 spending by cabinet agencies with minority and disadvantaged Ohio vendors has increased by nearly \$96 million, according to preliminary reports.

"Despite the economic challenges of the recent year, the state has provided financial resources to our state's minority and disadvantaged businesses that are helping them grow in Ohio," Strickland said.

Last year, Strickland also ordered state agencies to appoint agency chief procurement officers to work directly with DAS on strategic sourcing initiatives. Strategic sourcing is a process where large organizations analyze purchases across business units with an eye toward consolidation, which leads to greater leverage with vendors.



- The State of Ohio finalized a deal with IBM in September which could save the state about \$5.2 million annually on the cost of running its mainframe computers. The largest state agency customers of the company are now poised to purchase together rather than negotiating separate contracts with IBM and three other vendors. This combined effort will avoid \$3 million in software license renewals.

- Another \$870,000 in savings has been realized from the state's relationship with computer

IT migration focuses on customer

By Molly O'Reilly

Employees throughout DAS helped orchestrate an IT migration for the State Employment Relations Board (SERB), a move expected to cut the board's overall IT expenses in half.

DAS is now providing network, database, e-mail and Web site services and support after submitting a proposal to SERB who had been contracting with a vendor for all of its IT services, said Aron Rogers, IT Services' network administration supervisor who oversaw the project.

"There were a lot of people behind the scenes who helped make this happen," said Sam Orth, state chief information officer.

Those involved included many employees from IT Services and the Office of Information Technology's Infrastructure Services Division as well as the DAS Office of Finance and the OIT Business Office.

Some of the prime players included Randy King of Infrastructure Services' Network Services who upgraded the router and the network connection as well as Chad Eastwood of the Infrastructure Services Division's Windows System Services who helped create new virtual servers for SERB to use.

"SERB is one of the early adopters of our new enterprise virtual server environment," Rogers said.

More importantly, SERB has gone from 12 servers -- that it was paying a contractor to maintain -- to two.

Other key players included Marilyn Kemper of the Infrastructure Services Division's Network Security team who helped clear the path of communication between the many locations involved.

In addition, Jon Gibson, Bruce Sinmaz and Paul Watson of IT Services' Desktop Support provided frontline desktop support.

"Jon, Bruce and Paul did an amazing job of keeping our customers at SERB happy during some pretty turbulent changes," Rogers said.



Key players in the IT migration for the State Employment Relations Board included (back row, from left) Jon Gibson, Chad Eastwood, Bruce Sinmaz, (front row) Aron Rogers and Randy King.

"Without all of these people involved we couldn't have ever migrated SERB to their new location within DAS," Rogers said.

Orth said this project was a great example of customer-centered versus organizationally centered thinking.

"In the former, we seek to understand the needs of our customer and organize ourselves around making them successful. That is exactly what we did. It demonstrates to our customers and stakeholders that we understand their business needs and are capable of constructively partnering with them to enable their mission.

"In the scheme of things, while the ability to install the new circuit was a big deal, the internal example we've set is even more important from my view," Orth said.

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maker Hewlett-Packard, which sells personal computers to state agencies.

- In August, state purchasing managers worked with DAS Procurement Services to trim \$383,000 from state vendor Symantec for virus protection and other security for computers on the state's network.

- Recently procurement managers have finished a strategic sourcing study on the state's purchases of food for state prisons and other institutions. They have identified \$10 million in potential cost savings through consolidated purchases and other means. Their next step is working with vendors on implementation of these cost savings plans.

Procurement reform law changes also allow the state to enter into multi-state contracts. Ohio is now using the Western States Contracting Alliance contract with W.W. Grainger for maintenance, repair and operating supplies as well as related items. Ohio had a previous contract with Grainger, and in comparing the pricing for the 100 most commonly used items, the new pricing is 13.3 percent less on a \$1.4 million annual volume.

"Over many years state government became too decentralized in many respects," DAS Director Hugh Quill said. "Governor Strickland has provided the kind of leadership necessary to get state agencies working more closely with DAS on centralizing procurement efforts and saving taxpayer dollars."