



K A N S A S

JOAN WAGNON, SECRETARY

DEPARTMENT OF REVENUE
INFORMATION SERVICES

KATHLEEN SEBELIUS, GOVERNOR

**Strategic Sourcing Team Meeting
Location KDOR Docking State Office Building
Learning Center, 11th Floor
January 30, 2007
10:00 a.m. to 12:00 p.m.**

ATTENDEES

Tim Blevins, KDOR
Dale Bledsoe, KDOR
Bob Sachs, Division of Purchases
Angela Hoobler, Division of Purchases
Carey Brown, KITO
*Rick Baker, KDOT
Paul Geisler, KU

*Phone Conference

AGENDA

- December, 2006, Review of the Minutes
- Data Gathering Idea's and Discussion / Whole Team Review
- Discussion on Vendors / Whole Team Review
- Expiring Contracts List, 6 months out / Angela Hoobler
- LAR Monthly Reports Review / Dale Bledsoe
- Report on Goals & Targets / Whole Team Review
- Next Meeting Assignments

Review of 12-12-06 Minutes

Team reviewed and approved minutes.

Data Gathering Idea's and Discussion / Whole Team

Website / Dale

- Alicia recommended the tabs go along the side of the webpage versus along the top in order to allow more room on the page.
- Tim recommended posting the 2006 minutes on the website. In the future, we will want to approve the meeting minutes from the prior month at the beginning of each monthly meeting before posting on the website. The design team is working on a design for posting the minutes.
- Dale will put together a survey form for users to evaluate the website. Tim did indicate that there are some survey forms put together that Dale could pull information from. Dale will get with Sean Buffum for survey resources.
- It was suggested that this team also post the agendas but it was decided that it was not necessary since we don't usually have outsiders attend our meetings. Tim did suggest that we may want to allow website viewers to elect to participate by notifying a team member.

New Direction / Dale

This team over time has reviewed many companies and has nailed down \$1.2 million to \$1.5 million in cost savings. Dale would like to set a goal to document a half million dollars in savings over the next six months, or however long it may take.

Carey said the real challenge of this is being able to measure and document because most of what we have to prove and document turns out to be anecdotal. We know what agencies might have spent last quarter and what they spent this current quarter, but we are not certain that what this team did caused that change. Example: Did the agencies change their spending habits or did they migrate to a different supplier?

You could take a maintenance bill and say it costs "x" amount of dollars to maintain printers this month, and next month it cost five dollars. This would be a clean savings but it's only valid if the same printers are in place and it's a direct reduction in the bill. For example, your maintenance bill may have dropped because you retired printers and replaced them, and then the fact that you have a maintenance contract is immaterial for that question because you would still have savings.

Tim commented that whenever you can continue current and future operation at a lower cost than in the past, there is some direct correlation. What this team is after is measuring across organizations.

Tim suggested the first thing we do is pull up our models that we used the first year and apply those models over the second and third year. We know the actual spend in FY2005/FY2006, so we need to bring those up-to-date since there is residual savings in these models. Then, look back on last year for the things we did like the maintenance contract to put a model together. We make changes but the savings may not show up for six to twelve months on spend.

TRAINING CONTRACT

Dale reported that Bob has the training contract. It is now out for bid, questions are due by February 9, and the bids close March 1. The evaluation committee will review and submit the ones that meet our qualification to PMC, and they will distribute the appropriate contracts and notifications.

Rick Baker has agreed to be on the evaluation committee. We also need someone from SRS to be on the committee. Tim indicated that he would get with Jeff Lewis to get representation from SRS.

Discussion on Vendors / Whole Team

BTCO

More knowledge is needed on a company called BTCO in Wichita that is under state contract for image management. There is a State law in place that says State Agencies are to use this company if they are going to do simple imaging or data migration from paper to a digital environment.

ORACLE

Bob reported that they have been going through legal holes with Oracle in trying to get a contract in place. It has been very difficult getting in touch with the Oracle reps to follow-up on the status of the contract. As it has turned out, the newest Oracle regional representative contacted us and suggested Kansas agencies purchase Oracle products from Mythics, Inc. while we are in limbo in regards to the state-wide contract renewal. This sent up a flag to us that we no longer have to go through Oracle if there is alternate source.

Paul reported that KU has looked at purchasing through Mythics, Inc. but has not made any purchases yet. However, KU is at a point where they need to make a purchase soon.

Bob believes Oracle is purposely and/or systematically trying to get out of the state-wide contract in order to re-distribute a product line through Mythics, Inc.

Expiring Contracts List, 6 months out / Whole Team / Carey Brown & Angela Hoobler

- Angela is extending the contract month to month with Xiotech, waiting on specifications in order to put the RFP on the street to re-bid. Carey will get with the SAN Group to get specifications for Angela.
- The Microtech Computers "white box" contract will be extended another month. The replacement contract is still under negotiations.
- Alltel Kansas LP, Cingular, AT&T, Sprint, and Verizon contracts will be renewed for another year.
- Worldwide Technology, Inc. contract will be renewed for another year. Angela is going to marry up the non-regents with the regents and re-bid.
- Symantec contract will be renewed for another year.
- Fishnet Consulting contract will be renewed for another year.
- Integrated Solutions Group (ISG) contract will be renewed for another year.
- Qwest contract will be renewed for another year.
- Nex-Tech Inc. (Key Systems) - There are still a number of these being used in the state, primarily by SRS area offices.
- Midrange Computer Solutions is the STK contract. DISC will decide if they want to renew.
- Business Computer Center – Angela indicated there is one more renewal option.

- Southwestern Bell (Network Equipment [Cisco]) – Dave Timpany is writing the bid specifications to create a two-group contract. Group 1 would consist of State Agencies attaching gear to the State Networks, which will have to be specifically configured to the State network. There would be a supplier for that gear. Group 2 would consist of numerous vendors for those who are going to buy CISCO gear that will not be attached to the State network.
- CompcO Inc. (Telecommunications Management Software System) will be renewed.
- Software House International will be renewed.
- Enterasys Networks, Inc. (Network Equipment) will be renewed.

Carey reported on the ITS contract. Bob sent him questions from nine vendors who want to submit proposals for refresh activity. These nine vendors have not been on our radar screen in the past.

Next Meeting Assignments

- Dale will work on putting together cost savings from previous savings.
- Obtain the BTCO Imaging Company State Law Language and contract number.
- Dale will bring Oracle spend for the last couple of years.
- Bob will provide Oracle update.
- Carey will get the SAN group to get specifications for Xiotech.
- Dale will check on Attachmate purchases.
- Dale will check on Syncsort spend of \$79,210

Next meeting will be Tuesday, February 27, 2007, on 11th Floor of the DSOB, Sunflower room.