**Enterprise IT Service Management Team**

**Agency Members:**

**Department of Human Services (DHS)**

**Department of Administrative Services (DAS)**

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**Business Case for Capital Information Technology Investments:**

**Title:** *Enterprise Information Technology Service Management (ITSM)*

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From: Enterprise ITSM Team  
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Title:  Enterprise Information Technology Service Management (ITSM)

History

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Purpose of this Document

• To describe an opportunity to acquire the products and services needed to implement the enterprise IT service management pilot. This solution will be designed to meet immediate needs of the Department of Administrative Services (DAS), Operations Division and State Data Center (SDC), and the Department of Human Services (DHS). The pilot, if successful, will achieve the following goals:

  o Prove that one Remedy ITSM instance with multiple views will support the common and unique business needs of multiple agencies. Specifically, these needs concern the inventory, management, and continuous tracking of server/network-related assets for the SDC, LAN/Desktop-related assets for DAS TSC and the DHS user base.

  o Prove that IT asset data from multiple agencies could reside on this single instance and allow individual agency and enterprise “roll-up” reports to be generated based on role within the agency and/or the enterprise. The various IT asset data to be managed by the pilot participants (SDC, DAS TSC and DHS) should provide requisite scale (number of assets), diversity (type of assets and geographic distribution across the state/network) and complexity to prove this capability within the pilot.

  o Prove that Remedy IT Service Management suite of tools will support a comprehensive and effective configuration management database; IT asset management including all hardware, software, and peripherals from an IT business and financial perspective.

  o Collaboratively implement and configure Remedy IT Service Management Suite to address the needs of the enterprise through a multi-agency ITSM “Academy” process.

  o Create work products that can be shared and reused by state agencies

  o Educate participants about State of Oregon IT Asset Management policies and IT Infrastructure Library best practices framework.

  o Utilize best practices in project management and systems development.

• To serve as the justification for Executive Sponsor approval of this pilot project.

• To serve as the justification for State CIO approval of this pilot project.
1. Opportunity/Need

1.1 Description of the Opportunity/Need

The State of Oregon does not have the capability to effectively and efficiently discover or automatically track information about its information technology assets across the enterprise. Further, the newly created State Data Center (SDC) does not currently have an integrated help desk that would allow it to effectively and efficiently manage, monitor, and track either problems associated with or the status and health of the data center and network infrastructure that is being migrated from agencies into the SDC.

Neither, the Department of Administrative Services (DAS) nor the Department of Human Services (DHS) has a full, accurate, or centralized inventory of the information technology assets under their control. Complete information for use in daily operations or to fully meet mandatory reporting requirements is simply not available. Between the DAS Operations Division, DAS SDC, and DHS there are three separate instances of Remedy Help Desk currently housed within the SDC. None of the instances has an asset management module or a change management module. Each instance is operated, maintained and supported by different individuals or teams of employees. For the most part, IT asset information tracking is limited to manual practices or spreadsheets.

Four of the agencies involved in the CNIC project (DHS, ODOT, DAS, DOC) currently utilize the Remedy Help Desk Application – supported by the Remedy Action Request System (ARS). ODOT currently owns and utilizes the Remedy Asset and Change Module which also rest on this foundational ARS. This represents a multi-million dollar installed base of enterprise class infrastructure management tools.

An opportunity exists to leverage this investment and create the first instance of an enterprise Information Technology Service Management (ITSM) solution via the acquisition of additional product, software license, and system integration services. This is made possible through a recently negotiated state price agreement with Column Technologies, Inc. The scope of the price agreement includes implementation, planning, installation, system integration and on-going maintenance and support services.

1.2 Source of the Opportunity/Need

IT professionals from a variety of agencies have identified the statewide need. Representatives from the statewide IT Service Management RFP team (DAS, DHS, ODOT, DOC, Forestry, and Revenue) and the SDC have identified this opportunity. On multiple occasions, the CIO Management Council and the full CIO Council have endorsed the establishment of the state price agreement mentioned above as well as the initiation of the enterprise ITSM pilot at the appropriate time.

In March 2006, the Enterprise ITSM academy formed and serves as the project team who will provide input and feedback regarding IT Service Management business processes and configuration requirements for Remedy ITSM Suite.
Based upon funding, interest, consolidation into the SDC and immediate IT operational needs, DHS and DAS are specifically requesting to move forward with this effort at the earliest possible time. In addition to participation in the ITSM academy, other agencies may elect to participate as agency funding is available.

1.3 Relevant Background Information

In August 2001, HB3372 (IT Portfolio Management) was signed into law (ORS 184.473 – 184-477). That ORS among other things, requires DAS to:

1. Develop state government-wide standards, processes and procedures for the management of the state government-wide information technology portfolio and to conduct and maintain a continuous inventory of each state agency’s information technology (IT), a compilation of information about those assets and the total life-cycle cost of those assets;

2. Conduct and subsequently maintain that state government-wide inventory;

3. Integrate state agency strategic and business planning, technology planning and budgeting, and project expenditure processes into the department’s information technology portfolio-based management program; and,

4. Ensure that state agencies implement portfolio-based management of information technology resources in accordance with ORS 184.473 through 184.477 and with rules adopted by the DAS Director.

In April 2004 a statewide IT Asset Inventory and Management Policy (IRM 107-004-010) was adopted. The policy requires agencies to:

- Establish IT Asset Management programs and procedures for acquiring, deploying, tracking/managing, and disposing of IT-related assets under its control.
- Periodically collect and report a compilation of information about its current IT Assets and its planned IT investments to DAS IRMD following a published state government-wide schedule.
- Establish (at their discretion) additional written policies, standards, processes and procedures as necessary to accomplish agency business objectives.

The Department of Administrative Services (DAS) and state agencies must gather information about existing IT environments to know what IT assets are deployed across the enterprise and how those IT investments are performing over time. DAS and state agencies require a set of tools to collect, view, assess, and manage its inventory of information technology (IT) assets.

The State Data Center (SDC) opened its doors recently, and as of July 1, 2006, had consolidated the IT networking and infrastructure for DHS, DAS, and ODOT. The infrastructure consolidation for the remaining nine CNIC agencies is scheduled for
completion by June 30, 2007. When those IT assets are located at the SDC, many applications, common and unique to the various agencies, will be hosted at the SDC, including existing Help Desk and IT asset management (ITAM) tools. Again, none of these existing tools are integrated with one another nor are the processes that underlie these tools consistent, necessitating work-arounds unique for each agency.

As stated above, Oregon Revised Statutes and the statewide IT Asset Inventory and Management Policy requires state agencies to collect and report IT asset data at the enterprise level, including licensure compliance information, and to have the ability to monitor deployed IT assets for auditing and security purposes. Tracking IT assets not only addresses statutory and policy requirements, it is also very necessary for IT organizations to carry on day-to-day operations efficiently and effectively.

From a sheer numbers perspective, a majority of the State's IT assets to be tracked are LAN/Desktop-related assets. Additionally, the SDC’s mainframe, server, and network related assets, such as routers, switches, hubs, etc., also require tracking, monitoring, and management over time. An enterprise IT service management solution must meet the requirements of policy, legislation, and operational activities. These requirements also support the need for a configuration management database.

The SDC's consolidation efforts via the CNIC project are all consuming at this time with little to no resources to apply to the statewide IT service management solution. Although the SDC also needs these capabilities and will set the long term enterprise business model for Help Desk, IT Asset Management, and Change Management, individual agencies, e.g. DHS, DAS, Corrections, ODOT, Revenue, DEQ, Forestry, and others, need the capability now in particular where LAN/Desktop assets are concerned. Specifically, the opportunity, interest, resources, and funding currently exists to move forward with an ITSM implementation involving DHS and DAS.
2. Business Case

2.1 Description of the Business Case

The State of Oregon does not have a full and accurate inventory of its information technology assets. Further, a fully functional statewide asset management program has not yet been established.

Although the state adopted a comprehensive IT Asset Inventory and Management Policy in April 2004, the initial focus of that policy was on hardware assets only and contained a mandate for agency collection and submission of a minimal subset of asset attribute information. At present, state agency compliance with the policy requirements is not universal.

There is universal acknowledgement that common automated tools must be acquired and deployed to provide any realistic chance for acquiring, managing, and maintaining needed IT Asset Management information. This is particularly true when the prospect of collecting a broader set of asset attribute information is considered.

In October 2004, a multi-agency team sponsored by the CIO Council was formed to establish a State Pricing Agreement for an Enterprise-class IT Asset Repository, auto-discovery tools, and the services to implement an integrated IT Asset Management solution for those agencies purchasing off of the pricing agreement.

As the Computing and Networking Infrastructure Consolidation (CNIC) project began to progress in late 2005 and early 2006 it became clear that the new State Data Center would be the “host” for at least four separate instances of the Remedy Help Desk and the underlying hardware, software, and operating systems that supported them (DAS, DHS, ODOT, Corrections). Further, it became clear that (even after consolidation) the State Data Center would not have a robust, integrated, and authoritative source for help desk and asset change information for the assets under its management control unless action was taken to explore the creation of an IT Service Management Solution and program. This statement also extends to state agencies that currently retain the responsibility for desktop and peripheral assets remotely deployed in agency locations across the state.

In August 2006, this effort culminated in the execution of a contract with Column Technologies, Inc. This contract allows the purchase of Remedy ITSM tools and consulting, training, and integration services, as well as specified auto-discovery tools.

DAS and DHS have a near term need to implement an IT Service Management solution and auto-discovery tools. In support of the establishment of an enterprise ITSM solution and program, both organizations have indicated their willingness to make a joint investment and to pursue joint implementation of a solution at the earliest possible time.
2.2 Business Drivers

2.2.1 Compliance with the requirements outlined in ORS 184.473-184-477.

2.2.2 Compliance with statewide Information Technology Asset Inventory/Management Policy (IRM 107-004-010).

2.2.3 Operational needs of DAS, Operations and SDC, and DHS

2.2.4 Current and future enterprise and agency goals to:

- **Help Desk / Service Desk**
  - Track and manage all incidents and problems managed by the IT organization to ensure service continuity
  - Monitor workload to ensure that support resources are allocated efficiently and effectively

- **Change Management**
  - Track and manage changes on assets to manage the IT environment which ensures service continuity and mitigates any negative customer impacts

- **Configuration Management**
  - Ensure adequate provisions for business continuity and recovery plans
  - Manage and maintain key asset types, including hardware, software, business systems, and data

- **Asset Management**
  - Enables agency to make informed IT planning, procurement and investment decisions (i.e. Total Cost of Ownership)
  - Optimize software license usage and comply with software license requirements
  - Track and manage hardware and software assets including inventory, maintenance contracts, compliance, lease agreements and renewals

2.2.5 Leveraging the state’s current investment in Remedy products by merging existing contracts and user licenses under one statewide enterprise solution could reduce current and future investment costs through optimizing contracting efforts and distribution and management of user licenses.

There is a sizeable investment with Remedy products for IT service management (Help Desk, IT Asset Management, Change Management, Action Request System). This opportunity would build upon existing product investments. This opportunity would allow existing investments to be re-deployed, maximizing usage by providing an enterprise instance for use by all agencies.
Title:  Enterprise Information Technology Service Management (ITSM)

Annual support and maintenance costs for current installations:

<table>
<thead>
<tr>
<th>Agency</th>
<th>Cost</th>
<th>Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>DAS</td>
<td>$20,000</td>
<td>Action Request, Help Desk,</td>
</tr>
<tr>
<td>Corrections</td>
<td>$28,000</td>
<td>Action Request, Help Desk</td>
</tr>
<tr>
<td>DHS</td>
<td>$50,000</td>
<td>Action Request, Help Desk, SLA</td>
</tr>
<tr>
<td>ODOT</td>
<td>$74,000</td>
<td>Action Request, Help Desk, Asset Management, Change Management</td>
</tr>
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</table>

Beyond the annual support and maintenance costs, agencies have invested heavily in their current implementations such as ODOT that spend nearly $1 million on its installation (majority of the cost was for internal staff time).

2.3 Business Case Assumptions

- Requirements for SDC, DHS and DAS, and state agencies such as Corrections and Revenue will be met by the IT Service Management Suite, which includes Help Desk, Asset Management, Change Management, and Configuration Management.

- Funding will be available to support DHS and DAS implementation from DHS and DAS. Currently identified funds (~$600,000) will be sufficient to implement the Enterprise ITSM Pilot project.

- One instance of Remedy can be configured to serve the business needs of multiple agencies.

- DAS and DHS will work with the other agencies through the ITSM Academy participants on the baseline configuration in order to maintain an enterprise approach.

- SDC will host the application on behalf of the enterprise in addition to using the application to manage assets under its control.

- DAS can track IT Assets for DAS, SDC, and DAS LAN/Desktop Client Agency Customers. DHS will be responsible for the tracking of DHS IT assets deployed remotely from the SDC in DHS locations across the state.

- Other agencies will have the potential to participate in this implementation as well.

- Deployment of Auto-discovery tools will be considered “out of scope” for the Enterprise ITSM Pilot project but will be considered in next phase. Because of the differing network architectures and platforms of state agencies, a single auto-discovery tool located and executed from the SDC is not feasible at this time. Agency auto-discovery solutions will need to have the ability to interface with the enterprise IT service management solution for reconciliation purposes. Most auto-discovery products currently have an interface with or are capable of interfacing with Remedy products.
2.4 Business Case Benchmarking

Information Technology Infrastructure Library (ITIL) is a set of best practices for IT Service Management and is considered an industry best practice model. State of Oregon IT departments are beginning to adopt the best practices as defined by ITIL. Remedy Service Management Suite is ITIL compliant.

This best practice is articulated in a Gartner research article titled, “Management Update: IT Asset Management Stages Form the Stairway to Success”, by Patricia Adams, September 10, 2003, Gartner, Inc. To quote that article, “Enterprises should use the ITAM process maturity model to assess their current positioning, and to plot a strategy for sequential improvement by investing in people, processes and technology.”

Progress from level to level requires changes in personnel management, and improvements in processes and technologies. An effective IT asset management program must address organizational barriers, process design issues and internal politics.

Please note that all quotes in the following table are from the article referenced above.

<table>
<thead>
<tr>
<th>Step</th>
<th>Attributes</th>
<th>Goals</th>
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<tbody>
<tr>
<td><strong>1. Chaotic</strong></td>
<td>No processes, dedicated people or tools</td>
<td>&quot;Just want to know what we own, where it is, and who is using it&quot;</td>
</tr>
<tr>
<td></td>
<td>No assigned accountability or accounting for changes</td>
<td>One-time activity rather than systematic process</td>
</tr>
<tr>
<td></td>
<td>Unpredictable services, support and costs</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Purchasing is ad hoc</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Unused hardware and software are not controlled</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Success depends on quality of people, not processes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sub-optimization of efforts occurs</td>
<td></td>
</tr>
<tr>
<td>Uncontrolled environment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>30% of enterprises</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| **2. Reactive** | Focus is on asset counting                                                | Perform annual physical inventory and periodic spot audits                              |
|                  | Employs physical inventory and some auto discovery recorded on spreadsheets or in a database | Report on asset counts, but cannot produce solid detail data to identify and resolve problems |
|                  | Accountability lies with IS organization but there is ineffective change accounting |                                                                                          |
|                  | Hardware and software viewed separately, not as single complex asset      |                                                                                          |
| Limited accountability |                                                             |                                                                                          |
| 45% of enterprises |                                                             |                                                                                          |
| 3. Proactive | There is an IT Asset Program and manager with dedicated staff that reports to IS and finance organizations. | “Clearly defined processes with accountability that detail the practical application of people, processes and tools that support the ITAM Program” |
| Life cycle focus | ITAM with auto discovery tools is integrated with service desk | Effective change and configuration management processes |
| 20% of enterprises | Use of cross-functional teams for major asset management projects | ITAM projects use repeatable processes that are well defined, adhered to, reviewed, and re-engineered when necessary. |
| Life cycle management process goes from requisition, to deployment, to retirement | Life cycle management process goes from requisition, to deployment, to retirement | ITAM operations manual with asset taxonomy produced and maintained |
| Inventory system linked to financial and contractual data | | |

| 4. Service Oriented | Metrics are available to measure program value | Create SLAs for asset management and use them as a basis for planning |
| Service level management | Services are delivered according to SLA-based plans | Conduct periodic reviews of service delivery quality |
| 5% of enterprises | TCO processes in place | Institute an enterprise technology refresh plan for replacement and retirement of equipment |
| Automated requisition is integrated with purchasing and ERP systems | | |
| Just in time inventory practices used | | |

| 5. Value Creation | There is a cost recovery process | Continuous process improvement with improving metrics |
| Cost recovery | Repository, auto discovery and asset-usage tools all in place | ITAM data used for problem prevention |
| < 1% of enterprises | Seamless integration with strategic systems like HR, accounting, ERP, purchasing, network and systems management, IT service desk, problem and change management tools, and business continuity process | ITAM is a core business process and business enabler |
| Decision support and analytic tools available for mining asset information | Decision support and analytic tools available for mining asset information | Measurement of efficiency (employee productivity) and effectiveness (customer satisfaction) of business processes across all IT assets in the enterprise. |
3. Recommended Solution Approach: DHS/DAS Collaboration for Pilot Enterprise IT Service Management Solution

3.1 Description of the Solution Approach

DHS and DAS will acquire the Remedy IT Service Management Suite and services from the established price agreement. DHS and DAS will collaboratively develop an enterprise solution utilizing the Remedy IT Service Management solutions (Help Desk, Asset Management Repository, and Change Management), with involvement of other agencies through the ITSM Academy. The solution will be hosted at the SDC.

On-going development of the enterprise IT service management solution will be managed through a change review board to oversee consistency of application configuration and use. The pilot implementation will establish a baseline configuration that meets most common agency needs based closely on the ITIL framework and best practices.

This implementation is expected to begin immediately upon approval of the Executive Sponsors, William Crowell of DHS, Bret West of DAS, and the Interim State CIO, Dugan Petty.

Funding has been identified for the enterprise pilot from the following sources

**DAS: $300,000**

- Operations $150,000;
- EISPD $150,000;
- SDC – in-kind hosting;

**DHS: up to $300,000**

Additional pilot outcomes will be an Enterprise ITSM governance model, product change control process for the Oregon Enterprise ITSM, and an implementation map for additional agencies to participate in the Enterprise application. If the pilot indicates that one instance will not accommodate multiple agencies, the initial agencies will still have a tool to use and the other agencies will have a model for future implementations.

3.2 Business Architecture Implications

DHS and DAS are beginning to adopt and conform to the Information Technology Infrastructure Library (ITIL) of best practices. This adaptation necessitates changes to existing IT service processes.

The goal of ITIL is to:

- Provide a comprehensive, consistent and coherent set of best practices focused on the management of IT service processes
Promote a quality approach to achieving business effectiveness and efficiency in the use of information systems.

IT Service Management:

- Is concerned with delivering and supporting IT services that are appropriate to the business requirements of the organization.

The goal of both agencies is to meet ITIL standards in promoting a quality approach to achieving business effectiveness and efficiency in the use of information systems and delivery and support IT services.

3.3 Policy Implications

This pilot implementation will enable DAS and DHS to better meet statutory obligations and policy requirements. With an Integrated IT service management system in place enabling auto-discovery, SDC will be able to manage all assets transferred to it. If successful, this pilot implementation will lay the foundation for all other state agencies to meet these requirements as well.

In order to effectively extend the use of this pilot implementation across enterprise, Administrative Rules or a statewide policies may be required.

3.4 Information Technology Implications

3.4.1.1 Probable Effects

SDC will host the Enterprise ITSM Pilot for DAS and DHS.

An analysis of existing hardware and applications is necessary to determine procurement needs for the application and user licenses, hardware, and other resources.

Merger of existing Action Request System (ARS) instances would enable one maintenance agreement versus multiple agreements across the enterprise, thereby optimizing operations and maintenance activities. Combining existing user licenses would allow redistribution across the enterprise as needed. The current combined level of user licenses likely will remain the same if not increase as new agencies are added to the program. Existing instances of the Action Request system can be utilized for different system development lifecycle stages such as development, test, training, and production.

A successful Enterprise ITSM pilot would eliminate the need to host Remedy on multiple agency servers.

Locating information in one system (authoritative data source) enhances the ability to aggregate information across the enterprise informing and optimizing statewide contracting efforts and IT service management decisions.
3.5 Organizational Feasibility

This is the opportune time for DAS and DHS to proceed with this endeavor for the following reasons:

- Interest in and the need for this capability is recognized by DAS and DHS.
- Multiple agencies are actively involved to give input for IT business processes via the ITSM Academy.
- SDC staff are available to support implementation within the SDC.
- A statewide price agreement is in place for needed product and consulting services.
- Funding in 2005-2007 is available.
- Multi-agency support exists through the CIO Council.

3.6 Risk

Based upon the DHS business and technical complexity assessment, this project falls in the “Low”-“Medium” Complexity area.

### BUSINESS COMPLEXITY CRITERIA

<table>
<thead>
<tr>
<th>Low</th>
<th>High</th>
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<tbody>
<tr>
<td>Sponsor ................. One</td>
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</tr>
<tr>
<td>Objectives ................ Clear</td>
<td>x</td>
</tr>
<tr>
<td>Policies .................. Established</td>
<td>x</td>
</tr>
<tr>
<td>Business Processes ............ Familiar</td>
<td>x</td>
</tr>
<tr>
<td>Business Rules ............ Established</td>
<td>x</td>
</tr>
<tr>
<td>Business Location .......... One</td>
<td>x</td>
</tr>
<tr>
<td>Fed/State Mandate .......... Few/Simple</td>
<td>x</td>
</tr>
<tr>
<td>Other Key Driver .......... Audit Finding</td>
<td>x</td>
</tr>
<tr>
<td>End User Impact ............ Low</td>
<td>x</td>
</tr>
<tr>
<td>Time Scale .......... Loose</td>
<td>x</td>
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### TECHNICAL COMPLEXITY CRITERIA

<table>
<thead>
<tr>
<th>Low</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tech./Platform .......... Proven in House</td>
<td>x</td>
</tr>
<tr>
<td>Telecom. Network .......... Proven/Stable</td>
<td>x</td>
</tr>
<tr>
<td>Development Locations .......... One</td>
<td>x</td>
</tr>
<tr>
<td>System Platform .......... One</td>
<td>x</td>
</tr>
<tr>
<td>Level of Integration .......... Stand-Alone</td>
<td>x</td>
</tr>
<tr>
<td># of user IDs .......... less than 20</td>
<td>x</td>
</tr>
<tr>
<td>System Available .......... 8-5, M-F</td>
<td>x</td>
</tr>
<tr>
<td>Team .......... Experienced</td>
<td>x</td>
</tr>
<tr>
<td>Rough Estimate .......... Under $75,000</td>
<td>x</td>
</tr>
<tr>
<td>Contract Need .......... None</td>
<td>x</td>
</tr>
<tr>
<td>SDC/Agency IT Staff Involvement .......... No Other</td>
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### Risk area

<table>
<thead>
<tr>
<th>Probability (H/M/L)</th>
<th>Impact (H/M/L)</th>
<th>Risk plan (Mitigating)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of ability to report at detailed level - customization may be required, impacting cost (database may not be as useful)</td>
<td>L</td>
<td>H</td>
</tr>
<tr>
<td>Incident vs. Problem vs. Change - lack of understanding and/or agreement</td>
<td>L-M</td>
<td>H</td>
</tr>
<tr>
<td>Lack of buy-in to implement new processes (using the tool); due to diversity of agencies there may be the tendency to want to customize the tool.</td>
<td>L</td>
<td>H</td>
</tr>
<tr>
<td>SDC's CMDB timeline slippage--may not gather all correct info (CIs)</td>
<td>H</td>
<td>H</td>
</tr>
<tr>
<td>Vendor timeline slippage, impacting deliverables</td>
<td>H</td>
<td>L-M</td>
</tr>
<tr>
<td>Vendor not able to provide all deliverables within budget constraints</td>
<td>H</td>
<td>H</td>
</tr>
<tr>
<td>Stakeholder or sponsor change in support</td>
<td>L</td>
<td>H</td>
</tr>
</tbody>
</table>
Lack of business acceptance of changes

An enterprise business model and identified application owner may not be completed or identified prior to the completion of the pilot.

Single instance will not sustain multiple implementations as intended

3.7 Advantages/Disadvantages

Advantages:
- Creating work products that can be shared and used.
- Leverage investment across multiple agencies.
- Opportunity to consolidate and create a shared system for use by multiple state agencies
- Focus on industry best practices (ITIL).
- Agencies participating in pilot would immediately have a tool to meet their IT business needs.
- Agency stakeholders can help influence the ongoing Enterprise ITSM product.

Disadvantages:
- Requires concurrent development of technology solution and Business Model.
- If successful, limits CNIC agencies and non-CNIC agencies choices for ITSM related solutions.
- Solution may not be optimal for very small agency needs.
- Locks State of Oregon into one solution and one vendor.

3.8 Solution Approach Assumptions
- Budgeted funds will cover costs to achieve project scope
- Stakeholders will provide a continuing high level of project support
- IT Asset Policy is clearly understood, agreed upon and followed uniformly
• Incident reporting requirements are well defined at Agency and Enterprise levels
• Terminology is clearly defined and understood (Incident, Problem, Change)
• This is a pilot. With four (4) agencies using same software which is now hosted within the SDC, it is common sense to explore the viability of utilizing one instance of the software in the future.

3.9 Justifiable Targets

3.9.1 Justifiable Budget

Budget – upon approval of the SOW a request will be made to Column Technology to provide a formal bid. The pilot project estimated budget (outlined below) will be adjusted and a request for formal approval by the executive sponsors will be made at that time.

<table>
<thead>
<tr>
<th></th>
<th>Cost (in USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Application Licenses</td>
<td>$ 66,093</td>
</tr>
<tr>
<td>User Licenses</td>
<td>$ 434,835</td>
</tr>
<tr>
<td>Consulting Services</td>
<td>$ 90,000</td>
</tr>
<tr>
<td>Hosting Services</td>
<td>In kind services</td>
</tr>
<tr>
<td>Total estimated costs:*</td>
<td>$ 590,928</td>
</tr>
</tbody>
</table>

*Does not include AutoDiscovery tools

3.9.2 Desired Timeline

An estimated pilot project timeline is provided below. The project team intends to request that a detailed project schedule be provided by Column Technologies as part of its response/formal bid against the approved Statement of Work. The pilot project timeline will be further refined by state’s project manager and submitted for Executive Sponsor approval at that time.
Enterprise IT Service Management Business Case Approvals:

Approved by: ________________________________ Date: _____________
Bill Crowell, Co-Sponsor - DHS CIO

Approved by: ________________________________ Date: _____________
Bret West, Co-Sponsor - DAS CIO

Approved by: ________________________________ Date: _____________
Dugan Petty, State CIO