NEW YORK STATE CHIEF INFORMATION OFFICER
CIO OFT
NEW YORK STATE OFFICE FOR TECHNOLOGY

inSERVICE
IT Shared Services
SLA Program

Service Level Agreement (SLA) Frequently Asked Questions

(As of: December 12, 2010)

Question #	QUESTION	ANSWER
GENERAL QUESTIONS		
G1	**What is the purpose of a Service Level Agreement (SLA)?**	A Service Level Agreement (SLA) is an agreement between a customer and a provider of services. In this case, IT services provided by CIO/OFT as an IT Shared Services provider to state agencies and other governmental entities who are the customers. It provides an opportunity to foster a closer working relationship between the customer and the provider. Expectations for services rendered, how they will be delivered and at what costs provide an open and transparent environment. It fosters smarter consumers and holds the provider accountability for delivering services as prescribed.
G2	**What information is contained in a Service Level Agreement?**	A Service Level Agreement typically has the following information contained in each agreement: • A description of the services provided to the customer; • A description of the performance service levels used by the provider to demonstrate the quality of customer service; • Service level performance targets which are benchmarked against industry best practices; • Roles and responsibilities of CIO/OFT; • Roles and responsibilities of the Customer; • Rates for services provided and billing process; • Dispute resolution process; • The process for communicating with CIO/OFT; and • The SLA renewal process.

Question #	QUESTION	ANSWER
G3	**Why is CIO/OFT implementing an SLA Program now?**	As an IT Shared Services provider, CIO/OFT needed a solid SLA program in place to address the many concerns raised by agencies in the past. This need was highlighted in the Enterprise IT Shared Services Charter executed by the Governor's Office of Taxpayer Accountability (OTA) and CIO/OFT. The Charter outlines the requirement to implement an SLA Program in conjunction with the expansion of the IT Shared Services Model. For more details about the Charter, go to the CIO/OFT website at www.cio.ny.gov/sla.htm.
G4	**How is it the SLA different from the Terms of Service (TOS) currently used by CIO/OFT?**	There are significant differences between the two documents. The new SLA Program focuses on customer service, specific service level performance targets, a clear description of roles and responsibilities for both the Customer Agency and CIO/OFT, a well-defined set of performance measurements and a clear understanding of the services and rates for each service. The former Terms of Service program did not clearly define roles and responsibilities, service descriptions, service level targets, billing dispute process or a clear explanation of rates for each service. The agencies were confused about services and the rates association with each service.
G5	**When will the SLA be distributed to the agency and what is the deadline for signing the SLA?**	CIO/OFT will email a personalized copy of the SLA document to each customer agency no later than September 30, 2010. CIO/OFT's assigned Customer Relationship Manager (CRM) will contact the agency's SLA designee to work on a final SLA document. Once all items have been worked out and agreed to by all parties, the agency CIO or other designee and the CIO/OFT representative will sign the SLA no later than December 10, 2010.

Question #	QUESTION	ANSWER
G6	**Who will be contacting the agency about the SLA?**	Each agency will receive a memo from Dr. Melodie Mayberry Stewart, State CIO and Director of OFT in mid-September. Your agency will be contacted no later than September 22 by a CIO/OFT Customer Relations Manager (CRM). The CRM will set up a meeting to discuss the SLA and will work with the agency until a final SLA is signed no later than December 10, 2010.
G7	**How often will the Service Level Agreements be reviewed and renewed?**	Service Level Agreements will be reviewed and renewed every two years by representatives of CIO/OFT and the Customer Agency. This biennial process is designed to ensure the agreement represents the current IT needs of the agency and to solicit feedback on the quality of services offered by CIO/OFT. In addition, the SLA may be reviewed at any time when there is a modification to add new services provided by CIO/OFT or for dispute purposes. Either party can request a review of the SLA as business needs may change within the two-year period.
G8	**What is the process for reviewing the SLA?**	The agency's assigned CRM and the Agency's SLA Representative will schedule biennial service quality review meetings. The CRM and the representative will review the adequacy of the services provided under the agreement, discuss the status of outstanding issues to address, and identify new issues or new opportunities.
G9	**The SLA documents have many unfamiliar terms. How can I find the meanings of the terms used in the SLA?**	CIO/OFT has provided a detailed SLA Glossary located on the SLA home page at **www.cio.ny.gov/sla.htm**. Please let CIO/OFT know if there are other terms to add to the Glossary.

Question #	QUESTION	ANSWER
G10	**What are the responsibilities of the Customer Agency and the responsibilities of CIO/OFT?**	The responsibilities of the Customer Agency will differ based on the type and quantity of services purchased from CIO/OFT. CIO/OFT's SLA program is designed to tailor the SLA agreement to address the type and quantity of services purchased. However, there is a standard set of roles and responsibility by both parties which are explained in the standard SLA template which is posted on the CIO/OFT website. General roles and responsibilities are included in the main SLA document under each service. More information on specific responsibilities can be found in the section of the SLA document that describes the service detail. In addition, CIO/OFT has developed a separate detailed service description document for each service and these documents can be found at the SLA website.
G11	**What should an agency or locality do if they are interested in becoming a CIO/OFT customer?**	CIO/OFT always welcomes new customers. To become an IT Shared Services customer of CIO/OFT, please contact CIO/OFT Customer Relations Managers at 1-866-789-4638 or 518-402-2537. A CRM will contact you and work on a plan designed to meet your needs. To find out what CRM has been assigned to your agency, please to go: **http://www.cio.ny.gov/support/ContStateCRMs.htm**.
G12	**What is the process for an agency to discontinue a service provided by CIO/OFT?**	If an agency has to discontinue an IT Shared Service offered by CIO/OFT, the agency must send a written notice as soon as possible but no later than 60 days from date of expiration of the SLA. The notice should ideally be sent prior to the annual release of the rates to avoid a substantial adverse impact on other customer agencies who share the cost to provide this service. ***Please be aware, if an agency's portion is greater than 5% of the total IT Shared Service cost, a written notification of intent to terminate must be provided no less than six months prior to the expected termination date.*** The agency's written notice of termination should be sent to the attention of the Deputy CIO of IT Customer Relationship Management Services at CIO/OFT.

Question #	QUESTION	ANSWER
G13	**Does the SLA document contain a confidentiality agreement?**	Yes. The Data Security section of the SLA document defines the confidentiality provisions.
G14	**What is an IT Strategic Cluster?**	IT Strategic Clusters help agencies focus on the delivery of cost-efficient and integrated IT services by eliminating unnecessary and costly duplication of IT investments. An IT Strategic Cluster is a coalition of IT resources, knowledge and experiences, formed to meet related business challenges, goals and services of State agencies and constituents. Seven clusters have been identified, and each will have a Cluster leader, specific goals and performance measurements to ensure accountability and transparency. This information will be added to the FAQ's and posted on the web site.
G15	**Some of the posted metrics do not accurately reflect the actual time to completion.**	Some processes require work from several business units. The metrics, as reported, pertain to the work within the business unit being reported on. CIO/OFT continues to refine our metrics and streamline processes between business units to better represent completion of tasks.

IT SERVICES QUESTIONS		
I1	**What services are covered in the SLA document provided by CIO/OFT?**	All IT Shared Services offered by CIO/OFT are eligible for inclusion in the SLA. Each service is described in detailed service descriptions in a separate document. However, the current major services provided include the following: • Customer Care Center Operations (24x7x365 Help Desk Support) • NYS Directory Services (Our Enterprise LDAP Services) • Empire 2.0 Web Services (Web Development, Content Management) • Data Center Operations (Mainframe, Servers, Storage, Disaster Recovery) • NYSeMail (Enterprise Email System) • Customer Networking Solutions (Desktop Support) • NYeNet Services (State Data Networks) • Technology Academy (IT Training – Classroom and Online Distanced Learning) • Telecommunications and CAPNET (Telephony Services)
I2	**What can I find more information about a particular service?**	Each CIO/OFT IT Shared Service has a corresponding detail document to fully explain the service, the roles and responsibilities for both CIO/OFT and the customer, how the service is supported, how billing information is gathered, the resources available to help the agency and how to contact CIO/OFT. Also, more information is available on the SLA website. CIO/OFT welcomes all feedback. Please let Customer Relations know if you need more information or have suggestions to help us keep the document relevant.

I3	**Who can I contact if I have questions about a new service?**	CIO/OFT is pleased to be your IT service provider and welcome the opportunity to provide additional IT services to meet the needs of your agency. To request a new service from CIO/OFT, please contact your agency's designated CRM. The name of your CRM can be found at: **www.cio.ny.gov/support/contOFTcont.htm**. CIO/OFT will work with you to determine your agency's IT needs, conduct feasibility analysis, your service requirements , and will provide you with an estimated cost based on your desired services.
I4	**What is the Change Control Board?**	CIO/OFT is committed to provide excellent customer service with minimal impact to ongoing operations for an agency or the customers of other agencies. To ensure an effective program, a governance group was created to fulfill this function – The Change Control Board. The purpose of the Change Control Board is to exchange information regarding any physical or logical changes that may affect the status of any network, computer system, or application that CIO/OFT is responsible for or hosting. It is very important that any changes to the IT environment are clearly understood and the customer expectations are managed to minimize operations. This collaborative process is designed to mitigate those risks and ensure changes are successful.
I5	**When does the Change Control Board meet?**	The Change Control Board meets every Tuesday and Thursday at 9:00am at the 40 North Pearl Street facility. The meeting concludes when all items are covered adequately and normally ends at 9:30. Call-in attendance is available via conference bridge, but lines are limited and intended for those in other buildings.
I6	**Who can attend the Change Control Board Meeting?**	The meeting is open to all CIO/OFT staff and staff of Customer Agencies. Change owners or their representatives must attend each meeting. Please send an email to OFT Change Board if you wish to participate.

I7	**Does CIO/OFT have a Video Conferencing service?**	Currently CIO/OFT is in the process of piloting this service with several agencies. CIO/OFT will work with any agency to make them a part of this pilot so that they can provide video conferencing to their agency. Please contact your CRM for information. Presently there is no established rate or metric for Video Conferencing.
I8	**Is CIO/OFT considering offering VOIP services?**	CIO/OFT is in the process of upgrading our infrastructure to accommodate a VOIP offering. If you are interested in this service please contact your CRM
IT SUPPORT QUESTIONS		
S1	**Is there a single point of contact for CIO/OFT's 24x7 help desk support?**	The Customer Care Center (CCC) is the single point of contact for "one-stop" services from CIO/OFT. The CCC also provides support. The CCC can be reached at 1-866-789-4638 or 518-402-2537 24x7ix365. The CCC never closes!
S2	**Who do I contact if I need to reset my password?**	NYS Directory Service provides features to allow users to reset their own password. Also, your agency representative or the Customer Care Center can assist with password resets.
S3	**Is there a charge to reset a password from the Customer Care Center?**	Yes. If a user calls the Customer Care Center to reset a password, the agency will be charged the Security Service rate, which is the lowest cost. This rate and description is described on the website and in the SLA.
S4	**How is a severity level determined when an issue is reported?**	The severity level is determined by gauging the impact and urgency of the issue as described by the customer or CIO/OFT technical staff. The level is determined by the CCC agent with input from the customer, and can be escalated to an agent's manager by the customer upon request. Problem resolvers, designed IT staff, often work with the customer to jointly identify the root cause and verify the operation is working after the issue has been fixed. Additional information regarding severity levels is also available in the Customer Care Center Detail Service Guide located at **www.cio.ny.gov/sla.htm** .

S5	**Is there a charge to report an issue related to the CIO/OFT infrastructure?**	No, there is no charge. Customers are not charged for calls that are problems with the CIO/OFT infrastructure and beyond the control of the agency.
S6	**Who are the severity and outage notifications sent to?**	Notifications regarding severity or outages are sent to the customers impacted by the relevant issue using the customer agency-managed distribution list. The Customer Agency determines who should be notified and CIO/OFT will ensure all appropriate individuals are notified within the stated timeframes.
S7	**How are critical issues handled that require long term planning and scheduling?**	CIO/OFT will work to meet service availability target levels as defined in the SLA document. However, from time to time there are unplanned and unscheduled critical issues which arise and must be addressed as efficiently and as expeditiously as possible. Critical issues, such as Severity -1 incidents, are closely tracked within CIO/OFT to ensure services are restored as soon as possible. Staffs with the critical expertise in various technical skills are quickly mobilized to focus, diagnose, analyze and resolve the critical issue(s). Long term planning and coordination of follow-up support and changes are facilitated by CIO/OFT and involves all necessary support teams with the required technical expertise.
S8	**How is *Resolving Level 1 and Level 2 production problems within 3 hours of reporting the incident 97%* of the time measured? (Many incidents enter Fault Isolation and aren't truly resolved – are they considered "resolved").**	The resolved time is measured by the "return to service". Yes, fault isolation would be measured as returned to service.
S9	**Will CIO/OFT post network design specifications and requirements for developers; as well as a list of supported products and their life cycles?**	Posting specific information regarding CIO/OFT networks would be a security risk. In accordance with our policies, information can be provided to Agencies when writing RFI/RFP documents and when entering application development contracts. Please contact your CRM for assistance.

S10	**Must the customer always be using the most current version of a Microsoft product? Does CIO/OFT post support levels of products being used and decommissioned?**	Customers do not need to be using the most current version of a Microsoft product; however they must be using versions supported by CIO/OFT. Current versions of products used and decommission plans are available via request. Please contact your CRM for assistance.

AD HOC REPORT QUESTIONS		
A1	**Can I request reports on the services I receive?**	Yes. One of the main components of the CIO/OFT SLA Program is to provide more transparency and provide our customers with more information on an ad hoc basis. Your CRM will be happy to provide you with reports helpful to your agency and to assist with your IT planning. However, the number and contents of all possible reports possible for all services can be overwhelming. We ask that you work your CRM to discuss your specific reporting needs and what you may want on a regular schedule. Many reports can be created with the present tools in the standard format. If additional work is requested to customize a report, an hourly rate to do the customization may apply.
A2	**Currently I can get mainframe availability reports. How can I get more detailed reports, such as those on CICS & MQ series, DB2, OPC and IBM CM?**	The capability for customers to generate more detailed availability reports is available for IBM mainframe customers through the use of SAS/MXG reports. Sample scripts have been provided to all customers to develop reports reflecting specific agency needs. Contact your CRM if you need more information on this feature.

RATE QUESTIONS		
R1	**What are the general guidelines CIO/OFT uses to set the annual rates?**	CIO/OFT is required to follow specific rate guidelines to determine the annual rates. In addition, we strictly adhere to the following principles to guide the CIO/OFT rate setting process and are: • Rates will be fair and equitable for all customers; • Rates will be reasonable for comparable services; • Rates will be understandable and clearly communicated to customers; • We will continuously pursue and implement strategies to reduce costs and lower rates to our customers; • Federal cost recovery requirements will be strictly complied with to ensure state agencies can maximize cost recovery for CIO/OFT services; • Reconciliation will be used to ensure revenues generated from rates will fully recover the cost of providing a service, but not result in over-collection of revenue; and • CIO/OFT will pursue all avenues to minimize any major fluctuations in rates.
R2	**How are rates determined?**	CIO/OFT determines its rates using the following formula: $\dfrac{\textit{Estimated Cost of Providing Service}}{\textit{Estimated Volume of Billable Units}} \; \textit{+/- Reconciliation} = \textit{Annual Rate Per Billable Unit}$

R3	**How do you make changes to the rates?**	Setting rates is a balance between cost and desired functionality. Periodically, CIO/OFT reviews rates to determine if changes in the rate methodology are needed. This may involve subdividing a service into components so customers can pick which parts of the service they want and only pay a rate for their selected components. This may result in offering more options, such as providing tiered levels of service and support with varying rates based on the level desired. If a major change in rates or rate methodology is proposed for an existing IT shared service, CIO/OFT will meet with customers to review the proposed changes and gather customer feedback. CIO/OFT will then work with the Division of the Budget before proceeding with a change.
R4	**How does CIO/OFT estimate demand for a service?**	CIO/OFT estimates demand for a service by reviewing the actual annual usage from the previous year as a starting point. CIO/OFT then considers the impact on service usage from planned projects, annual agency submissions of the Annual Technology Plans (ATPs), customer discussions, and other external sources. CIO/OFT may also request customers provide information on estimated major changes in annual usage for major services requested. Predicting future demand projections is always a challenge. However, CIO/OFT will use all avenues, and data sources to ensure the rates are equitable, competitive and compliant with the rate principles and guidelines.

R5	**How is the cost of providing a service calculated? How can an agency accurately compare the agency's cost of providing the service as compared to the CIO/OFT cost?**	CIO/OFT has defined a consistent reliable process to accurately and fairly capture all estimated costs related to providing a specific service. CIO/OFT must take into account direct and indirect cost to provide a reasonable rate. The expenses considered to develop may include the following elements: • Hardware – Purchase (depreciation) and maintenance • Software – Licensing purchases and maintenance • Personnel – Staffing and associated fringe benefits • Other - Supplies, utilities, office space, administrative overhead Note: *If a customer agency would like to accurately compare the cost of providing a service internally versus using an IT Shared Service, it is important to do an "apples to apples" comparison and calculation.* Calculation spreadsheets CIO/OFT uses to capture costs for setting new rates are available upon request. Contact your CRM if you need more information to perform an accurate "apples to apples" cost comparison for a particular service.

R6	**When will I know the rates for the upcoming year? When will I be billed? What is the typical cycle of fiscal events?**	CIO/OFT, during the annual cycle of the rate setting, will follow this typical timetable but keep in mind the dates may vary based on passage of the state budget: 1. Spring: CIO/OFT gathers estimated usage and expenses for each service. 2. June: CIO/OFT completes reconciliation computations for prior fiscal year. 3. Summer/Fall: Once the state budget passes, CIO/OFT provides draft rates to the Division of Budget (DOB) for review based on estimated revenue and expenses. 4. Winter/Spring: Revisions to the draft rates occur. Budget examiners review rates and the impact on each agency's budget allocation. CIO/OFT makes final adjustments based on DOB review and rates are finalized and announced to the agencies. *Note: Ideally final rates should be issued at the beginning of the fiscal year (April 1). The timeframe above reflects what has typically occurred due to the current state budget process, not the preferred timeframe.
R7	**What is CIO/OFT's billing process?**	CIO/OFT will bill customers monthly for IT Shared Services provided by CIO/OFT. Payment is due within 45 days of receipt of the bill. Once DOB has approved the new rates, agencies are notified by letter and billing commences.
R8	**What is the process for handling a problem or a dispute with the bill?**	Your SLA document will describe the Dispute Resolution process. Essentially, customers must notify the Deputy CIO of IT Customer Relationship Management Services, in writing, of the disputed billing amount and the reason for the dispute within 30 days of the dated invoice. Any amounts disputed in good faith, may be deducted from the invoice, as long as the written notice has been sent to CIO/OFT. The remaining undisputed amount must be paid by the original due date. Within 30 days after final resolution of the disputed charges, all resolved disputed amounts must be paid by the customer or credit will be provided in the next monthly billing.

R9	**How do you track costs so the agency is not paying for another service? What is an Internal Service Fund?**	Agencies are billed for services based on actual consumption of the service. All revenues from the use of a service are deposited into an Internal Service Fund (ISF). Expenses related to providing a service are paid out of the ISF. If multiple services share a single ISF, the revenue and expense for each service is tracked separately.
R10	**How do you ensure an agency does not overpay or underpay? What is the reconciliation process and how can an agency impact it?**	Technology changes rapidly. During the course of an entire year, events can occur impacting the rate calculation. For example, actual expenses may be lower or higher than originally estimated, changing the actual cost of providing the service. Customers may use more or less of a service than what they estimated, causing variation from the estimated billable units and total revenue received. After the fiscal year ends, actual revenues from billable units and expenditures associated with providing the services are computed. The over/under amount or 'reconciliation' is either charged or refunded in the rates the year following the calculation. Thus, the reconciliation actually occurs two years later. CIO/OFT strives to limit reconciliations as much as possible. ***<u>Note</u>: It is critical for customers to inform CIO/OFT of anticipated major changes in their service usage as early as possible to limit reconciliation and its financial impact on other customer agencies. Please keep your CRM updated on this issue frequently if changes in usage are anticipated.***
R11	**What happens if a billing dispute presented to CIO/OFT is not resolved?**	If the normal process for resolving billing disputes does not lead to a resolution within 30 days after the agency's written dispute notification, the dispute will be referred to the Division of Budget whose decision will be final and binding. If the decision is in favor of CIO/OFT, the customer will be expected to pay the outstanding invoice within 30 days of the final DOB decision.

R12	**Are the rates detailed for all services?**	Yes. CIO/OFT has provided rates for all of the current IT Shared Services offered by CIO/OFT in Appendix B of the SLA document. You can view the rates for each service on the CIO/OFT website **www.cio.ny.gov/sla.htm.** Additional information about the rates is available in other questions of this SLA FAQ document.
R12	**Is CIO/OFT allowed to discontinue a service for non-payment?**	Yes. CIO/OFT may elect to terminate services if an invoice remains outstanding for 180 days or more. However, it is not CIO/OFT's intention to use this method and it is used as a last resort. We encourage state agencies to pay for services rendered which are not in dispute on a timely basis.
R13	**Can the Service Level Agreement include penalties for various reasons?**	While a penalty paid out of profits may work in the private sector, the financial model in the public sector is different. All costs still need to be recovered for services funded by an Internal Service Fund. IT shared services cannot make a profit or loss on an annual basis. If penalties were enacted, it would not reduce the total cost as there is no profit margin; expenses and revenues need to be equivalent each fiscal year for a service.
R14	**Where is information regarding cost and consolidation of services?**	Please refer to the Charter for Enterprise Information Technology Shared Services between the Office of Taxpayer Accountability and CIO/OFT issued by the Director of State Operations.

SERVICE LEVEL PERFORMANCE MEASUREMENT QUESTIONS		
M1	**How will CIO/OFT measure service level performance?**	Each month, measures for each service will be collected and publicly posted on the CIO/OFT website at www.cio.ny.gov/sla.htm. In addition, graphs are posted to demonstrate performance trends over time.
M2	**Can a customer agency request performance service level targets above the SLA performance targets for a particular service?**	CIO/OFT is committed to providing service levels which are above the industry average and aspires to reach "world class status" within affordable constraints for all services. The SLA provides standard measures for standard IT shared services. These performance level measurements and target levels were developed with the assistance of industry experts and agency input. If an agency has a need for a higher level of service than the target level and is willing to pay for that higher level of service, please contact your assigned CRM. The CRM will estimate the cost for additional resources to raise a service level and the customer can decide if the additional investment is justified.
M3	**Will the NYSeMail response time be measured?**	We currently measure NYSeMail availability. For the past year it was at 98% on an annual basis. Measuring actual response time for a user involves a combination of both CIO/OFT and customer provided services including email, networks and desktop responsiveness. The tools we currently use do not provide that level of monitoring. As systems, software and new versions of existing tools become available, CIO/OFT will evaluate what additional performance measures can be added to the performance dashboard.