

Cabinet Agencies' Performance Audit Action Item(s) & Status

Opportunities to Reduce State Cell Phone Costs

(See also [Cabinet Agencies' Response](#) for full context to Washington State Auditor's Office (SAO) [report](#), November 2011)

Agencies included in the performance audit: Enterprise Services and Office of the Chief Information Officer

SAO Issues Summary:

1. Nearly one in three state cell phones was never used or minimally used last year, costing the state \$1.8 million.
2. Even for phones that are used regularly, state agencies can save by better matching phone plans with actual use.
3. Washington could improve its overall management of state agencies' phone costs.

The table below shows the current status of action items the agency initiated to address issues identified in the performance audit report. Please see the coordinated [cabinet agencies' response](#) for additional context and any additional steps already taken.

For an explanation of the columns below, [see the legend](#).

Issue	Status	Action Steps	Lead Agency	Due Date	Current Resources?	Budget Impact?	Legislation Required?	Notes
1	Completed	Per the Governor's directive, the OCIO will compile information received from agencies to report further reductions and optimizations.	OCIO	3/12	Yes	No	No	<p>Completed March 2012. By February of 2012, the governor's directive and OCIO, combined with early action by state agencies, led to a reduction or optimization of 6,416 cellular devices, saving taxpayers nearly \$1.7 million.</p> <p>Telephone program sales were converted to an electronic reporting format as of January of 2014. This will make more detailed reporting possible.</p> <p>The report to the governor is available here.</p>

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2	Completed	DES will evaluate the plans offered under the new Western State Contracting Alliance (WSCA) agreements scheduled to be in place during the second quarter of 2012 and determine if additional plans are needed. If additional plans are needed, DES will procure as required.	DES	6 months after completion of WSCA agreements	Yes	No	No	DES has completed its negotiations with the four carriers that were competitively awarded cell phone services contracts by the Western States Contracting Alliance (WSCA). Those new contracts are now available for use by state agencies and include a higher discount than the prior contracts, and require contractors to provide usage information and a standard format for service plans to help agencies compare plans. DES currently is conducting a procurement for a pooled minutes contract.
2	Completed	DES will assist its customers in determining which plan may best fit their needs.	DES		Yes	No	No	DES determined that one obstacle to customers finding the best plans for their needs were the often confusing and difficult to follow pricing sheets that WSCA contractors provided for posting. DES maintains a website for the WSCA cell phone contracts, including links to the contracts and various provider-supplied materials with updated plan, phone, and pricing information. In order to address this issue and ensure that customers would be able to (1) quickly and easily review available plans, and (2) make comparisons between plans

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								offered by different providers, DES included a provision in the WSCA Participating Addendum requiring the provider to list its plans in a standard Excel spreadsheet format. Those documents are then posted on the DES website along with the other materials provided by vendors.
3	Completed	The OCIO will work with agencies to develop policy guidance for agencies.	OCIO	5/12	Yes	No	No	<p>Completed June 2012. The Cellular Device policy is designed to help agencies actively manage state-owned cellular devices and minimize spend. It also allows agencies the options to authorize the use of personal cell devices for business communications; and to provide stipends to certain employees, in lieu of issuing state-owned devices. Both options are agency-level decisions and voluntary for employees.</p> <p>The state Cellular Device policy 191 and Q&A are available at: https://www.ocio.wa.gov/policies/191-cellular-device-policy</p>
3	Completed	The OCIO and DES will explore options and issues for using employee stipends.	OCIO	8/12	Yes	No	No	<p>Completed 6/27/12. The state Cellular Device policy 191 and Q&A which address employee stipends are available at: https://www.ocio.wa.gov/policies/191-cellular-device-policy</p>
3	Completed	The OCIO and DES will explore options	DES	8/12	Yes	No	No	Completed 6/27/12. The state

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		and issues for using employee stipends.						Cellular Device policy 191 and Q&A which address employee stipends are available at: https://www.ocio.wa.gov/policies/191-cellular-device-policy
3	In progress	DES will evaluate the benefits of establishing master contracts for optimization specialists and determine whether such services will be of value to the state.	DES	9/12	Yes	No	No	In order to maximize the benefit of this recommendation, certain solutions needed to be implemented first. The OCIO cell phone policy creating the opportunity for agencies to issue stipends, and their employees to use personal devices is now in place. Agencies are still exploring how to best take advantage of this new opportunity, and to balance any possible savings with new security and privacy concerns. How agencies use this policy may greatly change the number of employees with state issued cell phones. In addition, the new state contracts are also fairly recent, and agencies will need to take time to establish a baseline of use among these new contracts before DES can know which services an optimization specialist might best be able to provide. It is the intent of DES to begin contacting agencies to determine whether their usage has, in fact, stabilized, and if so, begin the processes necessary to evaluate whether a

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								<p>statewide master contract should be put in place.</p> <p>WSCA has a national contract for optimization services with several providers that is available to the State of Washington.</p> <p>Pursuant to the OCIO Cellular Device Policy, Washington state agencies are to determine use optimization.</p>