



D E P A R T M E N T O F

Management & Budget

**REPORT OF PROPOSED
CHANGES IN EXCESS OF
\$500,000 TO CURRENT
CONTRACTS FOR
COMPUTER SOFTWARE
DEVELOPMENT,
HARDWARE
ACQUISITION, OR
QUALITY ASSURANCE**

Prepared for
The Michigan Legislature

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The Michigan Legislature**

**By
The Department of Management and Budget
Purchasing Operations**

**In accordance with
Sec. 710 of Public Act 128 of 2009**

**Questions regarding this report may be directed
to Greg Faremouth, (517) 241-1646**

OSE

Updated 03-15-2010

Ad Board Date: 5/4/2010 (ver. 001)

STATE ADMINISTRATIVE BOARD
CONTRACT CHANGE RECOMMENDATIONS
MICHIGAN DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
PURCHASING OPERATIONS

AGENCY SUBMITTAL
MDIMB PURCHASING SUBMITTAL

CONTRACT DESCRIPTION: 071B7200210; Enterprise Contact Center; Department of Technology, Management and Budget

CONTRACTOR: Accenture LLP, Southfield, MI
MICHIGAN BUSINESS INCREASE
 \$3,000,000 00

For Services Only, Signed OSE Form DMB-1497-OSE received (Exemption from ED2009-3)
Date Approved by OSE: 2/16/2010
Attach OSE-approved 1497 to all services purchases other than those classified as Nonjurisdictional (NJ)

Check if request is to exercise Contract option(s).
Requested time period: 03/05/2011 – 03/04/2012 (one year)

Check if request is to extend Contract (no option in base).
Time period of extension:

Check if extension is beyond Contract option year(s).
Time period of extension:

Check if MiDEAL contract.

ORIGINAL CONTRACT: Term: 03/05/2007 - 03/04/2010 Value: \$10,000,000 00
of Base Years: 3

CURRENT CONTRACT VALUE: \$10,000,000 00

NEW TOTAL CONTRACT VALUE: \$13,000,000 00

PREVIOUS OPTION YEARS/EXTENSIONS:

	PERIOD (Option/Extension start date - end date and state length in years)	SAB APPROVAL DATE	\$ Value
<input checked="" type="checkbox"/> Option 1 CN # 3	Exercise one year option 03/5/2010 to 03/04/2011	NA	\$0.00
<input type="checkbox"/> Option 2 CN #			
<input type="checkbox"/> Option 3 CN #			
<input type="checkbox"/> Extension CN #			
		Total	\$0.00

PREVIOUS CHANGES NOT LISTED ABOVE IN THE OPTIONS/EXTENSIONS TABLE:

	TYPE OF CHANGE:	SAB APPROVAL DATE (if applicable)	VALUE OF CHANGE:
First CN	Buyer change		\$0.00
Last CN			

Total number of processed changes to time, scope, and/or dollars: 1

FUNDING SOURCE:	PERCENTAGE	COMMENTS
Restricted	92%	<i>see attached</i>
General Fund	6.5%	
Revolving	1.5%	<i>see attached</i>

ESTIMATED INCREASE DETAILED BY FISCAL YEAR(S):

FY	Dollar Amount
2011	3,000,000.00

PURCHASE JUSTIFICATION:

Description of Product/Service Modification Requested and Process Explanation:

The purpose of this request is for services that include software maintenance, break-fix, and small enhancement development services for the following software packages supporting five of the State's largest contact centers (Treasury, Department of State (DOS), Department of Human Services (DHS), Civil Service, and Office of Retirement Services (ORS)):

1. Siebel customer relationship management
2. Genesys computer integrated telephony
3. Genesys interact voice response (IVR)
4. Intervice interactive voice response
5. NICE call monitoring and recording
6. FileNet electronic document management
7. Avaya switch and telephony reporting

This Accenture-based, technology team now supports infrastructures in the following six agencies:

1. Civil Service

2. ORS
3. DOS
4. Department of Human Services (DHS)
5. Treasury
6. Department of Technology, Management and Budget (DTMB), Telecommunications

Purpose/Business Case of Amendment or Extension, and Expected Outcomes:

Treasury

The Treasury Taxpayer Contact Center handles the questions and concerns of business and individual taxpayers throughout the year and particularly during the Individual Income Tax filing season. The IVR system responds to almost two million calls each year. Call agents respond to more than 250,000 person-to-person calls and hundreds of thousand of e-mails about tax questions each year. In addition, call agents also respond to tens of thousands of white-mail correspondence that have been imaged into the FileNet electronic document management system. All of this interaction between taxpayers and the Department of Treasury is recorded into the Siebel Customer Relationship Management software. Voice calls are randomly recorded on NICE call recording and monitoring software.

DOS

DOS's IVR system directs all three million calls coming into the Department each year, routing the caller to the appropriate Department of State program office. DOS's Information Center handles the questions and concerns of almost 700,000 drivers and vehicle owners throughout the State. In addition, Information Center staff handle calls from counter staff. The number of State Contact Centers are growing.

Civil Service

The Civil Service Contact Center handles approximately 90,000 questions and concerns annually (360/day) from thousands of state employees seeking advice or answers about a myriad of Human Resources topics ranging from employment to supervision to medical benefits, to name a few. All of this interaction from callers is recorded into the Siebel Customer Relationship Management software. Random calls are recorded by NICE call monitoring and recording software for quality assurance, training and legal purposes.

DTMB – ORS

The ORS Contact Center handles questions and concerns from thousands of state employees seeking advice on calculating potential retirement benefits, helping to make the most important decision on when to retire. Primarily, though, the contact center annually responds to approximately 250,000 calls from thousands of public retirees looking to manage their monthly retirement payments (1,000/day). ORS is within weeks of installing a new IVR system to help answer and direct all their incoming calls coming, routing the caller to the appropriate call center representative. All of this interaction from callers is recorded into the Siebel Customer Relationship Management software. Each and every call is recorded by NICE call monitoring and recording software.

DHS

DHS' IVR system was installed in August, 2009, to respond to calls from hundreds of thousands of recipients and potential recipients of the State's food assistance ("Check My Benefits") application - in the context of an economic crisis and the highest unemployment rate in the nation.

DTMB - Telecommunications

DTMB is responsible for delivering data and voice services to all of state government. Without this integral network of technologies, the business of State government would be paralyzed and isolated from most citizens of the State

Risk Assessment:

The number of State Contact Centers are growing. This Accenture-based technology team now supports the infrastructures of five agencies: Civil Service, ORS, DOS, DHS, and Treasury. In addition, the Department of Natural Resources (DNR) and Department of Community Health (DCH) have approached the team for statements of work. These contact centers' technology facilitate the responses to millions of citizen calls, e-mails and web service requests annually.

Having a single support team increases the opportunity to implement similar and shared infrastructure, acquire expert status on existing infrastructure and chart a strategic course for greater operational efficiencies and monetary savings. The risk of diverging and conflicting technologies, isolated support teams and increased costs are increased if this request is not approved.

Treasury

Treasury's Contact Center technology consists of Siebel, Oracle, Genesys, Interservice, NICE and FileNet software. This technology actually responds directly to calls (Interservice & Genesys), routes work orders (Genesys), manages contacts (Siebel, Oracle) and records calls (NICE) from business and individual taxpayers. If this technology were not maintained by Accenture, Treasury would be forced to decide how many taxpayer calls it could afford to accept, staff to that level, and turn away the remainder of taxpayer calls – well over a million of them. Treasury could no longer respond to all of its incoming calls, would no longer be able to track the different taxpayer contacts, responses would again be based on limited information, and taxpayers would ultimately be ill-served.

DOS

If this technology were not maintained for DOS, staff could no longer automatically route calls, track the different contacts of a driver or vehicle owner, and any single response would be based on the limited information of the single call center representative. Millions of drivers and vehicle owners would be ill-served or not served at all.

Civil Service

For the Department of Civil Service, the Accenture Contact Center support team maintains the MIHR contact center technology. Call representatives respond to 110,000 calls from the over 50,000 employees of the State of MI.

For DMB/ORS, hundreds of thousands of retired public employees call in for assistance calculating, obtaining and managing their retirement payments

DTMB - ORS

DTMB, ORS' Contact Center technology consists of Siebel, Oracle, Genesys and NICE software. This technology actually responds directly to incoming calls (Genesys), routes work orders to the proper DOS office (Genesys), and manages contacts (Siebel) in one database (Siebel, Oracle). If that technology were not maintained, ORS staff could no longer automatically route calls, track the different contacts of an individual retiree (or potential retiree) and any single response would be based on the

limited information of the single call center representative. Millions of callers would be ill-served or not served at all.

DHS

In DHS, Genesys' IVR system software was installed in August, 2009, to handle the spike in number of incoming calls from current and potential recipients of state assistance particularly in the context of the current economic down-turn and high unemployment

PRICE CLAUSE: Fixed

CS-138 #: 084S3000018

COST REDUCTION/SAVINGS CONSIDERATIONS:

Expenditures Avoided: In the short-term, the State would be forced to identify and engage individuals with the specific knowledge of the technologies used in the contact centers from separate consulting firms at significantly increased rates. In the long-term, the State would be forced to hire additional employees and have them trained in the same technologies: primarily Siebel and Genesys. If the technology totally broke down without the prospect of repair, agencies would be forced to drastically reduce service levels to taxpayers, drivers, auto owners, entitlement recipients, and retirees served by self-service functionality and hire additional call representatives.

Check if > \$500,000 for software development, computer hardware acquisition or quality assurance?

AGENCY APPROVALS

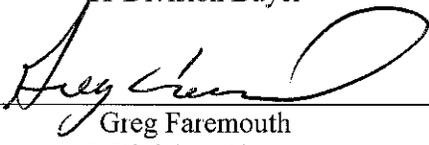
Authorized Agency Representative (printed)
Authorized Agency Representative Signature

Return Information:
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PURCHASING APPROVALS



Pamela Platte
II Division Buyer



Greg Faremouth
II Division Director



Sergio Paneque
Senior Deputy Director,
MDTMB Business Services Administration

Accenture
Contract#: 071B7200210

Revolving Fund

Telecom is using the revolving funds - it is being used to maintain and plan upgrades/enhancements to technology that integrates the movement of voice and data throughout the State. It enables State employees to talk with, and record data from, the State's almost 9 million citizens.

Restricted Funds

Treasury

- Delinquent Tax Revenue Fund

MDOS

- Transportation Admin Collections
- Auto Repair Facilities Fee
- Child Support Clearance Fees
- Drivers Fees
- Expedient Service Fees
- Parking Ticket Court Fines
- Personal Identification Card Fee
- Re-Instatment Fees - Operator License
- Vehicle Theft Prevention Fees
- Administrative Order Process Fees

DCS

- State Restricted Fund

DTMB

- Pension Trust Fund