

# Data Center Services Consolidation Measurement Report



Texas Department of Information Resources

February 27, 2015



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# Executive Summary

## Background

In 2005, the 79th Legislature passed House Bill 1516, directing the Texas Department of Information Resources (DIR) to consolidate agencies' information technology (IT) infrastructure to reduce statewide costs for IT services, modernize aging state infrastructure, and increase overall security and disaster recovery capability. The goal of the legislation was to reduce overall taxpayer costs by consolidating and standardizing IT infrastructure, products, and services across agencies with large IT investments. Additionally, the State sought to achieve reductions in risk associated with disaster recovery, security, backup of critical state data and system assets, and to stay current with best practices that accrue from a public private partnership capability.

In 2006, 29 state agencies were selected and DIR released a request for offer to outsource the management of these agencies' IT infrastructure, while consolidating from over 31 disparate, legacy data centers into two highly secure, redundant data centers in Austin and San Angelo, Texas. With the participation of all designated agencies, DIR entered into a seven-year contract in 2007. In 2010 DIR decided to re-procure and re-structure data center services into a service integration model with multiple Service Component Providers (SCP) and a Multisourcing Service Integrator (MSI) that positioned the state to achieve more flexibility, accountability, and capabilities.

The DCS program currently serves 32 state agencies: 28 designated state agencies with fully managed mainframe, server, and bulk print-mail services, three agencies with email only services, and one agency with print-mail only services. Fully managed services means that DIR and its vendor partners work together to provide all the hardware, software, tools, and technical staff to fully support IT infrastructure. DCS services are available for all Texas state agencies, colleges, and universities, and with the passage of Senate Bill 866 by the 83rd Legislature, DIR is authorized to offer data center services to local entities. These services include disaster recovery, backup, monitoring, security, storage, production control, data center network, architecture design, capacity management, operating system support, hardware refresh, and facilities.

Data center services are a foundational component of technology and, as such, are necessary for every state agency, college, university, and local government. As Texas experiences rapid population and economic growth, state governmental entities must deliver more services with greater efficiency to an increasing number of citizens. As a result, the state is progressively investing in IT infrastructure to accomplish many goals. These goals include more effectively supporting business operations, pursuing cost efficiencies, providing secure and innovative ways for citizens to interact with the State, enhancing the digital experience of government services, and supporting open data initiatives to gain insights into how government works. As governments are challenged to do more with less, the option to outsource their infrastructure becomes increasingly necessary to achieve economies of scale. The DCS program provides a strong foundation for an ever-growing and enhanced set of IT services by enabling state agencies to meet these demands by leveraging the capabilities of a strong technology infrastructure.

## Consolidation Measurement Report

The 83rd legislative session enacted a change to Texas Government Code, Section 2054.062<sup>1</sup> for Information Resources Technology Consolidation requiring DIR to measure and report on financial performance and progress of the data center consolidation effort. The requirements from Texas Government Code 2054.062 are to:

- Develop a method of measuring costs for the DCS consolidation initiative.
- Develop an agreed upon method for collecting and validating data to determine a baseline assessment of costs.
- Evaluate costs and cost savings for consolidation based on the methodology.
- Coordinate assessment with DIR's internal auditor for guidance.
- Develop a method of measuring progress for DCS consolidation initiative.
- Evaluate progress for consolidation initiative.
- Report annually to primary stakeholders.
- Post consolidation reports on DIR website.

The objective of this consolidation measurement report is to address how DIR and the state are accomplishing measures of financial performance for both data center operations and consolidation efforts.

The DCS program's consolidation effort is well underway toward completion of its original targets, with mainframe, print-mail, and service desk services fully consolidated, while the server services have achieved 60% consolidation with the end state target of 75% consolidation.

In order to address the new consolidation cost measurement requirements in Texas Government Code 2054.062, DIR:

- Contracted with Gartner Consulting to develop a methodology to measure costs; and
- Established a working group of agency representatives from the data center services program to review and refine the proposed methodology; and
- Coordinated with DIR's Internal Auditor for guidance.

To establish a comparative, timely, and relevant cost measurement methodology, fiscal year 2014 was designated as the base year of comparison for Gartner's analysis, and, as a result, the base year for this initial report. Overall, financial performance analysis of the base year resulted in a favorable variance in excess of \$2.9 million as compared against fiscal year 2014 Appropriations (reflected in the table below):

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<sup>1</sup> The full reference of the Texas Government Code can be located via the link [Texas Government Code Chapter 2054.062](http://www.statutes.legis.state.tx.us/Docs/GV/htm/GV.2054.htm) or [www.statutes.legis.state.tx.us/Docs/GV/htm/GV.2054.htm](http://www.statutes.legis.state.tx.us/Docs/GV/htm/GV.2054.htm)

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*Table 1. Fiscal Year 2014 Appropriated versus Actual*

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	Appropriated	Actual	Variance
<b>Fiscal Year 2014 Total</b>	\$193,453,955	\$190,535,214	\$2,918,742

*Note: The Appropriated amount for fiscal year 2014 reflects the original amount appropriated directly for DCS services in capital budget appropriations. Unexpended balances remaining in fiscal year 2014 are appropriated for fiscal year 2015 for the same purpose, in accordance with the General Appropriations Act, Article IX, Sec. 14.03.*

This consolidation measurement report provides analysis and insight into the following elements of the DCS program:

1. Baseline assessment of total DCS program spend
  - Actual annual spend versus appropriated amounts at the agency and program level.
  - Actual annual spend by service category.
2. Unit rate impact analysis
  - Analysis of the impact of changes in service volumes to the billable rates and total extended charges.
3. Transition and Transformation investments
  - A financial summary of one-time investments required to transition services and transform the legacy IT environment to improve service and reduce ongoing support costs.
4. DCS consolidation progress
  - Current status of consolidation initiatives.
  - Description of DCS program accomplishments.

The content of this report provides multiple views of the DCS program financial performance as the DCS program is highly complex and has experienced dynamic growth, changes between and among DCS services, and strategic investments to support an ongoing consolidation effort.

## Baseline Assessment of Financial Performance

### Program Performance

For fiscal year 2014, the DCS program is performing favorably against the financial plan. The fiscal year 2014 appropriations to agencies participating in the DCS program was in excess of \$193 million, while actual spend was under \$191 million, i.e., actual spending for fiscal year 2014 was approximately \$2.9 million less than the appropriated amount.

The table below shows the actual fiscal year 2014 expenditures against the fiscal year 2014 appropriations for the main billing categories within the DCS program.

*Table. 2 Enterprise Billing Categories View*

Main Billing Categories	Fiscal Year 2014 Actuals
Mainframe Services	\$36,823,753
Print-Mail Services	\$16,674,925
Server Services	\$50,178,553
Server Storage and Tape Services	\$43,335,420
Server Hardware and Software	\$29,123,250
Transition and Transformation Services	\$10,182,476
Other	\$4,216,836
<b>TOTAL:</b>	<b>\$190,535,214</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$193,453,955</b>
<b>VARIANCE:</b>	<b>\$2,918,742</b>

In fiscal year 2014, the DCS program was managed within the allocated appropriations (1.5% below appropriation expectations). The Detailed Unit Rate Analysis is documented in Appendix B. Individual DCS customer analyses are documented in Appendix C.

The following are high-level descriptions of the main billing categories:

- **Mainframe Services.** The compute processing and storage services for applications hosted on a mainframe computer.
- **Print-Mail Services.** Bulk printing and mailing services that includes printings, mail insertion, and courier services.
- **Server Services.** The compute processing for application and utility services hosted in the consolidated and non-consolidated server environments. Server support DCS customer applications for both internal functions (e.g., financial systems, human resources), as well as applications that directly support and provide services to constituents.
- **Server Storage & Tape Services.** The data storage and backup services for the consolidated and non-consolidated server environments. Data storage includes both the dynamic data used by

DCS customer applications (e.g., financial records, customer databases), as well as static files and images.

- **Server Hardware and Software.** Hardware Service Charge, Software Service Charge, and Rate Card Hours. The Hardware Service Charge (HSC) is for purchases of new servers for DCS customers' dedicated use. The Software Service Charge (SSC) is for specific categories of software procured for DCS customers. Rate Card Hours are for project personnel resources provided on an hourly basis by the service providers.
- **Transition and Transformation Milestones.** Transition services are associated with moving from one outsourced environment to another outsourced environment, including knowledge transfer, process documentation, and wall-to-wall inventory. Transformation services are related to upgrading and consolidating the IT operating environment.
- **Other.** This category captures costs that are not part of any of the above main categories. Examples of some of the costs captured in this category include Database as a Service (DBaaS), Optical Storage capabilities, as well as Co-Location services.

## Fiscal Year 2014 Unit Rate Analysis

This analysis represents the outcomes of the joint efforts between DIR, the DCS Customer working group members, and Gartner related to the resource units for fiscal year 2014.

In evaluating the overall performance of the DCS program, a review of the services that are managed based on volume and unit price (base rate) was conducted. The majority of the services offered by the DCS program are charged on a unit rate basis. An example of a rate-based service is mainframe processing, which uses CPU Hours as a measurement of consumption. In this example, CPU Hours are the units of consumption, or Resource Units (RUs).

The pricing methodology DIR structured with the DCS service providers is a consumption-based, variable price model that is common in the marketplace for outsourced services. The structure provides the state with the flexibility to pay for services consumed, with no fixed price minimum – converting a traditionally capital-intensive infrastructure to a variable-based operating expense. The variable price model applies to approximately 83% of the charges, with the remaining balance paid for on a milestone-based fixed fee schedule for transition and transformation charges and on a pass-through type basis for some hardware and software elements.

One of the benefits of a consumption-based pricing model is the economy of scale related to increased consumption that results in decreasing unit rates. The model is structured using a fixed fee (Base Charge) for fixed volumes of service (Resource Baseline), with variations on fees for volumes above or below the Resource Baseline threshold. The Base Charge includes both fixed and variable charges required to support the Resource Baseline volume while the variable charges reflect only the marginal cost to provide or reduce an incremental unit of service. As a result of the marginal unit cost being lower than the imputed base rate, additional volumes of service create a lower overall unit rate for that service category. In reverse, a reduction in consumption creates a higher overall unit rate as the fixed cost is spread across a lower volume base.

In the DCS program, there are numerous Base Charges and Resource Baselines for each type of service (e.g., Mainframe, Server, Print-Mail); in some cases, these pricing categories are dependent upon location (i.e., Consolidated Data Center versus Non-Consolidated Data Center). As the state anticipates increased consumption of DCS services year-over-year, a consumption based pricing model should be advantageous to the participating agencies. As a part of the financial performance assessment, Gartner assessed the price performance benefit of consumption growth.

The table below shows the variance between the 2014 base rates and the actual rates invoiced. The base rate represents the expected amount the program and customers are contractually obligated to pay for base volumes and is the basis for forecasting expected expenditures. See Appendix A for a complete description of the unit rate analysis methodology.

Table 3. Summary by Resource Unit Group

Rate Based Billing Categories (Included)	Contracted Base Costs	Actuals	Variance
Mainframe Services	\$29,794,008	\$29,446,860	\$347,148
Print-Mail Services	\$16,498,518	\$14,378,425	\$2,120,093
Server Services			
-Consolidated Server	\$24,953,227	\$24,691,067	\$262,160
-Non-Consolidated Server	\$24,171,187	\$23,956,238	\$214,949
-DBaaS	\$1,015,167	\$1,041,781	(\$26,614)
Server Storage & Tape Services			
-Consolidated Server Storage and Tape	\$18,871,315	\$18,896,054	(\$24,738)
-Non-Consolidated Server Storage and Tape	\$24,164,860	\$22,033,833	\$2,131,028
<b>Total:</b>	<b>\$139,468,283</b>	<b>\$134,444,258</b>	<b>\$5,024,025</b>

The above summary demonstrates variability across the DCS program for fiscal year 2014 with a primarily favorable outcome. The two primary drivers of the approximately \$5 million price performance benefit from volume growth are an increase in Print-Mail services due to the inclusion of Office of the Attorney General's Child Support Division's (OAG-CS) print-mail volumes and the organic growth of Server Storage and Tape. Analysis of the each service follows:

- **Mainframe.**
  - Consumption of mainframe services was generally higher than the base rate projection resulting in a favorable variance. The mainframe environment hosts large, legacy applications that are volume sensitive with the changes in population and increases in constituent services, including programs for the Texas Workforce Commission and Health and Human Services Commission.
- **Print-Mail**
  - Print Images were more than double the base volume due to the inclusion of OAG-CS volumes that had previously been exempted from the program.
  - Mail Insertions are about 30% higher than expected volumes, again, primarily as a result of the additional OAG-CS volumes.
- **Consolidated Server**
  - The volume increase of Consolidated Servers drove an overall lower unit cost. Intel server consumption saw growth throughout the year as a result of consolidation, refresh, and new applications. The impact of this increase in volumes in the lower cost Intel environment were offset to a degree by reduced consumption of UNIX servers as agencies migrated to lower cost platforms.
- **Non-Consolidated Server**
  - Non-Consolidated Server volumes increased over the baseline primarily as a result of slower than anticipated server consolidation to the Austin and San Angelo data centers. Although the increased volumes created a lower unit rate, the state would have realized a greater financial benefit if these servers had moved to the Consolidated Data Centers.

- **Consolidated Server Storage and Tape**
  - The unfavorable variance to fiscal year 2014 Base Rates shown on the summary table above is primarily the result of significantly lower volumes in the Consolidated Tape Stored category. Although data storage volumes exceeded the base levels, creating a lower unit rate for SAN storage, the backup environment volumes were below baseline, partially due to improved consumption management through more disciplined backup policies.
- **Non-Consolidated Server Storage and Tape**
  - The reduced unit rates due to increases in volumes over the contract baseline for this RU Group is a result of both organic growth in data storage and backup as well as slower than anticipated server and storage consolidation to the Austin and San Angelo data centers. Although the increased volumes created a lower unit rate, the state would have realized a greater financial benefit if these storage and backup environments had moved to the Consolidated Data Centers.

A more detailed analysis of the results are included in the Appendix A.

## Transition and Transformation

In addition to the consumption based charges that compensate the DCS service providers for day-to-day delivery of IT services, there are also separate transition and transformation (T&T) charges for certain activities and investments that occur during the first forty-eight (months) of the DCS Master Services Agreement (Agreement). These services include the planning and execution of the transition of services from legacy data centers and the previous service provider, as well as investments in the infrastructure to stabilize and consolidate the operations. These one-time T&T activities are charged to the state upon successful completion of defined milestones. Payment of these expenditures, totaling \$96.3 million, are funded through amounts billed to and collected from state agencies on a monthly basis over the life of the Agreements.

The T&T phase of the DCS program is summarized into four initiatives:

- 1. Transition.** The takeover of services from the incumbent service provider with minimal impact on the performance of the operations. Includes knowledge transfer and documentation, as well as, the implementation of service management tools and processes in order to facilitate effective service management when the new service providers take over the operations.
- 2. Stabilization.** Stabilizing the environment. Includes remediating the environment, addressing assets needing immediate refresh, implementing a new backup and recovery solution, and completing a comprehensive inventory.
- 3. Consolidation.** Multi-year effort to complete the migration of servers (and related storage and backup environments) from legacy data centers and agency business offices into consolidated data centers.
- 4. Optimization.** Ongoing improvements to the environment that will benefit the state by reducing costs, improving services, or both.

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*Table 4. Transition and Transformation Charges*

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Initiative	MSI	Server	Mainframe	Print-Mail	Total
<b>Transition</b>	\$12.60	\$29.10	\$5.50	\$0.20	\$47.40
<b>Stabilization</b>	\$5.10	\$10.90			\$16.00
<b>Consolidation</b>	\$2.90	\$21.50			\$24.40
<b>Optimization</b>		\$7.20	\$1.30		\$8.50
<b>Total</b>	<b>\$20.60</b>	<b>\$68.70</b>	<b>\$6.80</b>	<b>\$0.20</b>	<b>\$96.30</b>

*Dollars in millions*

Of the \$96.3 million in T&T charges over the term of the Agreement, \$84.8 million in milestone charges have been approved through the end of fiscal year 2014. The fiscal year 2014 expense for T&T is \$10.2 million. The T&T investments have enabled the state with an ability to provide customer agencies with improved performance and reduced security risk, as well as to facilitate the consolidation of systems and assets into a consolidated data center environment.

## Consolidation Progress

### Consolidation Status

Since its inception in 2007, the DCS program has met many of its objectives, including consolidation of operations from disparate legacy data centers into the two consolidated data centers in Austin and San Angelo. To date, the following consolidation progress has occurred:

- **Mainframe.** 100% consolidated into the two state data centers with full redundancy and tested disaster recovery capability. The consolidation replaced 14 mainframes with seven new machines that have an increased capacity of 6,000 MIPS.
- **Print-Mail.** 100% consolidated providing high speed print and bulk mail technology, resulting in reduced postage rates. The program currently prints over 230 million images annually and mails over 19 million items monthly. In 2013, the Office of the Attorney General's Child Support Division was brought into the program. Their additional print volume lowered unit prices for all participating agencies, saving the state approximately \$1 million the first year.
- **Server.** The end state target for server consolidation is 75% of the designated agencies' servers. The remaining 25% of servers are anticipated to remain non-consolidated to optimize performance and/or cost for select applications. As of January 6, 2015, over 60% of the server environment has been consolidated. This percentage equates to 6,100 servers with over three Petabytes of online storage and over 38 Petabytes longer-term storage. A hardware refresh program is in place to ensure the state's assets remain current and supportable.

In order to achieve the intended financial and technical benefits of data center consolidation, the program must continue to aggressively move servers into the state's data centers.

### DCS Program Progress

DCS customer satisfaction, measured annually by a third party, has improved since the 2012 contract restructure by an increase of 46 percentage points. With the new integrator and service provider structure, numerous service delivery improvements have been achieved:

- Service levels are measured and reported at the program level and at the individual agency level to incent service provider performance and customer satisfaction for each individual agency. Service level credits are assessed at the program level only to achieve lower overall pricing for services and consistent performance for all agencies. All service providers routinely attain rigorous service levels.
- Agencies rate service provider performance on a monthly scorecard to complement the service level measurements and customer satisfaction surveys. These scorecard results show progressive improvement. In 2011, the agencies rated the prior service provider's performance at an average of 1.8 on a 5-point scale. In April 2014, the agencies rated the current service providers' performance at 3.5 (average) on a 5-point scale.
- Security standards and practices have consistently met state and federal audit requirements. The consolidated state data centers have met Criminal Justice Information Security (CJIS), Internal Revenue System, and State Auditor's Office security standards compliance.
- The MSI portal is providing agencies transparency into service provider performance through reports, service level agreement measurements, and process documentation.

- The two consolidated data centers provide higher levels of security, newer technology, and more current software. The average number of critical incidents for the server environment has decreased over 50%, resulting in less time an application is down or unavailable.

## Conclusion

Per Texas Government Code 2054.062, DIR will prepare this Consolidation Measurement Report annually. This first annual report presented multiple views of the financial performance of the DCS program to capture the complexity and dynamic nature of the program, while capturing the progress made towards the consolidation program.

To achieve the intended financial and technical benefits of data center consolidation, the program must continue to move server resources into the state's data centers. The objective is to achieve the 75 percent server consolidation target by August 2016. This aggressive target requires participation and commitment from both the service providers and the agency customers.

## Appendix A – Unit Rate Analysis Methodology<sup>2</sup>

### Methodology

An analysis framework and timeline was established to meet the objectives of Government Code Sec. 2054.062. The framework included establishing a working team that consisted of representatives from the DIR, a representative from each of the DCS five (5) partner groups, representing their agency members, a representative from DIR Internal Audit, and assistance from Gartner, an independent third party consulting firm.

Since this cost measurement effort is not an audit, the role of the DIR Internal Auditor was to provide guidance and advice. Also, this effort was not intended to be a market price evaluation, but a methodology to help address the mandate of Government Code Sec. 2054.062.

The methodology compares the actual enterprise and customer fiscal year 2014 invoiced volumes and charges for services to a base rate. The base rate used represents the expected amount the enterprise and customers are contractually obligated to pay for base volumes and is the basis for forecasting expected expenditures. A comparison of the actual invoiced amounts against the base rate provides one component of the financial performance assessment to help determine if DCS is meeting its objectives.

Customers receive invoices from DIR for DCS services that are primarily (but not exclusively) rate-based. “Rate-based service” refers to a service that has a base charge and base volume for each unit of consumption. For instance, mainframe processing is a rate-based service. Mainframe is invoiced to customers based on consumption of five rate based services or Resource Units (RUs): CPU Hours, CPU hours Specialty Engine, Allocated Application DASD, Application Tapes in Storage VTS, and MF Offsite Tape. For each customer consuming mainframe services, their actual monthly charges are based on the number of units consumed of each RU for a particular month.

For the unit rate analysis, the model takes into consideration approximately 76% (roughly \$145 Million out of \$191 Million) of the total amount invoiced by DIR to its customers. The 76% includes all of the actual invoiced amounts for rate-based services. The remaining 24% (approximately \$45 Million) of the DCS invoice charges do not have a base rate against which to compare, and thus were excluded for comparative purposes. Additional information on included and excluded RUs is contained in the Inclusion/Exclusion of Resource Units section below.

At a customer summary level, this analysis considers what the customer’s actual monthly invoice was, and compares it to a calculated amount that is based on the Base Rate. Actual invoiced amounts have variable rates depending on the actual consumption of RUs at the program level. If consumption is ahead of projections, the actual unit rate that is invoiced will be lower than the Base Rate. Conversely, if program consumption is lower than projected, the actual unit rate invoiced will be higher than the Base Rate.

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<sup>2</sup> Methodology and analysis provided by Gartner for DIR pursuant to DBITS Contract Number DIR-SDD-2042, Engagement 330024351.

## Base Rates

The fiscal year 2014 Base Rate was determined to be the best comparator for the methodology as it reflects initial contracted amounts adjusted for actual variances observed in the consolidation effort. While these rates were established at the current contract inception, they are modified on an annual basis based on consolidation progress. This meets the requirement of the section that “The department shall use the data both in the department's initial cost projections and in any later cost comparison.”

The Base Rate used in this assessment is the average chargeback rate for the fiscal year (in this case fiscal year 2014), excluding inflation factors (Economic Change Adjustment or ECA), for each resource unit calculated by dividing the current year base charges (Attachment 4A of the contract) by the current year base volumes (Attachment 4D of the current contract) for the service component providers (SCP) and the Multisourcing Service Integrator (MSI) and then adding the MSI charges to the SCP rates according to the current chargeback allocation methodology.

The formula for calculating the Base Rate is as follows:

$$(\text{Base Charges from Attachment 4A} / \text{Base Volumes from Attachment 4-D}) + \text{MSI charges}$$

In collaboration with the DCS agencies working team, it was determined that the fiscal year 2014 Base Rates provide the best basis from which to make the comparison against actuals, as the fiscal year 2014 Base Rates reflects initial contracted amounts adjusted for actual variances observed in the consolidation effort.

## Inclusion/Exclusion of Resource Units

The methodology started with the premise that as much of the costs as possible would be included in the analysis. There is a need to be able to make a valid comparison against an outcome to garner meaning for the analysis. Some new RUs that did not have an initial fiscal year 2014 Base Rate, but subsequently had a rate established (i.e. New Service RU) were included, in addition to all the Base Rate RUs. For these RUs (i.e. New Service), in lieu of the fiscal year 2014 Base Rate, the rate for first month the RU was actually invoiced was used as its fiscal year 2014 Base Rate. These RUs include:

- Database as a Service (DBaaS) Rates (Oct 2014)
- Utility Server Instance Rates – a flat rate for certain volume (Sept 2013)
- Consolidated Tape Written – (Sep 2014)

The charges that were excluded (charges without a Base Rate) from this assessment include:

- Co-Location Services
- Rate Card Services
- Server Software Service Charges (New & Renewal)
- Mainframe Software Service Charge (New & Renewal)
- Miscellaneous charges
- Optional Services
- Public Cloud
- Server Monitoring
- Wide Area Network Services (WAAS/WAE)
- Credits

- Service Level Credits
- Custom Waste Credit
- Delivery Point Validation
- Optional Print/Mail Services

## Appendix B – Detailed Unit Rate Analysis<sup>3</sup>

### Mainframe

The Mainframe RU category is made up of five (5) resource units, which include:

- CPU Hours
- CPU Hours Specialty Engine
- Allocated Application DASD
- Application Tapes in Storage VTS
- Mainframe Offsite Tape

**Analysis:** It was observed that Mainframe actual consumption was ahead of the fiscal year 2014 base volume estimates for three of the five resource unit categories. And, CPU Hours, the largest invoicing RU in this grouping, was ahead of the base volume for 9 months in fiscal year 2014. Also, CPU Hours Specialty Engine and Mainframe Offsite Tape volumes were observed to be ahead of expectations for the entire year.

It was also observed that Application Tapes in Storage VTS RU showed an unfavorable result for the year; although this RU began trending up and above expectations for the last two (2) months of fiscal year 2014.

The observed Allocated Application DASD RU was the only RU of this group that was behind expected volumes and trending downward for fiscal year 2014.

The overall observation for the Mainframe RU category was that mainframe processing is growing within the DCS program and, therefore, the supposition would be that this trending should provide for an overall decline of the chargeback rates in this category moving forward.

### Print-Mail

The Print-Mail RU category is made up of three (3) resource units, which include:

- Mail Insertions
- Courier Services
- Print Images

**Analysis:** It was observed that two of the three Print-Mail RUs, Mail Insertions and Print Images, were significantly ahead of base volume estimates for fiscal year 2014 resulting in significantly more favorable variances. And, it was also observed that the only RU in this category that was lower than base volume estimates was for the Courier Services RU.

Similar to the Mainframe RU group, it was observed that customer agencies leveraging the Print-Mail services of the DCS program continue to increase their usage which results in improved chargeback rates for this RU service.

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<sup>3</sup> Methodology and analysis provided by Gartner for DIR pursuant to DBITS Contract Number DIR-SDD-2042, Engagement 330024351.

## Consolidated Server

The Consolidated Server RU category is made of seventeen (17) resource units which include:

- Consolidated Intel Gold
- Consolidated Intel Silver
- Consolidated Intel Bronze
- Consolidated Unix Gold
- Consolidated Unix Silver
- Consolidated Unix Bronze
- Consolidated Email
- Enterprise File/Print
- MO365 – Exchange Plan 1
- MO365 – Exchange Plan 2
- MO365 – Office Suite E1
- MO365 – Office Suite G1
- MO365 – Kiosk Worker Plan 1
- MO365 – Educational Workers A3
- MO365 – Suite E3
- MO365 – Suite G3
- Enhanced Security Hosted Email

**Analysis:** It was observed that overall the Consolidated Server RUs are showing a favorable variance triggered primarily by better than estimated base volumes. However, the observed results of the individual RUs within this category show mixed results. For the Consolidated Intel Server categories, Gold, Silver and Bronze, volumes observed are all higher than the base and therefore show favorable variances. For Consolidated Unix Servers, only Unix Bronze was observed as ahead of volume expectations, resulting in a favorable variance. It was observed that UNIX Gold and Silver are well behind expectations, showing unfavorable variances and trending downward for fiscal year 2014.

The observed volume increases in the Consolidated Server Bronze RU and the decrease in the Gold and Silver RUs is possibly suggestive that customers are moving more toward the Bronze level of service than the higher Unix levels of service. This could also be the result of customer conducted evaluations that concluded with Bronze as a more fit for purpose RU than Gold.

For the utility server categories, which include all of the Microsoft Exchange and Office servers, it was observed that the fluctuation in volumes seems to align with the consolidation of services throughout the agencies leveraging this offering.

## Consolidated Server Storage & Tape

The Consolidated Server Storage & Tape RU category is made of seven (7) resource units, which include:

- Consolidated Tier 1
- Consolidated Tier 2
- Consolidated Tier 3
- Consolidated Tape Shared
- Consolidated Tape Written
- Server Consolidated offsite Tape
- Optical Storage

**Analysis:** It was observed that the Consolidated Server and Storage & Tape RUs for consolidated Tier 1 and Tier 2 storage are well ahead of expected volumes. However, the remaining RUs (Tier 3, Consolidated Tape Stored and Server Consolidated Offsite Tape) in this category are well behind expectations, leading to an overall slightly unfavorable variance.

The observed favorable variances in the Non-Consolidated Server Storage & Tape group is suggestive of one possibility for why there is a reduction in movement toward the consolidated Server Storage & Tape offering of the DCS program.

#### DBaaS (Database as a Service)

The DBaaS RU category is made of eight (8) resource units which include:

- Oracle Exadata Platinum - Small
- Oracle Exadata Gold – Extra Small
- Oracle Exadata Gold – Small
- Oracle Exadata Gold – Medium
- Oracle Exadata Silver – Extra Small
- Oracle Exadata Silver – Small
- Oracle Exadata Silver – Medium
- Optional Additional Advanced Storage

**Analysis:** The observed DCS program’s DBaaS service offering was relatively new in fiscal year 2014. As such, the volumes associated with these RUs were observed to be relatively low. It was also observed that the expectation of this RU volume will progressively grow as these services are increasingly demanded by the customer base.

#### Non-Consolidated Servers

The Non-Consolidated Servers RU category is made of seven (7) resource units. Those include:

- Non-consolidated Intel Gold
- Non-consolidated Intel Silver
- Non-consolidated Intel Bronze
- Non-consolidated Unix Gold
- Non-consolidated Unix Silver
- Non-consolidated Unix Bronze
- Non-consolidated Email Accounts

For the base year, Non-Consolidated Intel Server Bronze volume was observed to be higher than expected, leading to a favorable variance. However, the observed trend in this RU has been downward and by the end of the base year the expected volume was becoming close to expectations. Non-Consolidated Intel Server Silver and Gold were observed to be close to expectations for the year; however, observed volumes were higher in the first half of fiscal year 2014 and trended down with an overall observed reduced number of servers in these RUs than expected. With respect to the Non-Consolidated Intel servers there was an observed overall downward trend throughout the year that reflected volumes below expectations at the end of the fiscal year. It was observed that the base rate for Non-Consolidated Intel servers is trending up which is observed to be encouraging for customers to move to Consolidated Server RUs.

The overall observation in the Non-Consolidated Unix RUs is similar to that of Non-Consolidated Intel Server. More specifically, observed volumes were higher than expected for the first half of the fiscal year, then trended downward until it was observed that at the end of the fiscal year all volumes were below expectations.

#### Non-Consolidated Server Storage & Tape

The Non-Consolidated Server Storage & Tape RU category is made of four (4) resource units. Those include:

- Non-consolidated Dedicated and Shared
- SVR Non-consolidated Offsite Tape
- Non-consolidated Tape Other
- Non-consolidated Tape Stored

It was observed that the Non-Consolidated Server Storage & Tape show a large favorable variance (volumes in these categories are much higher than expected) and this was also observed to be incongruent with the objectives of the DCS program. More specifically, this observation suggests that large volumes within the Non-Consolidated RU category indicates that these volumes are not alternatively moving to the intended Consolidated RUs. This observation indicates that agencies may not have fully realized to date the intended benefits of moving to consolidated categories.

## Appendix C – DCS Customer Analysis<sup>4</sup>

### Department of Aging and Disability Services (DADS)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency's actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$3,039,115
Rate Based Resource Unit-Excluded	\$154,200
HSC/SSC/Rate Card-Excluded	\$362,723
Other Credits-Excluded	(\$2,385)
Transition and Transformation	\$270,372
<b>TOTAL:</b>	<b>\$3,824,025</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$3,749,727</b>
<b>VARIANCE:</b>	<b>(\$74,298)</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU's included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Department of Aging and Disability Services and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	DADS
Mainframe	
Print-Mail	
Consolidated Server	\$5,229
Non-Consolidated Server	\$5,406
Consolidated Server Storage & Tape	\$14,882
Non-consolidated Server Storage & Tape	\$130,149
DBaaS	(\$636)
<b>DADS Net Posture of Summary RU Results</b>	<b>\$155,030</b>

<sup>4</sup> Methodology and analyses provided by Gartner for DIR pursuant to DBITS Contract Number DIR-SDD-2042, Engagement 330024351.

## Department of Assistive and Rehabilitative Services (DARS)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency's actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$1,614,466
Rate Based Resource Unit-Excluded	\$9,397
HSC/SSC/Rate Card-Excluded	\$266,836
Other Credits-Excluded	(\$2,614)
Transition and Transformation	\$317,872
<b>TOTAL:</b>	<b>\$2,205,957</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$2,949,136</b>
<b>VARIANCE:</b>	<b>\$743,180</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU's included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Department of Assistive and Rehabilitative Services and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	DARS
Mainframe	
Print-Mail	
Consolidated Server	(\$1,120)
Non-Consolidated Server	\$1,711
Consolidated Server Storage & Tape	(\$4,965)
Non-consolidated Server Storage & Tape	\$64,402
DBaaS	
<b>DARS Net Posture of Summary RU Results</b>	<b>\$60,028</b>

## Department of Family and Protective Services (DFPS)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency's actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$1,976,454
Rate Based Resource Unit-Excluded	\$16,846
HSC/SSC/Rate Card-Excluded	\$379,427
Other Credits-Excluded	(\$530)
Transition and Transformation	\$242,192
<b>TOTAL:</b>	<b>\$2,614,389</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$3,553,514</b>
<b>VARIANCE:</b>	<b>\$939,125</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU's included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Department of Family and Protective Services and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	DFPS
Mainframe	
Print-Mail	
Consolidated Server	(\$24,357)
Non-Consolidated Server	\$4,730
Consolidated Server Storage & Tape	(\$10,203)
Non-consolidated Server Storage & Tape	\$22,241
DBaaS	
<b>DFPS Net Posture of Summary RU Results</b>	<b>(\$7,589)</b>

## Department of Information Resources - Agency (DIR-A)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency's actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$574,597
Rate Based Resource Unit-Excluded	\$92,073
HSC/SSC/Rate Card-Excluded	\$232,007
Other Credits-Excluded	(\$1,082)
Transition and Transformation	\$70,096
<b>TOTAL:</b>	<b>\$967,692</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$861,193</b>
<b>VARIANCE:</b>	<b>(\$106,499)</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU's included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Department of Information Resources - Agency and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	DIR-A
Mainframe	
Print-Mail	
Consolidated Server	\$6,809
Non-Consolidated Server	
Consolidated Server Storage & Tape	\$2,614
Non-consolidated Server Storage & Tape	\$2,095
DBaaS	(\$1,813)
<b>DIR-A Net Posture of Summary RU Results</b>	<b>\$9,705</b>

## Department of Information Resources – Texas.gov (DIR-TX.gov)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency’s actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$1,261,222
Rate Based Resource Unit-Excluded	\$183,207
HSC/SSC/Rate Card-Excluded	\$314,401
Other Credits-Excluded	(\$5,649)
Transition and Transformation	\$211,220
<b>TOTAL:</b>	<b>\$1,964,402</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$2,666,205</b>
<b>VARIANCE:</b>	<b>\$701,803</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU’s included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Department of Information Resources – Texas.gov and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	DIR-TX.Gov
Mainframe	
Print-Mail	
Consolidated Server	(\$62,614)
Non-Consolidated Server	
Consolidated Server Storage & Tape	\$3,840
Non-consolidated Server Storage & Tape	\$14,778
DBaaS	
<b>DIR-TX.Gov Net Posture of Summary RU Results</b>	<b>(\$43,996)</b>

## Department of State Health Services (DSHS)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency's actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$13,291,342
Rate Based Resource Unit-Excluded	\$18,656
HSC/SSC/Rate Card-Excluded	\$1,074,991
Other Credits-Excluded	(\$14,213)
Transition and Transformation	\$1,090,795
<b>TOTAL:</b>	<b>\$15,461,569</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$16,378,529</b>
<b>VARIANCE:</b>	<b>\$916,960</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU's included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Department of State Health Services and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	DSHS
Mainframe	
Print-Mail	\$543
Consolidated Server	\$53,005
Non-Consolidated Server	\$60,001
Consolidated Server Storage & Tape	(\$17,565)
Non-consolidated Server Storage & Tape	\$217,029
DBaaS	
<b>DSHS Net Posture of Summary RU Results</b>	<b>\$313,013</b>

## Health and Human Services Commission (HHSC)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency's actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$24,207,933
Rate Based Resource Unit-Excluded	\$1,536,894
HSC/SSC/Rate Card-Excluded	\$5,497,273
Other Credits-Excluded	(\$7,208)
Transition and Transformation	\$1,605,273
<b>TOTAL:</b>	<b>\$32,840,165</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$32,854,922</b>
<b>VARIANCE:</b>	<b>\$14,757</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU's included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Health and Human Services Commission and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	HHSC
Mainframe	\$3,220
Print-Mail	\$1,305,843
Consolidated Server	(\$75,074)
Non-Consolidated Server	(\$14,985)
Consolidated Server Storage & Tape	(\$84,446)
Non-consolidated Server Storage & Tape	\$208,409
DBaaS	(\$5,888)
<b>HHSC Net Posture of Summary RU Results</b>	<b>\$1,337,078</b>

## Health Professions Council (HPC)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency's actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$51,841
Rate Based Resource Unit-Excluded	\$94
HSC/SSC/Rate Card-Excluded	\$14,771
Other Credits-Excluded	(\$152)
Transition and Transformation	\$5,584
<b>TOTAL:</b>	<b>\$72,139</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$70,710</b>
<b>VARIANCE:</b>	<b>(\$1,429)</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU's included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Health Professions Council and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	HPC
Mainframe	
Print-Mail	
Consolidated Server	\$1,396
Non-Consolidated Server	
Consolidated Server Storage & Tape	\$173
Non-consolidated Server Storage & Tape	
DBaaS	
<b>HPC Net Posture of Summary RU Results</b>	<b>\$1,569</b>

## Office of the Attorney General – Administration & Legal Division (OAG-AL)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency’s actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$2,974,100
Rate Based Resource Unit-Excluded	(\$48,014)
HSC/SSC/Rate Card-Excluded	\$781,853
Other Credits-Excluded	(\$5,319)
Transition and Transformation	\$217,599
<b>TOTAL:</b>	<b>\$3,920,219</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$3,671,178</b>
<b>VARIANCE:</b>	<b>(\$249,042)</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU’s included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Office of the Attorney General - Administrative & Legal Division and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	OAG-AL
Mainframe	\$1,165
Print-Mail	(\$3,552)
Consolidated Server	(\$32,215)
Non-Consolidated Server	\$1,964
Consolidated Server Storage & Tape	\$35,146
Non-consolidated Server Storage & Tape	\$77,794
DBaaS	
<b>OAG-AL Net Posture of Summary RU Results</b>	<b>\$80,301</b>

## Office of the Attorney General – Child Support Division (OAG-CS)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency’s actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$19,012,593
Rate Based Resource Unit-Excluded	\$1,025,654
HSC/SSC/Rate Card-Excluded	\$6,184,016
Other Credits-Excluded	(\$9,285)
Transition and Transformation	\$856,404
<b>TOTAL:</b>	<b>\$27,069,382</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$27,393,631</b>
<b>VARIANCE:</b>	<b>\$324,249</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU’s included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Office of the Attorney General - Child Support Division and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	OAG-CS
Mainframe	\$3,895
Print-Mail	\$313,979
Consolidated Server	\$129,465
Non-Consolidated Server	\$18,962
Consolidated Server Storage & Tape	\$31,347
Non-consolidated Server Storage & Tape	\$142,076
DBaaS	
<b>OAG-CS Net Posture of Summary RU Results</b>	<b>\$639,723</b>

## Public Utility Commission (PUC)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency's actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$313,640
Rate Based Resource Unit-Excluded	\$4,488
HSC/SSC/Rate Card-Excluded	\$25,449
Other Credits-Excluded	(\$628)
Transition and Transformation	\$37,263
<b>TOTAL:</b>	<b>\$380,213</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$450,826</b>
<b>VARIANCE:</b>	<b>\$70,613</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU's included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Public Utility Commission and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	PUC
Mainframe	
Print-Mail	
Consolidated Server	\$3,612
Non-Consolidated Server	\$333
Consolidated Server Storage & Tape	\$770
Non-consolidated Server Storage & Tape	\$10,138
DBaaS	
<b>PUC Net Posture of Summary RU Results</b>	<b>\$14,853</b>

## Railroad Commission of Texas (RRC)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency's actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$2,492,334
Rate Based Resource Unit-Excluded	\$137,927
HSC/SSC/Rate Card-Excluded	\$1,552,032
Other Credits-Excluded	(\$1,249)
Transition and Transformation	\$232,961
<b>TOTAL:</b>	<b>\$4,414,004</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$3,949,286</b>
<b>VARIANCE:</b>	<b>(\$464,718)</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU's included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Railroad Commission of Texas and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	RRC
Mainframe	(\$309)
Print-Mail	\$1,426
Consolidated Server	\$16,202
Non-Consolidated Server	\$5,531
Consolidated Server Storage & Tape	\$5,601
Non-consolidated Server Storage & Tape	\$33,994
DBaaS	(\$4,292)
<b>RRC Net Posture of Summary RU Results</b>	<b>\$58,153</b>

## Secretary of State (SOS)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency's actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$753,540
Rate Based Resource Unit-Excluded	\$2,997
HSC/SSC/Rate Card-Excluded	\$614,423
Other Credits-Excluded	(\$161)
Transition and Transformation	\$61,944
<b>TOTAL:</b>	<b>\$1,432,742</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$1,628,736</b>
<b>VARIANCE:</b>	<b>\$195,994</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU's included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Secretary of State and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	SOS
Mainframe	
Print-Mail	
Consolidated Server	\$2,069
Non-Consolidated Server	(\$19)
Consolidated Server Storage & Tape	\$2
Non-consolidated Server Storage & Tape	\$11,214
DBaaS	(\$1,813)
<b>SOS Net Posture of Summary RU Results</b>	<b>\$11,453</b>

## Texas Alcoholic Beverage Commission (TABC)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency's actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$297,763
Rate Based Resource Unit-Excluded	\$1,148
HSC/SSC/Rate Card-Excluded	\$77,336
Other Credits-Excluded	(\$2,112)
Transition and Transformation	\$53,791
<b>TOTAL:</b>	<b>\$427,926</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$898,353</b>
<b>VARIANCE:</b>	<b>\$470,427</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU's included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Texas Alcoholic Beverage Commission and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	TABC
Mainframe	
Print-Mail	
Consolidated Server	\$5,496
Non-Consolidated Server	
Consolidated Server Storage & Tape	(\$298)
Non-consolidated Server Storage & Tape	\$1,979
DBaaS	(\$854)
<b>TABC Net Posture of Summary RU Results</b>	<b>\$6,322</b>

## Texas Board of Architectural Examiners (TBAE)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency's actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$3,301
Rate Based Resource Unit-Excluded	\$163
HSC/SSC/Rate Card-Excluded	
Other Credits-Excluded	
Transition and Transformation	
<b>TOTAL:</b>	<b>\$3,464</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$0</b>
<b>VARIANCE:</b>	<b>(\$3,464)</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU's included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Texas Board of Architectural Examiners and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	TBAE
Mainframe	
Print-Mail	
Consolidated Server	\$89
Non-Consolidated Server	
Consolidated Server Storage & Tape	
Non-consolidated Server Storage & Tape	
DBaaS	
<b>TBAE Net Posture of Summary RU Results</b>	<b>\$89</b>

## Texas Commission on Environmental Quality (TCEQ)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency's actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$7,514,030
Rate Based Resource Unit-Excluded	\$17,031
HSC/SSC/Rate Card-Excluded	\$1,660,833
Other Credits-Excluded	(\$7,270)
Transition and Transformation	\$669,285
<b>TOTAL:</b>	<b>\$9,853,909</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$10,840,479</b>
<b>VARIANCE:</b>	<b>\$986,571</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU's included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Texas Commission on Environmental Quality and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	TCEQ
Mainframe	
Print-Mail	
Consolidated Server	\$40,354
Non-Consolidated Server	(\$10,628)
Consolidated Server Storage & Tape	(\$18,290)
Non-consolidated Server Storage & Tape	\$38,479
DBaaS	
<b>TCEQ Net Posture of Summary RU Results</b>	<b>\$49,915</b>

## Texas Department of Agriculture (TDA)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency's actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$24,350
Rate Based Resource Unit-Excluded	\$1,017
HSC/SSC/Rate Card-Excluded	
Other Credits-Excluded	
Transition and Transformation	
<b>TOTAL:</b>	<b>\$25,367</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$22,978</b>
<b>VARIANCE:</b>	<b>(\$2,389)</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU's included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Texas Department of Agriculture and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	TDA
Mainframe	
Print-Mail	\$3,595
Consolidated Server	
Non-Consolidated Server	
Consolidated Server Storage & Tape	
Non-consolidated Server Storage & Tape	
DBaaS	
<b>TDA Net Posture of Summary RU Results</b>	<b>\$3,595</b>

## Texas Department of Criminal Justice (TDCJ)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency's actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$8,549,188
Rate Based Resource Unit-Excluded	\$116,094
HSC/SSC/Rate Card-Excluded	\$471,495
Other Credits-Excluded	(\$2,952)
Transition and Transformation	\$536,350
<b>TOTAL:</b>	<b>\$9,670,175</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$11,656,545</b>
<b>VARIANCE:</b>	<b>\$1,986,370</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU's included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Texas Department of Criminal Justice and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	TDCJ
Mainframe	\$151,305
Print-Mail	\$16,161
Consolidated Server	(\$1,666)
Non-Consolidated Server	\$24,346
Consolidated Server Storage & Tape	(\$855)
Non-consolidated Server Storage & Tape	\$40,935
DBaaS	
<b>TDCJ Net Posture of Summary RU Results</b>	<b>\$230,226</b>

## Texas Department of Insurance (TDI)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency's actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$2,507,597
Rate Based Resource Unit-Excluded	\$201,354
HSC/SSC/Rate Card-Excluded	\$899,898
Other Credits-Excluded	(\$1,900)
Transition and Transformation	\$197,930
<b>TOTAL:</b>	<b>\$3,804,879</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$3,787,004</b>
<b>VARIANCE:</b>	<b>(\$17,875)</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU's included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Texas Department of Insurance and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	TDI
Mainframe	
Print-Mail	\$21,437
Consolidated Server	\$5,866
Non-Consolidated Server	\$3,228
Consolidated Server Storage & Tape	\$2,187
Non-consolidated Server Storage & Tape	\$16,649
DBaaS	
<b>TDI Net Posture of Summary RU Results</b>	<b>\$49,366</b>

## Texas Department of Licensing and Regulation (TDLR)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency's actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$322,429
Rate Based Resource Unit-Excluded	\$5,113
HSC/SSC/Rate Card-Excluded	\$133,164
Other Credits-Excluded	(\$595)
Transition and Transformation	\$46,346
<b>TOTAL:</b>	<b>\$506,457</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$485,970</b>
<b>VARIANCE:</b>	<b>(\$20,487)</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU's included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Texas Department of Licensing and Regulation and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	TDLR
Mainframe	
Print-Mail	
Consolidated Server	\$6,662
Non-Consolidated Server	\$247
Consolidated Server Storage & Tape	\$986
Non-consolidated Server Storage & Tape	\$6,270
DBaaS	
<b>TDLR Net Posture of Summary RU Results</b>	<b>\$14,165</b>

## Texas Education Agency (TEA)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency's actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$7,057,977
Rate Based Resource Unit-Excluded	\$119,577
HSC/SSC/Rate Card-Excluded	\$3,622,468
Other Credits-Excluded	(\$2,350)
Transition and Transformation	\$595,466
<b>TOTAL:</b>	<b>\$11,393,138</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$11,244,179</b>
<b>VARIANCE:</b>	<b>(\$148,959)</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU's included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Texas Education Agency and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	TEA
Mainframe	
Print-Mail	\$144
Consolidated Server	\$52,367
Non-Consolidated Server	(\$69,724)
Consolidated Server Storage & Tape	\$14,383
Non-consolidated Server Storage & Tape	\$104,974
DBaaS	(\$9,976)
<b>TEA Net Posture of Summary RU Results</b>	<b>\$92,168</b>

## Texas Facilities Commission (TFC)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency's actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$114,105
Rate Based Resource Unit-Excluded	\$23,847
HSC/SSC/Rate Card-Excluded	\$13,967
Other Credits-Excluded	(\$208)
Transition and Transformation	\$18,390
<b>TOTAL:</b>	<b>\$170,101</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$175,528</b>
<b>VARIANCE:</b>	<b>\$5,428</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU's included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Texas Facilities Commission and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	TFC
Mainframe	
Print-Mail	
Consolidated Server	\$1,678
Non-Consolidated Server	\$454
Consolidated Server Storage & Tape	\$498
Non-consolidated Server Storage & Tape	\$1,431
DBaaS	
<b>TFC Net Posture of Summary RU Results</b>	<b>\$4,061</b>

## Texas Higher Education Coordinating Board (THECB)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency's actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$1,279,736
Rate Based Resource Unit-Excluded	\$54,185
HSC/SSC/Rate Card-Excluded	\$256,871
Other Credits-Excluded	(\$1,690)
Transition and Transformation	\$105,722
<b>TOTAL:</b>	<b>\$1,694,823</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$1,844,534</b>
<b>VARIANCE:</b>	<b>\$149,710</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU's included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Texas Higher Education Coordinating Board and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	THECB
Mainframe	
Print-Mail	\$13,850
Consolidated Server	\$6,067
Non-Consolidated Server	\$1,131
Consolidated Server Storage & Tape	(\$21)
Non-consolidated Server Storage & Tape	\$19,543
DBaaS	
<b>THECB Net Posture of Summary RU Results</b>	<b>\$40,571</b>

## Texas Juvenile Justice Department (TJJD)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency's actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$1,752,576
Rate Based Resource Unit-Excluded	\$27,076
HSC/SSC/Rate Card-Excluded	\$526,150
Other Credits-Excluded	(\$1,128)
Transition and Transformation	\$113,132
<b>TOTAL:</b>	<b>\$2,417,806</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$1,965,871</b>
<b>VARIANCE:</b>	<b>(\$451,936)</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU's included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Texas Juvenile Justice Department and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	TJJD
Mainframe	\$387
Print-Mail	
Consolidated Server	\$8,740
Non-Consolidated Server	\$971
Consolidated Server Storage & Tape	(\$14,183)
Non-consolidated Server Storage & Tape	\$43,870
DBaaS	
<b>TJJD Net Posture of Summary RU Results</b>	<b>\$39,785</b>

## Texas Military Department (TMD)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency's actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$9,574
Rate Based Resource Unit-Excluded	\$325
HSC/SSC/Rate Card-Excluded	
Other Credits-Excluded	
Transition and Transformation	
<b>TOTAL:</b>	<b>\$9,899</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$0</b>
<b>VARIANCE:</b>	<b>(\$9,899)</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU's included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Texas Military Department and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	TMD
Mainframe	
Print-Mail	
Consolidated Server	\$277
Non-Consolidated Server	
Consolidated Server Storage & Tape	
Non-consolidated Server Storage & Tape	
DBaaS	
<b>TMD Net Posture of Summary RU Results</b>	<b>\$277</b>

## Texas Parks and Wildlife Department (TPWD)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency's actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$2,154,072
Rate Based Resource Unit-Excluded	\$69,014
HSC/SSC/Rate Card-Excluded	\$1,770,809
Other Credits-Excluded	(\$931)
Transition and Transformation	\$294,122
<b>TOTAL:</b>	<b>\$4,287,085</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$3,960,202</b>
<b>VARIANCE:</b>	<b>(\$326,883)</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU's included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Texas Parks and Wildlife Department and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	TPWD
Mainframe	
Print-Mail	
Consolidated Server	\$2,178
Non-Consolidated Server	(\$8,039)
Consolidated Server Storage & Tape	(\$236)
Non-consolidated Server Storage & Tape	\$48,823
DBaaS	(\$1,343)
<b>TPWD Net Posture of Summary RU Results</b>	<b>\$41,383</b>

## Texas State Library and Archives Commission (TSLAC)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency's actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$280,277
Rate Based Resource Unit-Excluded	(\$331)
HSC/SSC/Rate Card-Excluded	\$6,781
Other Credits-Excluded	(\$1,353)
Transition and Transformation	\$26,319
<b>TOTAL:</b>	<b>\$311,693</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$379,452</b>
<b>VARIANCE:</b>	<b>\$67,759</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU's included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Texas State Library and Archives Commission and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	TSLAC
Mainframe	
Print-Mail	
Consolidated Server	\$2,584
Non-Consolidated Server	\$454
Consolidated Server Storage & Tape	\$837
Non-consolidated Server Storage & Tape	\$1,624
DBaaS	
<b>TSLAC Net Posture of Summary RU Results</b>	<b>\$5,498</b>

## Texas Veterans Commission (TVC)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency's actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$47,602
Rate Based Resource Unit-Excluded	\$1,879
HSC/SSC/Rate Card-Excluded	\$7,864
Other Credits-Excluded	(\$34)
Transition and Transformation	\$1,861
<b>TOTAL:</b>	<b>\$59,172</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$67,550</b>
<b>VARIANCE:</b>	<b>\$8,377</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU's included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Texas Veterans Commission and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	TVC
Mainframe	
Print-Mail	
Consolidated Server	\$1,655
Non-Consolidated Server	
Consolidated Server Storage & Tape	\$109
Non-consolidated Server Storage & Tape	\$667
DBaaS	
<b>TVC Net Posture of Summary RU Results</b>	<b>\$2,430</b>

## Texas Workforce Commission (TWC)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency's actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$15,855,800
Rate Based Resource Unit-Excluded	\$359,093
HSC/SSC/Rate Card-Excluded	\$2,980,120
Other Credits-Excluded	(\$2,272)
Transition and Transformation	\$747,689
<b>TOTAL:</b>	<b>\$19,940,430</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$22,844,821</b>
<b>VARIANCE:</b>	<b>\$2,904,391</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU's included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Texas Workforce Commission and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	TWC
Mainframe	\$166,907
Print-Mail	\$344,865
Consolidated Server	\$37,231
Non-Consolidated Server	\$6,182
Consolidated Server Storage & Tape	\$20,836
Non-consolidated Server Storage & Tape	\$20,709
DBaaS	
<b>TWC Net Posture of Summary RU Results</b>	<b>\$596,730</b>

## Texas Water Development Board (TWDB)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency's actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$997,204
Rate Based Resource Unit-Excluded	\$14,677
HSC/SSC/Rate Card-Excluded	\$76,273
Other Credits-Excluded	(\$1,179)
Transition and Transformation	\$106,652
<b>TOTAL:</b>	<b>\$1,193,627</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$1,936,140</b>
<b>VARIANCE:</b>	<b>\$742,513</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU's included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Texas Water Development Board and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	TWDB
Mainframe	
Print-Mail	
Consolidated Server	\$707
Non-Consolidated Server	\$1,362
Consolidated Server Storage & Tape	\$168
Non-consolidated Server Storage & Tape	\$49,962
DBaaS	
<b>TWDB Net Posture of Summary RU Results</b>	<b>\$52,199</b>

## Texas Department of Motor Vehicles (TXDMV)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency's actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$4,081,283
Rate Based Resource Unit-Excluded	\$25,109
HSC/SSC/Rate Card-Excluded	\$788,847
Other Credits-Excluded	(\$2,412)
Transition and Transformation	\$188,159
<b>TOTAL:</b>	<b>\$5,080,986</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$3,808,156</b>
<b>VARIANCE:</b>	<b>(\$1,272,830)</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU's included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Texas Department of Motor Vehicles and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	TxDMV
Mainframe	\$8,536
Print-Mail	\$101,803
Consolidated Server	\$21,582
Non-Consolidated Server	\$3,829
Consolidated Server Storage & Tape	\$8,478
Non-consolidated Server Storage & Tape	\$26,271
DBaaS	
<b>TxDMV Net Posture of Summary RU Results</b>	<b>\$170,499</b>

## Texas Department of Transportation (TXDOT)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency's actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$16,020,767
Rate Based Resource Unit-Excluded	\$575,220
HSC/SSC/Rate Card-Excluded	\$4,662,064
Other Credits-Excluded	(\$6,835)
Transition and Transformation	\$1,261,685
<b>TOTAL:</b>	<b>\$22,512,901</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$17,358,599</b>
<b>VARIANCE:</b>	<b>(\$5,154,302)</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU's included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Texas Department of Transportation and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	TxDOT
Mainframe	\$12,042
Print-Mail	
Consolidated Server	\$47,842
Non-Consolidated Server	\$177,503
Consolidated Server Storage & Tape	(\$16,533)
Non-consolidated Server Storage & Tape	\$774,523
DBaaS	
<b>TxDOT Net Posture of Summary RU Results</b>	<b>\$995,377</b>

## Texas Racing Commission (TXRC)

The tables below provide different views of agency performance.

The first view is fiscal year 2014 Appropriation versus actuals with a variance. A positive variance for this view indicates the agency's actual spend was less than the fiscal year 2014 Appropriations amount and a negative variance indicates that the actual spend was more than fiscal year 2014 Appropriation. Subject to the limitations contained within the General Appropriations Act, Article IX, Sec. 14.03, agencies have varying levels of authority to address amounts spent in excess or less than the individual DCS capital budget line item amounts.

Fiscal Year 2014	Actuals
Rate Based Resource Unit-Included	\$4,078
Rate Based Resource Unit-Excluded	\$396
HSC/SSC/Rate Card-Excluded	
Other Credits-Excluded	
Transition and Transformation	
<b>TOTAL:</b>	<b>\$4,474</b>
<b>TOTAL APPROPRIATION:</b>	<b>\$0</b>
<b>VARIANCE:</b>	<b>(\$4,474)</b>

**Note:** See the Inclusion/Exclusion of Resource Units in Appendix B of this report for additional information related to costs/volumes included and excluded from the Unit rate Analysis below.

The second view provides a summary of results for each of the RU's included within the Unit Rate Analysis Methodology defined and described within this report. These results are specific to the Texas Racing Commission and do not include any recovery fees that are seen in the agency invoices. A positive variance for this view indicates the agency financially benefited from unit rates that were lower than the base rate, while a negative variance reflects unit rates higher than base rates.

Summary by RU Group	TXRC
Mainframe	
Print-Mail	
Consolidated Server	\$48
Non-Consolidated Server	
Consolidated Server Storage & Tape	
Non-consolidated Server Storage & Tape	
DBaaS	
<b>TXRC Net Posture of Summary RU Results</b>	<b>\$48</b>

## Appendix D – Definition of Terms

Term	Definition
Agreement	Master Services Agreement for the Data Center Services program
Base Rate	The average chargeback rate for the fiscal year (in this case fiscal year 2014), excluding inflation factors, for each resource unit calculated by dividing the current year base charges (Attachment 4A of the DCS Agreement) by the current year base volumes (Attachment 4D of the current DCS Agreement) for the service component providers (SCP) and the Multisourcing Service Integrator (MSI) and then adding the MSI charges to the SCP rates according to the current chargeback allocation methodology.
CPU	Central Processing Unit
DASD	Direct Attached Storage Device
DBaaS	Database as a Service – This service is a derivative of platform as a service. For DCS, it represents the Oracle database and hardware cost in consolidated server solutions
DCS	Data Center Services, a DIR program offering data center services to agencies
DIR	Texas Department of Information Resources
Favorable Variance	Refers to the difference between planned or expected cost to actual cost. A favorable variance indicates the actual cost is less than the planned or expected cost.
Fiscal Year	Fiscal Year, fiscal year 14 is the Texas state fiscal year which runs from September 1, 2013 through August 31, 2014
HSC	Hardware Service Charge
IT	Information Technology
MIPS	Million Instructions per Second
Oracle Exadata Solution	Hardware costs associated with the Oracle database as a service solution.
MSI	Multisourcing Service Integrator
Multisourcing Service Integrator	A third-party service provider that coordinates and integrates the service delivery in an environment that uses multiple internal and external service providers for the delivery of IT and business process services.
Rate Based Services	DCS services that are charged to agencies based on a contracted rate and consumption level.
Resource Unit	The unit of measure for the rate based services.
SSC	Software Service Charge
SVR	Server
T&T	See Transition and Transformation
Transition and Transformation	As used in this document, Transition costs are associated with moving from one outsourced environment to another outsourced environment. Transformation costs are the costs associated with upgrading the IT operating environment.
Unfavorable Variance	Refers to the difference between planned or expected cost to actual. An unfavorable variance indicates the actual cost is more than the planned or expected cost.

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Lara Coffey	Texas Education Agency	Partner Group 5