December 2016

Iowa Communications Network

Fiscal Year 2016 Performance Report

Table of Contents

Section	Page

Introduction

I am pleased to present the Iowa Communications Network's (ICN) Performance Report for fiscal year 2016 (July 1, 2015 – June 30, 2016), as required under Iowa Code section 8E.210. The report contains key information about how well the ICN has supported the State of Iowa in providing advanced telecommunications services to authorized users of the Network.

The ICN continues to collaborate and work with partners throughout the state to support and encourage the broadband conversation in Iowa.

The ICN will stay true to its mission of providing strong, flexible, and fast telecommunications services to its users.

Ric Lumbard
Executive Director

Overview

ICN Vision
Broadband Strong

ICN Mission
Deliver Strong, Flexible and Fast broadband services and experiences to ICN customers.

Mandates:
    STRONG: Resilient, Valuable, Secure and Reliable
    FLEXIBLE: Efficient, Dynamic and Customer Friendly
    FAST: Transport, Services, Systems and Customer Experiences

Major Goals
    GOAL 1: A Protected, Secure and Situationally Aware Production Environment
    GOAL 2: An Efficient Engineering Systems Environment
    GOAL 3: An Engaged, Strategic and Compliant Cyber Environment
    GOAL 4: A Margin Managed and Optical Financial Environment
    GOAL 5: Provide Customer Facing Customer Broadband Growth Solutions and Establish Broadband Poverty
        Remedies
    GOAL 6: Aggressive Shift to Implement Flexible Internal Systematic Approaches
    GOAL 7: Create Flexible and Fast Customer Broadband Service Delivery Experiences

Key Services, Products, and/or Activities
The Iowa Communications Network (ICN) is the country's premier distance learning and state government broadband carrier network, committed to providing Iowa strong broadband solutions for the education, government, public safety, and healthcare sectors of Iowa. ICN provides high-speed flexible broadband Internet, data, video conferencing, voice (phone), security, and consulting services to authorized users.

Agency Customers
- Accredited K-12 school districts and private schools
- Accredited public and private colleges and technical educational institutions
- State government agencies
- Federal government agencies
- United States Postal Service
- Hospitals and physician clinics (video and data services only)
- Public libraries

Stakeholders
The taxpayers of the State of Iowa.

Budget
The ICN does not receive any General Fund appropriations from the Iowa Legislature for operational support. Revenue is received from authorized and certified users for the telecommunications services provided. The agency currently has 101.9 authorized FTE's for 105 positions (one Iowa Telecommunications and Technology members counts as 0.2 FTE, the other four ITTC count as 1.0 FTE each, one part-time position counts as 0.2 FTE and two intern positions count as 0.25 FTE's each).

At the end of Fiscal Year 2016, there were 84 non-Commission FTEs filled plus five positions including Commission Members.

Agency FY 2016 Performance Plan Results

Name of Agency: Iowa Communications Network

Agency Mission: Through Iowa's broadband infrastructure and partnerships, broker access for Iowans to acquire the highest quality education, medical, judicial, and governmental telecommunications services.

Core Function: Public Broadcast and Telecommunication Services

Performance Measure (Outcome)	Performance Target	Performance Actual	Performance Comments & Analysis
1. To provide management of advanced telecommunications services meeting or exceeding authorized users' expectations in partnership with the private industry.	85% of customers surveyed indicate satisfaction with the ICN Service Desk/Network Operations Center (NOC) experience. 80% of the respondents indicate some level satisfaction with the following ICN Services: Voice Video Data Internet	91.86% 97.96% 94.00% 92.86% 92.70%	**What Occurred:** These measures indicate customer satisfaction with various functions involved in the delivery of ICN services. Most areas of customer satisfaction met or exceeded the target and indicated an increase in satisfaction from the previous year. ICN continually works to improve the communications to customers regarding the status of their orders and scheduled installations. **Data Source:** ICN utilizes a survey tool that ensures anonymity is retained and assists in creation and analysis of the survey.

Data, Video and Voice Order Performance Budget Org #0645336 ADMN & OTHR

Performance Measure	Performance Target	Performance Actual	Performance Comments & Analysis
1. Percent of customer orders completed on or before the due date.	95%	77.0%	**What Occurred:** Due to expiration of contracts between ICN and both CenturyLink and Windstream, that had been utilized for established data circuit connectivity and pricing, requests were each individually processed for quotes to carriers in addition to orders that were already in process for Move, Add, and Change (MAC). Additional orders for circuit quotes required involvement from the same carrier account staff creating a backlog of orders that were to have been processed per our standard delivery intervals. Weekly meetings with both carriers now occurring to improve communications on status of orders for prioritization and escalation.

			Data Source: Request for Service System and HP Service Desk
2. Percent of invoices delivered by the fifth day of each month.	**95%**	97%	**What Occurred:** Invoices were delivered electronically by the 5th business day of each month, issued by the ICN Finance Bureau. The Finance Bureau strives to deliver invoices in a timely manner. **Data Source:** ICN Billing System
3. Percent of error free invoices delivered each month.	**85%**	98%	**What Occurred:** Invoices were delivered to customers electronically by the Finance Bureau without errors. **Data Source:** ICN Billing System
4. ICN's monthly quick ratio	**1.5**	3.6	**What Occurred:** The ICN was able to exceed the target goal and use the near cash/quick assets to extinguish or retire its current liabilities immediately. **Data Source:** ICN Finance System
Data, Video and Voice Network Management Activity Budget Org #0645336 ENGINEERING AND OPERATIONS/BUSINESS SERVICES			
Performance Measure	**Performance Target**	**Performance Actual**	**Performance Comments & Analysis**
1. Percent of error free designed circuits	**90%**	94.9%	**What Occurred**: With transitioning to a single source/database, the errors or redlined orders were reduced by almost 10% from the previous year. **Data Source:** ICN Engineering and Business Services

# Iowa Communications Network Performance Report
Fiscal Year 2016

Customer Satisfaction

Description: Measurement of how well the ICN is meeting or exceeding the expectations of authorized users when delivering advanced telecommunications services.

Why we are doing this: To ensure that authorized users are receiving the level of services that they require to meet and exceed their missions.

What we are doing to achieve results: Continually working to improve communications with ICN customers.

Customer Satisfaction Results

Customer Satisfaction

Service	FY 15	FY 16
Voice	96.8%	97.96%
Video	95.5%	94.00%
Data	95.4%	92.86%
Internet	96.1%	92.70%
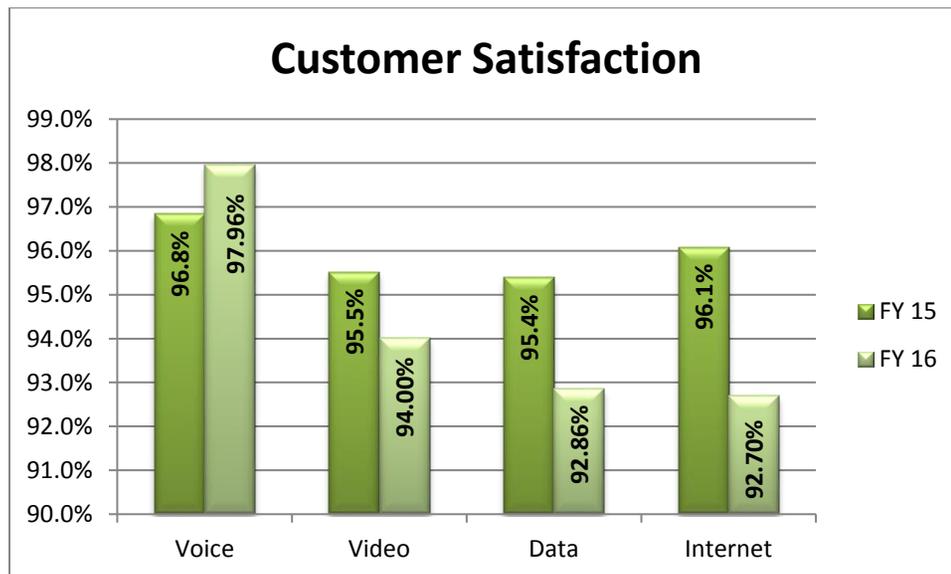
Performance Measure:
Percentage of customers (authorized users) surveyed who are satisfied with ICN services.

Performance Goal:
80 percent satisfaction with ICN service performance.

What was achieved? The ability to provide targeted or greater level of customer satisfaction to customers. ICN users expressed over 85 percent satisfaction in all four of the areas.

Sources: This information was gathered from ICN authorized users using an anonymous electronic survey tool reflected in the annual ICN Customer Survey.

Resources used: ICN Customer Survey

Customer Billing

Description: Measurement of the ICN's ability to deliver bills in a timely and accurate manner.

Why we are doing this: To provide customers with information for timely reconciliation as well as improving the ICN's cash flow.

What we are doing to achieve results: The ICN has developed automated audit processes to ensure customers are only being billed for services received.

Customer Billing Results

Performance Measure:
Distribute ICN's e-bills by the 5th business day of the month. This enables authorized users to pay for their services in a timely manner.
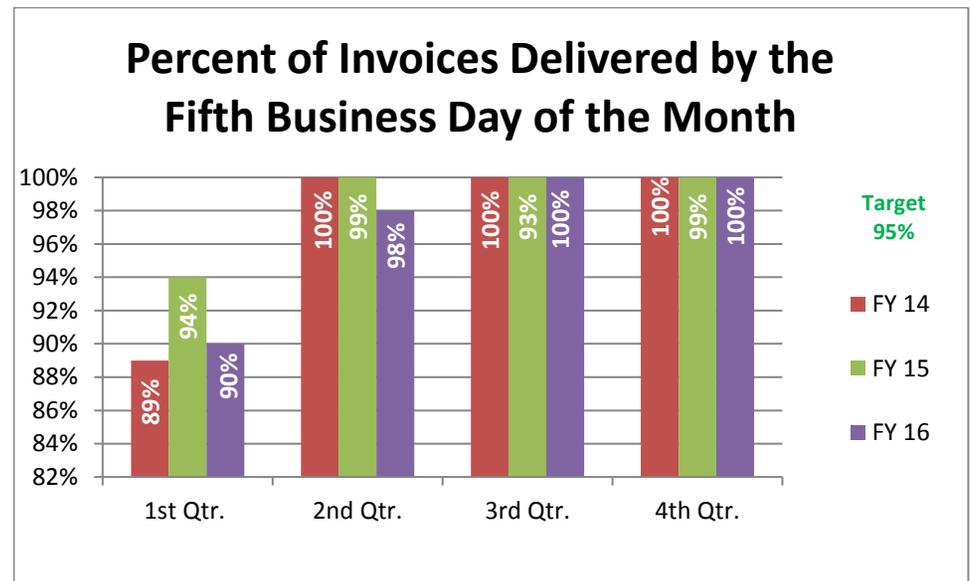
Performance Goal/Target:
Distribute 95 percent of monthly invoices no later than the 5th business day of each month with all invoices being delivered electronically.

What was achieved?
The billing team continues to perform well. Included on the right is a chart indicating the billing date performance for this fiscal year as compared to previous years. It should be noted that July's billing cycle will continually not meet the target, since finance closes out the FY with the Period 13 billing cycle before closing out the first cycle of the new FY.

Data Source: ICN Billing System

Percent of Invoices Delivered by the Fifth Business Day of the Month

	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
FY 14	89%	100%	100%	100%
FY 15	94%	99%	93%	99%
FY 16	90%	98%	100%	100%

Target 95%

Customer Orders Completed

Description: Development of a formal process when new service is considered for sale to customers. The course of action includes a guide describing the development process of new services.

Why we are doing this: Customer satisfaction and exceeding expectations is imperative in the delivery of new voice and data services to ICN customers. Services need to be delivered in a timely manner, so Iowa citizens can be served by state government efficiently and effectively.

What we are doing to achieve results: There is a minimum goal to have 95 percent of projects completed by the negotiated due dates. The ICN monitors the delivery and reliability of all services on a daily basis. The information is reviewed by management bimonthly, and opportunities for improvement are identified. All projects, no matter the size, are given the same attention to timeliness.

Customer Orders Completed Results

Performance Measures:
- A percentage combination of the total number of voice orders and the total number of data orders meeting standards.
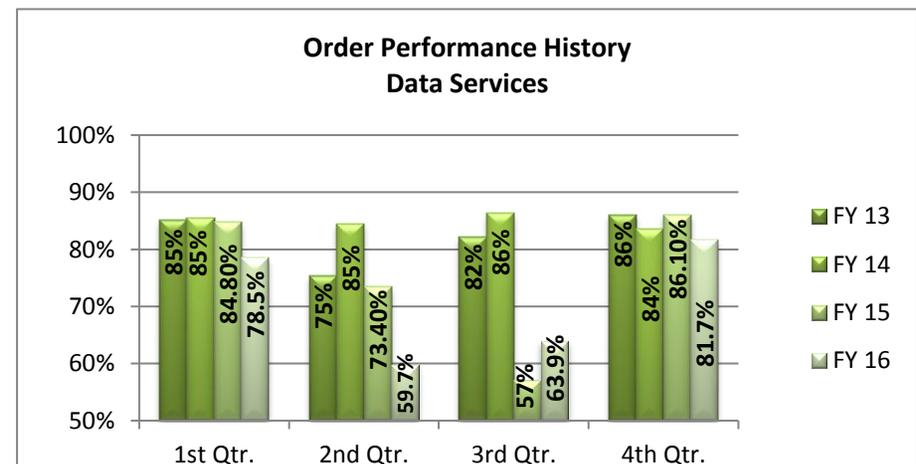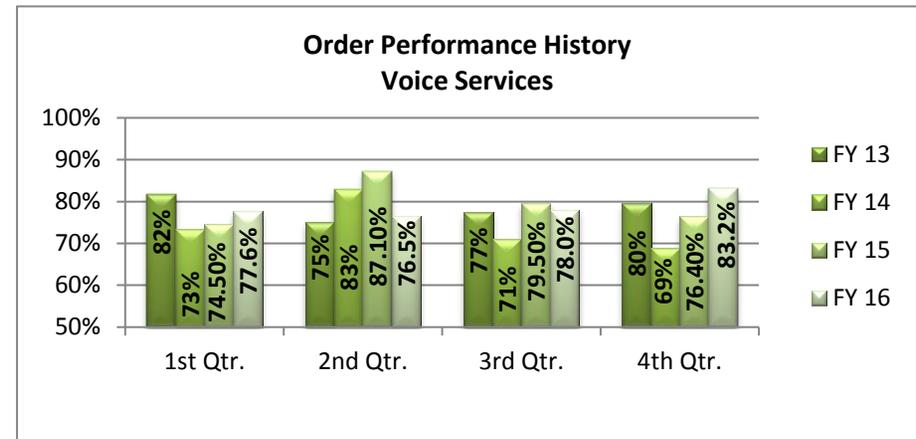
Performance Goals/Targets:
- 95% of Voice and Data services delivered within the customer negotiated service install date.

What Occurred:
Due to expiration of contracts between ICN and both CenturyLink and Windstream, that had been utilized for established data circuit connectivity and pricing, requests were each individually processed for quotes to carriers in addition to orders that were already in process for Move, Add, and Change (MAC). Additional orders for circuit quotes required involvement from the same carrier account staff creating a backlog of orders that were to have been processed per our standard delivery intervals. Weekly meetings with both carriers now occurring to improve communications on status of orders for prioritization and escalation.

Sources: This information was gathered from an automated service request and workflow system.

Resources Used: Request for Service System and HP Service Desk.

Order Performance History — Voice Services

	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
FY 13	82%	75%	77%	80%
FY 14	73%	83%	71%	69%
FY 15	74.50%	87.10%	79.50%	76.40%
FY 16	77.6%	76.5%	78.0%	83.2%

Order Performance History — Data Services

	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
FY 13	85%	75%	82%	86%
FY 14	85%	85%	86%	84%
FY 15	84.80%	73.40%	57%	86.10%
FY 16	78.5%	59.7%	63.9%	81.7%

Error Free Designed Circuits

Description: Percentage of error-free circuits that are processed through the ICN Engineering Bureau.

Why we are doing this: While there are many other issues that affect rework, including customer changes at the time of install and bad ports that are unknown prior to install, ICN Engineering could have a positive effect on the number of avoidable errors in designs. Not all re-work is due to an error in engineering, so a review of all items requiring rework is necessary to determine the actual engineering error rate. The fewer errors, the faster the services can be installed and the less rework required, ultimately providing more time to design other services.

What we are doing to achieve results: This is monitored on a monthly basis to determine if any pervasive issues exist – new services, particular equipment, etc.

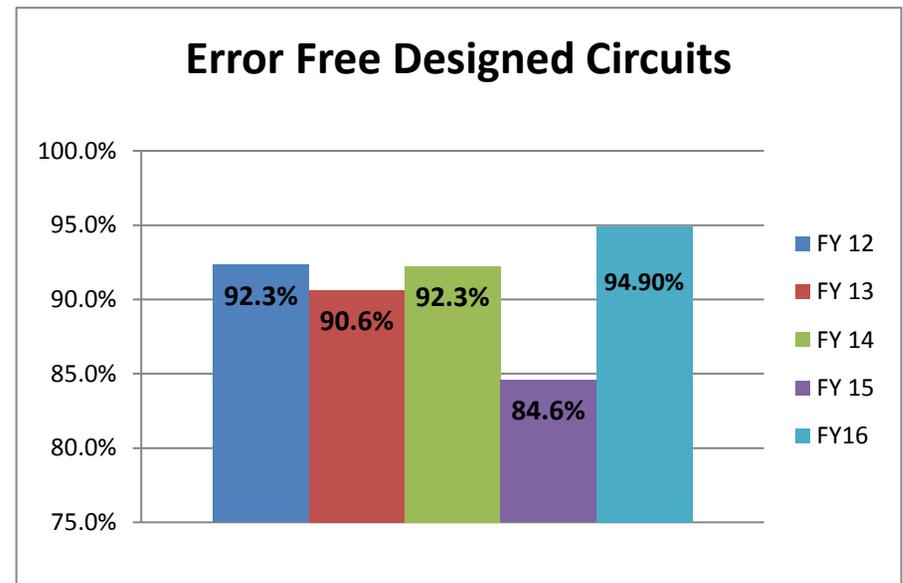## ICN Error Free Designed Circuits

Performance Measures:
- Circuits designed that are error-free

Performance Goals/Targets:

- 90% of circuits designed are error-free.

Data Sources:
ICN errors reported and ICN Engineering review.

Error Free Designed Circuits

Bar chart showing Error Free Designed Circuits by fiscal year:
- FY 12: 92.3%
- FY 13: 90.6%
- FY 14: 92.3%
- FY 15: 84.6%
- FY16: 94.90%

Agency Contact

Copies of Iowa Communication Network's Performance Report are available on the ICN Web site at www.icn.iowa.gov. Copies of the report can also be obtained by contacting Lori Larsen at 515-725-4713.

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