December 2017

Iowa Communications Network
Fiscal Year 2017 Performance Report

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December 14, 2017

Iowa Department of Management,

I am pleased to present the Iowa Communications Network's (ICN) Performance Report for fiscal year 2017 (July 1, 2016 – June 30, 2017), 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.

Thank you,

Philip Groner
Acting Executive Director

Ric Lumbard, Executive Director

Grimes State Office Building, 400 E. 14th Street, Des Moines, IA 50319   Phone: 515-725-4692   Fax: 515-725-4727   www.icn.iowa.gov

IOWA TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION

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: Develop financial and technological insights that strengthen the value of our customers' broadband experience.
  GOAL 2: Implement flexible internal systematic approaches in a fast manner.
  GOAL 3: Establish a protected, secure and situationally aware production environment.
  GOAL 4: Integrate preventive maintenance data into asset manager.
  GOAL 5: Set high aspirations, plan responsibly, and honor commitments to meet timelines.
  GOAL 6: Upgrade and expand the ICN virtualized platform by creating managed IP cloud services.
  GOAL 7: Provide timely processes for service delivery and project closure to limit financial exposure.
  GOAL 8: Implement new business strategies and services to provide broadband solutions for revenue growth.
  GOAL 9: Establish a proactive, intel driven and compliant cyber environment.
  GOAL 10: Implement managed security and public safety professional services.
  GOAL 11: Implement a margin based environment and provide optical reporting.
  GOAL 12: Procure and implement a new billing system while maintaining current performance measures**.**

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 appropriations from the Iowa Legislature for support. Revenue is received from authorized and certified users for the telecommunications services provided. The agency currently has 106 authorized FTE's for 102.9 positions (one Iowa Telecommunications and Technology member counts as 0.2 FTE, the other four ITTC member 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 2017, there were 89 non-Commission FTEs filled plus five positions associated with Commission Members.

Agency FY 2017 Performance Plan Results

Name of Agency: Iowa Communications Network
Agency Mission: Deliver Strong, Flexible and Fast broadband services and experiences to ICN customers.
Core Function: Public Broadcast and Telecommunication Services

Performance Measure (Outcome)	Performance Target	Performance Actual	Performance Comments & Analysis
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**	94.37% 85.37% 95.24% 96.39% 97.98%	**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.
Percentage of aggregated customer surveys responses indicating satisfaction with ICN services.	**85% of aggregated survey responses indicate some level of satisfaction with ICN services.**	93.86%	**What Occurred:** This measurement is an overall combination of all services rated in ICN's annual customer survey. Most areas of satisfaction was indicated in the excellent, great or good categories. ICN continually works to improve the communications to customers. **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**
Percentage of customer Fast Track processes completed within 48 hours.	**95%**	100%	**What Occurred:** During FY17 ICN was able to complete 9 Fast Track customer orders. **Data Source:** Business Services
Performance Measure	**Performance Target**	**Performance Actual**	**Performance Comments & Analysis**
Percent of invoices delivered by the fifth day of each month.	**95%**	98%	**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
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
ICN's monthly quick ratio	**1.5**	1.77	**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
Performance Measure	**Performance Target**	**Performance Actual**	**Performance Comments & Analysis**
Percentage of fiber repairs completed within Service Level Agreement standard of 6 hours. (336_55100_007)	**80%**	82%	**What Occurred:** 22 fiber cuts for FY17, 4 did not meet the SLA standard of 6 hours. **Data Source:** FNS Performance Review Spreadsheets for Calendars Year 16 and 17
Percentage of core network uptime. (336_55100_008)	**99.999%**	100%	**What Occurred:** There were No core network outages in FY17. **Data Source:** Operations Transport Outage Reports
Percentage of subscribed Ethernet broadband growth. (336_55100_009)	**30%**	1.5%	**What Occurred:** At least two factors were identified that negatively impacted Ethernet broadband growth. • Decreased funding to most customer sectors, most notably Education and Government. • K-12 schools are moving away from using Ethernet connections that aggregate back to the AEA's for internet. Many have moved to direct Internet connections to the ICN. **Data Source:** Request for Service and Netplus systems

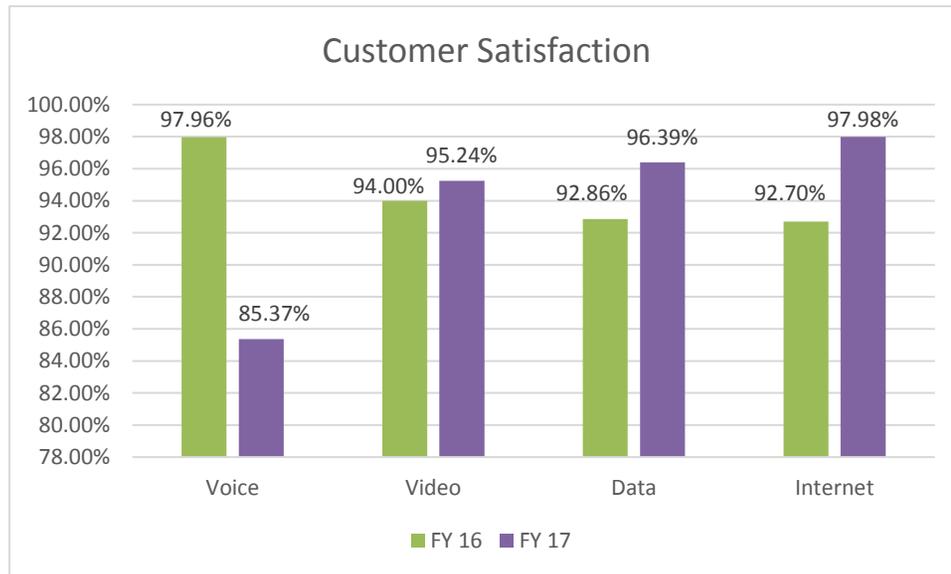# Iowa Communications Network Performance Report
Fiscal Year 2017

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 chart showing FY 16 (green) and FY 17 (purple) percentages:
- Voice: 97.96% / 85.37%
- Video: 94.00% / 95.24%
- Data: 92.86% / 96.39%
- Internet: 92.70% / 97.98%

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.
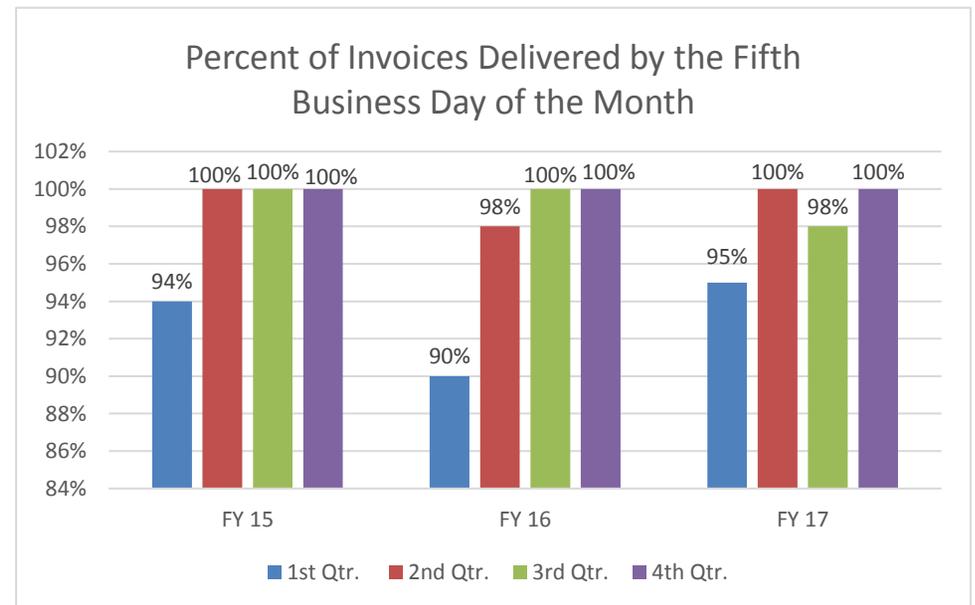
Performance Goal/Target:
Distribute 95 percent of monthly invoices no later than the 5th business day of each month with all invoices being delivered electronically.

What was achieved?
The billing team continues to perform well. The chart on the right indicates 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

	FY 15	FY 16	FY 17
1st Qtr.	94%	90%	95%
2nd Qtr.	100%	98%	100%
3rd Qtr.	100%	100%	98%
4th Qtr.	100%	100%	100%

Fiber Repairs Completed within Service Level Agreement (SLA)

Description: Percentage of fiber repairs completed within SLA standard of 6 hours.

Why we are doing this: This metric is used to drive performance in the restoration of service outages caused by fiber optic cable cuts.

What we are doing to achieve results: This metric is tied to the contractual agreement between the ICN and its Network Management Service provider. It provides for the ability to monetarily penalize the NMS for missing the Service Level Agreement goal.

Fiber Repairs Completed within SLA Results

Performance Measures:
- A percentage combination of the total number of fiber cuts reported to ICN's Network Operations Center (NOC).

Performance Goals/Targets:
- 80% of fiber repairs completed within the SLA of six (6) hours.

What Occurred: 22 fiber cuts for FY17, 4 did not meet the SLA standard of 6 hours.

Sources: This information was gathered from ICN's Network Management Service provider [Fiber Network Services (FNS)] Performance Review Spreadsheets for Calendars Year 2016 and 2017.

Resources Used: ICN's Carrier Services Production and Performance Review Spreadsheets

Fiber Repairs Completed within Service Level Agreement (SLA)

FY16: 82%
FY17: 82%
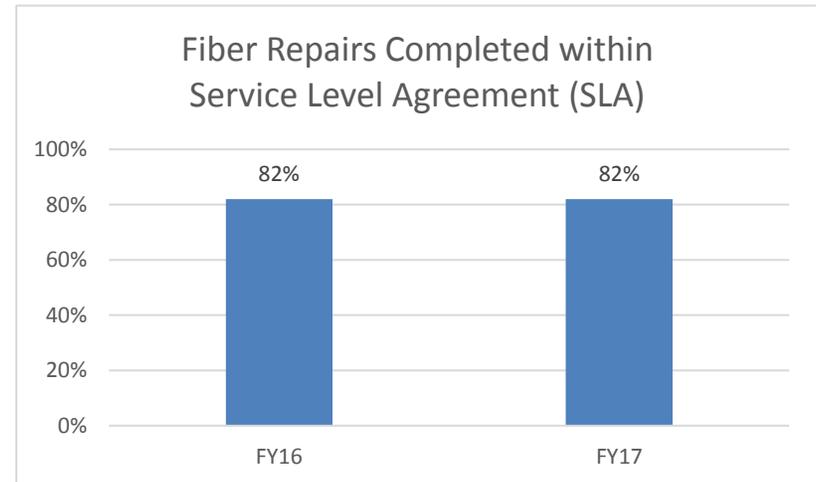
Agency Contact

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

Iowa Communications Network
400 East 14th Street
Des Moines, Iowa 50319
(515) 725-4692
(877) ICN-IOWA (426-4692)