



## SAS Institute Inc Streamlining of Government

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Dan Smillie: Government Operations Executive  
Mike Protz: Director of Field Engineering

**THE  
POWER  
TO KNOW.**

# SAS: Enabling the World with Proven, Practical Solutions

## Company:

Largest privately held software company in the world

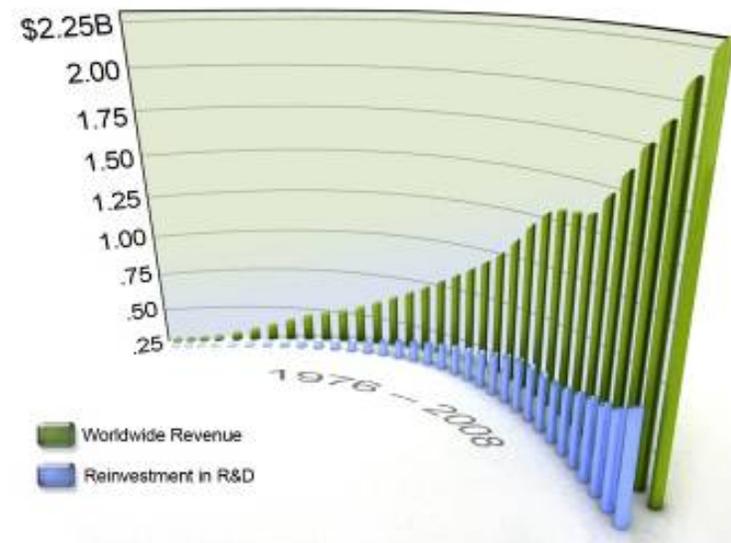
Revenues in excess of \$2.26B

Revenue growth for 34 years

Leads industry in R&D investment (25% annually)

98% renewal rate

Dedicated government practice



## Customers:

45,000 organizations in gov't and industry

4.5 million users

110 Countries

100% of the Federal Agencies (Enterprise wide at DHHS)

All 50 State Governments, multiple agencies, 100% DOH

91 of the Fortune 100

90% of the Global 500

Over 1,000 Universities

Over 2,900 financial Institutions

# Louisiana Customers

*Serving Louisiana government since 1978*

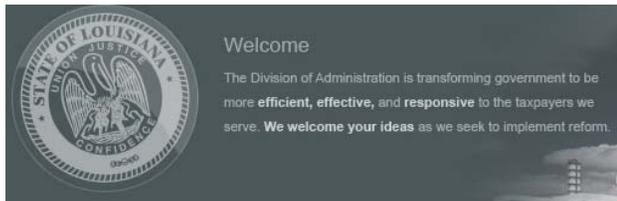


Louisiana Department of Environmental Quality

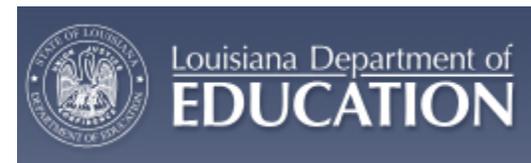


Solutions that work.

Youth Services  
Office of Juvenile Justice



PRISON ENTERPRISES  
Savings • Work • Training



LOUISIANA STATE UNIVERSITY

# SAS in Louisiana Higher Education

*Taught and Used in Academics and Research*



NICHOLLS  
STATE UNIVERSITY



LOUISIANA STATE UNIVERSITY

# What We Do

- Access data wherever it resides
- Clean it, manage it, analyze it, and share it

For...

Fact based decision making

# Streamlining Focus Areas

- Efficiency and Benchmarking
- Outsourcing and Privatization
- IT Integration
- Elimination of Duplicative and Unnecessary Services
- Civil Service and Employee Benefits



# Case Studies

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# Fraud, Waste & Abuse



*California Employment Development Department*

**Challenge:** Tax evasion and insurance fraud, tip reliant

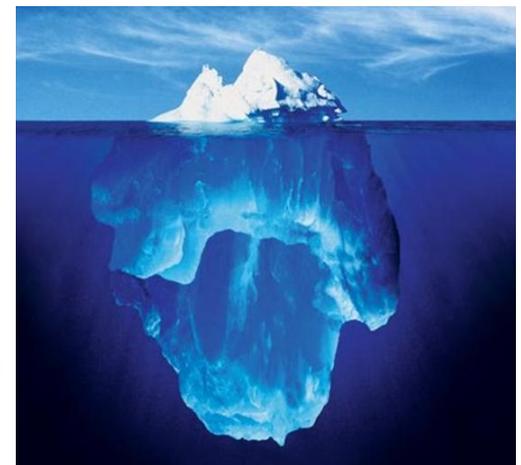
**Solution:** SAS Fraud Solution

**ROI:** *Identified 3 cases with assessments of \$8.2M in recoverable taxes.*

## ***How?***

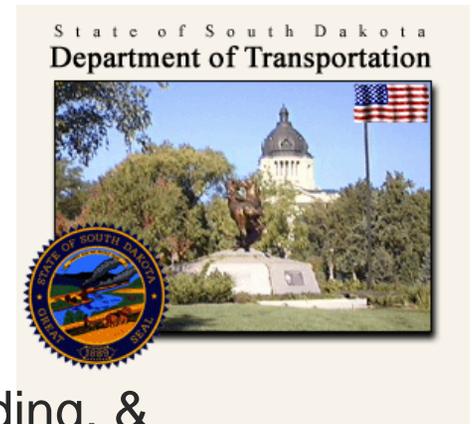
- *Identify*
- *Score and Rank*
- *Provide investigators with the highest quality targets*

**Streamlining Focus Areas:** Efficiency, IT Integration



# Activity-Based Management

## *South Dakota Department of Transportation*



**Challenge:** Lower costs & improve quality in design, building, & maintenance of infrastructure by making processes more efficient

**Solution:** Activity Based Management

**ROI:** \$2M+ in annual savings and a reduced carbon footprint

### ***Value***

- *Confidence in outsourcing decisions*
- *Improve internal efficiencies, save money*

**Streamlining Focus Areas:**Efficiency,Privatization,Duplicative/Unnecessary

# Tax Audit & Collections

## *Revenue Optimization*

*Midwestern State Department of Revenue*

**Challenge:** Optimizing revenue is a down economy

**Solution:** SAS Tax and Audit Solution

**ROI:** Saved 1755+ staff hours in 2008 (\$2M+ in value)

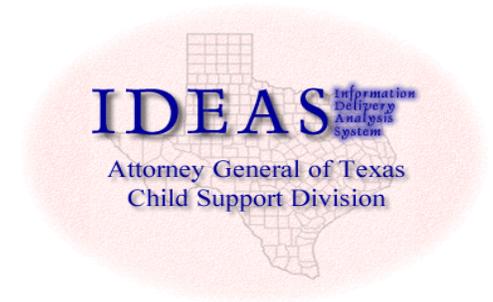
\$30M+ in incremental revenues over 3 years

### ***Value***

- *Raise incremental revenues*
- *Improve internal efficiencies, higher accuracy in selections*

**Streamlining Focus Areas:** Efficiency, IT Integration

# Child Support Enforcement *Collections Optimization*



*Texas Office of the Attorney General*

**Challenge:** Increase collections, reduce burden on Medicaid

**Solution:** SAS Child Support Enforcement Solution

**ROI:**

- #27 to #1 in Federal performance measures
- Grew from \$18M to \$48M in incentive grants over 10 years
- Reduce the burden on Food-stamps, TANF, and Medicaid

**Streamlining Focus Areas:** Efficiency, IT, Duplicative/Unnecessary

# Human Capital Management

*North Carolina Office of State Personnel*

**Challenge:** Manage human capital supply and demand, succession planning

**Solution:** SAS Human Capital Management Solution

**ROI:**

- Effectively manage turnover
- Ability to develop targeted workforce plans
- Effectively plan and manage human capital costs

**Streamlining Focus Areas:** Civil Service and Employee Benefits

# What can SAS do for you?

- Proven
  - A world of best practices from government and industry
  
- Practical
  - Common sense solutions
  - Quick time to results
  
- With Measurable Outcomes
  - Demonstrable ROI



# Q&A

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# NC Office of State Personnel

Government

## Business issue

Forecast the eligible supply of candidates to fill openings for an anticipated state worker shortage

## Solution

SAS combines multiple sources of workforce data into a single data warehouse for a holistic view of talent, along with an analytics application to enable state government to proactively manage talent needs

## Benefits

NC WORKS helps build talent supply ahead of demand by predicting departures, retirements and vacancies and developing workforce plans to fill them

“By using SAS technology to build the NC WORKS data warehouse, we are now able to be more proactive and more predictive in understanding our state’s workforce needs.”

- **Sharon Howard, Human Resources Consultant**

[Read the success story](#)

# Fraud Detection Saves \$Millions

Insurance

## Business issue

Mitigate fraud in medical claims as the fraudsters become more organized and intelligent in their methods.

## Solution

SAS® Fraud Detection & Prevention for Health Insurance identifies risk factors of each claim, reveals the highest risks, and recommends which claims require further investigation.

## Benefits

Annual savings of at least US\$12 million by:

- Increasing the speed of identifying, investigating and proving fraudulent claims.
- More accurately assessing a claim's validity.
- Removing human error from adjudication: only 20 percent of high-risk claims are filtered to the head office for manual investigation.

"We can detect multiple patterns of insurance fraud, upgrade the rules that indicate fraud and provide automatic alerts. SAS has been a partner in helping us achieve this."

**- Vice President of Claims and Underwriting**

# Blue Cross Blue Shield of Florida

Health Insurance

## Business issue

## Solution

## Benefits

Maintain product profitability and support effective product management in a highly competitive market.

SAS® Financial Intelligence and SAS Activity-Based Management uncovers the hidden costs of doing business, thus allowing more intelligent product pricing.

“By using SAS to identify inefficiencies, we were able to reduce the time required to process disability claims by 90%. The cost per claim has decreased from more than \$80 to \$20.”

**Lee Boardman, Director of Accounting**

[Read the success story](#)

# Court Services and Offender Supervision Agency of the District of Columbia (CSOSA)

Government

SMART-STAT (using SAS) can evaluate which treatment and intervention methods work best for specific offenders. Managers can review successful and unsuccessful cases, so they can build best practices to reduce recidivism.

- Source: *Government Computer News* (September 2007)

# Bureau of Internal Revenue (BIR)

Government  
Philippines

“[With SAS], BIR was able to discover close to 80 billion pesos of undeclared value added tax (VAT) from businesses...[and]... collected 7 to 8 billion pesos of the 80 billion pesos of undeclared VAT.”

“... business intelligence software is now allowing the agency to ... statistically predict how much revenues it can expect to collect at a given time.”

Source: [INQ7.net](http://INQ7.net) March 2006)

# Air Force Materiel Command

Government

## Business issue

## Solution

## Benefits

Improve the utilization of scarce resources and engage in operational improvements

SAS Activity-Based Management reduces cycle times by 40 to 80 percent

"SAS gives us much more insight into how our resources are being consumed."

- **Mike McCain**, Air Armament Center

[Read the success story](#)

# Florida Virtual School

Education

## Business issue

Engage students with high-quality, media-rich content that can be adjusted to meet their varied needs.

## Solution

SAS Curriculum Pathways is a cost-effective way to infuse highly engaging, multimedia resources into the school's existing curriculum.

## Benefits

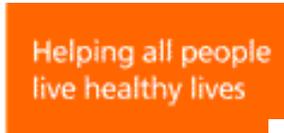
SAS Curriculum Pathways provides the high-quality, media-rich content today's students demand; adapts to virtual or classroom settings; and meets a broad range of student needs and learning methods.

"SAS Curriculum Pathways provides high-quality media and InterActivities that engage many different learning styles and senses. It's difficult to put all that in one package in the virtual world, but SAS Curriculum Pathways does it for us."

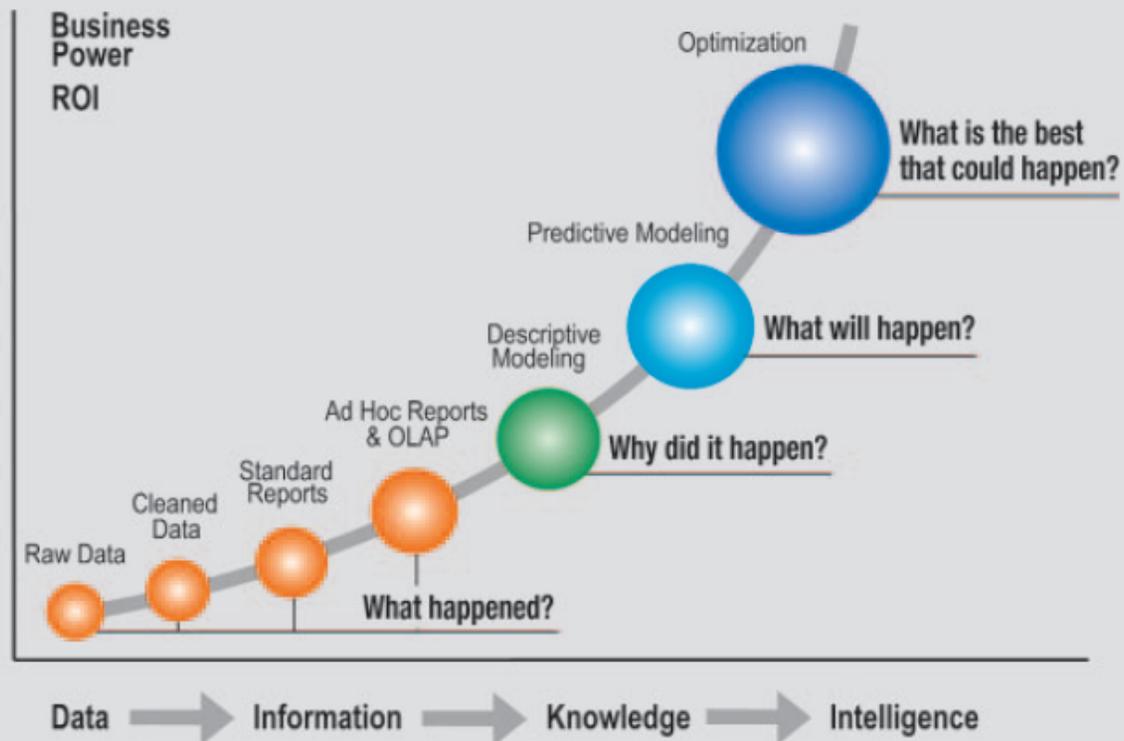
- **Julie Young, President and CEO, Florida Virtual Schools**

[Read the success story](#)

# Over 500 Site use SAS to Process SAP Data



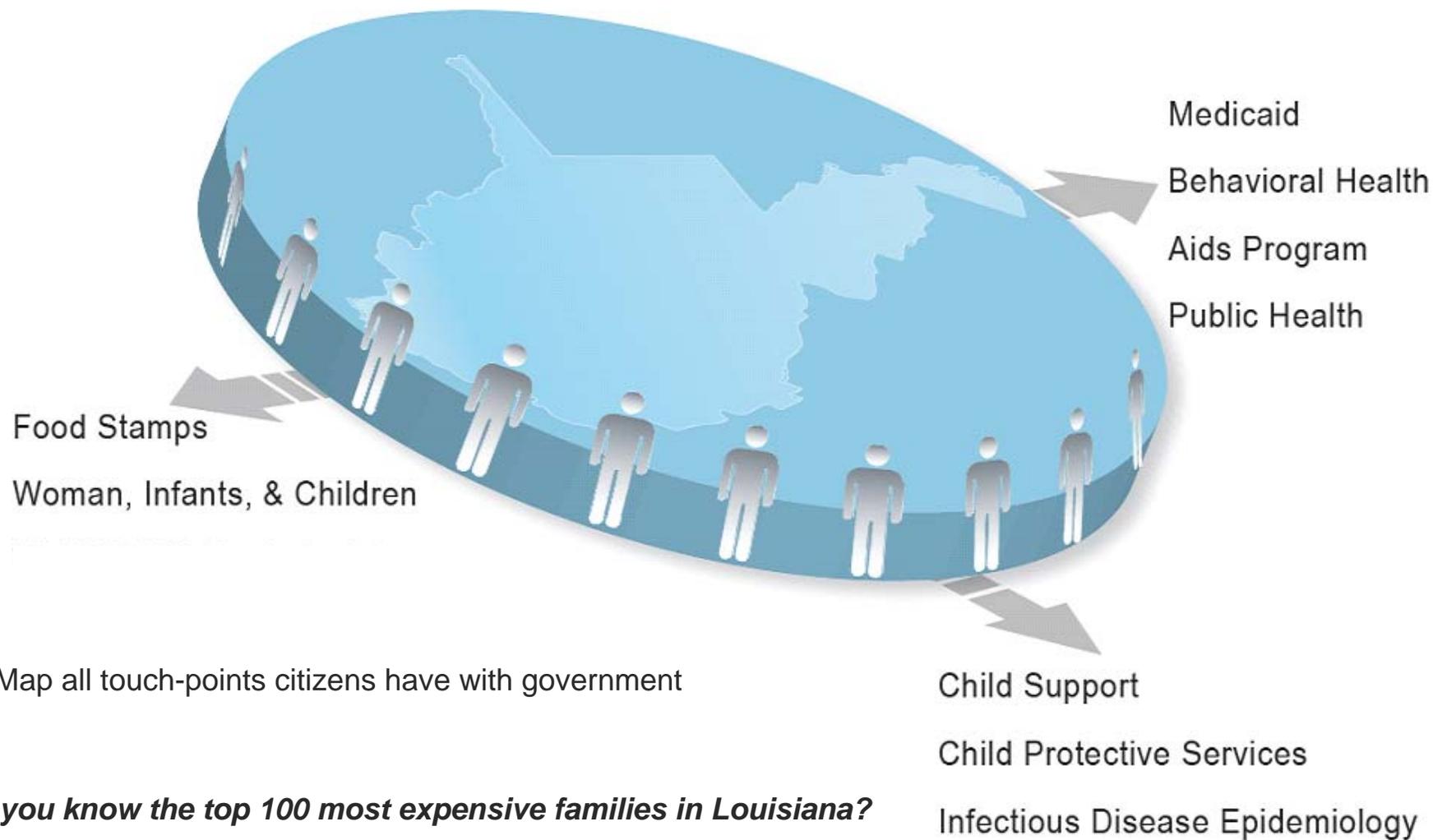
# From Data to Intelligence



**Figure 1**

Modeling, Predictive Analysis, and Optimization Take You "Beyond BI"

# 360° View of Recipient



# Balancing Act to Meet Goals & Objectives

How well are our programs working?

How can we do more with less?

Who is benefiting from our services?

Can we make the right decisions?

How can we provide better services?

How can I reduce fraud, waste and improper payments?

How can we facilitate a healthier population?

How can we get more people to use our services?

I need a holistic view of my clients, services and providers!



## Gov't Solutions

- Fraud detection
- Tax Revenue Optimization
- Activity Based Costing
- Process Improvement
- Operational Research
- Planning & Budgeting
- Scorecards
- Risk Management
- Master Citizen Index
- ARRA Management
- Natural Disaster Management

## Solutions continued

- Compliance Reporting
- Human Capital Management
- IT Optimization
- Sustainability
- Supplier Management
- Fleet Cost Analytics
- Economic Development Portal
- Recidivism Analytics
- Transparency
- Revenue Forecasting
- Workforce development
- Integrated Justice

# SAS in Louisiana K-12 *Curriculum Pathways*



ED White



Archbishop Shaw



The screenshot shows the 'Teacher's Edition' of the SAS Curriculum Pathways website. At the top, there is a navigation bar with 'System Check', 'Logout', and 'Help' buttons. Below this is a user profile for 'Jane Doe' with the email 'Jane.Doe@anyschool.edu'. The main navigation includes 'Flags', 'Blog', '+ Standards', 'Lesson Guide', and 'Assign'. A secondary navigation bar lists subjects: 'English', 'Social Studies', 'Science', 'Mathematics', and 'Spanish', along with a 'Quick Launch' search box. The main content area is divided into three sections: 'First-Time Users' with links to 'System Check' and 'quick tour'; 'User Community' with links to 'Training materials', 'Best practice videos', 'Classroom integration ideas', and 'Reference library'; and 'Highlights' featuring 'NEW' items like 'Strategies for Reading Mythology, a guide', 'Math tools for graphing transformations', and 'OPEC Oil Embargo, an Audio Inquiry'. A 'Writing Reviser' and 'New for 2008-2009' link are also present. At the bottom, there is a search bar and links for 'Contact Us', 'Legal Notices', and 'Privacy Notice'. A large sunflower image is visible in the background of the main content area.

**Louisiana Virtual School**