APPENDIX B TO ANNEX A

SSC ENTERPRISE SERVICE DESK, END USER SERVICE DESK, ENTERPRISE COMMAND CENTER AND DATA CENTER OPERATION SERVICE LEVEL AGREEMENT

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1. Overview

This Appendix describes the Service Provider obligations with respect to Service Levels. The Service Levels are grouped into two categories – Critical Service Levels (CSLs) and Important Service Levels (ISLs). CSLs will contain a percentage allocation in Section 8, whereas ISLs will contain a percentage allocation of 0%. That means CSLs will result in Service Level Credits being paid to Shared Services Canada if they are not met whereas ISLs will not result in Service Level Credits. Both CSLs and ISLs require the Service Provider to perform remedial actions as outlined in this Appendix. Each CSL is made up of one Service Level. This Service Level will determine when Service Level Credits are paid to Shared Services Canada and how the Service Provider can earn them back. Each ISL is made up of one Service Level as well.

2. Service Level Reporting

2.1. Measurement

The Service Provider must continuously monitor and measure its performance for all Service Levels. The format and required supporting data will be prescribed by Shared Services Canada prior to the commencement of the services, but in any event the Service Provider will measure all data reasonably required by Shared Services Canada to determine the Service Provider's performance of the services against the applicable Service Levels. The Service Provider must give notice to Shared Services Canada immediately if the Service Provider is aware that the Service Provider has failed or will fail to achieve a Service Level.

2.2. Monthly Reporting

Within 10 calendar days after the end of each month, the Service Provider must provide reports in soft-copy form, detailing the actual measured level of performance for each Service Level for the prior month. Shared Services Canada may request, at no additional cost to Shared Services Canada, extracts of the underlying source data prepared in a sufficient manner to enable Shared Services Canada to confirm the accuracy and completeness of the monthly Service Level reports. Any changes to reporting required by Shared Services Canada which results in the development or modification of reporting tools must be provided at no cost to Shared Services Canada.

In each monthly report the Service Provider must:

- notify Shared Services Canada of any Service Level Credits, including Additional Service Level Credits, to which Shared Services Canada is entitled;

- notify Shared Services Canada of any Earn Back Credits;

- describe any Service Level Failure that occurred; and

- provide Root Cause Analysis and corrective action plans for all Service Level metrics that are not met. This applies to both CSLs and ISLs.

The monthly reports, custom reports, underlying source data, and any other data or information provided pursuant to this Section 2 will constitute Confidential Information of Shared Services Canada.

3. Problem Escalation for Service Level Failures

If the Service Provider discovers a Service Level Failure or Shared Services Canada notifies the Service Provider of a Service Level Failure, the Service Provider must at its cost and expense:

- perform a Root Cause Analysis to identify the cause of such Service Level Failure;

- provide Shared Services Canada with a written report detailing the cause of such Service Level Failure; and

- Provide Shared Services Canada with a corrective action plan to prevent a recurrence.

The Service Provider must provide a corrective action plan to Shared Services Canada to meet the Service Level associated with any Service Level Failure. The plan must at a minimum contain:

- the planned actions and the related Milestone Deadlines by which such actions will be completed;

- any proposed workarounds as an interim solution to providing a permanent fix, where such workarounds have not already been provided as part of the Service Provider's obligation to provide the services; and

- The criteria for demonstrating that the underlying problem relating to the Service Level Failure has been resolved.

4. Service Credits

This section outlines the Service Level Credit mechanism.

4.1. Service Level Credits

If Service Provider fails to meet or exceed the Service Level for a CSL (a "**Service Level Failure**") in any calendar month, Service Provider must provide a Service Level Credit to Shared Services Canada as set out in this Appendix.

4.2. Monthly Sum

If more than one Service Level Failure occurs in a single month, the sum of the corresponding Service Level Credits must be provided to Shared Services Canada.

4.3. Additional Service Level Credits for Subsequent Service Level Failures.

If a Service Level Failure occurs in two or more consecutive months with respect to the same Critical Service Level, in addition to the Service Level Credit for the Service Level Failure earned by Shared Services Canada in each of the second or more consecutive months, the Service Provider must provide Shared Services Canada with a further Additional Service Level Credit in respect of each subsequent consecutive month equal to:

- for the second month in which such Service Level Failure occurs, the amount of the Service Level Credit earned by Shared Services Canada for such Service Level Failure divided by two (2); and

- for the third and any subsequent consecutive month in which such Service Level Failure occurs, the amount of the Service Level Credit earned by Shared Services Canada for such Service Level Failure.

For example, if a Service Level Failure occurred in three consecutive months and the base Service Level Credit (calculated in accordance with Section 4.6 below.) was $75,000, Shared Services Canada would be entitled to a Service Level Credit of $75,000 for the first failure, a Service Level Credit of $75,000 plus an Additional Service Level Credit of $37,500 for the second consecutive failure, and a Service Level Credit of $75,000 plus an Additional Service Level Credit of $75,000 for the third consecutive failure.

4.4. Monthly Limit

The total amount of all Service Level Credits and Additional Service Level Credits to be paid to Shared Services Canada for Service Level Failures in any single calendar month will not exceed fifteen percent (15%) of the total monthly charges for the Services.

4.5. Service Credit Calculations

For each Service Level Failure, the Service Provider must provide to Shared Services Canada a Service Level Credit calculated as:

Service Level Credit **= A x B**

Where:

> **A =** the CSL Allocation Percentage for the applicable CSL; and

> **B =** the At Risk Amount.

An example of the calculation of a Service Level Credit is set out below:

Assume that the Service Provider's total monthly charges for the month in which the Service Level Failure occurred were $1,000,000; the CSL Allocation Percentage for the CSL is 10%; and the At Risk Amount is $150,000 (15% times the $1,000,000 monthly charges above). The Service Level Credit due to Shared Services Canada for such Service Level Failure would be $15,000 and would be calculated as follows:

> **A =** 10% (the CSL Allocation Percentage); multiplied by

> **B =** $150,000 (the At Risk Amount = [15% times the $1,000,000 monthly charges]);

> Equals $15,000.

4.6. Service Level Earn Backs

If, during the three (3) month period immediately following the month in which a Service Level Failure occurs with respect to a particular CSL, a performance is achieved that is equal to or greater than the applicable Service Level in each of those three (3) months, then the Service Provider will receive funds equal to the Service Level Credit arising from the applicable Service Level Failure which occurred three months prior. Improvement Plans for Impartant Service Levels. .   If Service Provider fails to meet or exceed any ISL for two consecutive months, the Service Provider must:

- immediately following the service level resumption, perform a Root Cause Analysis to identify the cause of such failure to satisfy the ISL;

- provide Shared Services Canada with a written report detailing the cause of, and procedure for correcting, such failure; and

- Promptly provide to Shared Services Canada a written plan for improving the Service Provider's performance so as to meet or exceed the ISL within 15 days after Service Provider's second consecutive failure to perform at a level in compliance with such ISL.

Once such plan is approved by Shared Services Canada, the Service Provider must implement the plan at its sole cost and expense. Following the implementation of such plan, the Service Provider must provide to Shared Services Canada a monthly status report containing progress updates until the Service Provider's performance is in compliance with the applicable ISL.

5. Termination for Service Level Failure

If a Service Level Failure occurs for the same Critical Service Level in any three or more months in any rolling nine month period, then Shared Services Canada may terminate this agreement or the task authorization under which the applicable Critical Service Level is provided immediately upon notice to the Service Provider.

6. Service Levels and Definitions

6.1. End User Service Desk/Request Fulfilment

Critical Service Level	Category	Service Level	Measurement Window	Allocation Percentage
First Contact Resolution (FCR)	Response	80% or greater	Monthly	30%
Quality Assurance (QA)	Quality	80% or greater	Monthly	30%
Service Desk Staffing Level	Resourcing	95% or greater	Monthly	40%

First Contact Resolution (FCR)

Intent of Metric: To ensure all Service Desk personnel have the skills, training and knowledge necessary to resolve upon first contact without escalation to other service lines or vendors.

Notes: Contact will be disqualified if it results in additional call-backs from the User within 24 hours. This metric will only include those contacts that are deemed to be "resolvable upon first contact" and will not include contacts that the Service Desk cannot resolve. The following ticket categories are deemed to be resolvable upon first contact: password reset, account unlock, email/Outlook troubleshooting, BlackBerry activation, software troubleshooting, "how to", and status update. The list may be modified in the future if appropriate training and/or tools are provided to the Service Provider's workforce.
Formula: (Total tickets resolved by Service Desk upon 1st contact / total resolvable contacts received in the month) x 100

Quality Assurance (QA)
Intent of Metric: To ensure Service Desk personnel are providing high quality service and managing all contacts and interactions with Customers following call etiquette guidelines and ticket management procedures.
Notes: The QA score will be determined based on 4 call (live or recorded) and ticket evaluations per agent per month. The Supplier is responsible for conducting these evaluations. The QA evaluation includes 10 questions covering Customer Service etiquette, procedure adherence, and ticket management.
Formula: Average of all QA scores conducted for all agents in the month

Service Desk Staffing Level
Intent of Metric: To ensure monthly Service Desk staffing levels align with the Resource Forecast. Supplier must ensure the Service Desk is properly staffed at all times and able to manage the forecasted volumes.
Notes: The staffing level is to be maintained at 95% or higher than the Resource Forecast. The Supplier must manage the attrition and quickly replace staff when there is turnover in order to meet this service level. SSC will provide the Resource Forecast on a three month rolling basis. The first two months of the three month rolling forecast will be locked once SSC provides it to the Supplier. The monthly staffing levels within the forecast will not vary more than 5% from month to month for each Task Authorization.

Formula: {(# Service Desk Personnel X Hours they worked per month) / Total # of hours in the Resource Forecast for the month} X 100

Important Service Level	Category	Service Level	Measurement Window	Allocation Percentage
Average Speed to Answer	Response	70% <120 seconds 90% <300 seconds	Monthly	Not applicable
Abandon Rate	Response	<7.5%	Monthly	Not applicable

Average Speed to Answer

> *Intent of Metric:* The intent of this metric is to ensure End Users are able to quickly reach a Service Desk analyst.
> *Formula:* {(total number of calls answered by Service Desk personnel within 120 seconds of entering the queue / total number of telephone calls answered by Service Desk personnel) x 100%}

Abandon Rate

> *Intent of Metric:* The intent of this metric is to monitor and reduce the number of abandoned calls and to ensure calls are answered by Service Desk personnel within 60 seconds.
> *Formula:* {(number of abandoned calls / total inbound calls queued more than 60 seconds) x 100%}

8.2 Enterprise Service Desk

Critical Service Level	Category	Service Level	Measurement Window	Allocation Percentage
First Contact Resolution (FCR)	Response	80% or greater	Monthly	30%
Quality Assurance (QA)	Quality	80% or greater	Monthly	30%
Service Desk Staffing Level	Resourcing	95% or greater	Monthly	40%

First Contact Resolution (FCR)

Intent of Metric: To ensure all Service Desk personnel have the skills, training and knowledge necessary to resolve upon first contact without escalation to other service lines or vendors.
Notes: Contact will be disqualified if it results in additional call-backs from the User within 24 hours. This metric will only include those contacts that are deemed to be "resolvable upon first contact" and will not include contacts that the Service Desk cannot resolve. The following ticket categories are deemed to be resolvable upon first contact: password reset, account unlock, email/Outlook troubleshooting, BlackBerry activation, software troubleshooting, "how to", and status update. The list may be modified in the future if appropriate training and/or tools are provided to the Service Provider's workforce.
Formula: (Total tickets resolved by Service Desk upon 1st contact / total resolvable contacts received in the month) x 100

Quality Assurance (QA)
 Intent of Metric: To ensure Service Desk personnel are providing high quality service and managing all contacts and interactions with Customers following call etiquette guidelines and ticket management procedures.
 Notes: The QA score will be determined based on 4 call (live or recorded) and ticket evaluations per agent per month. The Supplier is responsible for conducting these evaluations. The QA evaluation includes 10 questions covering Customer Service etiquette, procedure adherence, and ticket management.
 Formula: Average of all QA scores conducted for all agents in the month

Service Desk Staffing Level
 Intent of Metric: To ensure monthly Service Desk staffing levels align with the Resource Forecast. Supplier must ensure the Service Desk is properly staffed at all times and able to manage the forecasted volumes.
 Notes: The staffing level is to be maintained at 95% or higher than the Resource Forecast. The Supplier must manage the attrition and quickly replace staff when there is turnover in order to meet this service level. SSC will provide the Resource Forecast on a three month rolling basis. The first two months of the three month rolling forecast will be locked once SSC provides it to the Supplier. The monthly staffing levels within the forecast will not vary more than 5% from month to month for each Task Authorization.
 Formula: {(# Service Desk Personnel X Hours they worked per month) / Total # of hours in the Resource Forecast for the month} X 100

Important Service Level	Category	Service Level	Measurement Window	Allocation Percentage
Average Speed to Answer	Response	70% <120 seconds 90% <300 seconds	Monthly	Not applicable
Abandon Rate	Response	<7.5%	Monthly	Not applicable

Average Speed to Answer

Intent of Metric: The intent of this metric is to ensure End Users are able to quickly reach a Service Desk analyst.
Formula: {(total number of calls answered by Service Desk personnel within 120 seconds of entering the queue / total number of telephone calls answered by Service Desk personnel) x 100%}

Abandon Rate

Intent of Metric: The intent of this metric is to monitor and reduce the number of abandoned calls and to ensure calls are answered by Service Desk personnel within 60 seconds.
Formula: {(number of abandoned calls / total inbound calls queued more than 60 seconds) x 100%}

8.3 Enterprise Command Centre

Critical Service Level	Category	Service Level	Measurement Window	Allocation Percentage
ECC Staffing Level	Resourcing	95% or greater	Monthly	40%

ECC Staffing Level
Intent of Metric: To ensure monthly ECC staffing levels align with the Resource Forecast. Supplier must ensure the ECC is properly staffed at all times and able to manage the forecasted volumes.
Notes: The staffing level is to be maintained at 95% or higher than the Resource Forecast. The Supplier must manage the attrition and quickly replace staff when there is turnover in order to meet this service level. SSC will provide the Resource Forecast on a three month rolling basis. The first two months of the three month rolling forecast will be locked once SSC provides it to the Supplier. The monthly staffing levels within the forecast will not vary more than 5% from month to month for each Task Authorization.
Formula: {(# ECC Personnel X Hours they worked per month) / Total # of hours in the Resource Forecast for the month} X 100