

Innovative Technology Solutions for Citizen-Centric Government

Each year the Office of the Chief Information Officer (OCIO) is required to produce various Information Technology (IT) reports:

- An annual report of the office (section 8B.9).
- An annual internal service fund expenditure report (section 8B.13, subsection 5).
- An annual report regarding total spending on technology (section 8B.21, subsection 6).
- An annual report of expenditures from the IOWAccess revolving fund (section 8B.33).
- A one-time report of information technology devices (2013 Iowa Acts, Ch. 129.33).
- An annual salary report (section 8A.341, subsection 2).
- An annual report of donations, grants, gifts and contributions (section 8B.6).
- Additional reports requested.

Beginning this year we are combining several related reports and generating one comprehensive report for clarity, completeness, and efficiency. This new approach to delivering on our reporting requirements should prove useful to the legislature, state agencies, citizens, and other interested parties.

Government technology needs to be both effective and efficient while supporting the agencies that ultimately provide services. This means that we have standards, we invest carefully, we measure what we do and not just against ourselves, but against the goals and objectives of government. We provide a mix of sourcing solutions that provide the right people, processes, and technology.

Getting the right mix of solutions requires partnership. To that end, we view all state entities as colleagues and partners that work together on behalf of our citizens. While we value the opportunities, we are also aware of what time costs. This means that our focus remains on results. We will increase our ability to be nimble and responsive. We will be proactive about reallocating our time and resources to those that have a defined and measureable benefit while reducing efforts in other areas wherever possible.

We are standardizing on all IT security tools and practices across the State. This will help provide a clear risk analysis and decision matrix for investments. This is a shift from a 'compliance-based' approach. While focused on providing demonstrable results from IT investments, we intend to be the most effective and efficient government IT operation in the United States.

What we have done lately:

New transparency website, new government fees website, new contract for portal services, two complete datacenter shutdown and restorations, new cloud-based service desk, agency direct support, recovery, consolidation, support and participation with major agency transformations and investments, Requests For Proposals (RFP), and much more!

As always, comments are welcome to: cio@iowa.gov

Office of the Chief Information Officer (OCIO) Created

Background

The Office of the Chief Information Officer was created as an independent agency for the purpose of orchestrating the information technology resources of state government. The mission of the OCIO is to provide high-quality, customer-focused information technology services and business solutions to government and to citizens. The OCIO assigns and directs staff as required to support the I.T. requirements and initiatives of the office, and to review and recommend approval of information technology staff employment decisions in coordination with the department of management. The Chief Information Officer is appointed by the Governor to serve at the pleasure of the Governor and is subject to confirmation by the Senate.



Legislation

Senate File 396 was passed by the Iowa General Assembly and signed by the Governor to create the Office of the Chief Information Officer beginning July 1, 2013. Funding was established for the Office of the Chief Information Officer beginning July 1, 2014 at which time all personnel of the Department of Administrative Services Information Technology Enterprise were transferred into the OCIO. Iowa Code Chapter 8B grants the Office of the Chief Information Officer comprehensive duties and powers related to the coordination, direction, and authority for information technology in the executive branch of state government.

What Does This Mean For State Government?

Iowa Code Chapter 8B has the effect of centralizing accountability and oversight for information technology currently managed by state agencies into the Office of the Chief Information Officer. Pursuant to Senate File 396 and Iowa Code Chapter 8B, the Office of the Chief Information Officer was “created for the purpose of leading, directing, managing, coordinating, and providing accountability for the information technology resources of state government.” Among its many powers and duties, the OCIO has the authority to establish standards for information technology used by state agencies, direct the work of agency information technology staff, review and recommend approval of information technology staff employment decisions in coordination with the Department of Management, and enter into contracts for the receipt and provision of information technology services.



How is the OCIO Funded?

The office of the chief information officer is funded through multiple sources such as the OCIO internal services fund, IOWAccess fund, and Technology Reinvestment Fund.




| State of Iowa Enterprise IT Funding Sources Overview (FY15) | | | |
|---|---|---|--|
| |  <p>Office of the Chief Information Officer</p> <p>Agency 185 Fund 0689 OCIO Internal Services Fund (Revolving)</p> |  <p>Agency 185 Fund 0297 IOWAccess Fund (Revolving)</p> |  <p>Agency 185 Fund 0001 Approp 0C69 Technology Reinvestment Fund (Appropriation Available for 3 years)</p> |
| History | <p>Est. 2014 – Iowa Code 88.13 “...for activities of the office which are primarily funded from billings to governmental entities for services rendered by the office”</p> | <p>Est. 1998 – Iowa Code 88.33 “...a service to the citizens of this state that is the gateway for one-stop electronic access to government information and transactions.”</p> | <p>Appropriated in 2014 – SF 2349 “For technology consolidation and technology improvement projects approved by the State Chief Information Officer pursuant to Chapter 8B.”</p> |
| Quick Facts | <p>FY15 Budgeted Revenues:\$48,577,864 FY15 Budgeted Carry Forward: \$6,900,000 FY15 Balance Brought Forward: \$7,260,145</p> <p>Purpose: Enterprise IT operations. Lights on maintenance.</p> <p>Source of funds: Information Technology service fees charged to state agencies. OCIO services include servers, software programming, mainframe, and networking.</p> | <p>FY15 Budgeted Revenues:\$4,081,000 FY15 Budgeted Expenditures: \$4,080,000 FY15 Balance Brought Forward: \$4,500,473 FY14 Obligated (not expended): -\$3,511,000</p> <p>Purpose: Citizen facing e-government services. Funds are available to all government entities.</p> <p>Source of funds: Value added service fees collected by the State of Iowa from the sale of driver motor vehicle records, professional licenses, and other online transactions.</p> | <p>FY15 Appropriation: \$7,728,189 FY15 Expenditures: \$1,113,536* FY16 Expenditures: \$4,664,153* FY17 Expenditures: \$1,950,500*</p> <p>Purpose: Enterprise technology consolidation and improvement projects.</p> <p>Source of funds: Technology Reinvestment Fund appropriated by legislature. * revised projections for three year budget due to delays associated with e-mail RFP and vendor appeals</p> |
| Uses of Funds | <p>Ongoing maintenance of established enterprise IT services including:</p> <ul style="list-style-type: none"> • State datacenters • Mainframes • Networks and servers <p>Working capital shortage (for month to month cashflow needs). The federal government allows OCIO to carry up to 60 days (\$8 million) of working capital to ensure payroll and vendor payments can be made on time. Balance Brought Forward money from year to year comprises the OCIO working capital.</p> <p>Agency project support including consolidated services provided to IDR, DNR, DIA, and more!</p> | <p>Citizen-facing agency IT projects including:</p> <ul style="list-style-type: none"> • Online Licensing (IWD, IDPH) • STEM Website (IGOV) • Vital Records System (IDPH) • Connected Nation (IEDA) • Transparency Portal (IGOV) • Iowa Fees Website (IGOV) <p>Portal services including:</p> <ul style="list-style-type: none"> • Public facing agency website redesign • E-government services • Maintenance of motor vehicle records system • Other services provided by Iowa Interactive, LLC <p>Balance Brought Forward money includes encumbered funds for approved agency IT projects.</p> | <p>FY15-FY17 Consolidation projects including:</p> <ul style="list-style-type: none"> • Implementation of cloud-based e-mail services for 23,500 users • Migration costs for transfer of state e-mail into cloud provider system • Two years of subscription costs for cloud based e-mail services for 23,500 users <p>FY16 Datacenter improvement projects including:</p> <ul style="list-style-type: none"> • Replacement electrical generators • New battery backup systems <p>FY16 Infrastructure improvement:</p> <ul style="list-style-type: none"> • Inventory of state IT infrastructure • Development of an RFP for managed IT services |

Figure 1: Enterprise IT Funding Source as of Feb 2015

Enterprise Initiatives

Our philosophy is to broker quality information technology services in a way that is better, faster, and cheaper. There are four initiatives that we believe will provide sustainable information technology services to the Iowa taxpayer and government agencies: 1) Centralize administration, 2) Broker services, 3) Consolidate, and 4) Improve processes.

The Centralize administration initiative seeks to streamline financial oversight, project management, asset inventory, skillsets and leadership functions.

The Broker services initiative seeks to identify and leverage those services that can be provided better, faster, and cheaper by third party information technology vendors.

The Consolidate initiative seeks to identify and consolidate information technology infrastructure and software development across executive branch agencies.

The Improve processes initiative seeks to leverage industry best practices to streamline, standardize and simplify processes wherever possible. We believe these strategic initiatives will provide a high likelihood of success in achieving our strategic goals.

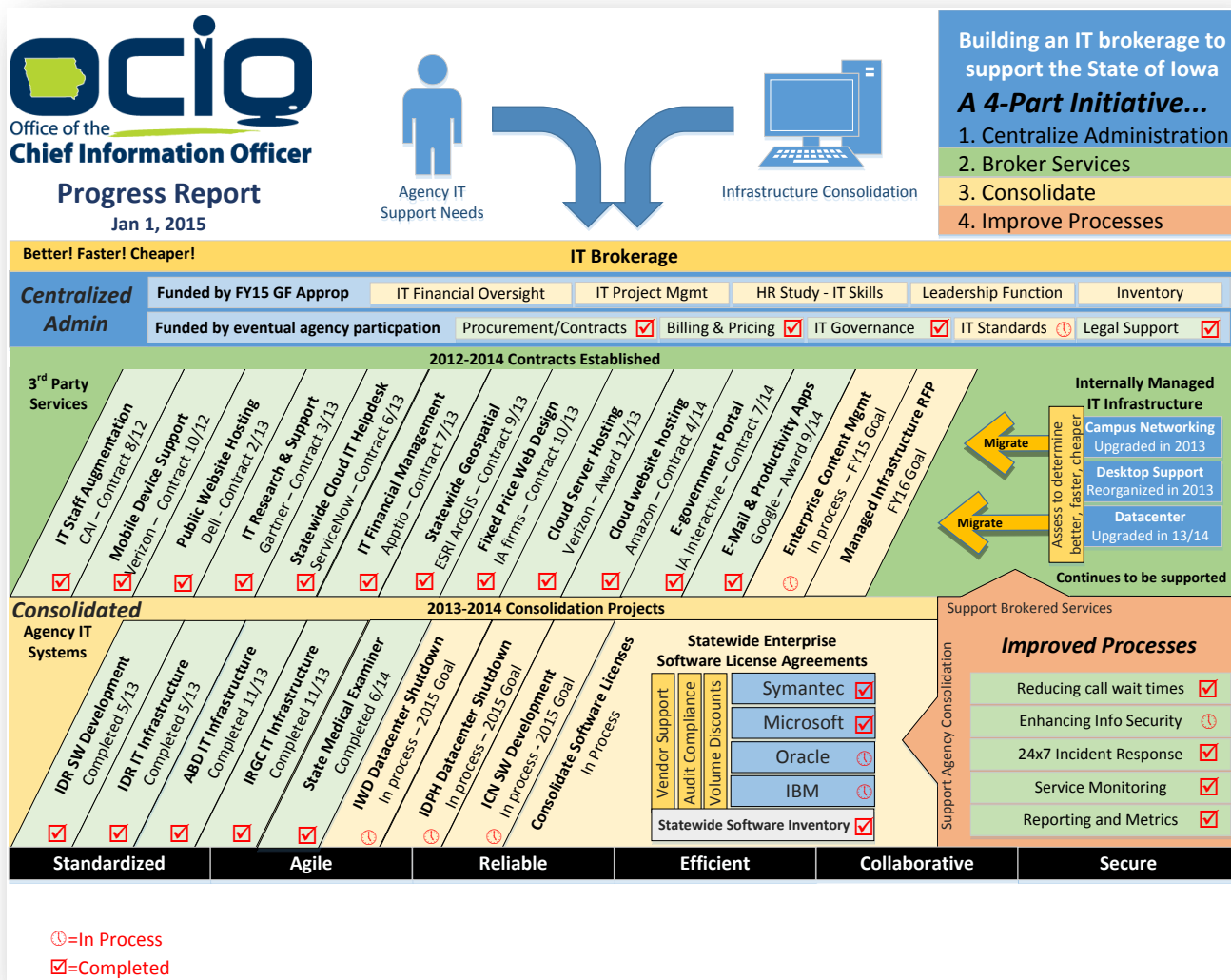


Figure 2: OCIO Progress Report as of Jan 2015

Initiative One: Establishment of Enterprise Collaboration Teams

As part of improving our communications and helping agencies work better together, we established several workgroups that focus on particular areas, including Procurement, Policy, Leadership, Training, Investments, Projects, Security, Architecture, Geospatial, and Support. These groups are comprised of agency technology staff and make recommendations to the State CIO. As we evolve we expect these groups to grow and shrink as well as refocus on emerging needs from time-to-time.

In 2014, these teams reviewed over 150 projects and state standards, as well participated in discussions and round table talks of importance technology decision making and supporting services to citizens. The teams also are focused on efficiencies by making enterprise investments once, versus duplicating the investments across agencies for similar things but from different vendors and providers.

Initiative Two: Electronic Mail

Beginning in 2012, the State of Iowa conducted a multi-agency initiative to develop and release a Request for Proposal for e-mail services. The project was conducted in multiple phases as described below. In 2014, the OCIO released a Request for Proposal for E-mail and Productivity Services for the State of Iowa and issued an Intent to Award to Tempus Nova, Inc. in September 2014. Tempus Nova's proposal included Google Apps for Government, a cloud-based e-mail and productivity service offered by Google, Inc. Once implemented, this solution will replace multiple separate e-mail systems operated across the executive branch. The Google Apps for Government service is expected to save the State of Iowa \$1 to \$2 million over the course of three years, with more savings possible through the use of additional features that will be available at no cost to state agencies.

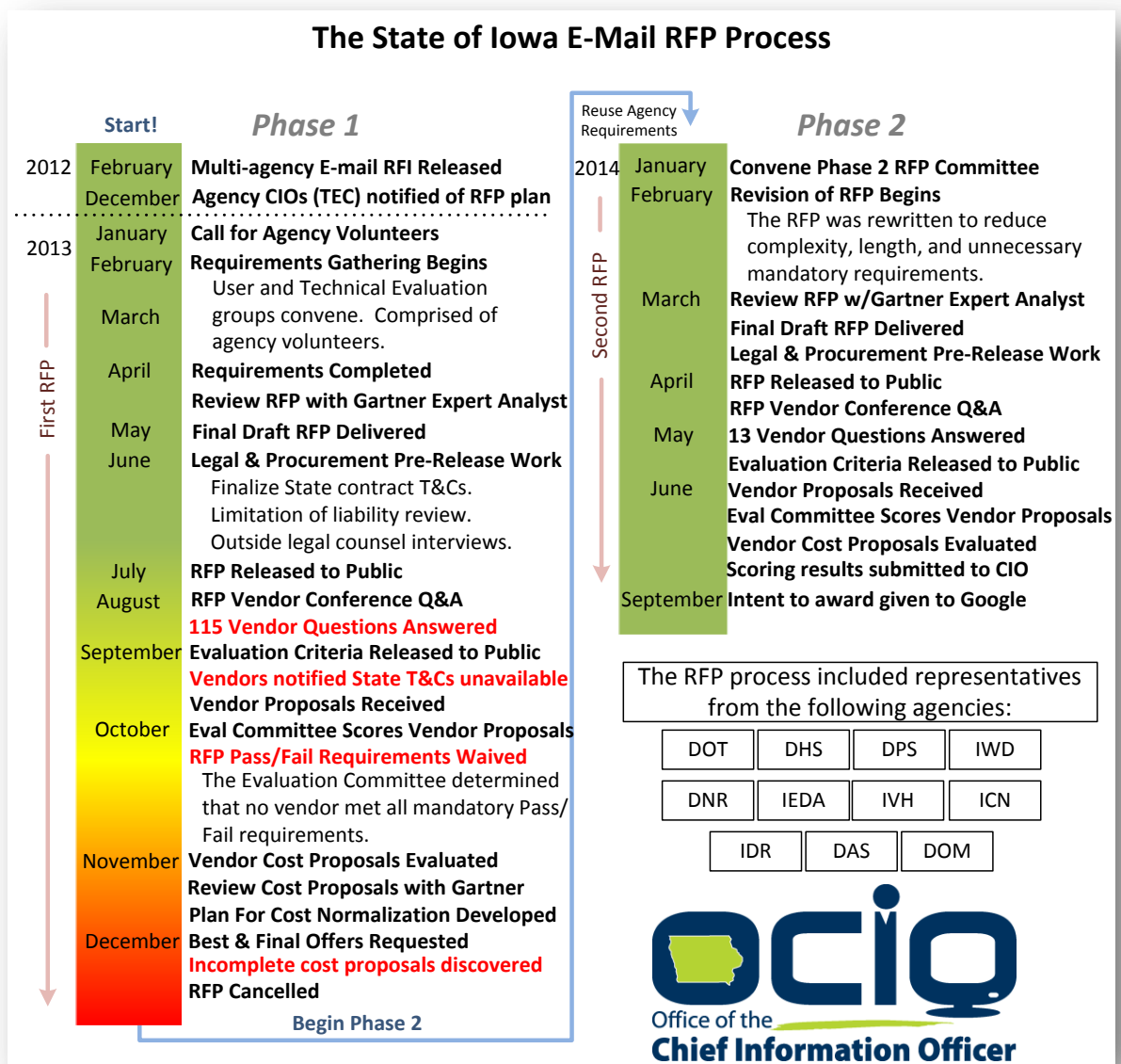


Figure 3: State of Iowa E-Mail RFP Process

Initiative Three: Transparency

The Governor's goal of maintaining a transparent and open state government is being advanced by new projects and strategic investments like Iowa's new open government portal. Now, Iowans can see that transparency has become a reality as the OCIO and Department of Management (DOM) have partnered to provide Iowans with an Open Data portal allowing them to view state government information about community, economy, education, environment, health, transportation, appropriations and utilities. The Open Data portal can be accessed at <https://data.iowa.gov>.

The screenshot shows the data.iowa.gov website. The browser address bar displays <https://data.iowa.gov>. The website header includes the logo "data.iowa.gov" with the tagline "EXPLORE • DISCOVER • SHARE" and a search bar. Navigation links for "Home", "Catalog", "Tutorial", and "Developer" are visible. A large banner features a close-up of a dollar bill with the text "Checkbook.iowa.gov is coming soon..." and a sub-message: "We will soon be releasing a new way for you to explore state expenditures down to checkbook level transactions."

Below the banner is a grid of category tiles, each with an icon and a label:

- Communities & People (Icon: two people)
- Economy (Icon: money bag)
- Education (Icon: book)
- Environment (Icon: leaf)
- Government (Icon: building)
- Health (Icon: cross)
- Transportation (Icon: car)
- Utilities (Icon: plug)

At the bottom, there are four featured data visualizations:

- Iowa Legislative Districts:** Explore information on Iowa House and Senate Districts in Iowa. (Image: map of Iowa)
- General Fund Appropriations:** Review general funds appropriated by fiscal year (July 1 - June 30). (Image: Iowa State Capitol building)
- Economic Development Projects:** Navigate economic development projects that have benefited from direct assistance and tax credits. (Image: pie chart showing "DIRECT ASSISTANCE \$40,003,854" and other financial data)
- Seasonally Adjusted Employment:** Seasonally adjusted employment estimates for the State of Iowa by month from 1990 on are available. (Image: line graph showing employment trends)

The footer of the page shows the URL www.iowa.gov.

Initiative Four: Government Fees

The government fees initiative was born out of the 2014 legislative session HF2274 requiring the creation of a searchable website listing all government fees by December 1, 2014. When the idea was first introduced there was a requirement for each agency to create a site to disclose their fees. As part of the consolidate initiative, the OCIO worked with legislative leadership to envision a consolidated system, built once and used by all agencies. On December 1st 2014, the OCIO launched <https://iafees.iowa.gov> as an easy to use site for citizens to understand the fees, rates and charges paid to agencies. Citizens may subscribe to the site and receive either a text or email notification when new fees or changes to fees are posted. This may be the first government fee transparency website in the country. The initiative also aligns with the Governor's policy of transparency in state government.

The screenshot shows the Iowa Government Fees Website. The page title is "IA Fees" and the subtitle is "Fees Imposed & Collected by State Agencies". A welcome message states: "Welcome to the State of Iowa Government Fees Website! This site displays fees paid to the State of Iowa. Not included are fees for: universities or community colleges; open record requests; costs for purchase of a product or good (firewood, books, surplus items). THE DEFAULT DISPLAY LISTS FEES BY MOST RECENT UPDATED DATE. Each column is sortable - click on the column title or use the search and filter function." Below the welcome message is a search and filter interface with fields for Agency, Fee Type, Fee Amount (From/To), Period, Last Updated (From/To), and Description. There are "Filter" and "Clear Filter" buttons. A "Subscribe" button is also present. Below the filter interface, it says "Show 10 entries" and a "Print" button. The main content is a table with the following data:

| Agency | Fee Description | Fee Type | Period | Amount | Note | Last Updated |
|-------------------|---|-------------|----------|-------------|---|--------------|
| Lottery Authority | Class "L" Business Entity Background Check, Foreign | Application | One Time | \$15,000.00 | Funds collected from requestor by Lottery and used to perform background checks | Dec 9, 2014 |
| Lottery Authority | Class "L-1" Vendor Key Personnel Background Check, residing in USA, not in Iowa | Application | One Time | \$6,000.00 | Funds collected from requestor by Lottery and used to perform background checks | Dec 9, 2014 |
| Lottery Authority | Class "L-1" Vendor Key Personnel Background Check, residing outside USA | Application | One Time | \$7,000.00 | Funds collected from requestor by Lottery and used to perform background checks | Dec 9, 2014 |
| Lottery Authority | Class "L" Business Entity Background Check, Domestic | Application | One Time | \$10,000.00 | Funds collected from requestor by Lottery and used to perform | Dec 9, 2014 |

Initiative Five: Securing IT

The information security office (ISO) partners with several external entities to monitor for cyber threats, prepare for incidents, and promote cyber security awareness for the protection and education of all state, city and local governments as well as the citizens of Iowa. The cyber security threat facing our state and nation is unprecedented.

Current ISO Initiatives

There are several key projects undertaken by the ISO to promote the secure use of technology and increase cyber security awareness for employees and citizens of Iowa. The ISO is committed to protecting confidential data by working with our partners to comply with laws and ensure the latest cyber security practices are employed to thwart the efforts of cyber criminals.

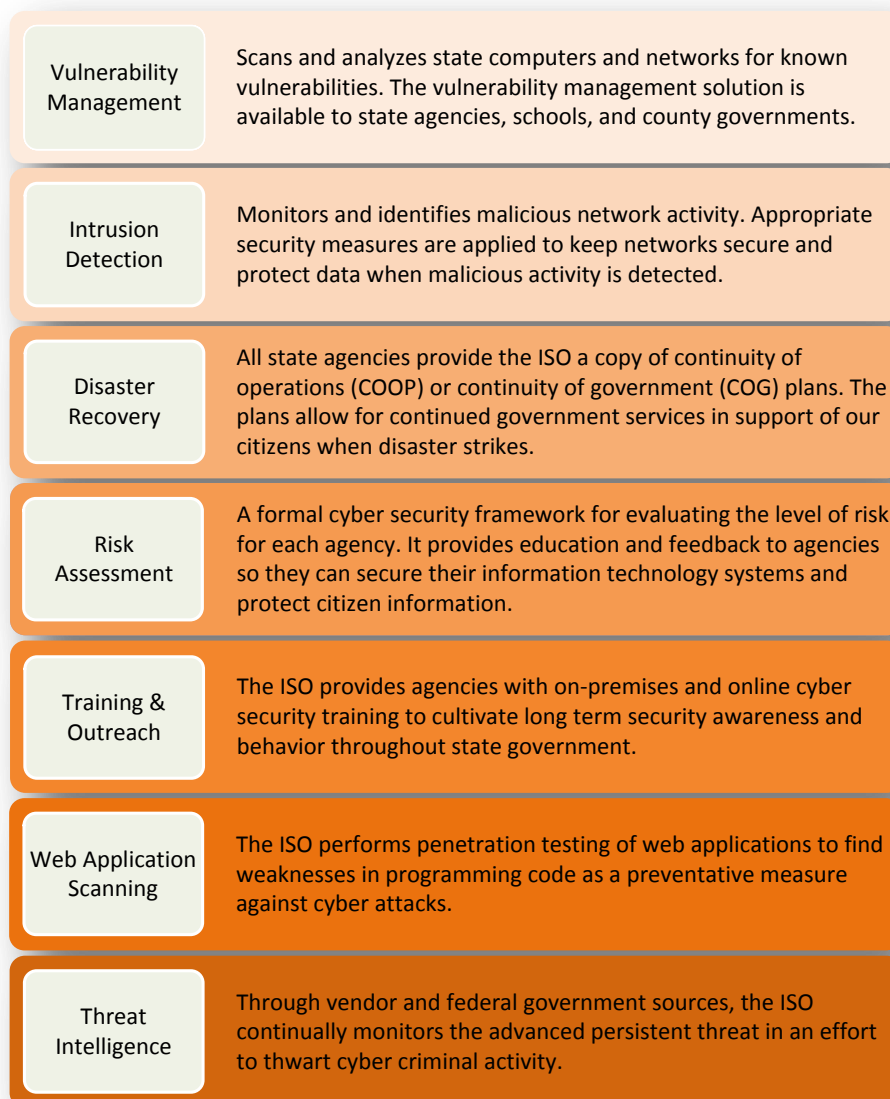


Figure 4: ISO Current Initiatives

Future ISO Initiatives

As part of our compliance commitment, we continually evaluate the advanced persistent threat and proactively undertake projects that enhance the information technology security posture. The ISO continues to be the leader in protecting information technology resources and data through best practice and we ensure that state agencies are in compliance with all mandatory laws and regulations. The ISO provides a website (secureonline.iowa.gov) to help everyone learn more about cyber security and to act in a more secure manner, both at home and work. Remember, cyber security is everyone's responsibility and the person that can best protect you from cyber threats... is you

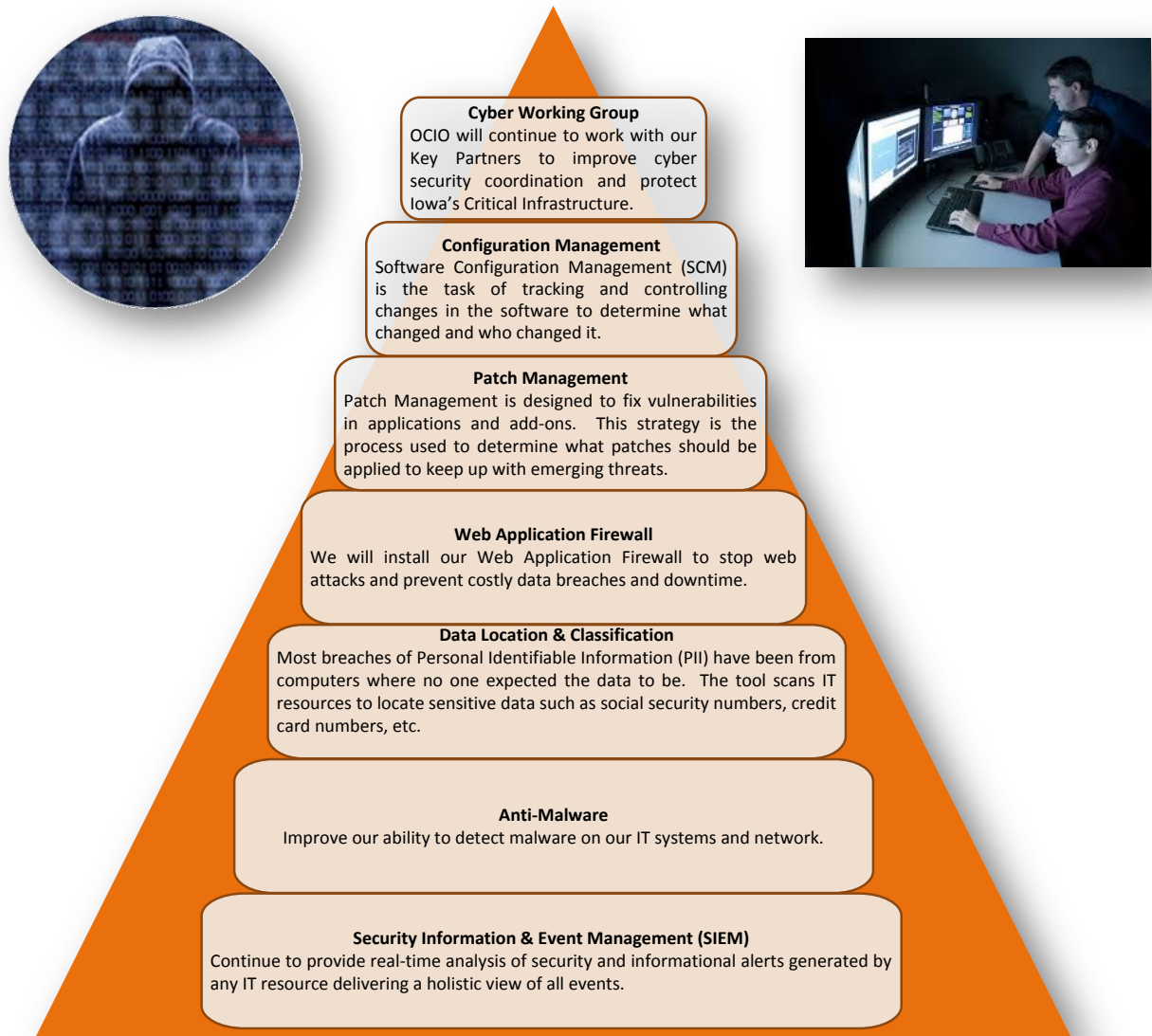


Figure 5: ISO Future Initiatives.

Initiative Six: Architecture

The OCIO has led several efforts to modernize and improve State IT architecture over the past year. Two state working groups were established to evaluate high priority IT architecture designs for the State of Iowa. The first working group is focused on identity management including authentication and authorization needs for state employees and citizens. The second working group is focused on a standardized networking architecture that could ultimately unify multiple duplicative State networks. The networking work group issued an initial report evaluating the current state and recommending a new design to be adopted for the state network architecture. As OCIO works with agencies to invest in upgrades and replacements for legacy components, these design considerations will be used to inform future investments and standardize executive branch networks.

Initiative Seven: Geospatial

In September 2013 an agreement was established with ESRI for access to their online, cloud-based implementation of ArcGIS, an industry-leading geospatial information systems designed to provide online maps for citizen facing projects. Following the establishment of that contract, the OCIO established a governance working group focused on Geospatial activities. Agency membership includes representatives from DNR, IDR, DOM, IEDA, HSEMD, DOT, and ICN. One goal for this working group is to establish a centralized geospatial program for the State of Iowa that includes a plan for sharing datasets and using centralized systems. Selecting and hiring activities for a geospatial coordinator to be housed in the OCIO has also begun. Expected outcomes of this initiative include increased access to mapping services by state agencies, reduced duplication in the form of multiple independent agency geospatial systems, and increased sharing of state data.

Initiative Eight: IDR Projects

OCIO completed 26 projects for the Iowa Department of Revenue (IDR) in FY-14. The projects that stand out the most are those where OCIO met legislative project requirements and benefited taxpayers, including:

- Implementation of technology changes needed to support Senate File 295, Property Tax Reform, signed by the Governor in 2014
- Tax Year 2013 support including work to manage all individual income tax payers including the taxpayers trust fund tax credit
- IDR Fairfax Imaging System which enabled electronic scanning and deposit of the funds directly into the bank. This enabled fast and accurate data input and quicker availability of financial resources.
- Several other legislative projects such as: IDR e911 Phase 2, IDR Flood Mitigation, and Reinvestment Districts.



OCIO Accomplishments in FY14

The OCIO team accomplished many major projects within the realm of IT innovation, operations and consolidation. These accomplishments include geospatial, financial tracking, and research services as added capabilities in serving Iowa's citizens. Additionally, the OCIO successfully completed 44 IT projects and the consolidation of IT services at the Department of Natural Resources (DNR) and Racing and Gaming Commission (IRGC).



FY-14 Revolving Fund



Figure 6: OCIO Accomplishments.

Looking forward into FY15 the main focus of effort will be to enable more citizen engagement with state government and laying the foundation for connecting every user to broadband internet.

Vision for FY15

The vision for Fiscal Year 2015 is to accomplish several projects which closely align with our four main initiatives.

- The citizen notification system will allow government to notify citizens of emergencies through a multitude of communications channels including mobile devices.
- The state image gallery will provide citizens with access to the many images of Iowa.
- The cloud email RFP, data portal, and agency fees database initiatives are in progress.

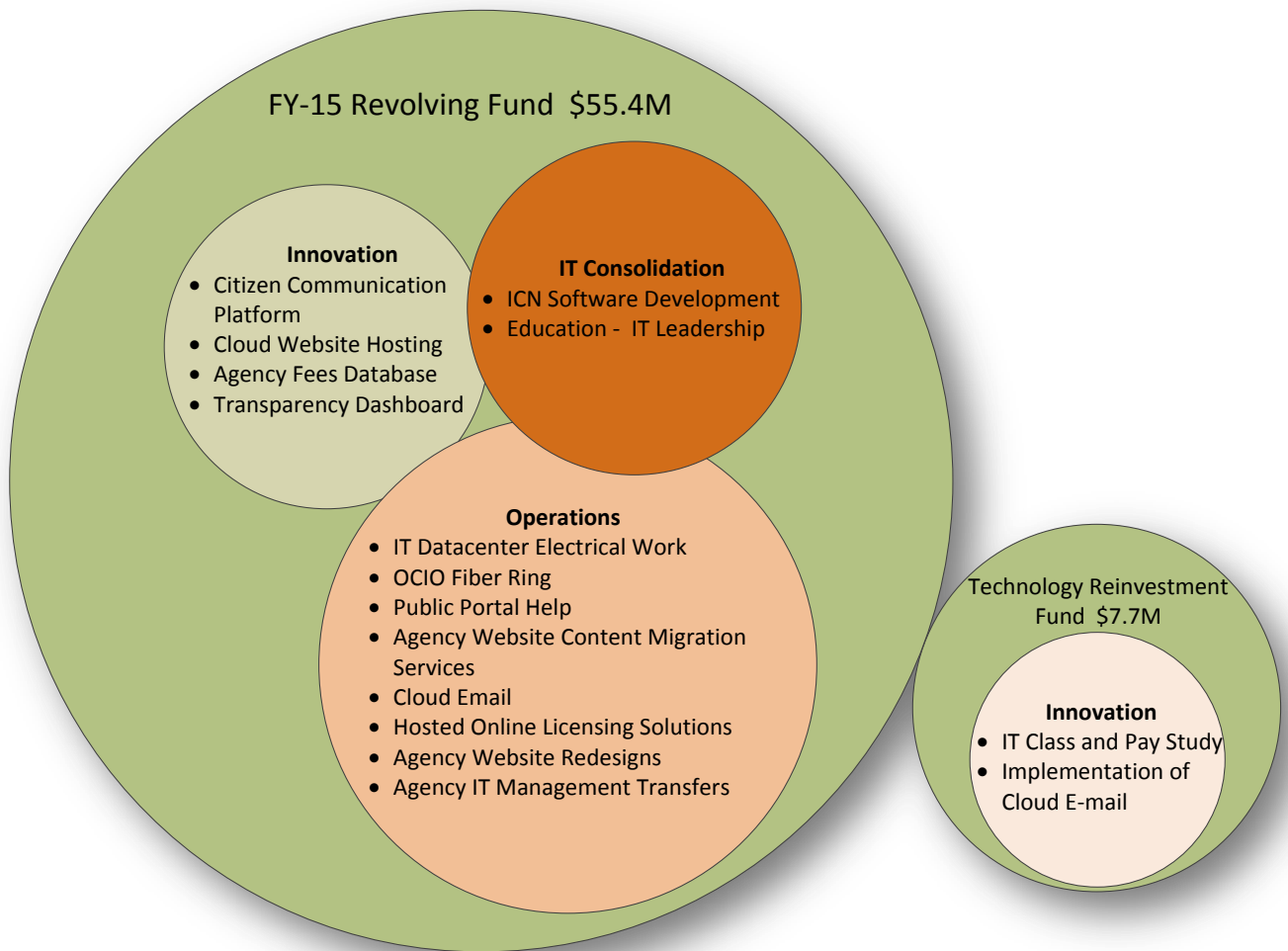


Figure 7: FY15 OCIO Vision as of Sept 2014

Efficiencies

OCIO has achieved efficiencies in working with our private partners to provide the talent and skillsets needed at the right time and within established metrics.

CAI

In October of 2012, the OCIO implemented managed services for all information technology staff augmentation through Computer Aid, Inc. (CAI). Prior to the implementation of the contract, rates varied among job classifications for contracted staff. A managed service enables the state to control costs while improving the selection and onboarding process for contractors. The managed service provider gathers data and provides the state with performance measures. More than half of the contractors are from Iowa based companies.



- Average time to fill a requisition (open date to engagement start date) is 3.64 weeks.
- Contractors are working in 26 agencies.

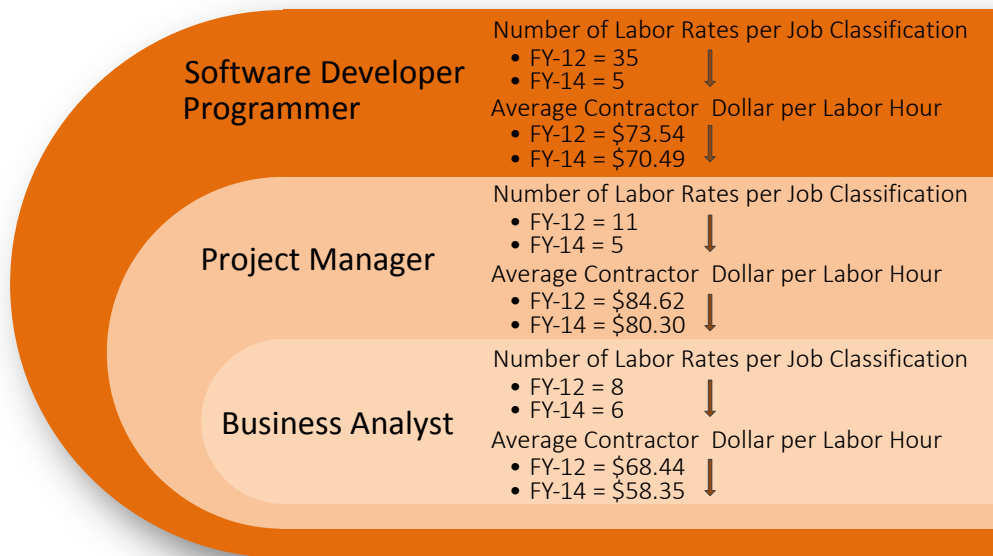


Figure 8: Managed Services Results FY14

Since 2012 the managed services contract has reduced the variability and increased predictability in budget estimation by 71%. The results are an overall reduction in contractor labor rates.

Metrics

The OCIO wants to ensure its obligations are met by establishing metrics that serve as performance indicators within the department. The metrics span all core functions within the OCIO. Since this is the first annual report, the OCIO will introduce the metrics and report progress in the next annual report.

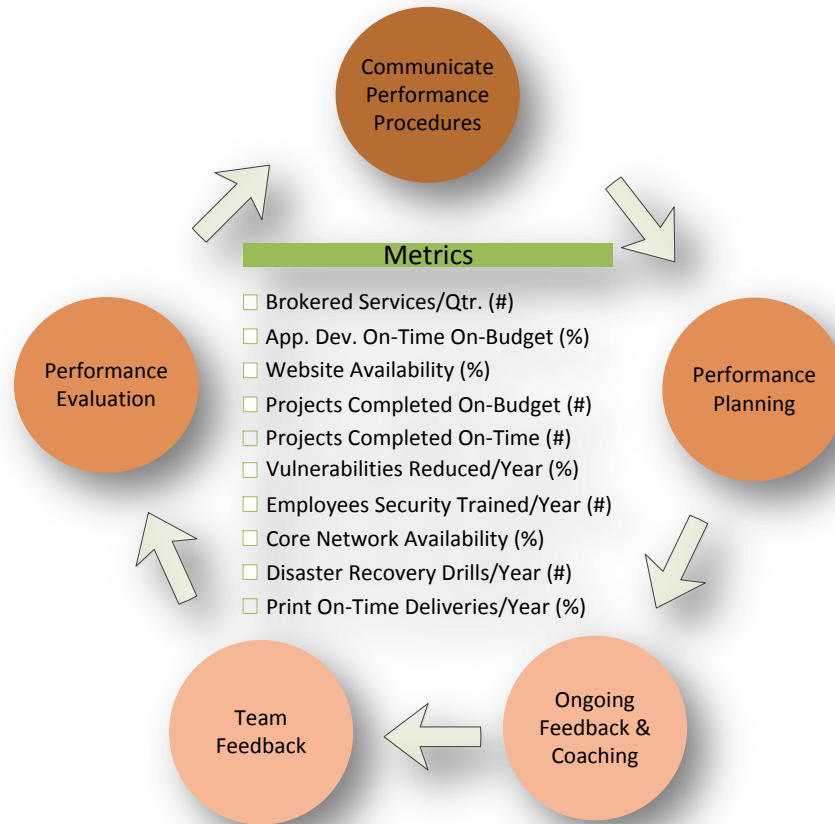


Figure 9: OCIO Metrics

IOWAccess Revolving Fund

The various IOWAccess projects that have been developed through the IOWAccess Revolving Fund continue to make more data available from state government and are a means to connect more citizens to their government. Since 1998, completed projects totaling over \$14 million have been financially supported by IOWAccess. In addition, over \$4 million has been awarded towards e-Government projects currently under development.



IOWAccess funds support website development efforts of our partner Iowa Interactive. According to the IOWAccess Annual Report, Iowa Interactive invested 23,492 hours in development, project management, maintenance, customer support, account management and portal management activities and launched 6 new projects resulting in a cost avoidance of \$4,154,596

Several agencies have completed medium to large sized projects this year which will benefit Iowans and make state government more efficient.

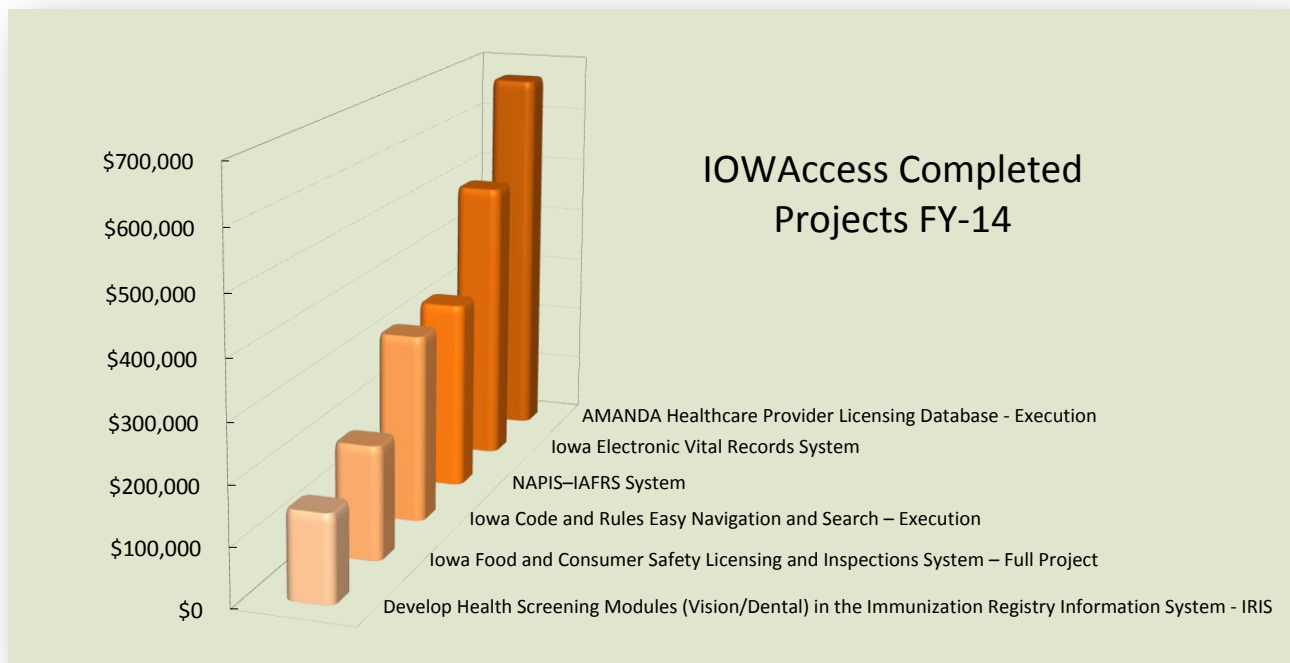


Figure 10: IOWAccess Completed Projects

The full report for IOWAccess can be found in Appendix C which contains the details of ongoing projects and their expenditures. IOWAccess earned \$14,261.93 dollars in interest for FY14.

Financials

The OCIO projects minor increases in budget as it continues its initiatives to Centralize administration, Broker services, Consolidate, and Improve processes. Although there are minor increases anticipated from FY-14 through FY-16, we also foresee gains in efficiency and capability which allows a steady state spend pattern as the illustration below depicts.

The budget projection is required by the Legislature and provided by the OCIO.

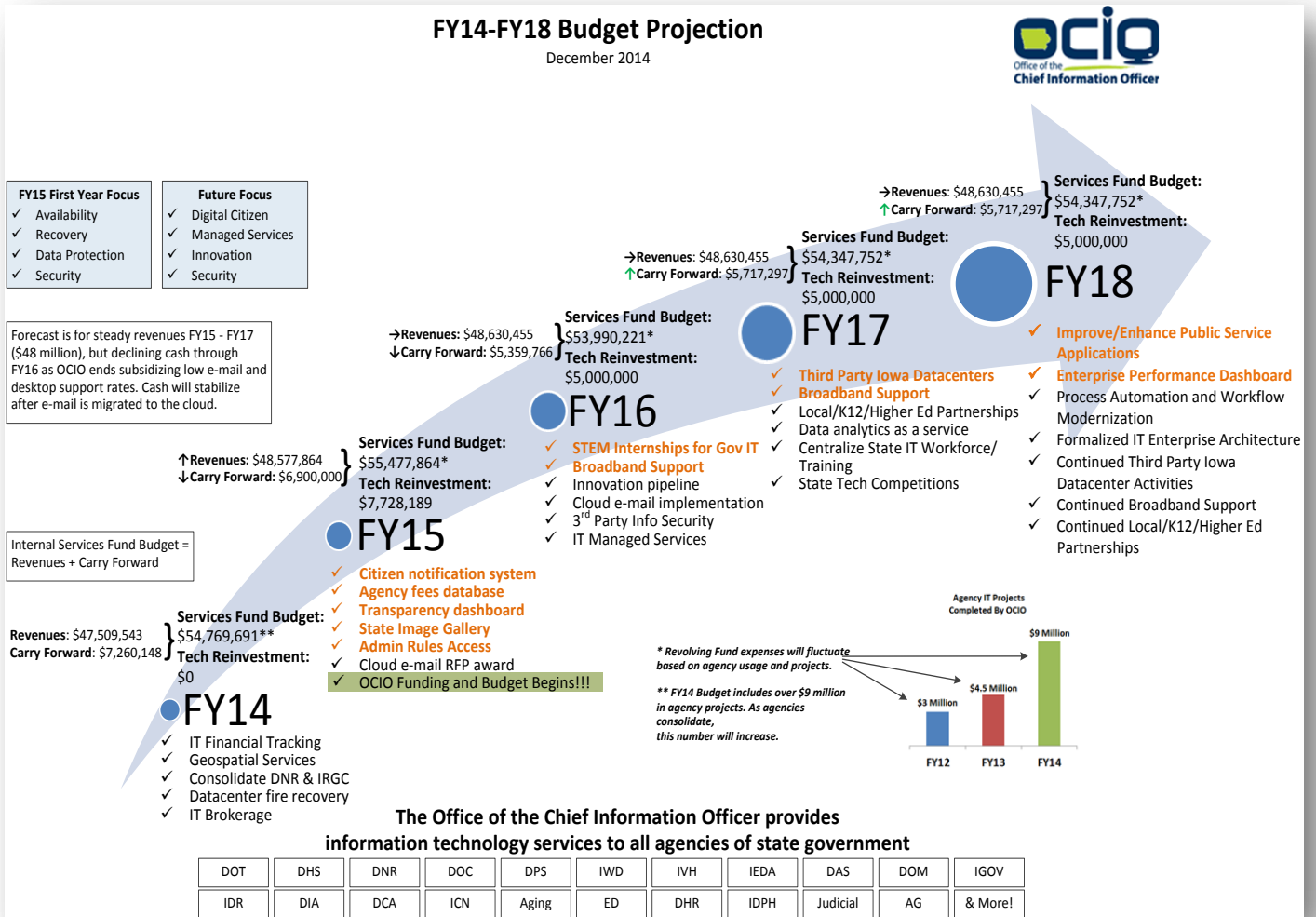


Figure 11: OCIO 5 Year Budget Projection as of Dec 2014

Statewide Technology Spend

In accordance with Iowa Code Chapter 8B.21 section 6, the Office of the Chief Information Office creates an annual report regarding total spend on technology. A detailed breakdown of FY14 IT expenditures is included with this document as Appendix A. A summary analysis of that data is as follows:

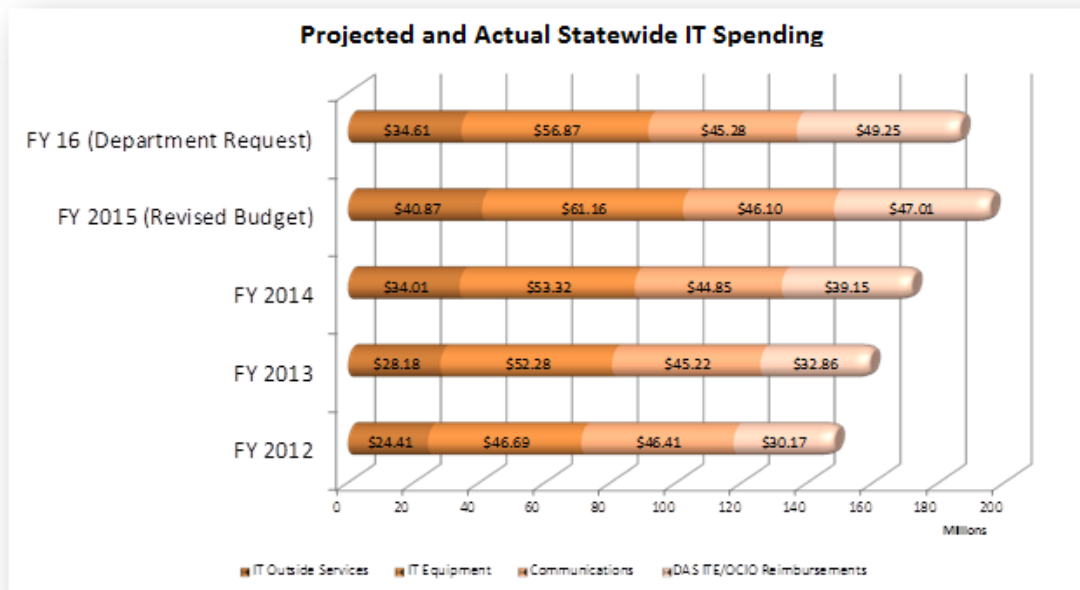


Figure 12: Projected and Actual Statewide IT Spending for FYs 2012-2016

There are four classes of data queried from the I/3 financial system: IT outside services, IT equipment, communications and ITE/OCIO reimbursements.

IT outside services is comprised of IT services provided by vendors to support a variety of state government projects and initiatives. IT equipment and software procurements provide the necessary equipment and software for workstations, network components, servers, and mainframes. Communications services include infrastructure for telephone networks and service charges from telecommunications providers.

DAS-ITE/OCIO reimbursements are service charges paid to DAS-ITE/OCIO for the delivery of IT services to state agencies. Service fees fund OCIO internal operations in support of state government.

The OCIO internal service fund 0123 activities showed \$47.7 Million dollars in receipts and \$47.5 Million dollars in expenses.

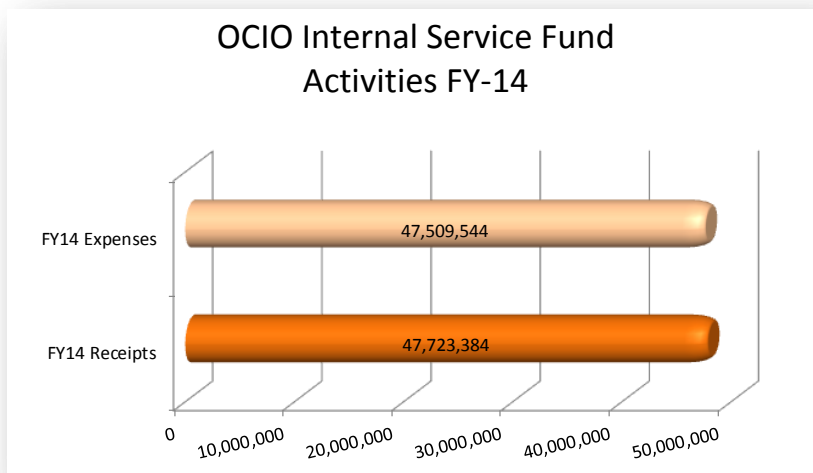


Figure 13: OCIO Internal Services Fund FY14

Accompanying Documents

Appendix A: FY2014 Statewide Technology Expenditure Report

Appendix B: FY2011 and FY2012 Return on Investment Program Project Status Report

Appendix C: FY2014 IOWAccess Revolving Fund Annual Report

Appendix D: Iowa Interactive Annual Report

Appendix E: Information Technology Device Inventory

Appendix F: Salary Report

Appendix G: Donations, Grants, Gifts, and Contributions Report