Schedule 13

Office of the Governor

Request Title

R-01 (CEO) Legal Services Increase

Dept. Approval By:

OSPB Approval By:

_____ Supplemental FY 2019-20

_____ Budget Amendment FY 2020-21

X Change Request FY 2020-21

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
	Total	$195,894	$0	$228,989	$110,864	$110,864
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	$143,516	$0	$176,611	$110,864	$110,864
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$52,378	$0	$52,378	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
	Total	$195,894	$0	$228,989	$110,864	$110,864
	FTE	0.0	0.0	0.0	0.0	0.0
01. Office of the Governor, (C) Colorado Energy Office, (1) Colorado Energy Office - Legal Services	GF	$143,516	$0	$176,611	$110,864	$110,864
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$52,378	$0	$52,378	$0	$0

Auxiliary Data

Requires Legislation? NO

Type of Request? Department of Governor's Office Prioritized Request

Interagency Approval or Related Schedule 13s: Impacts Other Agency

Colorado Energy Office

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Will Toor
Executive Director

Department Priority: R-01
Request Detail: Legal Services Increase

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds		**$110,864**	**$110,864**
FTE			
General Fund		$110,864	$110,864
Cash Funds			
Reappropriated Funds			
Federal Funds			

Summary of Request:

The Colorado Energy Office (CEO) requests an increase of $110,864 in ongoing General Fund spending authority to the Department's Legal Services line item, for subsequent reallocation to the Department of Law (DOL). This funding will support 1,040 hours of additional legal support from the DOL, using the FY 2019-20 blended rate of $106.60 per hour. CEO requires additional legal support due to increased activity and complexity of dockets that CEO participates in at the Public Utilities Commission (PUC) and the Air Quality Control Commission (AQCC).

Current Program:

CEO provides as the basis for its intervention at the PUC and AQCC upholding its statutory mission and duties. CEO brings a unique perspective representing the interests of Governor's Office and the state of Colorado as a whole at those regulatory venues. At the PUC, CEO also has statutory intervention by right under 40-6-108(2)(b).

Problem or Opportunity:

The Colorado Energy Office's legal services needs have increased over the last four-year period due in large part to increased filings at the Public Utilities Commission. This growth is projected to continue through FY 20. Projected workload in FY 20 is expected to increase 71% over FY 19. Given an average growth rate, workload in FY 21 will increase a further 25% over FY 20.

The Colorado Energy Office regularly intervenes in dockets before the Public Utilities Commission to ensure success in its mission of delivering reliable, cost-effective and innovative energy solutions. At present, the Air Quality Unit at the State Attorney General's Office employs two attorneys to serve as CEO legal counsel on a part-time basis. Each of them split time roughly equally between representing CDPHE and the CEO. Both are now occupied fully, with no capacity to provide additional legal services to CEO. Under the current administration, the CEO is engaged in the select dockets that advance its mission. However, utilities are bringing more dockets before the Commission which is increasing the number of cases the CEO is involved in and requiring more time and effort from CEO's attorneys.

DOL attorneys cannot maintain the level of legal support required by CEO to fulfill its mission. CEO regularly incurs legal services hours and expenditures beyond the amount appropriated.

	FY 16	FY 17	FY 18	FY 19	FY20 (est)
Hours	1,274	1,573	1,436	1,686	2,878
Cost	$ 123,432	$ 150,670	$ 152,904	$ 177,060	$ 306,795
Apprpopriated	$ 104,511	$ 104,555	$ 111,675	$ 123,536	$ 195,894

Without additional legal support from an FTE in the AG's office, CEO will experience a lower level of legal support than is required to intervene in proceedings and conduct associated required legal research.

Proposed Solution:

An additional Assistant Attorney General (AAG) in the Department of Law dedicated specifically to CEO legal issues. As such, CEO requests an additional $110,864 in ongoing general fund spending authority for the department's Legal Services line item, which will support 1,040 hours of additional legal support

beginning in FY 2020-21. The Department of Law will submit a corresponding non-prioritized budget request for 0.5 FTE and the same amount of reappropriated general fund spending authority to support the position.

Utilization costs for the position will then be billed to CEO via DOL's existing billing process. CEO will use its increased spending authority to cover increased bills, and DOL will utilize its reappropriated spending authority to cover FTE and related costs.

Anticipated Outcomes:

Additional attorney support will provide DOL attorneys the ability to remain responsive to the CEO's legal needs.

Assumptions and Calculations:

The Department of Law uses 1,800 working hours per year as the standard for new FTE hires. The blended rate for legal services of $106.60 is in effect for FY 2019-20 and is being used as a placeholder in this request. The blended rate in effect for FY 2020-21 will likely be slightly different. If this request is approved, CEO requests that the final amount of increased appropriations to the department's Legal Services line item be calculated based on the final blended rate for FY 2020-21

Office of the Governor

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-01 (GOV) Move Education Leadership Funds

Dept. Approval By:

OSPB Approval By:

Supplemental FY 2019-20

Budget Amendment FY 2020-21

X

Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$4,558,417	$0	$4,558,417	$0	$0
	FTE	38.9	0.0	38.9	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	$4,010,501	$0	$4,010,501	$0	$0
	CF	$106,912	$0	$106,912	$0	$0
	RF	$441,004	$0	$441,004	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$4,063,636	$0	$4,063,636	$100,000	$0
01. Office of the Governor, (A) Governor's Office, (1) Governor's Office - Administration of Governor's Office and Residence	FTE	34.9	0.0	34.9	0.0	0.0
	GF	$3,515,720	$0	$3,515,720	$100,000	$0
	CF	$106,912	$0	$106,912	$0	$0
	RF	$441,004	$0	$441,004	$0	$0
	FF	$0	$0	$0	$0	$0
	Total	$494,781	$0	$494,781	($100,000)	$0
02. Office of the Lieutenant Governor, (A) Office of the Lieutenant Governor, (1) Office of the Lieutenant Governor - Administration	FTE	4.0	0.0	4.0	0.0	0.0
	GF	$494,781	$0	$494,781	($100,000)	$0
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Department Priority: R-1
Request Detail: Move Education Leadership Council Funds

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	**$0**	**$0**	**$0**
FTE			
General Fund			
Cash Funds			
Reappropriated Funds			
Federal Funds			

Summary of Request:

The Governor's Office would like to manage the Education Leadership Council (ELC). This requires a transfer of $100,000 in funding from the Lt. Governor's "Administration" long bill line to the Governor's "Administration of the Governor's Office and Residence" line. There are no requested changes to the funding level from Fiscal Year 2019-20.

During the Hickenlooper administration, the ELC was managed by the Lieutenant Governor's chief of staff, who assumed responsibility for coordinating meetings and working with Commission members to develop policy priorities. The Polis administration has chosen the senior education policy advisor for education in the Governor's office to assume these responsibilities. Transferring funds from one line to the other will appropriately align the budget with the management of the programming.

Lt Governor - Administration line	($100,000)
Governor - Administration of the Governor's Office and Residence line	$100,000)
Total	**$0**

Current Program:

The ELC was formed by Executive Order under the Hickenlooper Administration with a mission of increasing high school graduation rates, closing the higher education attainment gap and increasing the number of post-secondary credentials earned by our state's workforce. The 25 member Council convenes a multi-stakeholder group that meets regularly to discuss policy, implementation and identify legislative and budgetary priorities for future legislative sessions. The original EO can be found here.

Problem or Opportunity:

During the Hickenlooper administration, the ELC was managed by the Lieutenant Governor's chief of staff, who assumed responsibility for coordinating meetings and working with Commission members to develop policy priorities. The Polis administration has chosen the senior education policy advisor for education in the Governor's office to assume these responsibilities. However, budgetary authority still rests with the Lt. Governor's office.

Proposed Solution:

In the past, the funds from ELC were spent on outside, non-advocacy based, education-focused organizations to provide facilitation, research and analysis. Staff from the member agencies (CDE, OEDIT, CDLE, CDHS, CDHE) provided additional support.

The current administration proposes ELC funds aid in funding staff in the Governor's office from the Policy Department and from the Communications and Community Engagement Department. This will allow the Governor's office to work closely with the Council to identify priorities for moving forward on the Council's Goals and ensuring Colorado becomes the State of Education. Moving ELC funds to the Governor's line will also ensure that proper outreach to stakeholders and agencies is streamlined, tactical and strategic and highlights and supports the Governor's priorities. This also allows for the most transparency possible, as no one in the Lt. Governor's office will be focused on the Education Leadership Council. Should this request not be approved, the Council would lack transparency given that the budget item would be within an office that is not involved with the ELC.

Anticipated Outcomes:

If this proposal is approved, Governor's Office staff will immediately start planning out future ELC meetings with stakeholders and implement a robust outreach plan moving forward. In 2018, the ELC released a strategic plan that includes four key priorities and numerous strategies for education stakeholders, including legislators, parents, educators, and communities to engage in to support these priorities. The ELC will be tasked with overseeing ongoing implementation of the strategic plan, including making updates to the plan if necessary.

Assumptions and Calculations:

The ELC is funded at $100,000 per year and is able to raise money and in-kind contributions from private entities and people to cover additional costs and support. The breakdown for staff and costs is below:

Education Policy Advisor	$10,000
Community Engagement Staff	$5,000
Operations & Community Outreach	$85,000
Total	$100,000

Supplemental, 1331 Supplemental or Budget Amendment Criteria:
N/A

Office of the Governor

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-1 (OEDIT) Extend Procurement Technical Assistance Center

Dept. Approval By:

OSPB Approval By:

	Supplemental FY 2019-20
	Budget Amendment FY 2020-21
X	Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total of All Line Items Impacted by Change Request	Total	$6,119,456	$0	$5,878,237	$220,000	$220,000
	FTE	5.8	0.0	5.8	0.0	0.0
	GF	$5,685,664	$0	$5,664,445	$0	$0
	CF	$433,792	$0	$213,792	$220,000	$220,000
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
04. Economic Development Programs, (A) Economic Development Programs, (1) Economic Development Programs - EDC - General Economic Incentives & Marketing	Total	$6,119,456	$0	$5,878,237	$220,000	$220,000
	FTE	5.8	0.0	5.8	0.0	0.0
	GF	$5,685,664	$0	$5,664,445	$0	$0
	CF	$433,792	$0	$213,792	$220,000	$220,000
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Auxiliary Data

Requires Legislation?	YES		
Type of Request?	Department of Governor's Office Prioritized Request	**Interagency Approval or Related Schedule 13s:**	No Other Agency Impact

Office of Economic Development (OEDIT)

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Betsy Markey
Executive Director

Department Priority: R-1
Request Detail: Extend Procurement Technical Assistance Center

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	**$0**	**$220,000**	**$220,000**
FTE	0 FTE	0 FTE	0 FTE
General Fund	$0	$0	$0
Cash Funds	$0	$220,000	$220,000
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	$0	$0

Summary of Request:

The Office of Economic Development & International Trade (OEDIT) is requesting $220,000 in ongoing funds for the Colorado Procurement Technical Assistance Center (PTAC) from the Procurement Technical Assistance Cash Fund. Colorado PTAC provides resources and consulting to local businesses applying for government contracts at the federal, state, and local levels. The Colorado PTAC has annually received $220,000 in cash funds from the State of Colorado, drawing down matching funds from the Federal Government, since the passage of H.B. 14-1016, which expires after Fiscal Year 2019-20 (24-48.5-121, C.R.S.). If funding is allowed to expire, services provided to Colorado's small, women, veteran, and minority-owned businesses will be dramatically reduced. OEDIT is working to identify the appropriate legislative route to introduce accompanying legislation to extend the PTAC program by five years. It is OSPB's opinion that this program is at Step 3 on the evidence continuum.

Evidence Level

1

Current Program:

The Colorado PTAC is a Public-Private Partnership operating under a 501(c)(3) non-profit structure. The Colorado PTAC promotes economic development throughout the State of Colorado by helping eligible businesses obtain and perform government contracts at federal, state, and local levels. In Fiscal Year 2017-18, the Colorado PTAC's client population included small businesses (53%), women-owned businesses (26%), service-disabled veteran-owned businesses (12%), and businesses owned by members of socially and economically disadvantaged groups, as self reported (3%), per definitions by the U.S. Small Business Administration. A PTAC program is available in every state, Guam, and Puerto Rico.

The Colorado PTAC is funded by federal and state grants, as well as cash and in-kind contributions from private sponsors. The Colorado PTAC received $602,504 in federal dollars for Fiscal Year 2019-20. Of the current $220,000 in State funding, $19,800 goes to OEDIT for administrative costs and the remainder goes directly to the Colorado PTAC. OEDIT's administration includes contracting with the PTAC, administering the contract and associated funding, reviewing, analyzing, and reporting on the performance metrics of the Colorado PTAC versus statutory and contractual requirements, reporting on its performance to the General Assembly, coordinating joint programming with the Colorado PTAC, and assisting the Colorado PTAC with its federal grant obligations.

Since the Colorado PTAC was created in 2009, over 5,000 clients have been served, helping to create a total of 55,000 jobs around the state. In 2018 alone, clients working with the Colorado PTAC reported earning a combined total of over $419 million in government contracts, supporting over 8,000 jobs, according to records maintained by the Colorado PTAC. Because PTAC collects information on its program outputs and client outcomes, as described above, it is OSPB's opinion that this program is at Step 3 of the evidence continuum. Additional benefits of the Colorado PTAC include promoting a broader supplier base for government procurement, encouraging more competition, lower prices, and a more equitable, demographically diverse, and resilient supplier base.

The Colorado PTAC provides a variety of services to its clients, including one-on-one counseling with procurement counselors, access to a variety of subject matter experts including contract attorneys, proposal writers, and accounting experts, and guidance on relevant policy changes such as those made by the U.S. Department of Defense. The Colorado PTAC also runs a variety of training and other events, including an 11-part training series, a speaker series, and networking events with major contractors such as Lockheed Martin and Northrup Grumman. The Colorado PTAC also runs the BidMatch program, which provides businesses customized notifications of relevant bids.

The Colorado PTAC is headquartered in Colorado Springs and has permanent locations in Aurora, Ft. Collins, Golden, and Westminster and travels around the state to support businesses in other locations. The Colorado PTAC has consistently exceeded statutory requirements around the number of businesses served, the number of counseling hours, the number of events held, and the amount of required fundraising, as shown in the table below.

PTAC Annual Report 2018-2019

Statutory Requirements - H.B. 14-1016 & 24-48.5-121, C.R.S.	Statutory Requirements	Actual
Number of new and active businesses served by PTAC	100	650
Number of counseling hours provided by PTAC	1,500	2,527
Number of events sponsored by or participated in by PTAC	65	165
Gifts, grants, or donations received	$200,000	$235,087
Minimum amount of gifts, grants, or donations in cash	$50,000	$99,167

Problem or Opportunity:

The Colorado PTAC was established by H.B. 14-1016 and funding for the program is set to expire after the current fiscal year (24-48.5-121, C.R.S.). OEDIT is working to identify the appropriate legislative route to extend funding for five years so that the Colorado PTAC may continue to provide valuable services to businesses across the state. Joint Budget Committee members and staff will be updated on the status of that legislation.

Businesses rely on the Colorado PTAC to provide resources and consulting on navigating government contracts at the federal, state, and local levels. Without the continuation of funding at $220,000, the Colorado PTAC would have to curtail or cease its operations and would no longer be able to help Colorado businesses compete to obtain government contracts. As a result, Colorado's small, women, minority, and veteran-owned businesses may be at a disadvantage in seeking federal government contracts as compared to businesses in states with a fully funded PTAC program. Any resulting reduction in government contract awards would also lead to reduced tax collections from Colorado businesses. As the federal government matches both state and private funding for PTAC, any loss in State funding would lead to losses in federal matching funds for the program as well.

Proposed Solution:

OEDIT is requesting an extension of State funding for the Colorado PTAC to ensure Colorado businesses continue to compete for and win government contracts.

Anticipated Outcomes:

If the extension is approved, the Colorado PTAC will be able to sustain its current operations and help Colorado businesses compete with those in other states to obtain federal government contracts. The Colorado PTAC will also maintain federal matching dollars, which are crucial to its annual budget.

Assumptions and Calculations:

OEDIT assumes the Colorado PTAC will continue to receive a 1-to-1 federal match on its dollars received from the State of Colorado and private investments.

Schedule 13

Office of the Governor

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-2 (OEDIT) Small Business Development Center Increase

Dept. Approval By:

OSPB Approval By:

		Supplemental FY 2019-20
		Budget Amendment FY 2020-21
	X	Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total of All Line Items Impacted by Change Request	Total	$1,378,946	$0	$1,378,946	$140,000	$140,000
	FTE	4.0	0.0	4.0	0.0	0.0
	GF	$94,144	$0	$94,144	$140,000	$140,000
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$1,284,802	$0	$1,284,802	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
04. Economic Development Programs, (A) Economic Development Programs, (1) Economic Development Programs - Small Business Development Centers	Total	$1,378,946	$0	$1,378,946	$140,000	$140,000
	FTE	4.0	0.0	4.0	0.0	0.0
	GF	$94,144	$0	$94,144	$140,000	$140,000
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$1,284,802	$0	$1,284,802	$0	$0

Auxiliary Data

Requires Legislation? NO

Type of Request? Department of Governor's Office Prioritized Request

Interagency Approval or Related Schedule 13s: No Other Agency Impact

Office of Economic Development (OEDIT)

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Betsy Markey
Executive Director

Department Priority: R-2
Request Detail: Small Business Development Center Increase

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	**$0**	**$140,000**	**$140,000**
FTE	0 FTE	0 FTE	0 FTE
General Fund	$0	$140,000	$140,000
Cash Funds	$0	$0	$0
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	$0	$0

Summary of Request:

The Office of Economic Development & International Trade (OEDIT) is requesting a $140,000 ongoing increase in General Fund support for the Small Business Development Centers (SBDC) line item (24-48.5-102, C.R.S.). SBDCs provide a variety of training and support services to aspiring entrepreneurs and small businesses across the state. This funding will enhance the business support and technical assistance provided by Colorado's SBDCs in rural Colorado, consistent with OEDIT's goal to enhance rural economic development. OSPB ranks this program at Step 3 on the evidence continuum.

Evidence Level

Current Program:

The Colorado SBDC Network includes 15 full-time centers across the state that provide technical assistance to small business owners and aspiring entrepreneurs in the form of free one-on-one business consulting and low-cost training courses. SBDC business consultants complete a certification training before assisting small businesses and all consultants are supervised by OEDIT.

The Colorado SBDC Network is funded by federal dollars from the U.S. Small Business Administration, as well as a required cash match solicited from partner institutions (e.g. incubators, chambers of commerce, private enterprises), the education sector (e.g. universities and community colleges), and local governments. The Business Support Division of OEDIT currently receives $94,144 annually in General Fund support from the State for the Colorado SBDC Network via the Small Business Development Center line item.

The Colorado SBDC Network reports the following activity over the last five years:

Metric	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
No. of Training Course Attendees	12,863	12,797	12,325	13,758	14,044
No. of Clients Consulted via 1-on-1 Sessions	5,913	6,232	6,218	6,642	6,594
No. of Business Starts	263	379	352	284	322
No. of Jobs Created	1,431	2,194	2,882	2,358	2,385
No. of Jobs Retained	3,006	2,973	2,095	2,574	3,413
Capital Formation ($)	$89,699,825	$213,482,369	$79,362,377	$83,905,382	$134,053,029
Increase in Sales ($)	$53,280,478	$97,025,467	$98,541,189	$103,021,136	$178,876,079

The above information on the impact of SBDCs in the form of output and outcome metrics is collected from small business owners who indicate those outcomes are directly attributable to the assistance provided by the SBDC Network. These metrics are tracked within the Colorado SBDC Network client database, and verified by a neutral third-party contractor to ensure accuracy. In addition to strict guidelines on how these metrics are collected, each SBDC Network in the nation undergoes an intensive accreditation process every five years, conducted by the Association of Small Business Development Centers, to ensure the high quality of each State's program. Because SBDCs collect this data on program outputs and client outcomes, OSPB ranks this program at Step 3 on the evidence continuum.

Problem or Opportunity:

The Colorado SBDC Network includes eight centers in rural communities. However, while the SBDCs along the Front Range receive financial support from the local chambers of commerce, higher education

institutions, and local governments for match funding, the rural SBDCs often lack a similar level of funds. Colorado's rural SBDCs currently operate at a deficit, relying more heavily on funds provided by the federal grant, with more limited match funding provided by local partners. The result is less support provided by rural centers in the form of fewer training courses and consulting hours to rural businesses, which may result in fewer businesses formed and fewer jobs created.

The Colorado SBDC Network reports the following recent activity from its rural SBDCs:

Metrics	FY 2017-18	FY 2018-19
No. of Consulting Hours	2,585	2,938
No. of Business Starts	27	39
No. of Jobs Created	155	148
Capital Formation ($)	$11,899,581	$8,598,376
Increase in Sales ($)	$7,608,213	$3,998,710

Proposed Solution:

One of OEDIT's goals is to enhance rural economic development. The SBDC Network is in a unique position to address this goal. These additional funds will help to address the deficit in rural SBDC funding and enable those centers to provide additional services to support business creation and/or expansion in rural parts of the State.

Anticipated Outcomes:

These additional funds will enable rural SBDCs to increase the amount of business consulting and training provided to small businesses in every corner of the State.

The Colorado SBDC Network measures its activities via metrics including the number of consulting hours, business starts, jobs created, capital formation, and increased sales. OEDIT estimates the following increase in outputs at rural SBDCs as a result of the requested increase in funding:

    Consulting Hours = 414
    Business Starts = 5
    Jobs Created = 23
    Capital Formation =$1,537,346
    Increased Sales = $870,519

Assumptions and Calculations:

The above estimate of increased outputs and outcomes was calculated by taking the average client impact over time. On average, the SBDC pays business consultants at a rate of $35-$50/hour and course facilitators at a rate of $100-$200/hour. Assuming the funds go directly to technical assistance and taking into account the average return on investment of SBDC trainings, consulting, and programming provides

the above estimates. Figures reported for rural SBDC's include the San Luis Valley, Southern, East, Southeast, Northwest, West Central, and Southwest centers. These numbers exclude the Grand Junction Center.
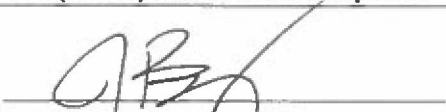
Schedule 13

Office of the Governor

Funding Request for The FY 2020-21 Budget Cycle

Request Title		
R-3 (OEDIT) Extend Rural Jump Start		

Dept. Approval By:

OSPB Approval By:

         Supplemental FY 2019-20

         Budget Amendment FY 2020-21

X   Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$80,983	$0	$40,491	$40,492	$80,983
	FTE	1.0	0.0	0.5	0.5	1.0
Total of All Line Items Impacted by Change Request	GF	$80,983	$0	$40,491	$40,492	$80,983
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$80,983	$0	$40,491	$40,492	$80,983
04. Economic Development Programs, (A) Economic Development Programs, (1) Economic Development Programs - Rural Jump Start	FTE	1.0	0.0	0.5	0.5	1.0
	GF	$80,983	$0	$40,491	$40,492	$80,983
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Auxiliary Data

Requires Legislation? YES

Type of Request? Department of Governor's Office Prioritized Request

Interagency Approval or Related Schedule 13s: No Other Agency Impact

Office of Economic Development (OEDIT)

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Betsy Markey
Executive Director

Department Priority: R-3
Request Detail: Extend Rural Jump Start

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	**$0**	**$40,492**	**$80,983**
FTE	0 FTE	0.5 FTE	1 FTE
General Fund	$0	$40,492	$80,983
Cash Funds	$0	$0	$0
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	$0	$0

Summary of Request:

The Office of Economic Development & International Trade (OEDIT) is requesting $40,492 in General Fund in FY 2020-21 to support 0.5 FTE to extend the Rural Jump-Start (RJS) program. RJS provides tax benefits to select businesses and their employees in rural areas of the state. RJS has received $80,983 annually from S.B. 15-282, which expires on December 31, 2020 (39-30.5-101, C.R.S.). OEDIT will work to introduce stand alone legislation to extend the RJS program for three years. This request annualizes to $80,983 and 1 FTE in FY 2021-22.

The RJS program is a tax exemption program for businesses that locate in certain economically distressed rural counties in Colorado. The companies participating in the RJS program must meet a number of statutory requirements, including:
- Creating five new hires, as defined in statute and by program requirements;
- Forming a partnership with a designated institute of higher education;
- Not competing with an existing Colorado company; and
- Adding to the economic base of the county in which they are located.

The businesses participating in this program receive relief from Colorado state income taxes, state sales tax, and the local business personal property tax, and may receive optional local sales and real property tax relief as well. In addition, eligible employees of these businesses receive an exemption from Colorado state income taxes. The RJS program is the only tax relief program at OEDIT that provides employees *and* businesses a direct benefit, which RJS companies use to attract and retain employees.

The RJS program began accepting applications from businesses in January 2016 and has been operating continuously ever since. During this time, 18 companies have been approved by the Economic Development Commission (EDC) for participation, and 13 companies are currently active in the program. Last year, 24 employees received state income tax exemptions as "new hires" -- some of these individuals received it for the first time, while others received the exemption in previous years.

The companies currently participating in the RJS program include several technology companies paying higher than average wages, including specialty manufacturers and software companies. These industries represent an opportunity to diversify rural economies and increase overall economic well-being in rural areas. Mesa County, for example, has a history of economic volatility based on the oil and gas industry. The RJS program has been utilized in the region in an effort to diversify the local economic base.

The RJS program can also be used as a tool for counties to plan for economic transitions and address specific economic events. For instance, Routt County utilized RJS benefits to address the loss of Smartwool, a local company that decided to relocate its operations to Denver as part of a corporate consolidation. Similarly, Clear Creek County recently established itself as an RJS zone in preparation for the closure of the Henderson Mine, a significant employer and a large portion of the tax base in the county. The RJS program is a unique tool at OEDIT to assist rural communities with economic transition and development.

The RJS program is currently supported by $80,983 in General Fund for the administration of the program, including one FTE. RJS is currently set to expire on December 31, 2020, and OEDIT is requesting to extend funding for the program with a half-year fiscal impact in FY 2020-21, annualizing to a full-year impact in FY 2021-22.

Allowing funding for RJS to expire would prevent OEDIT from extending one of its only incentives dedicated solely to supporting rural businesses and employees -- and the only tax relief program dedicated

solely to supporting rural communities. Without the RJS program, OEDIT would have fewer tools to assist rural communities in diversifying their economies and responding to economic disruptions.

As noted above, OEDIT will work to introduce stand alone legislation to extend the RJS program. As part of this legislation, OEDIT also plans to propose modifications to statute that it believes will enable communities to further utilize RJS for economic development, based on stakeholder feedback. These proposed changes include modifying the competition clause requirement to expand the number of eligible businesses that may apply for the program. OEDIT anticipates that modifying these requirements would increase the economic development benefit of the RJS program in rural Colorado. Joint Budget Committee members and staff will be updated on the status of that legislation.

Proposed Solution:

OEDIT anticipates that extending and modifying the requirements for the RJS program will ensure that these benefits dedicated to rural Colorado are maintained and enhanced. OEDIT's proposed extension and modification does not require additional funding or FTE for the RJS program, but instead to continue program funding at current levels.

Anticipated Outcomes:

OEDIT anticipates that the extension of the RJS program will enable rural communities to continue to access this valuable tool for recruiting new businesses. OEDIT further anticipates that its proposed modifications to the statute will enable this benefit to expand to more rural communities and more businesses, further amplifying the program's impact in our state.

Schedule 13

Office of the Governor

Request Title

R-4 (OEDIT) Office of Outdoor Recreation Line Item

Dept. Approval By: _____

OSPB Approval By: _____

___	Supplemental FY 2019-20
___	Budget Amendment FY 2020-21
X	Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total of All Line Items Impacted by Change Request	Total	$23,919,675	$0	$23,919,675	$0	$0
	FTE	28.4	0.0	28.4	3.0	3.0
	GF	$8,216,948	$0	$8,216,948	$0	$0
	CF	$15,153,249	$0	$15,153,249	$0	$0
	RF	$175,000	$0	$175,000	$0	$0
	FF	$374,478	$0	$374,478	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
04. Economic Development Programs, (A) Economic Development Programs, (1) Economic Development Programs - Global Business Development	Total	$5,340,052	$0	$5,340,052	($220,000)	($220,000)
	FTE	24.4	0.0	24.4	0.0	0.0
	GF	$4,216,948	$0	$4,216,948	($220,000)	($220,000)
	CF	$573,626	$0	$573,626	$0	$0
	RF	$175,000	$0	$175,000	$0	$0
	FF	$374,478	$0	$374,478	$0	$0
04. Economic Development Programs, (A) Economic Development Programs, (1) Economic Development Programs - Office of Outdoor Recreation	Total	$0	$0	$0	$370,000	$370,000
	FTE	0.0	0.0	0.0	3.0	3.0
	GF	$0	$0	$0	$370,000	$370,000
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$18,579,623	$0	$18,579,623	($150,000)	($150,000)
04. Economic Development Programs,	FTE	4.0	0.0	4.0	0.0	0.0
(A) Economic	GF	$4,000,000	$0	$4,000,000	($150,000)	($150,000)
Development Programs, (1) Economic	CF	$14,579,623	$0	$14,579,623	$0	$0
Development Programs - Colorado Promotion -	RF	$0	$0	$0	$0	$0
Other Program Costs	FF	$0	$0	$0	$0	$0

Auxiliary Data		
Requires Legislation? NO		
Type of Request? Department of Governor's Office Prioritized Request	**Interagency Approval or Related Schedule 13s:**	No Other Agency Impact

Office of Economic Development (OEDIT)

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Betsy Markey
Executive Director

Department Priority: R-4
Request Detail: Office of Outdoor Recreation Line Item

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	**$0**	**$0**	**$0**
FTE	0 FTE	3 FTE	3 FTE
General Fund	$0	$0	$0
Cash Funds	$0	$0	$0
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	$0	$0

Summary of Request:

The Office of Economic Development & International Trade (OEDIT) is requesting a new line item for the Colorado Outdoor Recreation Industry Office (OREC) reflecting $370,000 in General Fund and 3 FTE. This line would reflect OREC's current funding level of $370,000, of which $150,000 comes from the Colorado Promotion - Other Program Costs line item and $220,000 comes from the Global Business Development line item. OEDIT is not seeking new General Fund support for OREC, but rather seeks to reflect current funding levels in the budget to make that funding more transparent and to elevate the work of OREC. OEDIT will also work to introduce stand alone legislation to permanently establish the office in statute during the 2020 session.

Current Program:

Governor Hickenlooper created OREC by executive action in 2015. The Office is one of thirteen in the nation — and second to be established after Utah — that provides a central point of contact, advocacy, and resources at the state level for the diverse constituents, businesses, and communities that rely on the continued health of the outdoor recreation economy. Colorado's outdoor recreation economy generated $37 billion in consumer spending and supported 511,000 direct jobs in 2017. OREC's mission is to champion communities and people to thrive through Colorado's outdoor recreation industry by focusing its programming, community support, and sponsorships on four impact areas: economic development, conservation and stewardship, education and workforce training, and public health, wellness, and safety.

OREC supports its four impact areas by working with regional outdoor recreation coalitions to develop a shared strategy of growing local outdoor recreation economies; supporting rural communities through the Rural Technical Assistance Program titled "Grow Your Outdoor Industry"; developing continuing education programs specific to the outdoor industry; hosting the annual Colorado Outdoor Industry Leadership Summit; supporting national and international outdoor industry trade shows; and sponsoring an annual gathering of tribal leaders to discuss the impact of outdoor recreation across the Southwest.

Problem or Opportunity:

When OREC was established in 2015 it lacked accompanying legislation, a formal executive order, or a designated source of funding. Currently, OREC receives $370,000 in funds from other OEDIT programs, and does not appear on the Long Bill.

Proposed Solution:

OEDIT requests to make OREC's funding transparent by including a new line in the Long Bill. This line would include $370,000 in General Funds and 3 FTE. As proposed, this request is budget neutral as it includes a corresponding reduction of $150,000 General Fund from the Colorado Promotion- Other Program Costs line and a reduction of $220,000 General Fund from the Global Business Development line, reflecting the Office's current source of funds. Establishing a line item for OREC would provide greater transparency around how the State's outdoor recreation efforts are funded and offer greater visibility to the Office. As noted above, OEDIT will work to introduce stand alone legislation to establish OREC in statute and further demonstrate the State's commitment to promoting the industry. Joint Budget Committee members and staff will be updated on the status of that legislation.

Long Bill Line	FTE	GF	CF	RF	FF	Total Funds
Office of Outdoor Recreation (new line)	3	$370,000	$0	$0	$0	$370,000
Global Business Development	0	($220,000)	$0	$0	$0	($220,000)
Colorado Promotion - Other Program Costs	0	($150,000)	$0	$0	$0	($150,000)
Total	*3*	*$0*	*$0*	*$0*	*$0*	*$0*

Anticipated Outcomes:

This request will improve transparency and better align OEDIT's Long Bill to actual spending. It will also highlight the work of OREC with a new line item.

Schedule 13

Office of the Governor

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-5 (OEDIT) PTAC Technical Adjustment

Dept. Approval By:

OSPB Approval By:

	Supplemental FY 2019-20
	Budget Amendment FY 2020-21
X	Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total of All Line Items Impacted by Change Request	Total	$6,119,456	$0	$5,878,237	($220,000)	($220,000)
	FTE	5.8	0.0	5.8	0.0	0.0
	GF	$5,685,664	$0	$5,664,445	($220,000)	($220,000)
	CF	$433,792	$0	$213,792	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$6,119,456	$0	$5,878,237	($220,000)	($220,000)
04. Economic Development Programs, (A) Economic Development Programs, (1) Economic Development Programs - EDC - General Economic Incentives & Marketing	FTE	5.8	0.0	5.8	0.0	0.0
	GF	$5,685,664	$0	$5,664,445	($220,000)	($220,000)
	CF	$433,792	$0	$213,792	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Governor's Office Prioritized Request	**Interagency Approval or Related Schedule 13s:**	No Other Agency Impact

Office of Economic Development (OEDIT)

FY 2020-21 Funding Request

November 1, 2019

Jared Polis

Governor

Betsy Markey
Executive Director

Department Priority: R-5
Request Detail: PTAC Technical Adjustment

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	**$0**	**($220,000)**	**($220,000)**
FTE	0 FTE	0 FTE	0 FTE
General Fund	$0	($220,000)	($220,000)
Cash Funds	$0	$0	$0
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	$0	$0

Summary of Request:

The Office of Economic Development & International Trade (OEDIT) is requesting an ongoing reduction of $220,000 in General Fund to the Economic Development Commission - General Economic Incentives & Marketing line item to correct a technical error. OEDIT has received this funding for the Colorado Procurement Technical Assistance Center (PTAC), however, the statute indicates the Office should receive this funding as cash funds (24.48.5.121, C.R.S.). OEDIT has received $220,000 from the Procurement Technical Assistance Cash Fund as indicated in statute but has also been receiving $220,000 in General Fund, totalling $440,000. OEDIT has been reverting the $220,000 in General Fund because it has no statutory authority to spend that money. This request includes a technical adjustment to eliminate future reversions.

Current Program:

The Colorado PTAC increases employment and promotes economic development throughout the State of Colorado by helping eligible small businesses obtain and perform government contracts at federal, state, and local levels. Per statute, Colorado PTAC is funded at a level of $220,000 from the Procurement Technical Assistance Cash Fund (24.48.5.121, C.R.S.). However, OEDIT has also been receiving $220,000 in General Fund.

This request is distinct from the request to extend current funding levels for the Colorado PTAC that are currently set to expire (OEDIT R-1). While that request seeks to extend cash fund spending authority, this request seeks to correct a technical error in General Fund appropriations.

Problem or Opportunity:

This technical adjustment will align the Long Bill to actual program expenditures, reduce reversions, and free up General Fund for State priorities.

Proposed Solution:

To correct this error, OEDIT proposes to reduce the Economic Development Commission - General Economic Incentives & Marketing line item by $220,000 in General Fund on an ongoing basis. Funding for Colorado PTAC is contained within this line.

Anticipated Outcomes:

OEDIT does not anticipate any impact on program operations as a result of this adjustment, as it does not currently use these funds and has been reverting them.

Office of the Governor

Funding Request for The FY 2020-21 Budget Cycle		
Request Title		
R-6 (OEDIT) Administrative Funds Technical Adjustment		
Dept. Approval By:		Supplemental FY 2019-20
OSPB Approval By:		Budget Amendment FY 2020-21
	X	Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$783,999	$0	$783,999	($4,585)	($4,585)
	FTE	6.0	0.0	6.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	$779,414	$0	$779,414	$0	$0
	CF	$2,435	$0	$2,435	($2,435)	($2,435)
	RF	$0	$0	$0	$0	$0
	FF	$2,150	$0	$2,150	($2,150)	($2,150)

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$783,999	$0	$783,999	($4,585)	($4,585)
04. Economic Development Programs, (A) Economic Development Programs, (1) Economic Development Programs - Administration	FTE	6.0	0.0	6.0	0.0	0.0
	GF	$779,414	$0	$779,414	$0	$0
	CF	$2,435	$0	$2,435	($2,435)	($2,435)
	RF	$0	$0	$0	$0	$0
	FF	$2,150	$0	$2,150	($2,150)	($2,150)

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Governor's Office Prioritized Request	**Interagency Approval or Related Schedule 13s:**	No Other Agency Impact

Office of Economic Development (OEDIT)

FY 2020-21 Funding Request

November 1, 2019

Jared Polis

Governor

Betsy Markey
Executive Director

Department Priority: R-6
Request Detail: Administrative Funds Technical Adjustment

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	**$0**	**($4,585)**	**($4,585)**
FTE	0 FTE	0 FTE	0 FTE
General Fund	$0	$0	$0
Cash Funds	$0	($2,435)	($2,435)
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	($2,150)	($2,150)

Summary of Request:

The Office of Economic Development & International Trade (OEDIT) is requesting an ongoing reduction of $4,585 in funds from the Office's Administration line item. Currently, the Long Bill includes $2,435 in cash funds and $2,150 in federal funds for administrative purposes. OEDIT's accounting team has indicated that OEDIT doesn't actually receive those funds and, therefore, proposes this reduction to align the Long Bill with OEDIT's actual expenditures.

Current Program:

The Administration line item in the Economic Development Programs section provides funding for the oversight of economic development program activities and administrative functions, including accounting, budget, procurement, personnel, information technology, and other administrative functions.

Problem or Opportunity:

The Long Bill currently reflects $2,435 in cash funds and $2,150 in federal funds. A footnote suggests these cash funds come from a variety of funds. However, OEDIT does not currently receive those funds.

Proposed Solution:

OEDIT proposes to remove these funds from the Long Bill to more accurately reflect the Office's actual spending.

Anticipated Outcomes:

OEDIT does not anticipate any impact on administrative functions for the Office.

Schedule 13

Office of the Governor

Funding Request for The FY 2020-21 Budget Cycle			
Request Title			
R-7 (OEDIT) Creative District Interest Spending Authority			

Dept. Approval By:

OSPB Approval By:

      Supplemental FY 2019-20

      Budget Amendment FY 2020-21

X   Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$2,788,734	$0	$2,788,734	$10,786	$0
	FTE	3.0	0.0	3.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	$0	$0	$0	$0	$0
	CF	$2,023,000	$0	$2,023,000	$10,786	$0
	RF	$0	$0	$0	$0	$0
	FF	$765,734	$0	$765,734	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$2,788,734	$0	$2,788,734	$10,786	$0
04. Economic Development Programs, (A) Economic Development Programs, (1) Economic Development Programs - Council on Creative Industries	FTE	3.0	0.0	3.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$2,023,000	$0	$2,023,000	$10,786	$0
	RF	$0	$0	$0	$0	$0
	FF	$765,734	$0	$765,734	$0	$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Governor's Office Prioritized Request	Interagency Approval or Related Schedule 13s:	No Other Agency Impact

Office of Economic Development (OEDIT)

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Betsy Markey
Executive Director

Department Priority: R-7
Request Detail: Creative District Interest Spending Authority

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	**$0**	**$10,786**	**$0**
FTE	0 FTE	0 FTE	0 FTE
General Fund	$0	$0	$0
Cash Funds	$0	$10,786	$0
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	$0	$0

Summary of Request:

The Office of Economic Development & International Trade (OEDIT) is requesting a one-time increase in spending authority to access the interest earnings on the Creative District Community Loan Fund (24-48.5-315, C.R.S.). This funding would support the Colorado Certified Creative Districts program. This interest was collected on a one-time appropriation to the Creative District Community Loan Fund but the Creative Districts program has not been granted an appropriation to access that interest. The interest currently amounts to approximately $10,786.

Current Program:

In FY 2011, H.B.11-1031 (24-48.5-314, C.R.S.) created the Colorado Certified Creative Districts program, administered by the Creative Industries Division within OEDIT. No funding or FTE were included in that legislation.

With the growing success of the program, in 2014, H.B. 14-1093, (24-48.5-315, C.R.S.) established the Creative District Community Loan Fund to support the Creative Districts and provided a one-time appropriation of $100,000. Under H.B. 14-1093, interest was collected on the fund but OEDIT did not have the spending authority to access that interest.

The Creative District program offers eligible districts access to project funding through the loan fund, tailored technical assistance, networking and training programs, and professional development. Since July of 2012, the Creative Industries Division has supported the development of Creative Districts across the state to:

- Create hubs and clusters of economic activity;
- Promote a community's unique identity; and
- Enhance an area as an appealing place to live, conduct business, and visit.

Problem or Opportunity:

The Creative District Community Loan Fund received a one-time appropriation from the General Assembly of $100,000, which has since been depleted. There are currently 23 State-certified creative districts, and over 40 projects in these districts that are seeking funding through the Loan Fund.

Proposed Solution:

OEDIT requests one-time spending authority to access the interest on this fund. Accessing this interest will enable OEDIT to support these creative industries, new business incubation, and entrepreneurs in creative districts, particularly in rural areas.
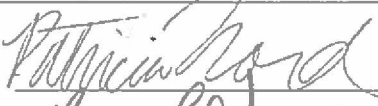
Anticipated Outcomes:

The interest from loans and any additional funding will be used to support development, acquisition, construction and/or improvement projects in existing and newly-certified Creative Districts, especially those in rural communities, many of which lack access to affordable capital. This will help strengthen rural economies and assist with creative business start-ups and business retention.

Schedule 13

Office of the Governor

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-01 (OIT) Colorado Digital Services

Dept. Approval By: *[signature]*

OSPB Approval By: *[signature]*

___	Supplemental FY 2019-20
___	Budget Amendment FY 2020-21
X	Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$33,654,404	$0	$36,274,609	$1,240,560	$1,240,560
	FTE	18.4	0.0	18.4	7.0	7.0
Total of All Line Items Impacted by Change Request	GF	$10,692,949	$0	$10,754,474	$1,240,560	$1,240,560
	CF	$768,815	$0	$768,815	$0	$0
	RF	$22,192,640	$0	$24,751,320	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$9,499,456	$0	$11,322,433	$70,293	$70,293
	FTE	0.0	0.0	0.0	0.0	0.0
05. Office of Information Technology, (A) OIT Central Administration, (1) OIT Central Administration - Health, Life, and Dental	GF	$91,280	$0	$134,151	$70,293	$70,293
	CF	$0	$0	$0	$0	$0
	RF	$9,408,176	$0	$11,188,282	$0	$0
	FF	$0	$0	$0	$0	$0
	Total	$131,262	$0	$144,274	$1,421	$1,421
	FTE	0.0	0.0	0.0	0.0	0.0
05. Office of Information Technology, (A) OIT Central Administration, (1) OIT Central Administration - Short-term Disability	GF	$1,276	$0	$1,590	$1,421	$1,421
	CF	$0	$0	$0	$0	$0
	RF	$129,986	$0	$142,684	$0	$0
	FF	$0	$0	$0	$0	$0

| Line Item Information | Fund | FY 2019-20 | | FY 2020-21 | | FY 2021-22 |
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$3,866,541	$0	$4,258,649	$41,804	$41,804
05. Office of Information Technology, (A) OIT Central Administration, (1) OIT Central Administration - Amortization Equalization Disbursement	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$37,719	$0	$46,889	$41,804	$41,804
	CF	$0	$0	$0	$0	$0
	RF	$3,828,822	$0	$4,211,760	$0	$0
	FF	$0	$0	$0	$0	$0
	Total	$3,866,541	$0	$4,258,649	$41,804	$41,804
05. Office of Information Technology, (A) OIT Central Administration, (1) OIT Central Administration - Supplemental Amortization Equalization Disbursement	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$37,719	$0	$46,889	$41,804	$41,804
	CF	$0	$0	$0	$0	$0
	RF	$3,828,822	$0	$4,211,760	$0	$0
	FF	$0	$0	$0	$0	$0
	Total	$16,290,604	$0	$16,290,604	$1,085,238	$1,085,238
05. Office of Information Technology, (E) Applications, (1) Applications - Applications Administration	FTE	18.4	0.0	18.4	7.0	7.0
	GF	$10,524,955	$0	$10,524,955	$1,085,238	$1,085,238
	CF	$768,815	$0	$768,815	$0	$0
	RF	$4,996,834	$0	$4,996,834	$0	$0
	FF	$0	$0	$0	$0	$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Governor's Office Prioritized Request	Interagency Approval or Related Schedule 13s:	No Other Agency Impact

Office of Information Technology

FY 2019-20 Supplemental Request

November 1, 2019

Jared Polis
Governor

Theresa Szczurek
Executive Director

Summary of Incremental Funding Change for FY 2020-21		
	FY 2020-21	**FY 2021-22**
Total Funds	**$1,240,560**	**$1,240,560**
FTE	7.0	7.0
General Fund	$1,240,560	$1,240,560

Summary of Request:

The Governor's Office of Information Technology (OIT) requests $1,240,560 General Fund and 7.0 FTE for FY 2020-21 and ongoing to continue a Colorado Digital Services (CODS) program. The initial 1331 FY 2019-20 request was approved by the Joint Technology and Joint Budget Committees in September 2019, and this request is for ongoing funding. This request is a 19% increase to the current OIT enterprise applications budget.

In 2011, the Government Digital Service (GDS) was created in the United Kingdom with the mission to transform the provision of government digital services. Digital services encompass internet-based virtual access to various services provided by the government. Today, governments around the world have created "Digital Service" teams, as have several states in the U.S. including California, Massachusetts and Georgia.

In August 2014, the United States Digital Service (USDS) was formed as a result of the technological rescue of healthcare.gov by a team of engineers, designers and product managers from the private sector working together with existing technical presidential innovation fellows. The healthcare.gov crash exposed a lack of senior tech talent within government. Five years later, Congress continues to fund the United States Digital Service based on the cost reduction, cost avoidance, and innovation the team delivers to the American people.

To improve government services, USDS hires top technologists into term-limited 'tours of civic service.' USDS deploys small, responsive groups of designers, engineers, product managers, and bureaucracy specialists to work with and empower government employees. These multi-disciplinary teams bring best practices and new approaches to support government modernization efforts.

Digital Services refers to the electronic delivery of information, including data, voice, and content across multiple platforms and devices. In Colorado, there are many great teams working to build digital services that make life better for Coloradans including OIT, state departments, Colorado Interactive LLC, Code for America, 18F and a list of vendors big and small. Colorado also organizes public/private councils on a variety of emerging technologies such as blockchain and healthcare interoperability to help stakeholders better understand how to shape policy. There are successful challenges and programs, such as Go Code Colorado and the Smart Data Analytics Challenge, that connect the private sector with government datasets and resources.

OIT utilized support from a team of volunteer private-sector technical experts from the USDS that came together to quickly assess the State's human resources information system "HRWorks" project. They provided objective, external insight that was quite valuable in modifying the strategic direction on the project. While their assessment provided positive validation on many areas of the project underway, they also provided the State a recommended path of changing the project implementation methodology to follow an Agile approach. These recommendations are providing the necessary boost this project needs to achieve success. The breadth of private and public sector technical expertise provided many strategic "lessons learned" opportunities that the State can leverage. OIT is planning on utilizing this as a case model for Colorado Digital Services.

Problem or Opportunity:

Governor Polis is taking an active role in re-inventing the information technology (IT) management and delivery process in Colorado. As the new Administration was seated, it was clear that there have been fundamental problems embedded in the IT culture, which stemmed from such things as: unclear lines of responsibility and ownership, needing to increase accountability, and a need to change the culture in our departments regarding high-level high-dollar projects. Understanding this, the Administration has actively engaged in improving how state information technology projects are managed and delivered, and do so in a

manner that creates fundamental and systemic change that will last beyond this Administration. The Governor's vision and goals for delivery of first-class technology services are dependent upon a transformational approach to developing and improving tech, and that the technology challenges faced by the state demand an immediate change in approach.

There are efforts bubbling up in Colorado to build internet or electronic network-based, virtual access through digital services. The mobile-first strategy is one element of this. However, the State does not offer sufficient, dedicated funding and resources to establish and deliver digital solutions across many state departments to improve service delivery to all Coloradans. As a part of the goal to bring customer delight, OIT seeks to deliver digital services to Coloradans and involve the best tech talent in the state. With digital services as a part of Governor Polis' new vision for Colorado, now is the time to harness this innovative spirit and capital to become a leader in Government digital services.

Currently, OIT is understaffed compared to the industry average for state and local governments. Colorado averages about 3.5% IT FTE as a percent of all state employees supported by OIT and the average IT FTE for state and local governments is 3.9%. IT FTEs as a percent of employees is a key measure of IT support and IT intensity from a human capital perspective. Although the 0.4% difference between the state average and Colorado seems immaterial, that equates to approximately 120 IT FTE, a sizeable amount. Given this reality, OIT cannot easily absorb additional technical expert staff to meet the goals of this request without impacting other current agency work and ongoing state operations.

Proposed Solution:

As a part of Governor Polis' new vision, the Governor's Office of Information Technology (OIT) requests $1,240,560 in General Fund and 7.0 FTE in FY 2020-21 and ongoing to continue a Colorado Digital Services program in the Office of Information Technology. This request is a 19% increase to the current OIT enterprise applications budget.

Despite OIT's need for 120 FTE to align with other state and local governments, this solution is a targeted approach to address the IT projects with the highest costs and risks for overages with only a modest increase in staff.

The Colorado Digital Service (CODS) enriches Colorado's technology ecosystem by providing a pipeline of "digital service experts" focused on solving problems and building citizen-facing technology services benefitting Coloradans. CODS engineers, designers and product managers are term limited state employees collaborating with Colorado's career state employees to participate in procurement and other sensitive discussions. The CODS focuses their efforts on high impact, citizen-facing services and modernization priorities. The "digital tour of duty" hiring model provides an avenue for the best tech talent in Colorado to serve the State for a 1-2 year term-limited period enriching the existing OIT and agency teams.

OIT's Chief Information Officer, in consultation and collaboration with the Governor's Office, direct the team on what projects and issues require their support. The team focuses on large and complex IT projects, projects that are struggling to move forward, and state programs needing a new IT solution. The amount of

time and number of projects the CODS tackles will depend on the demand for their services and the complexity of the problem or project they are addressing.

The CODS benefits the State in many ways. It combines the best private sector design, engineering and product management talent that understands how to design, build and deliver digital services with the best government talent that has the policy knowledge, deep subject matter expertise and understanding to navigate bureaucracy. CODS also brings great engineers to the table alongside state agency teams to assist with the procurement process and technology decisions. The CODS team participates in technical evaluation panels for procurements and vendor evaluation processes like prototypes and code reviews to evaluate expertise. Lastly, the CODS team can help tell the story of digital service to the public, transforming their vision of how the State serves Coloradans. CODS is a resource to direct toward OIT's most important, biggest challenges.

Anticipated Outcomes:

OIT anticipates that CODS will not only improve the experience that Coloradans have when interfacing with various government services, but will also grow the knowledge and talent of the State's workforce. The CODS provides valuable support to existing projects that are burdened with unforeseen obstacles by addressing the issues and getting the project back on track to save the State time and money. Based on similar results at the federal level, OIT also anticipates the CODS team will deliver cost reduction, cost avoidance and innovation to the State and all Coloradans.

CODS will deliver a substantial return on investment for the state with a small team of top talent working within OIT. The impact of such programs on the federal level and in other countries has been quantified in many ways - from labor hours saved, net promoter score as a proxy for citizen-satisfaction, and cost avoidance. For example, the US Digital Service laid the groundwork for the VA cloud strategy which could potentially save an estimated $100 million over the next 10 years. The US Digital Services also streamlined the VA Appeals process leading to a 40% decrease in claims with mismatched documents and 17 labor years redirected annually.

If funding is not awarded, OIT will not be able to continue this initiative for the Governor. The State will continue to move forward with IT initiatives, but without the benefit of private sector expertise and insight to advance and streamline solutions. The State will have to work through barriers in the traditional sense, potentially costing time and additional taxpayer dollars to address.

Assumptions and Calculations:

OIT used the IT Manager classification to calculate costs for 7 staff. Although operating costs for each employee are included, any costs associated with IT solutions proposed by the CODS team are not included and would need to be captured in a separate request or funding mechanism. The specifics of the calculations are shown below.

Expenditure Detail				FY 2020-21		FY 2021-22	
Personal Services:							
	Classification Title	Biweekly Salary	FTE		FTE		
	IT MANAGER	$5,193	7.0	$945,126	7.0	$945,126	
PERA				$103,019		$103,019	
AED				$47,256		$47,256	
SAED				$47,256		$47,256	
Medicare				$13,704		$13,704	
STD				$1,607		$1,607	
Health-Life-Dental				$70,293		$70,293	
Subtotal Position 1, #.# FTE			7.0	$1,228,261	7.0	$1,228,261	
Subtotal Personal Services			7.0	$1,228,261	7.0	$1,228,261	
Operating Expenses:							
			FTE		FTE		
Regular FTE Operating		$500	7.0	$3,500	7.0	$3,500	
Telephone Expenses		$450	7.0	$3,150	7.0	$3,150	
PC, One-Time		$1,230	0.0	$0	-		
Office Furniture, One-Time		$3,473	0.0	$0	-		
IT Software		$807	7.0	$5,649	7.0	$5,649	
Other							
Other							
Other							
Subtotal Operating Expenses				$12,299		$12,299	
TOTAL REQUEST			7.0	**$1,240,560**	7.0	**$1,240,560**	
	General Fund:		*7.0*	*$1,240,560*	*7.0*	*$1,240,560*	
	Cash funds:						
	Reappropriated Funds:						
	Federal Funds:						

Schedule 13

Office of the Governor

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-02 (OIT) myColorado

Dept. Approval By:

OSPB Approval By:

Supplemental FY 2019-20

Budget Amendment FY 2020-21

X

Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$33,654,404	$0	$36,274,609	$1,540,521	$1,526,412
	FTE	18.4	0.0	18.4	3.0	3.0
Total of All Line Items Impacted by Change Request	GF	$10,692,949	$0	$10,754,474	$0	$0
	CF	$768,815	$0	$768,815	$0	$0
	RF	$22,192,640	$0	$24,751,320	$1,540,521	$1,526,412
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$9,499,456	$0	$11,322,433	$30,126	$30,126
	FTE	0.0	0.0	0.0	0.0	0.0
05. Office of Information Technology, (A) OIT Central Administration, (1) OIT Central Administration - Health, Life, and Dental	GF	$91,280	$0	$134,151	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$9,408,176	$0	$11,188,282	$30,126	$30,126
	FF	$0	$0	$0	$0	$0
	Total	$131,262	$0	$144,274	$483	$483
	FTE	0.0	0.0	0.0	0.0	0.0
05. Office of Information Technology, (A) OIT Central Administration, (1) OIT Central Administration - Short-term Disability	GF	$1,276	$0	$1,590	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$129,986	$0	$142,684	$483	$483
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
05. Office of Information Technology, (A) OIT Central Administration, (1) OIT Central Administration - Amortization Equalization Disbursement	Total	$3,866,541	$0	$4,258,649	$14,209	$14,209
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$37,719	$0	$46,889	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$3,828,822	$0	$4,211,760	$14,209	$14,209
	FF	$0	$0	$0	$0	$0
05. Office of Information Technology, (A) OIT Central Administration, (1) OIT Central Administration - Supplemental Amortization Equalization Disbursement	Total	$3,866,541	$0	$4,258,649	$14,209	$14,209
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$37,719	$0	$46,889	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$3,828,822	$0	$4,211,760	$14,209	$14,209
	FF	$0	$0	$0	$0	$0
05. Office of Information Technology, (E) Applications, (1) Applications - Applications Administration	Total	$16,290,604	$0	$16,290,604	$1,481,494	$1,467,385
	FTE	18.4	0.0	18.4	3.0	3.0
	GF	$10,524,955	$0	$10,524,955	$0	$0
	CF	$768,815	$0	$768,815	$0	$0
	RF	$4,996,834	$0	$4,996,834	$1,481,494	$1,467,385
	FF	$0	$0	$0	$0	$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Governor's Office Prioritized Request	Interagency Approval or Related Schedule 13s:	Impacts Other Agency

Jared Polis
Governor

Theresa Szczurek
Executive Director

Department Priority: R-02
Request Detail: myColorado

Summary of Incremental Funding Change for FY 2020-21		
	FY 2020-21	**FY 2021-22**
Total Funds	**$1,949,096**	**$1,911,472**
FTE	**8.0**	**8.0**
Cash Funds	**$408,575**	**$385,060**
Reappropriated Funds	**$1,540,521**	**$1,526,412**

Summary of Request:

The Governor's Office of Information Technology (OIT) requests $1,949,096 total funds and 8.0 total FTE with $1,540,521 Reappropriated Funds and 3.0 FTE to OIT and $408,575 Cash Funds and 5.0 FTE for the Department of Revenue (DOR) in FY 2020-21 and $1,911,472 total funds and 8.0 FTE with $1,526,412 Reappropriated Funds to OIT with 3.0 FTE and $385,060 Cash Funds and 5.0 FTE for DOR in FY 2021-22 and ongoing to provide the necessary resources to support and maintain the myColorado application and digital ID mobile driver license (mDL). As a part of Governor Polis' new vision, the first priority of these resources will be to support and socialize an mDL that meets the REAL ID Act standards.

Current Program:

The myColorado application is the official mobile application for the state of Colorado, it provides a secure and simple way for Coloradans to access state services while improving their experience with government by meeting them where they are in the digital space. Each new service available through myColorado reduces the need for a Coloradan to wait in line or repeatedly fill out paper forms. myColorado opens state services to a 24/7 model of getting business done at anytime from anywhere as well as offering accessibility for blind and visually-impared users.

With a soft launch in January 2019, myColorado is the State of Colorado's official mobile application for accessing government services and completing state business. The application is an example of the State's customer-centric approach to service delivery for its residents. At its core, myColorado contains state-of-the-art security, and identity verification and authentication. It allows Coloradans to access government services on a platform with a strong foundation for security and identity verification so they can feel confident that their personal data will be protected.

Current services offered through myColorado are: driver license renewal; "Smart Search", a tailored search engine that returns results of official state services only; digital wallet with the ability to hold payment information for in-application purchases and to load a copy of an insurance card into the wallet; and vehicle registration renewal, which is not yet publicly available in the application but has been developed. The myColorado team is currently working with county clerk offices to gain their support and buy-in for offering vehicle registration renewal through myColorado in their county.

OIT continues to develop myColorado as a state-wide enterprise application in partnership with state departments, Colorado counties, and several vendors. Now that the foundational technology is in place, OIT is well positioned to meet the Governor's directive of developing a digital ID/mDL and integrating new state services. Under the direction of the Governor and with the support of the Department of Revenue Division of Motor Vehicles (DOR/DMV), OIT is pursuing the use of a digital ID/mDL to augment a physical ID such as a driver license. The essential capability to provide this has been developed within the myColorado application but will require additional technical and programmatic development, as the Governor has given direction that any digital State of Colorado ID be REAL ID compliant.

The REAL ID Act of 2005, Pub.L. 109–13, 119 Stat. 302, enacted May 11, 2005, modifies U.S. federal law pertaining to security, authentication, and issuance procedures standards for state driver's licenses and identity documents, as well as various immigration issues pertaining to terrorism. The law sets forth requirements for state driver's licenses and ID cards to be accepted by the federal government for "official purposes", as defined by the Secretary of the United States Department of Homeland Security. Colorado is currently compliant with REAL ID for physical IDs: https://www.dhs.gov/real-id. OIT and DOR/DMV have reviewed REAL ID requirements for paper or physical IDs. For the purposes of a digital ID, the State will work with the appropriate U.S. department to ensure that this new official digital Colorado ID is REAL ID compliant and if needed, certified. The myColorado mobile application team is in need of resources to gather digital REAL ID requirements for development, testing, and implementation in the next six to nine months.

Currently no dedicated funding exists to support myColorado, and OIT has pieced together approximately $1.1M infunding from various OIT sources, including OIT's Technology Advancement and Emergency Fund (TAEF), base funding, and borrowed staff time. Despite this, OIT has been able to launch the application and provide this solution to residents on a beta launch model. However, without a sustainable funding source, OIT is struggling to adequately fund and support digital ID/mDL development and new state services integration.

Problem or Opportunity:

Although Governor Polis has identified the creation of a Digital ID as a top priority of the State, myColorado does not have dedicated funding to support ongoing development and expansion of the application. This severely hampers the ability of OIT to create this cutting edge product.

The current mobile landscape for state services can be difficult to navigate. Many online services have not been optimized for mobile viewing and engagement. Departments that have developed mobile applications have done so to provide a single service requiring Coloradans to download multiple applications for limited use. The myColorado application will be optimized for mobile engagement, streamlining the process of accessing state services and providing the opportunity to engage with multiple services from one application.

myColorado serves as a way to easily connect Coloradans to government services and as a way for state departments to modernize their delivery of services. It also will allow OIT to meet one of its Wildly Important Goals (WIGs) of expanding virtual access to government services anytime and anywhere thereby improving customer experience and expanding accessibility.

The State of Colorado is pursuing the use of a digital ID to augment a physical ID such as a driver license, however; the myColorado mobile application does not have a dedicated budget for this effort. The myColorado development has been managed under a project format but it's quickly growing into a program that will expand virtual access to government services anytime and anywhere for the residents of Colorado.

Current myColorado Resources
myColorado currently operates using available base funding and one-time funding awarded out of the Technology Advancement and Emergency Fund (TAEF). So far, OIT has spent approximately $1.1M from the TAEF to fund contracting and operating costs for myColorado. In addition to contract programming work, staff currently working on the project include the following full-time and partial positions:
- Communications Manager (0.3 FTE),
- Project Manager, Test Engineer I (1.5 FTE),
- Business Analyst (1.3 FTE),
- ADA Tester (0.5 FTE),
- Customer Service Supervisor (0.3 FTE),
- Penetration Tester (0.2 FTE),
- Developer II (1.5 FTE),
- Architect (0.3 FTE),
- Help Desk Analyst (2 FTE),
- UI/UX Engineer (0.2 FTE),
- Security Architect (0.2 FTE) and a

- WS Network Engineer (0.2 FTE).

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Proposed Solution:

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The Governor's Office of Information Technology (OIT) requests $1,949,096 total funds and 8.0 total FTE with $1,540,521 Reappropriated Funds and 3.0 FTE to OIT and $408,575 Cash Funds and 5.0 FTE for the Department of Revenue (DOR) in FY 2020-21 and $1,911,472 total funds and 8.0 FTE with $1,526,412 Reappropriated Funds to OIT with 3.0 FTE and $385,060 Cash Funds and 5.0 FTE for DOR in FY 2021-22 and ongoing to provide the necessary resources to support and maintain the myColorado digital ID mobile driver license (mDL). As a part of Governor Polis' new vision, the first priority of these resources will be to support and maintain the myColorado application, and develop and socialize an mDL that meets the REAL ID Act standards.

The myColorado application is intended as a centralized place for state residents to interact with state applications. With this overarching reach and benefit, OIT is requesting reappropriated funds that will be allocated across all agencies based on their utilization of OIT's applications services. Any costs specific to the mDL application, are requested as cash funds spending authority for the Department of Revenue. The Department of Revenue will increase the driver's license fee by $1.00 to cover the anticipated expenses for the mDL solution. The software funding requested will go towards support and maintenance of the myColorado and mDL applications. With this funding an mDL serving Colorado state-wide will have the necessary support. The required OIT positions are described in the paragraphs below.

OIT STAFF

Program Manager
This role is critical for the sustainability of the mDL. This manager oversees the support and maintenance of the mDL across iOS and Android platforms. The Program Manager will partner with product owners across the state departments to understand market needs and vision to quickly translate ideas, high level specifications into new or enhanced mobile workflows for the mDL. This role will manage, coach, lead and provide guidance to a diverse group of lean/agile cross functional teams ensuring all development and security standards and Quality Assurance practices adhered to myColorado mobile application. This manager oversees production operations, applies continuous process improvement initiatives and manage vendor agreements, relationships and negotiation of licensing. This position is required to define the business requirements of the Digital ID and to interact with the state customer stakeholders and subject matter experts in order to understand their mobile application problems, opportunities and solutions.

Tester II
The Tester will have three primary duties: security penetration testing, mobile application functional testing, and ADA testing. This position will be responsible for performing mobile penetration and security testing for possible vulnerabilities and to pinpoint entry points for hackers as well as to document threats and how to better secure the mobile application. This role will document the feedback and reports for review of main business managers. The tester will conduct functional testing and user acceptance testing to eliminate any programming issues. This role is required to log, track and manage usability and functional issues. The position will help troubleshoot defects to ensure quality throughout the software development lifecycle. This role will ensure myColorado is accessible to people with visual impairments and complies with the Americans with Disabilities Act (ADA). The tester will review, analyze the native mobile

application and system specifications and acceptance criteria against Web Content Accessibility Guidelines and Section 508 requirements to make web content accessible to anyone.

Senior Developer
This Senior Developer position is required to build native mobile applications for iOS and Android platforms. Their primary duty is to create, maintain and implement the source code to develop mDL workflows. Other important duties include troubleshooting and debugging to optimize performance, designing interfaces to improve user experience and writing clean code to produce fully functional mDLs.

DOR STAFF

DMV Mobile DLID (mDL) Product Owner

This role is critical for DMV and the sustainability of the myColorado mobile DLID, as it will focus on supporting the implementation of a new key initiative for the State of Colorado and ensuring alignment of the initiative with existing laws, regulations and functional use requirements of the law enforcement and retail communities. Duties for this position will include but not be limited to:
- Serving as a mid-level manager for the DMV's mDL program with responsibility for managing the implementation of an entirely new, extremely complex, and exceptionally high visibility project;
- Serving as an mDL Subject Matter Expert (SME), providing DMV leadership advice on technical and practical issues related to mDL implementation;
- Working with DOR / DMV / DL leadership and the Budget Office on development of the program budget with responsibility for identifying program budget needs and ensuring program activities are completed on time and within budget;
- Providing technical advice to DOR / DMV leadership supporting the development of priorities for legislative language and impact analysis for proposed legislation;
- Working with DOR / DMV leadership and others on the development and implementation of rules and regulations regarding the use of mDLs;
- Communicating with internal and external stakeholders to identify their functional requirements for an mDL;
- Working with DOR/DMV leadership and OIT to support rollout of the MVP mDL V1 release;
- Working with OIT on the development of a plan, timeline and budget estimates for the implementation of successive mDL iterations culminating in a state mDL fully in compliance with the ISO and AAMVA standards for device communications and cross-state interoperability;
- Working with OIT on the development and rollout of law enforcement and retail verification systems;
- Working with the Department of Homeland Security to secure REAL ID approval for the Colorado mDL;
- Working with OIT, FAST and DL Section staff on the development and implementation of testing plans;
- Working with OIT, DRIVES and the state DLID card production vendor to ensure continued alignment between the physical and mobile cards, as required;
- Working with DOR / DMV leadership and Communications staff on a plan to support Colorado state, county and local agencies and offices implementation of mDL verification systems;

- Working with DOR / DMV Leadership & Communications staff on the development and implementation of an advertising and PR plan to support adoption;
- Working with OIT and DMV / DL leadership and program staff on the development of training plans & materials for DLO & customer support call center staff; and
- Developing a program staffing plan based on leadership's program design with responsibility for hiring and the daily management and evaluation of program staff.

DMV Mobile DLID (mDL) Product Analyst
This role provides support for the DL mDL Program; duties include but are not limited to:
- Maintaining documentation on mDL program performance metrics for formal reporting;
- Analyzing mDL program performance data and prepare annual and semiannual performance reports;
- Responsible for all data business management related to the DRIVES interface;
- Responsible for managing data sharing agreements with other state agencies and entities;
- Responsible for tracking and reporting how mDL data is used and in what manner and for what purposes it reports on and distributes the mDL data to other agencies and entities, in coordination with the DOR Reporting Group;
- Maintaining documentation on stakeholder engagement meetings including attendees, meeting notes and official recommendations;
- Responsible for coordinating the large amount of testing necessary for successive mDL version releases;
- Maintaining training materials and ensure updates for successive mDL version releases;
- Responsible for maintaining internal and external FAQs and coordinating with the Webmaster for the identification of issues and possible improvements;
- Coordinating ongoing updates to DL Section internal & external documents to reflect current mDL version capacities; and
- Maintaining documentation of DMV and OIT mDL implementation plans and timelines.

Law Enforcement Communications Center (LECC) Call Center Data Analysts
- These three positions are necessary to ensure the LECC Call Center is able to handle an increase in call volume as well as an increase in call duration as law enforcement contacts ask questions about the new myColorado mobile DLID.
- Additional responsibilities will include part time outreach and training. As the LECC Call Center operates 24/7, additional customer support will be provided for afterhours customer support issues (such as bars, liquor stores, etc.).
- Responsible for coordinating with the Product Analyst and the Webmaster for the identification of issues and possible improvements.

Planned & Proposed Future Capabilities & Use Cases
The myColorado mobile application will ultimately allow for the implementation of vehicle registration renewal service across Colorado's 64 counties. However, the initial primary focus will be on the implementation of the Digital ID accessible to all the residents of Colorado via the digital wallet within the application that stores documents such as auto insurance card and vehicle registration receipt. The Digital ID contains an age verification feature and a 3D hologram to ensure it is genuine. The Digital ID also

known as mobile Driver License (mDL) will meet AAMVA, NIST and ISO standards as well as Real ID compliant.

Other future capabilities would include: electronic scheduling (making an appointment at the DMV), DNR (Fishing Licenses, State Park Pass), Recreation (hiking and biking trails), CDLE unemployment: file a claim and check on benefits, and much more. The myColorado mobile application can also integrate access to and authentication with PEAK*Health* and MyCOBenefits apps, along with integration of other state services using a high volume of paper forms to go "paperless" and reduce printing and mailing costs. Other future use cases include tapping into Alexa, Google, and Amazon, along with leveraging integration with future technologies and legal hold alerting and enforcement of payment processing and benefit distributions.

Future capabilities listed by state department

- ❏ Department of Agriculture (CDA) - Integration with Colorado wine application, noxious weeds application and Farmer Market application.
- ❏ Department of Corrections (DOC) - Personnel recruitment using geo-fencing technology.
- ❏ Colorado Department of Education (CDE) - Develop workflows for Teaching License renewals, Educator Licensing page for teachers, job postings, news releases, and teacher credentials within the wallet of myColorado.
- ❏ Health Care Policy and Financing (HCPF) - Integrate with PEAK*Health* mobile application and other health and benefits services
- ❏ Colorado Department of Higher Education (CDHE) - Integration with My Colorado Journey (MCJ), GearUp, COSI, and StudyColorado.
- ❏ Colorado Department of Human Services (CDHS) - Integrate with myCOBenefits app, Mobile Form (Origami), Child Maltreatment Prevention (CMP); Licensing for child care facility inspectors, Attendance Tracking (ATS), Child Abuse and Neglect Reporting Hotline, the Crisis Services Hotline, Behavioral Heal Ombudsman Hotline. Develop different workflows related to licensing functions and applications, reminders of appointments for additional behavioral support to clients.
- ❏ Colorado Department of Labor and Employment (CDLE) - Integrate with SmartFile (File a Claim), My UIClaimant and SmartPay (Request a Payment).
- ❏ Department of Local Affairs (DOLA) - Integrate the CORSAR Card
- ❏ Department of Military and Veterans Affairs (DMVA) - Undetermined
- ❏ Department of Natural Resources (DNR) - Integrate with IPAWS (Integrated Parks and Wildlife System) for fishing & hunting licenses renewals and licenses available within myColorado wallet, campsite reservations, link to COTREX and process donations to its foundation.
- ❏ Department of Personnel and Administration (DPA) - Develop IDS replacing paper notification/delivery services via myColorado, job posting and hiring.
- ❏ Department of Public Health and Environment (CDPHE) - Integrate Medical Marijuana Registry (MMR) patient cards to the myColorado wallet.

- Center for Health & Environmental Data (CHED), develop ordering Birth/death certificates
- Hazardous Materials and Waste Management Division (HMWMD), develop the ability to report spills to augment the Hazardous spill line
- Division of Environmental Health and Sustainability (DEHS), integrate with the food recalls department's current website
- Water Quality Control Division (WQCD), integration with Fish Consumption information, swim beach closures and boil water orders.
- Integration with the Environmental Public Health Tracking Network website, www.colorado.gov/coepht
- Integrate with AirNow app, www.airnow.gov/

❏ Department of Public Safety (CDPS) - Integrate with Law enforcement companion application for Digital ID validation, Safe2Tell Application, See Something, Send Something Application, the Colorado School Safety Resource Center (CSSRC), the CO Wildfire Application (DFPC) and My Hazard website. Develop an Incident Application, a CABS (Colorado Applicant Background Service), Colorado State Patrol Application for push messaging and a Public Safety application for rapid public safety information/geofencing.

❏ Department of Regulatory Agencies (DORA) - Division of Insurance: Develop a File complaints through mobile application, dashboard for consumers to review rate filing, and for consumers to access general information about insurance companies, agents and regulations.

❏ Department of Revenue (CDOR) - In addition to the development of Driver License Renewal, Vehicle Registration Renewal and Digital (Real) ID also known as mobile Driver License the myColorado can integrate with the multiple services offerings through DOR's eServices

❏ Department of Transportation (CDOT) - Integrate with Colorado Traffic Cameras, and interface with Colorado Roads Application

❏ Governor's Office
  ❏ OEDIT - Integrate with MyBiz, Concierge App: Ambassador for Colorado, RemoteLeader for small business and rural development, and allow state and local sales tax rebates for rural jump start program.

❏ Secretary of State (SOS) - Integrate with Voter Registration via mobile

Impact if Funding is not Awarded

Without funding, OIT and DOR will be unable to maintain the Mobile Drivers License, which is part of the Governor's agenda. With the launch of the Mobile Driver's License slated for the late fall of FY 2019-20, the inability to maintain and possible shutdown of this new technology would be a worse-case scenario. The public will point to a failed initiative and lose confidence in the great work OIT and the State does. On-going funding is critical to assure this new initiative is successful.

If the funding for the mDL is not awarded, the current resources will continue to be strained placing risk on the successful implementation of the mDL The work to develop an mDL that meets the REAL ID standards is already underway. While it can be halted, doing so would delay OIT from meeting the

Governor's charge of developing the mDL and it would impede the state of Colorado's efforts to be a leader in the innovative space of digital ID.

If funding is not awarded, the Department of Revenue and their Division of Motor Vehicles will either be unable to provide appropriate support for the myColorado mDL or the DMV will have to divert resources from existing programs in order to provide at least some of the required coordination with a greatly increased risk of obstacles negatively impacting the ongoing success of the program.

Anticipated Outcomes:

As the official mobile application for the state of Colorado, myColorado provides a secure and simple way for Coloradans to access state services and complete business transactions while improving their experience with government by meeting them where they are in the digital space. Each new service available through myColorado will reduce the need for a Coloradan to wait in line or repeatedly fill out paper forms. myColorado opens state services to a 24/7 model of getting business done at anytime from anywhere as well as offering accessibility for blind and visually-impaired users.

One of the greatest benefits of the continued development of myColorado will be the development of a REAL ID also known as mobile Driver License via the mobile application. Colorado will be a leader in this field and the first to create a digital ID that meets the REAL ID Act standards. This will give any Coloradan the ability to carry a digital version of their ID within the myColorado application.

The potential for the digital ID along with the integration of multiple state services into one platform is the reason why myColorado is the best solution for OIT as it works to deliver on the Governor's directive and OIT's Wildly Important Goal of expanding virtual access to government services anytime and anywhere.

myColorado serves both state departments charged with delivering government services and the Coloradans who use those services. The myColorado mobile application will bring together government services in one secure, convenient, and easy-to-use platform that can be used anytime and almost anywhere. It has the potential to improve the experience Coloradans have when engaging with government offices resulting in a more positive impression of our state government as a whole.

Assumptions and Calculations:

The following table shows a summary of funding needed to create and begin implementing an mDL for myColorado. Detailed assumptions regarding the Personal Services Costs are shown in the linked FTE Calculations attachment and shown in Table 2 and Table 3 below. That link includes the common policy assumptions used in calculating operating expenses. Table 4 below details the common policy allocation across departments. Operating costs outside of common policy are all based upon prior experience in working with mobile applications.

Table 1: myColorado Total Costs

myColorado Total Costs				
	FY 2020-21	FTE	FY 2021-22	FTE
OIT - Common Policy	$1,540,521	3.0	$1,526,412	3.0
DOR	$ 408,575	5.0	$ 385,060	5.0
TOTAL	$1,949,096	8.0	$1,911,472	8.0

Table 2: myColorado OIT Detailed Costs

Expenditure Detail				FY 2020-21		FY 2021-22
Personal Services:						
	Classification Title	Biweekly Salary	FTE		FTE	
	Program Manager (Mobile App Prg Mgr)	$4,694	1.0	$122,044	1.0	$122,044
PERA				$13,303		$13,303
AED				$6,102		$6,102
SAED				$6,102		$6,102
Medicare				$1,770		$1,770
STD				$207		$207
Health-Life-Dental				$10,042		$10,042
Subtotal Position 1, 1.0 FTE			**1.0**	**$159,570**	**1.0**	**$159,570**
	Classification Title	Biweekly Salary	FTE		FTE	
	Tester II	$2,423	1.0	$62,998	1.0	$62,998
PERA				$6,867		$6,867
AED				$3,150		$3,150
SAED				$3,150		$3,150
Medicare				$913		$913
STD				$107		$107
Health-Life-Dental				$10,042		$10,042
Subtotal Position 7, 1.0 FTE			**1.0**	**$87,227**	**1.0**	**$87,227**
	Classification Title	Biweekly Salary	FTE		FTE	
	Senior Developer (Mobile App Developer)	$3,813	1.0	$99,138	1.0	$99,138
PERA				$10,806		$10,806
AED				$4,957		$4,957
SAED				$4,957		$4,957
Medicare				$1,438		$1,438
STD				$169		$169
Health-Life-Dental				$10,042		$10,042
Subtotal Position 8, 1.0 FTE			**1.0**	**$131,507**	**1.0**	**$131,507**
Subtotal Personal Services			**3.0**	**$378,304**	**3.0**	**$378,304**

Operating Expenses:			FTE		FTE	
Regular FTE Operating Expenses		$500	3.0	$1,500	3.0	$1,500
Telephone Expenses		$450	3.0	$1,350	3.0	$1,350
PC, One-Time		$1,230	3.0	$3,690	-	
Office Furniture, One-Time		$3,473	3.0	$10,419	-	
Applt Development Contractor	$	14,875	12.0	$178,500	12.0	$178,500
DRIVES (FAST) Development	$	65,000	1.0	$65,000	1.0	$65,000
Proof ID Mantenance & Support	$	90,838	1.0	$90,838	1.0	$90,838
Proof ID Professional Service (Hrs.)	$	242	100.0	$24,200	100.0	$24,200
PingID MFA Licenses	$	1.50	100,000	$150,000	100,000.0	$150,000
PingFederate Single Sign-On Licenses	$	1.50	100,000	$150,000	100,000.0	$150,000
PingDirectory Licenses	$	1.38	100,000	$138,000	100,000.0	$138,000
User Identity and Verification	$	1.00	100,000	$100,000	100,000.0	$100,000
Marketing Collateral	$	50,000	1.0	$50,000	1.0	$50,000
myColorado Media	$	80,000	1.0	$80,000	1.0	$80,000
Software and Hardware	$	82,000	1.0	$82,000	1.0	$82,000
After hours Service Desk Staff	$	36,720	1.0	$36,720	1.0	$36,720
Subtotal Operating Expenses				$1,162,217		$1,148,108
TOTAL REQUEST			3.0	$1,540,521	3.0	$1,526,412
General Fund:						
Cash funds:						
Reappropriated Funds:			3.0	$1,540,521	3.0	$1,526,412
Federal Funds:						

Table 3: myColorado DOR Detailed Costs

Expenditure Detail				FY 2020-21		FY 2021-22	
Personal Services:							
	Classification Title	Monthly	FTE		FTE		
	Product Owner	$6,659	1.0	$79,908	1.0	$79,908	
PERA				$8,710		$8,710	
AED				$3,995		$3,995	
SAED				$3,995		$3,995	
Medicare				$1,159		$1,159	
STD				$136		$136	
Health-Life-Dental				$10,042		$10,042	
Subtotal Position 1, #.# FTE			1.0	$107,945	1.0	$107,945	
	Classification Title	Monthly	FTE		FTE		
	Product Analyst	$3,708	1.0	$44,496	1.0	$44,496	
PERA				$4,850		$4,850	
AED				$2,225		$2,225	
SAED				$2,225		$2,225	
Medicare				$645		$645	
STD				$76		$76	
Health-Life-Dental				$10,042		$10,042	
Subtotal Position 2, #.# FTE			1.0	$64,559	1.0	$64,559	
	Classification Title	Monthly	FTE		FTE		
	Call Center Data Specialist	$3,113	3.0	$112,068	3.0	$112,068	
PERA				$12,215		$12,215	
AED				$5,603		$5,603	
SAED				$5,603		$5,603	
Medicare				$1,625		$1,625	
STD				$191		$191	
Health-Life-Dental				$30,126		$30,126	
Subtotal Position 2, #.# FTE			3.0	$167,431	3.0	$167,431	
Subtotal Personal Services			5.0	339,935.0	5.0	$339,935	

Operating Expenses:

		FTE		FTE	
Regular FTE Operating	$500	5.0	$2,500	5.0	$2,500
Telephone Expenses	$450	5.0	$2,250	5.0	$2,250
PC, One-Time	$1,230	5.0	$6,150	5.0	
Office Furniture, One-Time	$3,473	5.0	$17,365	5.0	
ACL Software	$625	5.0	$3,125	5.0	$3,125
Teammate Software	$850	5.0	$4,250	5.0	$4,250
Leased Space (220 sq Ft per FTE @ $30 per sq ft	$6,600	5.0	$33,000	5.0	$33,000
Other					
Subtotal Operating Expenses			68,640.0		$45,125
TOTAL REQUEST		5.0	**$408,575**	5.0	**$385,060**
General Fund:					
Cash funds:		5.0	$408,575	5.0	$385,060
Reappropriated Funds:					
Federal Funds:					

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Table 4: myColorado Application Common Policy Allocations

Department Allocation		
Department	**FY 2020-21**	**FY 2021-22**
Agriculture	$11,666	$11,554
Corrections	$159,339	$157,812
Education	$5,124	$5,075
General Assembly	$0	$0
Governor	$4,126	$4,086
Health Care Policy and Finance	$48,976	$48,506
Higher Education (Appropriated)	$3,004	$2,975
Higher Education (Unappropriated)	$32	$31
Human Services	$360,046	$356,596
Judicial	$40,033	$39,649
Labor and Employment	$148,834	$147,408
Law	$4,030	$3,991
Local Affairs	$37,085	$36,730
Military and Veterans Affairs	$506	$501
Natural Resources	$128,872	$127,638
Personnel and Administration	$66,822	$66,182
Public Health and Environment	$124,132	$122,943
Public Safety	$62,944	$62,341
Regulatory Agencies	$49,986	$49,507
Revenue	$147,720	$146,957
State	$1,208	$1,197
Transportation	$135,754	$134,453
Treasury	$280	$277
Total	**$1,540,521**	**$1,526,412**

Schedule 13

Office of the Governor

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-03 (OIT) Statewide Data Sharing Pilot

Dept. Approval By: *[signature]*

OSPB Approval By: *[signature]*

Supplemental FY 2019-20

Budget Amendment FY 2020-21

| X |

Change Request FY 2020-21

Summary Information		FY 2019-20		FY 2020-21		FY 2021-22
	Fund	Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$33,654,404	$0	$36,274,609	$279,075	$734,123
	FTE	18.4	0.0	18.4	2.0	3.5
Total of All Line Items Impacted by Change Request	GF	$10,692,949	$0	$10,754,474	$0	$0
	CF	$768,815	$0	$768,815	$0	$0
	RF	$22,192,640	$0	$24,751,320	$279,075	$734,123
	FF	$0	$0	$0	$0	$0

Line Item Information		FY 2019-20		FY 2020-21		FY 2021-22
	Fund	Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$9,499,456	$0	$11,322,433	$20,084	$40,168
	FTE	0.0	0.0	0.0	0.0	0.0
05. Office of Information Technology, (A) OIT Central Administration, (1) OIT Central Administration - Health, Life, and Dental	GF	$91,280	$0	$134,151	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$9,408,176	$0	$11,188,282	$20,084	$40,168
	FF	$0	$0	$0	$0	$0
	Total	$131,262	$0	$144,274	$289	$582
	FTE	0.0	0.0	0.0	0.0	0.0
05. Office of Information Technology, (A) OIT Central Administration, (1) OIT Central Administration - Short-term Disability	GF	$1,276	$0	$1,590	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$129,986	$0	$142,684	$289	$582
	FF	$0	$0	$0	$0	$0

| Line Item Information | Fund | FY 2019-20 | | FY 2020-21 | | FY 2021-22 |
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
05. Office of Information Technology, (A) OIT Central Administration, (1) OIT Central Administration - Amortization Equalization Disbursement	Total	$3,866,541	$0	$4,258,649	$8,482	$17,079
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$37,719	$0	$46,889	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$3,828,822	$0	$4,211,760	$8,482	$17,079
	FF	$0	$0	$0	$0	$0
05. Office of Information Technology, (A) OIT Central Administration, (1) OIT Central Administration - Supplemental Amortization Equalization Disbursement	Total	$3,866,541	$0	$4,258,649	$8,482	$17,079
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$37,719	$0	$46,889	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$3,828,822	$0	$4,211,760	$8,482	$17,079
	FF	$0	$0	$0	$0	$0
05. Office of Information Technology, (E) Applications, (1) Applications - Applications Administration	Total	$16,290,604	$0	$16,290,604	$241,738	$659,215
	FTE	18.4	0.0	18.4	2.0	3.5
	GF	$10,524,955	$0	$10,524,955	$0	$0
	CF	$768,815	$0	$768,815	$0	$0
	RF	$4,996,834	$0	$4,996,834	$241,738	$659,215
	FF	$0	$0	$0	$0	$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Governor's Office Prioritized Request	Interagency Approval or Related Schedule 13s:	Impacts Other Agency

Office of Information Technology

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Theresa Szczurek
Executive Director

Department Priority: R-03
Request Detail: Statewide Data Sharing Pilot

Summary of Incremental Funding Change for FY 2020-21			
	FY 2020-21	**FY 2021-22**	**FY 2022-23**
Total Funds	**$279,075**	**$734,123**	**$1,069,471**
FTE	2.0	3.5	5.0
Reappropriated Funds	$279,075	$734,123	$1,069,471

Summary of Request:

The Governor's Office of Information Technology (OIT) requests Reappropriated Funds totaling $279,075 and 2.0 FTE in FY 2020-21, $734,123 and 3.5 FTE in FY 2021-22 and $1,069,471 and 5.0 FTE in FY 2022-23 and ongoing to support staff and tools within OIT to improve standard and systematic data management, governance, and sharing across state departments. This initiative supports Governor Polis' bold four goals by creating data linkages that will connect people and services across disciplines throughout the state.

Current Program:

OIT is the lead department responsible for ensuring the protection of state data as a strategic asset. The state's Chief Data Officer (CDO) position currently resides within OIT and is tasked with developing a strategy to enhance the value of state data as a strategic decision-making asset while meeting the responsibility to protect the data. OIT has pursued data sharing efforts and associated governance and data analytics for this purpose for several years. Although no staff other than the CDO work on this effort, progress has been made in various areas. Even with this progress, the lack of human and financial resources dedicated to this work has hindered the speed and ability to effect significant, impactful change.

The current work fits into a broader data strategy that is described in more detail below. This strategy can be broken down tactically into several different work streams. The ongoing efforts fit within these streams and address specific aspects of data sharing, governance, business intelligence and transparency and include the following listed below.

- Government Data Advisory Board (GDAB) - the GDAB was created through House Bill 09-1285 to develop an "interdepartmental data sharing protocol." It has representatives with expertise in data from most executive branch departments as well as local entities and some other government branches (e.g., Secretary of State, Department of Law). This advisory board has developed a data governance framework for use by state departments as well as the foundation of a state data strategy.
- The Linked Information Network of Colorado (LINC) - LINC is a state collaborative that supports timely and cost-efficient research, evaluation, and analytics using integrated data across state departments. LINC is designed to share data securely to a centralized linking hub in state government to produce anonymized datasets for approved end users. LINC is seed-funded and supported by the Colorado Evaluation and Action Lab at the University of Denver in partnership with the OIT, and OIT will continue to partner closely with the lab on data sharing and analyzing data across state programs to evaluate programmatic effectiveness. The Office of eHealth Innovation (OEHI) is a close collaborator with OIT in addressing data sharing issues as it proceeds with realizing the state's health IT roadmap. The roadmap is highly reliant on data sharing and availability.
- Colorado Department of Human Services (CDHS) Joint Agency Interoperability (JAI) - the JAI project aspires to dramatically improve how CDHS is able to provide services to its clients by providing a complete view of the clients and how they may need or use services from multiple programs. Ultimately this project will also allow for more straightforward analysis of the relationships between these programs. Several approaches related to data sharing, management and integration will be tested through this project.
- Enterprise Data Integrations - The General Assembly approved a decision item last year to support enterprise licensing and two new staff for an Application Programming Interface (API)-led approach to data integrations and sharing based on an enterprise service bus (ESB) platform. APIs are being developed for several programs now, most notably with the Colorado Department of Transportation (CDOT) and the Colorado Department of Human Services (CDHS) for the JAI program. This work is demonstrating the benefit of APIs and exposing details involved in deploying the preferred architecture for such an API framework.

- Colorado's open data platform, known as the Colorado Information Marketplace (CIM) at https://data.colorado.gov, is the state branded location for state data to be found by the public. Some data can be downloaded or consumed from this site as well. Several departments have been using this site very effectively as a means for distributing data to the public. OIT has also been partnering with the Department of State and the Business Intelligence Center, which runs the GoCode Colorado program, for several years to promote data on this site and use data for the GoCode application challenge.

This request will serve to build on the previous progress to make significant, concrete improvements in leveraging the state's data strategically to enhance and improve the services that the state provides.

Problem or Opportunity:

The OIT lacks funding for a fully dedicated data sharing, governance and privacy program. Data can be a strategic asset for the state and for Colorado citizens, but without additional funding, OIT does not have the resources to build out a program to promote data discovery, best practices, and data security.

Data Sharing: Healthcare and Government Programs

Sharing or combining data will improve the quality and reduce the cost of healthcare and social services. The health and social service domains are receiving significant attention from large efforts such as the Health IT Roadmap and Joint Agency Interoperability. This request will continue to support those and accelerate OIT's contributions to these efforts. This request will make more data available more effectively to analyze such impacts. It will characterize and develop appropriate data governance that will encourage data sharing in this domain and support potential analytics and visualizations of combined data. Reducing health care costs is, of course, an important goal of the Polis administration, and some hypothesize that enrolment in social service programs (e.g., nutritional support, energy assistance) will promote better health and therefore lower health care costs. This request will provide elements necessary to support the sharing and combination of data to analyze such hypotheses.

The state is increasingly recognizing the interrelationships between government programs and the requirements and difficulties when sharing data. Understanding these interrelationships will foster progress on Governor Polis's bold four initiatives and on many department Wildly Important Goals (WIGs). For example, the Governor's Energy and Renewable goal to move Colorado's electric grid to 100% renewable sources by 2040 includes increasing the number of jobs in renewable energy. The strategies involve expansions of training and education in this area. Tracking the progress on this WIG requires combining employment, education, training and demographic data to determine the effectiveness of these training programs. In fact, there have been studies in other states and, to some degree in Colorado, tracking the employment placement of students from different post-secondary education programs in different industries within the state. Colorado can learn from these, expand the analysis to secondary education and focus on the renewable energy sector. Of course, data sharing must be done in a manner that ensures the security of the data and the privacy of Coloradans, and data sharing must be more effective and efficient to ascertain and leverage these interrelationships. This request will support such required data sharing and integration, although education data has some of the most difficult legal and political privacy constraints, and allow it to be more systematic and efficient rather than a project-specific, *ad hoc* effort.
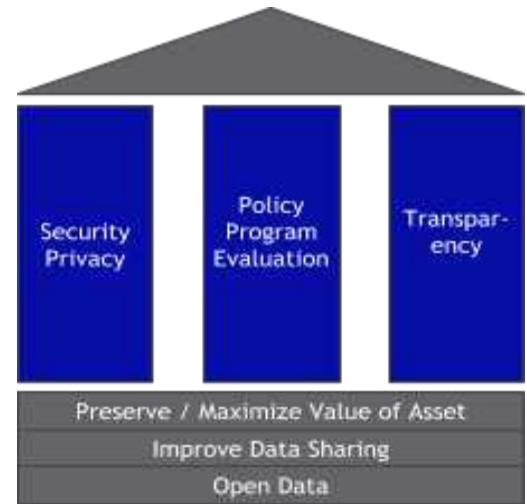
Data Sharing and the State Data Strategy

OIT, has developed developing a strategy to improve the use and sharing of state data to improve services, programs, and state operations, and this strategy has been approved by the GDAB. At a high level a statewide data strategy has been motivated by three broad goals.

- Assess and improve the effectiveness of state services
- Protect the security and privacy of Coloradans
- Promote government transparency

The statewide data strategy has three planks underlying these goals.

- Protect and leverage the value of state data as a strategic asset
- Improve and expedite data sharing among state departments
- Make state public data open

The following graphic outlines the three planks in a data strategy and the workstreams within them, the obstacles to data sharing, and the initiatives involved that will dramatically enhance the effectiveness and efficiency of state government through open data.

Leveraging and protecting state data as a strategic asset

The state's data is a valuable strategic asset, both for the state and the public. Records collected in the course of state department business need to be integrated, compared, and analyzed to assess how well the state is serving Coloradans and how the state can advance important initiatives. The shift in thinking that must occur is the state must view data as an asset and establish the foundations to take advantage of that asset.

The list below outlines the workstreams within leveraging and protecting state data.

- Inventorying and documenting state data. When data are held by departments, and not documented in a systematic manner, this presents a risk to the state. The state does not have a robust awareness of what data may need specific protections and whether that data is receiving such protections.
- Making data more visible or "discoverable" across the state enterprise. State departments and others cannot use data for these strategic analyses or for more coordinated care and services if they do not know what data is available. The documentation in the previous

bullet can be shared across departments for such discoverability.
- Expanding and supporting analytics and business intelligence with state data. Some commonly used tools for data analytics and visualization are in place among state departments, and OIT is beginning to support an enterprise platform to make such tools available to state departments in an efficient and standard manner. In addition, the state can elevate its knowledge and sophistication of analytics. OIT is collaborating with DU to establish a data linking hub to combine and anonymize data for cross-department analysis of data.
- Promoting more systematic data governance. Roles and responsibilities for decisions about how data are managed and shared should be well defined and clear. This is not often the case, so such decisions may, in fact, be ad hoc. Data governance also includes the documentation of data as mentioned above. More proactive and systematic governance of data mitigates risk of improper use of the data while actually facilitating appropriate data use. There has been work on a common data governance framework, and some departments are embarking on proactive data governance efforts.

Improve and expedite data sharing among state departments
For data to be combined and integrated for more robust analyses, it obviously must be shared, but there are several difficulties that are currently impeding data sharing. Issues in data sharing can be divided into two broad categories.
- Technical aspects
- Legal or organizational aspects

Technical issues in data sharing relate to secure, standard and auditable means for transferring information. Traditionally data has been transmitted through a variety of methods: email, FTP, physical drive sharing and so on. The main strategy to provide a more standardized and secure method for sharing and integrating data is OIT's API-centric strategy for data integrations. The General Assembly expressed its support for this approach in its FY 2019-20 appropriation for an enterprise service bus (ESB) enterprise license agreement, and as mentioned above, this strategy is gaining good traction and will continue to accelerate.

Data sharing in the state is cumbersome and time and resource consuming, when it occurs at all due primarily to the legal and organizational issues. These are often more difficult than technical obstacles to data sharing and require more attention than a portion of one person's (i.e., the CDO's) time.

The obstacles in data sharing are outlined in the list below.
- Unclear interpretations of federal and state law. State departments data are subject to many state and federal laws that regulate how those data may or may not be shared, for example the Health Insurance Portability and Accountability Act (HIPAA), the Family Educational Rights and Privacy Act (FERPA), restrictions from the Internal Revenue Service related to Federal Tax Information (FTI), and so on. These laws can be conflicting or overlapping and quite confusing. They are often very case specific as well, and different departments may interpret them differently in their own use cases.
- Fear and uncertainty about how data will be used. Data custodians among state departments are often concerned about whether data will be used appropriately and legally. If the use of the data intended by the requestors is not clear, departments will often tend toward more care and be more risk averse about sharing data. Often in data sharing situations, the data requester and data provider spend considerable time and effort clarifying the exact data needs and how the data will be used.

- <u>Data governance.</u> Data providers often want to know how data will be managed once they are shared. If a data recipient does not have deliberate, explicit data governance processes, the data providers will have more concern about sharing their data.

Expanding Open Data

The State holds many data sets that are public. That is, they are not subject to any legal or privacy restrictions. These data should be made available and accessible to be used and explored by Coloradans. This increases transparency of state government and supports greater public engagement with the state. It is a necessary step to government transparency, but not sufficient in itself.

Colorado's open data platform, CIM described above, is being used very effectively by several departments and the Department of State, but there is still some resistance to publishing data to this site for a number of reasons. One reason being several departments have their own methods of disseminating data. It is not OIT's intent to replace these existing sites, but a presence on CIM is important for people to find data without having to know exactly what department or business unit may hold such data.

The effectiveness of CIM can also be improved by bringing more attention to data related to high priority topics. This requires some configuration of the CIM platform and organizing of data on it, and again warrants more attention than a small fraction of the CDO's time.

Proposed Solution:

OIT requests Reappropriated Funds totaling $279,075 and 2.0 FTE in FY 2020-21, $734,123 and 3.5 FTE in FY 2021-22 and $1,069,471 and 5.0 FTE in FY 2022-23 and ongoing to support staff and tools within OIT to improve standard and systematic data management, governance, and sharing across state departments. These resources will ultimately address the issues of leveraging state data, improving data sharing, and expanding open data through additional staff and tools that will allow OIT to build upon what is currently being implemented. This initiative will ultimately bolster the Governor's initiatives on healthcare, renewable energy, and other government services.

Increase Program Staff

OIT is requesting to incrementally add 5.0 FTE to assist the Chief Data Officer (CDO) and take the lead on promoting enterprise-wide data governance, driving solutions to data sharing obstacles, executing an open data strategy, and supporting an enterprise data analytics and business intelligence service. Currently all of these tasks are being pursued by the CDO. These new program staff will address the various areas of improvement discussed in the description of the problem. FTE calculations are provided below in Table 2 in the assumptions and calculations section of the narrative.

The data team will develop a data sharing protocol or checklist to communicate to departments the practices to have in place to expedite data sharing and make proper decisions. The data team will also work with the Attorney General's Office (AGO), to the extent that the AGO can provide ongoing, dedicated support, to produce a legal framework for sharing health and other data. OIT will work with the AGO to obtain clearer, more consistent guidance on federal and state laws. OIT has already started to educate department data requesters on how to provide comprehensive and structured data sharing requests to expedite this discussion.

The data governance resource will document and promote the best practices for data governance developed by OIT. This will build on work being done for the Joint Agency Interoperability (JAI) project. This resource will also support and expand the use of the data governance tool, so that other departments may use it. OIT's expectation is that departments will use this tool to document their data through standard metadata.[1] There are some departments interested in leveraging it already, but there will be some additional work in promoting this tool, or mandating such data governance processes to make significant progress across state departments. More expansive data governance by departments will require them to dedicate time to this process. Thoughtful data governance also facilitates data sharing in that decision processes about sharing data are clear and established ahead of actual data requests.

Several departments are already consuming the OIT data visualization server service. This service allows for data to be gathered from multiple data sources and presented in interactive dashboards and visualizations. This expands the department's capabilities to connect data sources and present useful, impactful data to multiple audiences. The FTE resources requested here will ensure that as other departments on-board onto this service, it will remain stable and that the department follows best practices in how they use the data visualization server. This service will save departments considerable time related to supporting servers and server software. It will also reduce department costs in purchasing the server software and significantly accelerate their time to publishing visualizations.

The staffing request also includes one Data Scientist to support the LINC and data linking hub effort being pursued in partnership with the Colorado Evaluation and Action Lab. As described above, this effort creates linked data to support analyses of state programs and policies across programmatic boundaries. Referring to the example used in this proposal, such analysis can help understand the specific relationship between housing support and health care support to determine what kind of policies should be established to improve Coloradan's health more effectively through expanded or different housing services. The Lab has already gathered needs for several of such projects including assessing responses to and criminal activity of runaway youth in Denver, assessing patterns of high utilization of multiple support systems, and research to improve health outcomes for families impacted by substance abuse disorder. The Data Scientist will perform the necessary linking of data and help structure research in a scientifically sound manner. This resource will also serve as a source of expertise in data analytics for other departments.

In the first year of effort, OIT is requesting 2.0 FTE to further the data governance and business intelligence services being supported by OIT. These will stabilize these services and result in immediate benefits to agencies. These FTE will be hired at the senior and junior developer levels to support the software and operating functions of these workstreams.

In year two of this three year program, OIT will add 1.0 FTE as a Principal Developer and 0.5 FTE as a Program Manager (full time position starting midyear). These staff will expand and support our open data program and support the data science and analysis for the data linkage efforts for LINC. Last, during the year three, OIT will add an FTE to provide continued leadership to the data sharing and data governance efforts to expand and standardize them across state government.

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[1] *Metadata* is "data about data." It is a standard, structured way to capture information about technical characteristics of data assets (e.g., size of a database, data fields, etc.) and business attributes of the data (e.g., what is its content, what restrictions are on the data, who has it been shared with)

Leverage data sharing through data governance, software, and tools

OIT is currently deploying data governance and modeling software to support the JAI project within the Department of Human Services. This will standardize the governance process and the discovery of state data. The solution proposed will support an additional five departments using this tool, but these licenses may also be shared by other departments. The data governance lead included in the FTE request will take the lead to support this tool and develop the strategies to promote its use in a way that is most effective for state departments.

Examples of the interrelationship between government programs where data can be integrated and shared across programs are numerous. Improving health and reducing the cost of healthcare is entwined with social services such as nutritional support. Housing can be tied to health issues as well as the accessibility of outdoor recreation. Clients of one service may be eligible for additional services, and the state can assist in ensuring that clients are receiving the full service for which they are eligible by sharing data from one department to another.

Expanding Open Data

The request also includes funding to cover the complete cost of the Colorado Information Marketplace (CIM) software platform. OIT was appropriated only half of the cost of the software which makes the full support of this software tenuous each year. OIT is requesting $65,000 to cover the complete cost of the software to alleviate this uncertain funding each year.

Last, OIT is partnering with the Colorado Evaluation and Action Lab at DU to develop a system and process for linking data across departments and providing it to researchers and state departments that may want to do cross-program analysis of data. This data linking hub provides a neutral location to link data and anonymize it to protect privacy and security. It also will facilitate the process of asking for the data from departments, expediting the availability of the data and saving the departments time in responding to random data requests. The process for integrating data will be based on OIT's API-centric strategy for data integrations and leverage the other work on data sharing as well. As mentioned above, several proof of concept projects for this linking resource are underway and the governance for state department participation has been established as well. OIT is asking for $100,000 to support infrastructure, software, project management, and administrative support for this effort.

Impacts

This request will significantly accelerate and expand the efforts to improve data sharing, data governance, and leveraging the state's data more strategically. As discussed above, all of these efforts are necessary for the state to analyze the effectiveness of state programs and improve the services to Coloradans and to make such improvements transparent to other departments and the public. While statutory changes may be necessary for some systemic improvements in data sharing and governance (for example, state laws about sharing personally identifiable information (PII) vary across programs that manage such information, result in very restrictive attitudes about sharing these data and should be changed to consistently allow sharing of PII with standard management and protections across state departments), the resources requested here will make the enhancements possible without such legislative changes.

Data sharing and data strategy are explicitly included in OIT's FY 2019-2020 playbook as a strategic priority. This is a recognition of its importance to OIT's service and to the state. In addition, the data sharing, data linking and analytics, data governance, and open data will enhance OIT's service to its customers and provide a foundation for greater innovation, as data will be available in a secure way that protects privacy.

Data sharing in other states
All of the issues described here are being considered in other states as well. Approximately 20 other states have CDO positions, and their enterprise data efforts range in scope and maturity. Almost every other state's effort has a focus on data sharing. Some of the more mature states have embarked on programs that mandate participation in data sharing through an enterprise memorandum of understanding. Some states, such as Indiana and North Carolina, have enterprise data offices that support data governance and analytics for the state. Indiana is one of the most advanced states, having a central analytics and data management hub. That office is staffed with approximately 30 FTE, and has estimated various cost benefits from different projects. The estimate of return to the state includes direct cost avoidance by using state resources rather than consultants and indirect benefits accruing from federal funds available and improvements in the state. For example, one of the efforts supports initiatives combating the opioid epidemic. The estimate of costs for this support is at $1.75 million versus approximately $5.76 million that would be charged by outside vendors. In addition, Indiana expects savings in $4.75 million in reduction in EMS/ER services and centralization of tracking, and potentially up to $40 million in cost savings through a 1% reduction in opioid epidemic impacts. This clearly is accounting for resulting improvements in the overall opioid issue and is not limited to direct savings in more expeditious sharing and analysis of data. Another example of cost savings that focuses on efficiencies in analyzing data is the centralization of Tableau business intelligence software under an enterprise agreement. This single agreement costs the state $500,000 versus $9.7 million if 27 departments purchased Tableau directly.

The State of Connecticut recently passed legislation requiring their CDO to develop a state data plan and asking departments to inventory and document their high value data sets. In this regard, the State of Connecticut is similar to the State of Colorado with a sole CDO, who has been focused primarily on analyses of state data, and state mandate to perform some basic data governance. The State of Connecticut is currently hiring staff to assist the CDO.

Consequences if not approved
If this request is not approved, enterprise data efforts will continue at their current pace. Some of the technical efforts, such as the enterprise service bus, are progressing rapidly with legislative support. The other components of a data strategy described in this request compete for time and attention from the CDO and other staff, delaying progress. As more data intensive projects arise, and as the State recognizes how data interoperability and sharing are essential to understanding and improving state services, the urgency for these aspects of a data strategy increases.

A good example of this is counties' desire to use data from the Colorado Benefits Management System (CBMS) and other human services systems to analyze these services at the county level and ensure that residents who are eligible for support programs are enrolled in the programs. The state has struggled to understand the legal implications of sharing this data, causing delays in providing the information to the counties.

This request will provide resources that will facilitate this decision making, reduce the time and overhead in such sharing situations and provide the right data to the right people at the right time.

If funding is approved, OIT anticipates several specific outcomes. During the first year of the work, at least two departments will be engaged to document data and metadata and, where appropriate, data models and their semantics will be reported in the enterprise data governance tool. Assistance will also be provided to these departments to implement data governance programs to establish management and decision-making roles and responsibilities related to the data. OIT will focus particularly on agencies and data that relate to potential reduction in health care costs. As mentioned above, this data include those related to social services that promote better health including nutritional support, energy assistance support or early childhood support. With appropriate support, departments will be added to this process in subsequent years of the effort.

The data sharing efforts will cause several outcomes including documentation of successful data sharing efforts and use cases to learn what allows for effective data sharing, compiling an inventory of data sharing needs or outstanding requests for data, as well as development of a protocol for data sharing. It is important to note that this effort will not necessarily overcome legal restrictions to data sharing or lack of clear guidance from state attorneys regarding data privacy laws or rules, however legal implications in the particular use cases identified above will be documented to accelerate the legal considerations in data sharing situations. It has been difficult to obtain a baseline for the time required in typical data sharing scenarios, so estimating time and labor saved in sharing data will be difficult, however, it will be possible to track over time improvements in data sharing efforts based on time from request to provision of data. By focusing on the data mentioned above, specific steps may be identified and documented to share these data successfully. These steps may then be generalized to other data sharing needs in the future.

In the area of an enterprise business intelligence service, this request will result in a scalable, highly available Tableau Server platform for use by multiple state departments. OIT will also develop a high availability Tableau platform and a Tableau service that will support HIPAA and other restricted data. These roll outs will follow a five year roadmap for the business intelligence service. OIT will be able to calculate a cost avoidance based on the number of departments that engage in the service and their consumption. This calculation will also estimate labor saved in managing Tableau Server among the departments.

In future work in subsequent years, the linking hub component of this request will result in the foundational infrastructure to support linking, de-identifying or anonymizing data and providing it to requestors. The main indicator of success for this facility is the number of requests that it responds to and the timeliness of these responses. If the requests for data increase, and the response time decreases or remains stable, then this will be successful. In addition, if the data requestors' research results in outcomes that help the state improve its operations or programs, this is an indication of success as well.

This request includes ramping up to 5.0 FTE over three years for the data sharing efforts, data governance software licenses, data linking and integration software and infrastructure, and annual costs of the open data software platform. The 5.0 FTE costs are based on OIT salaries for developers and include operating expenses and standard capital purchases. FTE calculations are provided below in Table 2.

The data governance software costs are based on a recent quote for these software. OIT assumes that licensing will increase to support five additional departments in FY 2020-21 and eight departments in FY 2021-22. The software includes tools to develop detailed metadata and document data governance parameters as well as documenting comparisons between data to discover their overlap. It also includes tools for reverse engineering data schemas to understand the exact data maintained in databases and data assets. The licenses support a portal where users can view the documentation of the data and the depicted data schema.

The costs for the data linking hub are based on cloud server costs as well as software costs for analytical and data cleansing software.The amount requested for the open data software is based on the difference between past appropriations and the software cost over recent years.

Table 1. Cost Summary

Statewide Data Sharing	FY 2020-21	FY 2021-22	FY 2022-23
Program Managers (calculations below)	$0	$84,806	$319,140
Principal Developer (calculations below)	$0	$145,937	$145,937
Senior Developer (calculations below)	$131,499	$131,499	$131,499
Junior Developer (calculations below)	$96,419	$96,419	$96,419
Standard Operating Costs and Capital for FTE	$11,306	$35,818	$4,750
FTE Training for Data Visualization Server (User and Admin)	$15,000	$15,000	$15,000
Data Governance Software Licenses (5 departments in FY 2020-21 and 8 departments in FY 2021-22) and supporting infrastructure.	$24,851	$59,644	$191,226
Data Linking and Integration Software and Infrastructure	$0	$100,000	$100,000
Open Data Software Platform	$0	$65,000	$65,000
Total	**$279,075**	**$734,123**	**$1,069,471**

Table 2. FTE Calculations

Expenditure Detail			FY 2020-21		FY 2021-22		FY 2021-22	
Personal Services:								
Classification Title	Biweekly Salary	FTE		FTE		FTE		
Senior Developer	$3,813	1.0	$99,132	1.0	$99,132	1.0	$99,132	
PERA			$10,805		$10,805		$10,805	
AED			$4,957		$4,957		$4,957	
SAED			$4,957		$4,957		$4,957	
Medicare			$1,437		$1,437		$1,437	
STD			$169		$169		$169	
Health-Life-Dental			$10,042		$10,042		$10,042	
Subtotal Position 1, #.# FTE		1.0	$131,499	1.0	$131,499	1.0	$131,499	
Classification Title	Biweekly Salary	FTE		FTE		FTE		
Junior Developer	$2,712	1.0	$70,500	1.0	$70,500	1.0	$70,500	
PERA			$7,685		$7,685		$7,685	
AED			$3,525		$3,525		$3,525	
SAED			$3,525		$3,525		$3,525	
Medicare			$1,022		$1,022		$1,022	
STD			$120		$120		$120	
Health-Life-Dental			$10,042		$10,042		$10,042	
Subtotal Position 2, #.# FTE		1.0	$96,419	1.0	$96,419	1.0	$96,419	
Classification Title	Biweekly Salary	FTE		FTE		FTE		
Program Manager	$4,694	-	$0	0.5	$61,022	2.0	$244,088	
PERA			$0		$6,651		$26,606	
AED			$0		$3,051		$12,204	
SAED			$0		$3,051		$12,204	
Medicare			$0		$885		$3,539	
STD			$0		$104		$415	
Health-Life-Dental			$0		$10,042		$20,084	
Subtotal Position 3, #.# FTE		-	$0	0.5	$84,806	2.0	$319,140	
Classification Title	Biweekly Salary	FTE		FTE		FTE		
Principal Developer	$4,266	-	$0	1.0	$110,916	1.0	$110,916	
PERA			$0		$12,090		$12,090	
AED			$0		$5,546		$5,546	
SAED			$0		$5,546		$5,546	
Medicare			$0		$1,608		$1,608	
STD			$0		$189		$189	
Health-Life-Dental			$0		$10,042		$10,042	
Subtotal Position 4, #.# FTE		-	$0	1.0	$145,937	1.0	$145,937	
Subtotal Personal Services		2.0	$227,918	3.5	$458,661	5.0	$692,995	
Operating Expenses:		FTE		FTE		FTE		
Regular FTE Operating	$500	2.0	$1,000	4.0	$4,000	5.0	$2,500	
Telephone Expenses	$450	2.0	$900	4.0	$3,600	5.0	$2,250	
PC, One-Time	$1,230	2.0	$2,460	3.0	$7,380	-		
Office Furniture, One-Time	$3,473	2.0	$6,946	3.0	$20,838	-		
Other Operating Expenses			$39,851		$239,644		$371,726	
Subtotal Operating Expenses			$51,157		$275,462		$376,476	
TOTAL REQUEST		2.0	**$279,075**	3.5	**$734,123**	5.0	**$1,069,471**	
Reappropriated Funds:			*$279,075*		*$734,123*		*$1,069,471*	

Table 3.Common Policy Department Allocations

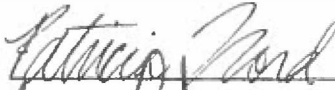| Department	FY 2019-20 Base Common Policy - Total Allocation for Applications Services	% of Total	FY 2020-21	FY2021-22	FY2022-23
Agriculture	$352,746	0.79%	$2,211	$5,816	$8,473
Corrections	$4,818,029	10.82%	$30,198	$79,438	$115,726
Education	$154,952	0.35%	$971	$2,555	$3,722
General Assembly	$7	0.00%	$0	$0	$0
Governor	$124,749	0.28%	$782	$2,057	$2,996
Health Care Policy and Finance	$1,480,908	3.33%	$9,282	$24,417	$35,570
Higher Education (Appropriated)	$90,841	0.20%	$569	$1,498	$2,182
Higher Education (Unappropriated)	$961	0.00%	$6	$16	$23
Human Services	$10,886,922	24.45%	$68,237	$179,500	$261,496
Judicial	$1,210,495	2.72%	$7,587	$19,958	$29,075
Labor and Employment	$4,500,402	10.11%	$28,207	$74,201	$108,096
Law	$121,856	0.27%	$764	$2,009	$2,927
Local Affairs	$1,121,377	2.52%	$7,029	$18,489	$26,935
Military and Veterans Affairs	$15,309	0.03%	$96	$252	$368
Natural Resources	$3,896,795	8.75%	$24,424	$64,249	$93,598
Personnel and Administration	$2,020,542	4.54%	$12,664	$33,314	$48,532
Public Health and Environment	$3,753,472	8.43%	$23,526	$61,886	$90,156
Public Safety	$1,903,290	4.27%	$11,929	$31,381	$45,716
Regulatory Agencies	$1,511,454	3.39%	$9,473	$24,920	$36,304
Revenue	$2,410,556	5.41%	$15,109	$39,744	$57,900
State	$36,538	0.08%	$229	$602	$878
Transportation	$4,104,870	9.22%	$25,728	$67,680	$98,596
Treasury	$8,471	0.02%	$53	$140	$203
Total	**$44,525,542**	**100%**	**$279,075**	**$734,123**	**$1,069,471**

Schedule 13

Office of the Governor

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-04 (OIT) Customer-focused tools for billing, reporting, an

Dept. Approval By:

OSPB Approval By:

	Supplemental FY 2019-20
	Budget Amendment FY 2020-21
X	Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$14,109,226	$0	$14,109,226	$679,188	$669,556
	FTE	97.5	0.0	97.5	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	$711,061	$0	$711,061	$0	$0
	CF	$3,200,000	$0	$3,200,000	$0	$0
	RF	$10,198,165	$0	$10,198,165	$679,188	$669,556
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$14,109,226	$0	$14,109,226	$679,188	$669,556
	FTE	97.5	0.0	97.5	0.0	0.0
05. Office of Information Technology, (A) OIT Central Administration, (1) OIT Central Administration - Central Administration	GF	$711,061	$0	$711,061	$0	$0
	CF	$3,200,000	$0	$3,200,000	$0	$0
	RF	$10,198,165	$0	$10,198,165	$679,188	$669,556
	FF	$0	$0	$0	$0	$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Governor's Office Prioritized Request	Interagency Approval or Related Schedule 13s:	Impacts Other Agency

Office of Information Technology

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Theresa Szczurek
Executive Director

Department Priority: R-04
Request Detail: Customer Focused Tools for Billing, Reporting, and Relationship Management

Summary of Incremental Funding Change for FY 2020-21		
	FY 2020-21	**FY 2021-22**
Total Funds	**$679,188**	**$669,556**
FTE	0.0	0.0
Reappropriated Funds	$679,188	$669,556

Summary of Request:

The Governor's Office of Information Technology (OIT) requests Reappropriated Funds of $679,188 in FY 2020-21, and $669,556 in FY 2021-22 and ongoing to support Customer Relationship Management (CRM) software and tools for financial planning and customer reporting. OIT will increase customer delight by equipping OIT IT Directors, IT Program and Portfolio Managers, senior leadership, service owners, and the finance office with specific tools that enhance customer interactions at each touchpoint and support financial transparency. The requested funds do not include any FTE, and the request is an increase of approximately 2.9% to the total central administration budget.

Current Program:

OIT is focused on achieving customer delight by supporting state department programs through IT services, but OIT's current financial reporting and customer relationship management capabilities do not meet customer expectations. According to the Colorado Legislature's 2018 independent evaluation of statewide resources (per HB17-1361), OIT's billing model is overly complex, and OIT customers do not have the financial reporting necessary to translate IT service cost data into actionable information.

Current Funding Model

OIT is predominantly funded through Reappropriated Funds and recovers a majority of its costs from department allocations. Current statewide common policy methodology dictates that OIT bill customers based on an estimated cost determined over 12 months in advance, and then true up any over/under for each customer in the next available fiscal year.

Departments pay for the OIT services provided through a "shared services model" where technology is consolidated in a technology organization and billed back to customers based on their share of the use. Although a shared service model is a cost-effective way of delivering services, in order to create a successful partnership with customers, billing out these services requires transparent service costs, accurate metrics, and easily accessible data. While the vast majority of states use a shared service model, according to a 2017 survey by the National Association of State Chief Information Officers (NASCIO) 50.0% of CIOs across the U.S. identified that their funding or recovery model was the *primary obstacle for the CIO becoming a partner with department leads on enhancing service delivery*. This proposal seeks to address this obstacle.

Current Financial Reporting

Customers struggle to understand the connection between IT spend and programmatic outcomes with OIT's current financial reporting framework. The OIT finance team currently uses a multitude of spreadsheets and relational databases to track and report basic financial data for IT services. Reports include information on service costs/usage, rate development, service code narratives, and other information that is important for OIT customers. The heavy reliance on spreadsheets and complex formulas increases the potential for errors and increases customer skepticism. Currently there is minimal process automation and data is shared with customers in a static snapshot.

Below are several short examples of current customer reporting:

Current Reporting Example #1: Sample monthly utilization report, by service code

Service Code	Service Name / Utilization Criteria	Projected Monthly Utilization	July 2018 Act/Proxy	Aug 2018 Act/Proxy	Sept 2018 Act/Proxy	Oct 2018 Act/Proxy	Nov 2018 Act/Proxy	Dec 2018 Act/Proxy	Jan 2019 Act/Proxy	Feb 2019 Act/Proxy	Mar 2019 Act/Proxy	Apr 2019 Act/Proxy	May 2019 Act/Proxy	Jun 2019 Act/Proxy	Annual Proj / YTD Actual
REVENUE															
2101	**Mainframe Computing**	25,000													300,000
	per service unit (in 1,000's)		17,698	15,351	13,230	13,577	13,218	13,335							86,407
2110	**Computing Operations**	314													3,769
	per defined job scheduled		3,355	2,843	2,910	3,121	3,328	2,680							18,237
2151	**ADABAS**	0													0
	per service unit (in 1,000's)		65,558	99,796	95,105	57,236	95,861	97,661							511,217
2261	**OIT-Owned Compute**	204													2,448
	per Server instance per month		172	170	168	168	163	163							1,004
2262	**OIT-Owned Storage**	318													3,816
	per TB of storage per month		713	713	713	713	619	619							4,090
2263	**OIT Data Center Housing**	16													188
	per rack per month		12	12	12	12	12	12							72
2264	**Server Managed Services**	328													3,936
	per Server per month		294	291	288	285	280	280							1,718
2410	**Productivity and Collaboration Services**	1,952													23,422
	per mailbox per month		1,981	2,083	2,098	2,107	2,135	2,118							12,522

While current utilization reports include important information and they facilitate the annual true up process, they are of limited use to customers. Utilization data is collected from many different OIT service areas and aggregated into a final monthly report. This process takes several days to complete and the report does not include cost information, since initial costs are estimates only (and final rates will not be determined until the true up after the fiscal year is completed). There is no ability to drill down to any detail behind the summary report. Customers cannot forecast costs, and there is no opportunity for users to customize the information for analysis.

Current Reporting Example #2: Sample cost allocations sheet

COLORADO — Governor's Office of Information Technology

FY 2018-19 Detailed Department Allocations

Department	Service Codes	Service Names	Utilization Criteria	FY 2017-18 Utilization	FY 2017-18 Allocated Rate	FY 2017-18 Annual Allocation	FY 2018-19 Utilization	FY 2018-19 Allocated Rate	FY 2018-19 Annual Allocation
Agriculture	0	JBC Adjustments	Utilization is defined per adjustments that occurred in the Long Bill.	0.0	$ -	$0.00	0.0	$ -	$0.00
Agriculture	2101	Mainframe Services	per service unit (in 1,000's)	5,278.0	$ 0.13	$711.74	7,102.0	$ 0.81	$5,777.00
Agriculture	2110	MF Computing Operations	per defined job scheduled	0.0	$ 308.44	$0.00	0.0	$ 225.89	$0.00
Agriculture	2151	ADABAS	per service unit (in 1,000's)	0.0	$ 0.04	$0.00	0.0	$ 0.93	$0.00
Agriculture	2261	OIT-Owned Compute	per Server instance per month	504.0	$ 152.22	$76,716.48	384.0	$ 141.78	$54,443.25
Agriculture	2262	OIT-Owned Storage	per TB of Storage per month	204.0	$ 234.79	$47,897.46	229.4	$ 151.94	$34,862.18
Agriculture	2263	OIT Data Center Housing	per Rack per month	12.0	$ 1,099.31	$13,191.69	12.0	$ 1,098.10	$13,177.15
Agriculture	2264	Server Managed Services	per Server per month	636.0	$ 255.70	$162,623.78	516.0	$ 243.25	$125,515.79
Agriculture	2270	FY18 GenTax Hosting DOR	Utilization is defined as participating (1) or not participating (0).	0.0	$ 2,834,549.00	$0.00	0.0	$ 1,416,257.00	$0.00
Agriculture	2410	Productivity and Collaboration	per mailbox per month.	4,529.0	$ 6.77	$30,657.99	4,564.0	$ 6.21	$28,334.88
Agriculture	2451	Enterprise Service Desk	per Dept FTE per month.	3,497.0	$ 16.24	$56,802.44	3,497.0	$ 16.80	$58,763.91
Agriculture	2452	Enterprise Deskside Support	Utilization is defined as per Department FTE per month	3,497.0	$ 39.00	$136,375.10	3,497.0	$ 41.62	$145,531.22
Agriculture	2453	FY18 Deskside Staffing	Utilization is defined as participating (1) or not participating (0).	10,540.0	$ 1.00	$10,540.00	3,497.0	$ 3.48	$12,186.79
Agriculture	2460	FY17 R-03 End User Configura	per service unit (in 1,000's)	0.0	$ 1.00	$0.00	0.0	$ -	$0.00
Agriculture	2630	DBA Services	Utilization is defined as hourly use of staff hours.	1,548.0	$ 109.15	$168,957.32	1,548.0	$ 91.68	$141,923.04

Cost allocations are the output of the common policy model. While it appears that there is detailed information available, each line in this report is an estimate for a specific service code, and this information cannot be easily presented within the context of customer projects or initiatives. Historical data is included for one year prior, but a static report like this one is limited when it comes to providing multi- year analyses.

As a result of this current state of OIT billing, OIT budget staff spend significant amounts of time meeting with customers to discuss OIT billing and utilization reports. Budget staff dialog for hours with IT Service Owners, IT Directors, and department staff only to achieve a basic understanding of the billing process and rate methodology. To address these challenges wholistically, OIT requires new tools to improve customers' experience and understanding of their IT service utilization and expenditures.

IT Financial Tool Pilot Testing

OIT has taken significant steps toward addressing these reporting issues by piloting a financial planning, cost modeling, and IT billing tool. Initial results have shown positive outcomes when it comes to reducing the amount of time needed to calculate and analyze OIT spending, create and compare cost models, as well as aggregating utilization data for customer reporting. Through piloting these modules, OIT is proving the concept of end-to-end financial tracking, modeling, and billing. Previous spreadsheet templates required manual, time-intensive work to aggregate data, analyze coding, and formulate reports for the organization. These tools are showing early success in demonstrating the value of automating and simplifying processes for gathering, analyzing, and reporting service information. OIT can envision the potential for vast improvement in customer reporting if this request for dedicated funding is approved and OIT can move these solutions beyond the pilot phase.

Current Customer Relationship Management Practices

OIT requires an automated process and reporting system to be able to achieve stronger consistency in customer experience along with data-driven decision making. OIT does not currently have a comprehensive and standardized way to manage customer relationships and communication. OIT has implemented five year IT roadmaps, service level commitments, and monthly OneView dashboards. However, the manual compilation of these documents from a variety of sources is cumbersome and time consuming. HB17-1361, Evaluation of IT Resources, required an independent assessment of OIT, which was recently completed in 2018. In the report (page 74) several deficiencies were identified in OIT's customer satisfaction, including: variability in customer satisfaction across various service offerings, overall customer satisfaction being below the national customer satisfaction benchmark (based on the American Customer Satisfaction Index [ACSI] for Government), and the lack of a comprehensive consumer and stakeholder management plan.

Customer Relationship Management Standardization - Impact on Customer Satisfaction

Given the variety of projects that OIT supports for all state departments, as well as the complexity of these projects, the lack of standardized tools supporting customer relationship management has a negative impact on customer satisfaction and customer understanding of the value received from IT. The HB17-1361 Evaluation of IT Resources report (page 92, Table B-4) showed the following survey results around connecting value received to amount paid for OIT services.

Table B-4: Responses to Survey Question 31

How strongly would you agree or disagree that my agency or organization receives service levels from OIT consistent with what we pay OIT?

Agency	Number of Respondents	Did Not Meet My Expectations	Neutral	Met or Exceeded My Expectations
Department of Corrections (DOC)	5	40.0%	-	40.0%
Department of Regulatory Agencies (DORA)	6	50.0%	-	33.3%
Department of Personnel and Administration (DPA)	3	33.3%	-	33.3%
Colorado Department of Public Safety (CDPS)	8	50.0%	-	25.0%
Health Care Policy and Financing (HCPF)	25	64.0%	4.0%	12.0%
Colorado Department of Human Services (CDHS)	36	50.0%	19.4%	8.3%
Department of Revenue (DOR)	13	30.8%	46.2%	7.7%
Department of Public Health and Environment (CDPHE)	34	79.4%	19.1%	2.9%
Colorado Department of Agriculture (CDA)	8	62.5%	12.5%	-
Colorado Department of Labor and Employment (CDLE)	21	66.7%	9.5%	-
Colorado Department of Transportation (CDOT)	17	64.7%	23.5%	-
Department of Natural Resources (DNR)	19	84.2%	-	-
Department of Local Affairs (DOLA)	5	80.0%	-	-
Offices of the Governor (GOV)	1	-	-	-
History Colorado (HC)	3	100.0%	-	-
Office of Economic Development and International Trade (OEDIT)	1	100.0%	-	-
Overall	**215**	**61.1%**	**11.2%**	**7.4%**

Communication Challenges

OIT currently does not have a comprehensive and standardized way to manage all communication with customers. OIT uses multiple methods to communicate with its customers, including enterprise-wide communications such as the OIT Playbook as well as department-specific communications such as the five-year roadmap for each department and service level commitments (SLC).

There are also many internal communication documents that OIT teams rely on for executing projects and managing customer relationships, including: issue tracking reports, project status reports, and other ad hoc reports that facilitate relationship management.

These communications play a critical role in delivering service to customers and managing customer satisfaction. The majority of these reports require many hours in staff labor to assemble.

OITs' current financial reporting is a major barrier to customer satisfaction, and OIT lacks ongoing funding for tools that are necessary to raise the level of financial reporting.

Independent Evaluation Emphasizes that OIT Billing and Reporting Drive Customer Dissatisfaction

According to the Colorado Legislature's 2018 independent evaluation of statewide resources (per HB17-1361), OIT's billing model is overly complex, and OIT customers do not have the financial reporting necessary to translate IT service cost data into actionable information. OIT's billing practices relative to common policies lacks a financial report that is consistent, comparable, and easy to understand and this leads to a lack of trust in OIT billing.

Customer survey data in the evaluation revealed key insights into customer understanding of OIT billing.
- Only 13.7% of department decision-makers believe their department or organization understands how OIT charges are calculated and what they are for.
- Because of this lack of understanding, only 7.4% agree that their department or organization receives service levels from OIT consistent with what they pay OIT.

From this data, it is clear that customers need better financial reporting from OIT. The independent evaluation went on to document specific areas of customer dissatisfaction with OIT financial reporting, including: 1) The complexity of the Common Policy service model, and 2) Static reporting that makes it difficult to understand true service rates. Because of these issues, OIT struggles to articulate the direct link between IT billing and customer benefit.

Complexity of the Common Policy Service model

OIT's customers struggle to understand OIT billing because of the complex billing model and the rapid pace of change in the technology world. The complex modeling is rooted in outdated and overly detailed long bill lines, as well as extensive use of service codes that facilitate accurate reporting but do not enable customers to understand the full scope and impact of their IT service costs.

Ninety-one unique service codes have been used in the billing of common policies between FY 2014-15 and FY 2018-19. The HB-17-1361 evaluation determined that inconsistencies in service codes and lack of annual reporting are significant factors that contribute to billing confusion among customers. Although OIT has a legitimate need to track the cost of specific decision item funding and special bills separately from regular services (which may necessitate the use of additional service codes) a better-defined grouping of service categories and service codes will make it easier to track the costs of related services over time.

Below is a snapshot of the complex FY 2018-19 Common Policy modeling spreadsheet that translates available Long Bill resources into service cost pools for allocation to state departments. This information is not helpful to customers or OIT service owners as they make daily decisions or as they evaluate options for addressing program needs through IT services.

FY 2018-19 Common Policy Model - Costs and Rates Summary

	Code	FTE	Depreciation/Operating	Contract/Financial	Service Sub-Total		
(B) IT Infrastructure							
Infrastructure Administration	B010	23.0			$5,908,131		
6021 Infrastructure Admin		3.0	$4,829	$2,631,524	$2,636,353		
7700 HB 16-1047 DORA		0.0	$0	$6,000	$6,000		
2151 ADABAS Services		3.0	$259,755	$1,354,507	$1,614,262		
2630 DBA Services		17.0	$1,618,942	$32,574	$1,651,516		
Data Center Services	B070	8.0			$804,009		
2263 OIT Data Center Housing		8.0	$670,982	$133,027	$804,009		
Mainframe Services	B6A0	31.0			$4,396,943		
2101 Mainframe Services		5.0	$581,226	$2,174,947	$2,756,173	$1,500	$102,002
2110 MF Compute Operations		26.0	$1,640,770	$0	$1,640,770		
Server Management	B6B0	72.0			$13,497,367		
2250 Server Management		1.0	$133,837	$950,207	$1,084,044	$95,066	
2261 OIT-Owned Compute		0.0	$0	$2,037,287	$2,037,287	$677,462	
2262 OIT-Owned Storage		0.0	0	$2,495,892	$2,495,892	$13,935	
2264 Server Managed Services		63.0	$5,816,467	$0	$5,816,467		
2270 FY18 GenTax Hosting DOR		0.0	$0	$1,416,257	$1,416,257		
7750 Department of Revenue		8.0	$647,420	$0	$647,420		
(C) Network							
Network Administration	C010	4.0			$3,943,800		
6031 Network Admin		4.0	$325,977	$3,349,623	$3,675,600	$614,008	

The complexity of the current model exacerbates several other issues for customers that stem from the current common policy methodology.

- **Lag time**: Utilization changes take several years to fully annualize into OIT Common Policy billing, and these types of changes are difficult to analyze or track given the static nature of the current spreadsheet reporting.
- **Poor Planning**: There is very little ability for customers to forecast the multiple variables necessary to capture the complete financial picture and inform critical decision making. Final department costs are dependant on final service costs as well as total utilization for all customers, so any planning based on current estimated rates is subject to change per the final true up.
- **Lack of Understanding**: Many variables in the total bill make it confusing and difficult to understand.
- **Ownership**: Customers lose sense of ownership of IT service utilization and cost containment with current Common Policy billing and revenue collection methodology.

These challenges can be alleviated to a large extent if OIT has the tools to develop more robust financial reporting that links directly to insight on service cost drivers.

Static Billing Reports Lack Detail and Prevent Meaningful Customer Analysis
In addition to the challenges of a complex cost model, OIT's current service usage reports are not helpful to most OIT customers. OIT Common Policy billing includes many different components based on the timing of service use and the source of funding (Base Allocation, Prior Year True-Up, Special Bill funding, and Decision Items). Current spreadsheets provide only the minimum detail to facilitate the annual budgeting process. Spreadsheets can be prone to data-entry errors and even the current high level reports require significant time to keep updated.

Ultimately, the current data and reports are not adequate when customers really need dynamic dashboards for data visualization and analysis. OIT requires additional tools to take customer reporting and financial understanding to a new level.

Customer Relationship Management

OIT's current customer relationship management (CRM) capabilities do not include standard CRM software to coordinate communication and ensure relevant customer data is available to all OIT teams that directly support state departments. There are several current communication challenges listed below.
- Disparate reporting that often requires hours to assemble
- Relationship management practices that are developed in siloes as IT Directors and customer facing project staff develop individualized processes to manage workload and customer relationships
- Inability to promote a standardized customer relationship experience across all departments
- OIT lacks the appropriate business tools to provide an adequate level of transparency, operational trending/dashboarding, year end reviews, and other critical communication
- Tying billing and financial reporting directly to value received for IT services is a key component of customer relationship management and customer trust - these tools and capabilities must be linked together
- Identifying business outcomes and goals first and then relating all reports and financials directly to these goals is challenging today - ultimately such linkage can prove the value of IT and align IT activities directly to achieving business results

In the private sector, most successful service providers have implemented CRM software to streamline customer relationship management across the entire enterprise. When a new account representative for a private company engages a repeat customer, they need to know the following key pieces of information.
- Customer history
- Key customer staff and decision makers at various levels of the organization
- Relevant industry trends
- Recent service/support provided to that customer.
- Any service issues, both historically as well as current unresolved disputes
- Financial information, including billing history, current invoicing status, payment method, etc.

As a service provider to state departments, OIT needs the same capabilities to aggregate customer information, track customer communications, and ultimately improve OIT's interactions with customers.

A CRM solution can provide the means to standardize and automate information for IT Directors. This includes being able to understand available OIT services in each department, transparency to services being delivered, and insight to technologies being used enterprise/statewide.

Proposed Solution:

OIT requests Reappropriated Funds of $679,188 in FY 2020-21, and $669,556 in FY 2021-22 and ongoing to support Customer Relationship Management software and tools for financial planning and customer reporting. OIT will increase customer delight by equipping OIT IT Directors, IT Program and Portfolio Managers, senior leadership, service owners, and the finance office with specific tools that enhance customer interactions at each touchpoint and support financial transparency.

New Financial Reporting

The HB17-1361 independent evaluation of statewide IT resources directed OIT to create new financial reporting so customers can understand true IT service costs and apply this information as they evaluate IT

needs for state programs. OIT has identified specific IT Finance tools that are needed to meet major components of the recommendations in the evaluation. This request would provide ongoing funding to support one software solution with 3 modules to address Cost Modeling, Financial Planning, and Customer Billing, as well as an additional tool for data visualization to ensure customers have a customized, interactive, view of information that is important for decision making.

Cost Modeling: This software module has been piloted by the OIT finance team and it has the capability needed to simplify the OIT modeling process while still tracking all cost components accurately. This tool will assist in evaluating the number of units of measure used to compute OIT bills for customers, and allow OIT to implement best practices for service cost modeling.

Financial Planning: This tool aggregates financial data from CORE and helps track current spending for each service code. There is functionality within this tool that will enable OIT to develop multiyear forecasts that incorporate detailed service costs and contract information. Planning at this level of detail is currently very difficult, if not impossible, with existing spreadsheets.

Customer Bill of IT: This module connects directly to the cost modeling module, and it will be the source for data on the OIT Common Policy billing reports. This module will: aggregate utilization detail from OIT's technical team into one central reporting tool, enable customers to drill down on service groups and evaluate granular detail where necessary, and allow customers to dispute specific billing line items directly within the tool.

The graphic below provides a visual representation of the 4 viewpoints that will be the focus of future OIT cost modeling and reporting. OIT needs insight at each step in the process to enable customers to understand services and consumption, and allow service owners to translate components to business capabilities, all while maintaining the tie back to general ledger detail for federal reporting:

Customer Relationship Management
The funding from this request will allow OIT to procure CRM licensing, and cover implementation costs and ongoing support. OIT will use a currently supported software platform in order to minimize complexity and allow the CRM to integrate with existing reporting tools wherever possible.

CRM for government facilitates a department's interactions with OIT services through the use of systems, software, and methodologies for managing, measuring, analyzing, and automating communication and information sharing. This level of management and coordination will revolutionize OIT's interactions with departments, dramatically improve customer satisfaction, and drive project success for all departments.

Specific areas of implementation include:

Monitor Metrics in Real-Time
Powerful analytics tools give OIT the ability to stay on top of response times and service quality. Powerful reports and dashboards will track service interactions, OIT's agent performance, and customer issues. Simple point and click, customizable dashboards provide instant access to real-time data and analysis. A Dreal-time, robust reporting and analytics engine enables deep analysis of all data—including interaction and activity data. Dashboards provide high-level visibility at a glance, and configurable reports allow for drilling down for detail. Chatter will push the metrics that matter most, in real time. Reports and dashboards can be developed without IT help and are viewable on any mobile device.

Real-time, Powerful Analytics
Reports and dashboards deliver operational and performance metrics on data that lives solely in the CRM tool and allows OIT to easily create individual static reports and dashboards to gain real-time views of daily activity. Analytics is a cloud-based platform designed for the business user to get answers to questions instantly through powerful, interactive visualizations of any data, on any device. The analytics platform offers additional features outlined below.
- Multi-year trending analysis - supports query and processing of hundreds of millions of rows of data from various sources
- Cross Object analysis and faceting
- Rich data visualization
- Dynamic self-service exploration analytics is mobile-ready, allowing OIT to immediately collaborate and share insights with team members right inside the CRM tool

OIT can quickly query and explore data across systems, as well as social and mobile applications, to get the exact information customers need without being stuck in a pre-built report. OIT's data is secure. Powerful field level security and role based hierarchy controls ensure the right people have the right answers.

Service Analytics is an application built on the overall Analytics platform. This module empowers OIT's entire service team with the insights needed to drive efficiency, deliver personalized customer service and delight customers/citizens. Service Analytics also enables service agents to obtain an instant 360° view of customers while simultaneously gaining visibility into historical cases, benchmarks, and customer satisfaction scores. With Service Analytics, OIT can create smarter managers, more productive agents and happier customers.

Report Types
A report type defines the set of records and fields available to a report based on the relationships between a primary object and its related objects. Reports display only records that meet the criteria defined in the report type. The tool provides a set of pre-defined standard report types; administrators can create custom report types as well. For example, an administrator can create a report type that shows only job applications

that have an associated resume; applications without resumes won't show up in reports using that type. An administrator can also show records that may have related records—for example, applications with or without resumes. In this case, all applications, whether or not they have resumes, are available to reports using that type. Report formats include the following list.

- Tabular reports are the simplest and fastest way to look at data. Similar to a spreadsheet, they consist simply of an ordered set of fields in columns, with each matching record listed in a row. Tabular reports are best for creating lists of records or a list with a single grand total. Examples include contact mailing lists and activity reports.
- Summary reports are similar to tabular reports, but also allow users to group rows of data, view subtotals, and create charts. They can be used as the source report for dashboard components. This type of report can be used to show subtotals based on the value of a particular field or when a hierarchical list is desired, such as all cases for teams, subtotaled by status and owner.
- Matrix reports are similar to summary reports but allow users to group and summarize data by both rows and columns. This type of report can be used for comparing related totals, especially if there are large amounts of data to summarize and users need to compare values in several different fields, or users want to look at data by date and by type, person, or geography.
- Joined reports let users create multiple report blocks that provide different views of the data. Each block acts like a "sub-report," with its own fields, columns, sorting, and filtering. A joined report can even contain data from different report types.

Dashboards

A dashboard shows data from source reports as visual components, which can be charts, gauges, tables, metrics, or custom pages. They provide a snapshot of key metrics and performance indicators for OIT. Each dashboard can have up to 20 components. Administrators control access to dashboards by storing them in folders with certain visibility settings. Dashboard folders can be public, hidden, or restricted to groups, roles, or territories. With access to a folder, customers can view its dashboards. To view a dashboard component, users need access to the folder for the underlying source report. Each dashboard has a running user, whose security settings determine which data to display in the dashboard.

Two other important points about dashboards: First, dashboard components aren't simply nice-looking, static pictures. They're live, actionable objects. Clicking on a dashboard component will drill down to the underlying report that generated it, and clicking on any item in that report will drill down to the source data. This allows users to quickly understand the reasons behind the results. Second, dashboards are full participants in the enterprise social collaboration platform. For example, a manager could post a dashboard snapshot to their chat feed to share it with their "followers", or to a specific chat group, along with comments, so they can find answers, congratulate team members, or issue calls to action. And both dashboards and chat are available on mobile devices, as well as PCs.

Consequences of not funding this Request

Without these tools, OIT will revert to back to spreadsheet reporting and ad hoc analysis for departments. OIT will lack the ability to provide the detailed reporting and analysis that customers and OIT staff require, and will not be able to meet many of the customer service, billing, and reporting findings that came to light in the 2018 statewide IT evaluation (HB17-1361).

Anticipated Outcomes:

In order to be in compliance with many of the billing and reporting findings from HB17-1361 Evaluation of State IT Resources, OIT must make significant improvements to IT billing transparency, and provide comprehensive customer communication. OIT needs the IT Financial Management tools in this funding request to achieve specific outcomes documented in the HB17-1361 report. OIT anticipates these tools will create dramatic improvements in financial modeling and reporting to enhance customer experience. The software solutions from this request will revolutionize the way customers receive financial data from OIT and improve customer delight. Customers will have the ability to translate OIT financial data into meaningful information, which will inform decision making at all levels of their organization. OIT expects to provide the following outcomes.

- Increased visibility into its service rate modeling
- Interactive dashboards that can be customized for specific audiences
- High level summary reports that aggregate data from a variety of sources and put it at users' fingertips, painting a clearer picture of the support the customer is receiving from OIT
- The ability to drill down to the desired level of detail to understand different billing components
- Billing reports that can be reviewed in detail by the customer, with the functionality to dispute line items as needed and facilitate quicker resolution to billing questions
- Accurate, easy to understand, real-time billing in future fiscal years
- Annual reports that summarize service codes in a meaningful way for customers and the public, while leaving current detail by service code intact

Customer Relationship Management

OIT anticipates that the CRM solution will provide the means to standardize reports and supply a centralized repository for OIT information across all departments for all OIT services. This means all departments would receive continuity across-the-board (including reporting, requests, and priorities).

Many of the current manual reporting tasks will be automated in this CRM solution. This will ensure measurements, communications, and processes are consistent statewide. Ultimately, this will drive improved outcomes for customers. Customers will understand OIT services and consumption in a way that is not possible with current siloed customer management and communication efforts. This CRM solution is the foundation for a successful business environment, where OIT and customers are on the same page with each interaction, and working together to achieve projects and initiatives that support critical customer programs.

Current IT Director resources are stretched very thin, and customers will benefit from staff spending less time preparing manual reports and more time on additional customer support. OIT anticipates that this tool will reduce the time that each of the 12 IT Directors spends assembling manual reports by 6 hours per month, for a total of over 860 hours each year in additional time for partnering with customers on key initiatives. This time savings is in addition to the overall added value from the tool.

- Standardized reporting across the entire organization
- Point-and-click automation
- Intuitive end-user experience and time entry
- Real time executive visibility

Table 1 below outlines the cost detail for the IT financial management tools and CRM software licensing in this request. Costs were determined based on FY 2018-19 quotes for the solutions that OIT has piloted. Once funding has been approved for this request, OIT will follow standard procurement and contracting processes for purchasing the software.

Table 1: Cost Detail

Item	Quantity	Unit Cost (annual)	FY 2020-21	FY 2021-22
IT Financial Management and Reporting				
IT Financial Management Software (Planning, Cost Modeling, and Bill of IT financial modules)			$475,089	$494,093
Data Visualization software (licensing for OIT Finance staff)	20	$397.03	$7,941	$8,259
IT Financial Management and Reporting - Subtotal			**$483,030**	**$502,352**
Customer Relationship Management				
CRM software (licenses for OIT users - automate dashboards, roadmaps, and status updates)	100	$1,287	$128,700	$133,848
CRM reporting (licenses for statewide users - anytime, anywhere access to OIT updates, status, and analytics)	1141	$15.30 per year	$17,458	$18,156
One-time Implementation Costs			$50,000	
Ongoing support/maintenance costs (10%)				$15,200
Customer Relationship Management - Subtotal			**$196,158**	**$167,204**
TOTAL			**$679,188**	**$669,556**

Department Allocations

The funding for this request is reappropriated from each department through common policy billing. Initial cost allocations per department were based on the department's percentage of total IT expenditures in FY 2019-20 Base Common Policy.

Table 2. Department Allocation Breakdown

Department	FY 2019-20 Base Common Policy Allocation	% of Total	FY 2020-21	FY 2021-22
Agriculture	$1,609,693	0.96%	$6,529	$6,437
Corrections	$23,578,912	14.08%	$95,642	$94,285
Education	$744,287	0.44%	$3,019	$2,976

General Assembly	$1,866	0.00%	$8	$7
Governor	$615,091	0.37%	$2,495	$2,460
Health Care Policy and Finance	$6,050,279	3.61%	$24,541	$24,193
Higher Education (Appropriated)	$644,898	0.39%	$2,616	$2,579
Higher Education (Unappropriated)	$270,119	0.16%	$1,096	$1,080
Human Services	$34,501,213	20.60%	$139,945	$137,960
Judicial	$5,346,312	3.19%	$21,686	$21,378
Labor and Employment	$11,688,070	6.98%	$47,410	$46,737
Law	$682,302	0.41%	$2,768	$2,728
Local Affairs	$2,180,668	1.30%	$8,845	$8,720
Military and Veterans Affairs	$262,923	0.16%	$1,066	$1,051
Natural Resources	$13,266,271	7.92%	$53,811	$53,048
Personnel and Administration	$4,656,345	2.78%	$18,887	$18,619
Public Health and Environment	$10,248,771	6.12%	$41,571	$40,982
Public Safety	$11,818,062	7.06%	$47,937	$47,257
Regulatory Agencies	$3,698,020	2.21%	$15,000	$14,787
Revenue	$16,820,554	10.05%	$68,228	$67,261
State	$315,627	0.19%	$1,280	$1,262
Transportation	$18,377,703	10.98%	$74,544	$73,487
Treasury	$64,835	0.04%	$263	$259
Total	**$167,442,821**	**100%**	**$679,188**	**$669,556**

Schedule 13

Office of the Governor

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-05 (OIT) Disaster Recovery Staff

Dept. Approval By: _(signature)_ Patricia Nord

OSPB Approval By: _(signature)_

___	Supplemental FY 2019-20
___	Budget Amendment FY 2020-21
X	Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total of All Line Items Impacted by Change Request	Total	$41,222,158	$0	$43,842,363	$400,000	$390,594
	FTE	85.5	0.0	85.5	2.0	2.0
	GF	$167,994	$0	$229,519	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$41,054,164	$0	$43,612,844	$400,000	$390,594
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
05. Office of Information Technology, (A) OIT Central Administration, (1) OIT Central Administration - Health, Life, and Dental	Total	$9,499,456	$0	$11,322,433	$20,084	$20,084
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$91,280	$0	$134,151	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$9,408,176	$0	$11,188,282	$20,084	$20,084
	FF	$0	$0	$0	$0	$0
05. Office of Information Technology, (A) OIT Central Administration, (1) OIT Central Administration - Short-term Disability	Total	$131,262	$0	$144,274	$506	$506
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$1,276	$0	$1,590	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$129,986	$0	$142,684	$506	$506
	FF	$0	$0	$0	$0	$0

| Line Item Information | Fund | FY 2019-20 | | FY 2020-21 | | FY 2021-22 |
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	**$3,866,541**	**$0**	**$4,258,649**	**$14,877**	**$14,877**
05. Office of Information Technology. (A) OIT Central Administration, (1) OIT Central Administration - Amortization Equalization Disbursement	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$37,719	$0	$46,889	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$3,828,822	$0	$4,211,760	$14,877	$14,877
	FF	$0	$0	$0	$0	$0
	Total	**$3,866,541**	**$0**	**$4,258,649**	**$14,877**	**$14,877**
05. Office of Information Technology. (A) OIT Central Administration, (1) OIT Central Administration - Supplemental Amortization Equalization Disbursement	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$37,719	$0	$46,889	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$3,828,822	$0	$4,211,760	$14,877	$14,877
	FF	$0	$0	$0	$0	$0
	Total	**$23,858,358**	**$0**	**$23,858,358**	**$349,656**	**$340,250**
	FTE	85.5	0.0	85.5	2.0	2.0
05. Office of Information Technology, (B) IT Infrastructure, (1) IT Infrastructure - Server Management	GF	$0	$0	$0	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$23,858,358	$0	$23,858,358	$349,656	$340,250
	FF	$0	$0	$0	$0	$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Governor's Office Prioritized Request	Interagency Approval or Related Schedule 13s:	Impacts Other Agency

Office of Information Technology

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Theresa Szczurek
Executive Director

Department Priority: R-05
Request Detail: Disaster Recovery Staff

Summary of Incremental Funding Change for FY 2020-21		
	FY 2020-21	**FY 2021-22**
Total Funds	**$400,000**	**$390,594**
FTE	2.0	2.0
Reappropriated Funds	$400,000	$390,594

Summary of Request:

The Governor's Office of Information Technology (OIT) requests $400,000 Reappropriated Funds and 2.0 FTE in FY 2020-21, and $390,594 and 2.0 FTE in FY 2021-22 and ongoing to support the development of IT Disaster Recovery plans for approximately 148 essential and critical applications and ensure business continuity across departments. The request is an increase of approximately 1.7% to the current Server Management budget.

OIT currently supports and manages 1110 applications across 21 departments. OIT support includes ensuring applications are accessible and the integrity of state data is protected and secure. In addition, OIT is responsible for restoring applications and data in the event of a system outage. Of the applications OIT supports, 148 are "critical and essential." Essential applications are currently defined as an application that is so important to the department that its loss or unavailability is unacceptable due to life safety issues. Critical applications are currently defined as an application that provides critical services to the public and its operation serves a vital function to government but does not impact life safety.

Background

Originally OIT housed a voluntary IT solution for state departments and government entities called "Enterprise Facility for Operational Recovery, Readiness Response & Transition" or "eFort". It was not utilized by all departments due to legacy practices and the fact that participation was voluntary. Without a statewide standard backup and recovery program, state departments were left to develop their own disparate policies and procedures, leading to a lack of consistency in the backup systems, backup frequency, and disaster recoverability. Backup and disaster recovery processes across the State were inconsistent and inefficient. Processes were implemented independently resulting in non-standardized processes across each department. The absence of a statewide refresh cycle left many departments with legacy infrastructure preventing consistent, interconnected backup processes. Many data backup systems were incomplete and did not provide the necessary redundancy for a seamless, reliable backup system.

In FY 2013-14 OIT embarked to establish a standard backup and recovery program across all state departments supported by OIT. A "Phase I" supplemental budget request was awarded for $200,000 for one-time funding to pay for an assessment of the State's data backup needs and ideal backup IT architecture.

OIT submitted a subsequent "Phase II" supplemental and budget amendment request in FY 2014-15 to implement the recommendations from that assessment. The initiative, referred to as "Backup Colorado", sought to implement backup and disaster recovery improvements statewide. This included hardware, software, and professional services to upgrade functionality and enhance backup system development and implementation of a common data backup retention policy that meets all state, federal, and department security requirements. OIT successfully completed and implemented the Backup Colorado project in June 2017 providing a robust backup and recovery solution for all department critical applications. As part of Backup Colorado, all OIT-managed applications and associated data are now protected via backup and recovery enterprise solutions. OIT also established infrastructure redundancy and data replication across its two main data centers to ensure no loss of data in the event of a disaster .

The Backup Colorado promise of reducing data loss and downtime was realized when the Colorado Department of Transportation was infected with the SamSam ransomware virus in early 2018. More than 80 percent of operations were back up and running within two to four weeks with no loss of data and without having to pay the ransom.

Despite the success of the Backup Colorado program, OIT does not have any dedicated staff to establish and maintain IT disaster recovery plans, as well as provide training and compliance sustainability. IRS

audits as well as HIPAA compliance audits require not only a disaster recovery plan to be published but also proof that the plan has been tested. OIT needs to be able to comply with these requirements and provide long term, ongoing facilitation and support of the State's Disaster Recovery solutions.

Today OIT supports 148 essential and critical applications, and OIT expects the number will grow in the future as department processes continue to be more automated. In the event of a disaster at one of the state's data centers, or an offsite-managed hosting site, OIT or the managed service provider must be able to recover from the disaster within the specified Recovery Time Objective (RTO) and Recovery Point Objective (RPO) to meet business operations requirements. If OIT or the managed service provider are unable to recover, the unavailability of department services to State of Colorado residents could be life threatening.

Proposed Solution:

The Governor's Office of Information Technology (OIT) requests Reappropriated Funds totaling $400,000 and 2.0 FTE in FY 2020-21, and $390,594 and 2.0 FTE in FY 2021-22 and ongoing to support the development of IT disaster recovery plans for approximately 148 essential and critical applications and ensure business continuity across departments. The staff will provide facilitation of disaster recovery assessments and evaluations, technical documentation of processes and recovery needs, and planning and facilitating of annual testing for disaster recovery solutions associated with department-identified essential and critical and applications.

OIT Disaster Recovery Positions Detail
OIT proposes to hire one FTE to fulfill the role of IT Disaster Recovery Program Manager and a second FTE to perform the role of IT Disaster Recovery Technical Writer.

The responsibilities of the IT Disaster Recovery Program Manager cover a range of functions. The program manager will utilize agency business continuity management to ensure that the disaster recovery (crisis management) and business continuity plans drive disaster recovery strategy and procedures. This position will also establish and maintain the overall plans for executing all disaster recovery procedures and understand their interdependencies. The program manager will also establish and maintain detailed disaster recovery communications and command and control plans through a change management process. The program manager will work with the IT technical staff to ensure that disaster recovery solutions are adequate, in place, maintained, and tested as part of the regular operational life cycle. This position will also manage the contracts with required vendors for off-site and other resources required for disaster recovery and business continuity. The program manager will also develop and deploy training, documentation, and communication of disaster recovery procedures to the organization. This position will develop and understand all testing necessary for a successful disaster recovery execution. The program manager will schedule and lead all disaster recovery exercises; and provide ongoing feedback for risk management, mitigation, and prevention. The program manager will also represent disaster recovery cost requirements in the annual budgeting process. They will regularly report disaster recovery activities to upper management. This position will act as liaison for auditing and examination of disaster recovery processes. Lastly, the program manager will help ensure compliance with all applicable state laws, regulations, and ordinances.

The IT Disaster Recovery Senior Technical Writer will be responsible for and perform several functions for OIT. This position will create, update, and maintain disaster recovery and related documentation, including work instructions and process flows. The technical writer will work with associates/technical owners to generate documents or revise/update previously published documents, as necessary. This position will update document repositories and document naming convention for standardization. They will also review, format, and proofread technical procedure documents; and provide completed documents to OIT for final review and approval. The technical writer will produce high-quality documentation that is appropriate for its intended audience. This position will also be responsible for documenting procedures, use cases, requirements, and technical designs. The technical writer will also create process flows, networking, and infrastructure diagrams. They will create and edit documents and diagrams using state-approved applications. The technical writer will work collaboratively with a team of analysts, developers, engineers, and other security professionals. They will also work with contributors to resolve content issues or gaps. Lastly, the technical writer will create and/or organize material and completing writing assignments according to specified standards regarding order, clarity, conciseness, style and terminology.

Disaster Recovery Plan Details

The disaster recovery plans will document the guidelines, support, and resources needed to restore, resume, and recover the system/application. The disaster recovery plan will be written utilizing several scenarios (e.g.; loss of data center, hardware/equipment failure, software failure, data corruption, loss of network, environmental failure (could be power, ups failure due to heat, fire, flood, etc.)). In order to develop the disaster recovery plan, OIT will meet with content experts to gather the critical information outlined in Table 1 below.

Table 1. Disaster Recovery Plan - Critical Information

Disaster Recovery Plan - Critical Information	
Roles and Responsibilities	Disaster Response
Recovery Time Objectives	Hardware/Software
Recovery Point Objectives	Call Trees
Worst Case Scenarios	Recovery/Resumption/Reconstitution
Recovery Requirements (alternate locations, hardware/software inventories, vital documentation/procedures, critical dependencies, etc.)	Assumptions, known gaps, risks
Command Centers, Facilities	Contact Information
Priority List	

The disaster recovery plan will contain steps for resuming, restoring, and recovering each of the systems/applications in 8 sections detailed in Table 2 below.

Table 2. Disaster Recovery Plan - Section Details

Disaster Recovery Plan - Section Details	
Section 1 – Introduction/Roles and Responsibilities	Section 5 – Contact Information
Section 2 – Disaster Response/Notification	Section 6 – Recovery Requirements

| Section 3 – Call Tree(s) | Section 7 – Testing/Plan Maintenance |
| Section 4 – Recovery/Resumption/Reconstitution | Section 8 – Appendix |

Alternative Implementation Solution

In January 2018, the OIT Customer Care Office solicited a proposal for a disaster recovery plan to be written for the Department of Corrections new Offender Management System (eOMIS) but the vendor was not able to begin work due to other commitments at that time. However, the proposal did provide an outline for a level of effort and pricing for a single disaster recovery plan.

The proposed disaster recovery plan was to document the guidelines, support, and resources needed to restore, resume, and recover the system/application. The vendor anticipated the timeline for completion of this plan was estimated to take up to 8 weeks to develop with a one-time cost of $15,000. Based on this estimate and scaling out for the creation of 148 disaster recovery plans covering the current department-identified essential and critical applications, the total one-time cost would total $2.2 million. This estimate would only cover costs to write the initial plan and does not take into account for future updates, auditing or testing required to keep the plans current. OIT's request for 2 full time staff in FY 2020-21 and ongoing is substantially less than the cost quoted by the vendor. OIT will also save by avoiding solicitation, procurement, and contracting time and effort. Lastly, OIT will have dedicated disaster response staff to provide departments with service continuity.

Anticipated Outcomes:

OIT will be able to assess, validate and implement appropriate disaster recovery infrastructure and processes for department-identified critical and essential applications as defined within the Application Portfolio Management System (APMS), where it may not be properly aligned to business and state OIT expectations. In addition, this effort should ensure that Continuity of Operations (COOP) requirements are taken into consideration for solution implementations.

The additional staff will provide several benefits to the OIT mission. OIT will have consistent data compliance models and department COOP reviews. OIT will also have established requirements and capabilities for application and infrastructure resiliency and recoverability (RTO and RPO). OIT will implement necessary infrastructure and configurations that meet business requirements. Lastly, OIT will have statewide disaster recovery processes documented, standardized and tested regularly for every critical and essential IT application.

Assumptions and Calculations:

OIT has determined and calculated the costs for the two positions based on the current market rate for each. The market rate salary for an IT Disaster Recovery Program Manager in Denver, CO averages $145,000. The market rate salary for an IT Disaster Recovery Senior Technical Writer in Denver, CO averages $115,000. These figures plus 15% have been used as the base salary for each position. Benefits and associated operating costs have been calculated using the state's standard template and are shown below.

Expenditure Detail				FY 2020-21		FY 2021-22	
Personal Services:							
	Classification Title	Biweekly Salary	FTE		FTE		
	IT Program Manager	$6,381	1.0	$165,912	1.0	$165,912	
	PERA			$18,084		$18,084	
	AED			$8,296		$8,296	
	SAED			$8,296		$8,296	
	Medicare			$2,406		$2,406	
	STD			$282		$282	
	Health-Life-Dental			$10,042		$10,042	
Subtotal Position 1, #.# FTE			1.0	$213,318	1.0	$213,318	
	Classification Title	Biweekly Salary	FTE		FTE		
	IT Disaster Technical Writer	$5,062	1.0	$131,617	1.0	$131,617	
	PERA			$14,346		$14,346	
	AED			$6,581		$6,581	
	SAED			$6,581		$6,581	
	Medicare			$1,908		$1,908	
	STD			$224		$224	
	Health-Life-Dental			$10,042		$10,042	
Subtotal Position 2, #.# FTE			1.0	$171,299	1.0	$171,299	
Subtotal Personal Services			2.0	$384,617	2.0	$384,617	
Operating Expenses:							
			FTE		FTE		
	Regular FTE Operating	$500	2.0	$1,000	2.0	$1,000	
	Telephone Expenses	$450	2.0	$900	2.0	$900	
	PC, One-Time	$1,230	2.0	$2,460	-		
	Office Furniture, One-Time	$3,473	2.0	$6,946	-		
	IT Software	$2,039	2.0	$4,077	2.0	$4,077	
	Other						
	Other						
	Other						
Subtotal Operating Expenses				$15,383		$5,977	
TOTAL REQUEST			2.0	**$400,000**	2.0	**$390,594**	
	General Fund:						
	Cash funds:						
	Reappropriated Funds:		2.0	$400,000	2.0	$390,594	
	Federal Funds:						

Department allocations associated with this request are based on the FY 2019-20 base agency allocation for the Server Management appropriation and are detailed below.

Department	FY 2019-20 Base Common Policy Allocation - Server Management	% of Total	Decision Item Allocation	
			FY 2020-21	FY 2021-22
Agriculture	$181,697	1.65%	$6,587	$6,432
Corrections	$939,446	8.51%	$34,057	$33,256
Education	$0	0.00%	$0	$0
General Assembly	$1,743	0.02%	$63	$62
Governor	$63,896	0.58%	$2,316	$2,262
Health Care Policy and Finance	$202,433	1.83%	$7,339	$7,166
Higher Education (Appropriated)	$98,312	0.89%	$3,564	$3,480
Higher Education (Unappropriated)	$0	0.00%	$0	$0
Human Services	$877,228	7.95%	$31,801	$31,053
Judicial	$0	0.00%	$0	$0
Labor and Employment	$1,434,434	13.00%	$52,001	$50,778
Law	$0	0.00%	$0	$0
Local Affairs	$170,471	1.54%	$6,180	$6,035
Military and Veterans Affairs	$45,247	0.41%	$1,640	$1,602
Natural Resources	$1,374,419	12.46%	$49,825	$48,653
Personnel and Administration	$507,535	4.60%	$18,399	$17,966
Public Health and Environment	$1,352,241	12.26%	$49,021	$47,868
Public Safety	$716,271	6.49%	$25,966	$25,355
Regulatory Agencies	$204,176	1.85%	$7,402	$7,228
Revenue	$1,326,958	12.03%	$48,104	$46,973
State	$0	0.00%	$0	$0
Transportation	$1,537,462	13.93%	$55,736	$54,425
Treasury	$0	0.00%	$0	$0
Total	**$11,033,968**	**100%**	**$400,000**	**$390,594**

Schedule 13

Office of the Governor

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-06 (OIT) Improve Network Stability and Connectivity

Dept. Approval By:	
OSPB Approval By:	

Supplemental FY 2019-20

Budget Amendment FY 2020-21

X   Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total of All Line Items Impacted by Change Request	Total	$7,080,410	$0	$7,080,410	$1,130,900	$1,817,591
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$7,080,410	$0	$7,080,410	$1,130,900	$1,817,591
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
05. Office of Information Technology, (C) Network, (1) Network - Colorado State Network Circuits	Total	$7,080,410	$0	$7,080,410	$1,130,900	$1,817,591
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$7,080,410	$0	$7,080,410	$1,130,900	$1,817,591
	FF	$0	$0	$0	$0	$0

Auxiliary Data

Requires Legislation? NO

Type of Request? Department of Governor's Office Prioritized Request

Interagency Approval or Related Schedule 13s: Impacts Other Agency

Office of Information Technology

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Theresa Szczurek
Executive Director

Department Priority: R-06
Request Detail: Improve Network Stability and Connectivity

Summary of Incremental Funding Change for FY 2020-21			
	FY 2020-21	**FY 2021-22**	**FY 2022-23**
Total Funds	**$1,130,900**	**$1,817,591**	**$2,504,281**
FTE	0.0	0.0	0.0
Reappropriated Funds	**$1,130,900**	**$1,817,591**	**$2,504,281**

Summary of Request:

The Governors' Office of Information Technology (OIT) requests Reappropriated Funds totaling $1,130,900 in FY 2020-21, $1,817,591 in FY 2021-22, and $2,504,281 in FY 2022-23 and ongoing to expand the Colorado State Network (CSN) Circuits service currently within Common Policy. This funding will allow departments to take advantage of the redundancy and expansion capability now available through additional service providers. Costs associated with the service will continue to be budgeted and billed via OIT common policy based on the direct circuit costs incurred.

The Colorado State Network (CSN) Circuits service is a fully managed private cloud service that consists of a Multi-Protocol Label Switching (MPLS) and Ethernet (MOE) Infrastructure specifically for the State of Colorado. Historically, this private network receives circuits from CenturyLink with OIT maintaining strategic oversight. Currently, 650 locations across the state use CenturyLink circuits to connect to the CSN directly to state applications, services, and the internet. The CSN also provides the basis for the official State telecommunications network connectivity required by state statute C.R.S. 24-37.5-502.

OIT contracts with CenturyLink, which establishes the business model, Service Level Agreements (SLA), processes and procurement vehicle.

Services Managed by CenturyLink in the CSN
- Secure connection to state networks, applications, and services
- 24 x 7 x 365 monitoring
- Basic and premium response levels for support
- Customer Premise Equipment (router) per edge site
- Hardware installation, maintenance, support, and replacement.
- Engineering services and project management
- Contract management and business services
- Invoice management and cost recovery activities
- OIT service desk support
- Service level agreements
- Management tools
- Compliance with the state's change processes and security
- Postalized pricing based upon product speed and capacity
- On-going efforts to eliminate single points of failure

With CenturyLink as OIT's only service provider under contract, some department locations were not able to have network connectivity at all (due to their remote location), while many other locations were unable to receive the necessary bandwidth needed to support the department, business units, or applications.

OIT recognized the limitations of only contracting with one service provider for network connectivity, and recently increased the number of network service providers under contract to provide this service to state departments. These additional providers can reach many additional locations in the state and can provide redundancy that was not available with a single provider.

In FY 2019-20 OIT's Long Bill resources for network circuits totaled $7,080,410. Now that OIT has the capability to provide expanded circuits service, OIT needs additional funding to provide customers with increased connectivity as well as redundancy for critical circuits.

There is an increased demand for reliable connectivity across the state as state departments improve processes and increase the number of applications that serve citizens (and are connected to the state network). OIT's current Long Bill resources are not sufficient to support the expanded circuit connectivity

and increased bandwidth that department programs require. OIT's current appropriation covers existing circuits through the main circuit provider, but for departments that need to expand their connectivity or need redundancy in many areas to ensure connectivity is continuously maintained, these departments are forced to either go without, or sacrifice existing operating funds in their budgets to pay directly to expand circuit service.

New department applications drive the need for expanded connectivity across the state
The need for connection to the state network and for redundancy is a statewide issue, not limited to one corner or specific areas of the state. As departments expand or change programs, increased circuit service is requested from OIT.

The Department of Natural Resources (DNR) is an example of a customer that has extensive need for this service. DNR not only needs network connectivity in remote areas of the state that were not available through the main service provider, but they also need redundancy to the state network. DNR recently launched their Integrated Parks and Wildlife System (IPAWS) that automated several of their license, pass, reservation, and registration processes. With new automated systems such as IPAWS, it is important that state parks and wildlife areas have access to the state network and the bandwidth to ensure continued customer service to the citizens of Colorado.

This example is representative of the central issue: as state departments improve processes and increase the number of applications that serve citizens (and are connected to the state network), this drives an increased need for reliable connectivity across the state.

Redundancy is necessary to keep many critical customer facing programs online
In addition to the need for expanded service across the state, departments also have many specific programs that need increased reliability. This is achieved by having redundant circuits. This circuit redundancy is necessary to maintain network continuity for critical offices and programs throughout the state. Without the network continuity, departments will risk losing the connection to the state network in the event that the primary connection fails or is compromised. The current service provider is unable to provide redundancy on installed circuits.

Proposed Solution:

OIT proposes to phase this request over three years building up to the full necessary funding of $2,504,281 by FY 2022-23. OIT requests Reappropriated Funds totaling $1,130,900 in FY 2020-21, $1,817,591 in FY 2021-22, and $2,504,281 in FY 2022-23 and ongoing to support the growth in the CSN circuits service. This funding will allow customers to take advantage of the redundancy and expansion capability now available through additional service providers.

In this three year phased approach OIT will initially focus on the departments that have already begun requesting service through the new provider. In FY 2020-21 funding is allocated to the Departments of Revenue and Natural Resources. In FY 2021-22 funding will be allocated to the Departments of Human Services, Transportation, and Corrections. FY 2022-23 will encompass all remaining agencies. Agencies not allocated in FY 2020-21 and FY 2021-22 may still request service through the new provider and costs

will be trued up through OIT's Common Policy billing. Table 2 in the Assumptions in Calculations section below outlines the department breakout.

OIT will utilize additional service providers for network availability, redundancy, and other services to expand and improve the current CSN service provided. This will allow OIT to continue providing network connectivity in almost all areas across the state and serve the people of Colorado. The following list outlines what will be provided with the addition of new providers.

- Allow for an option of redundancy on the state network
- Eliminate outage time caused by Internet Service Provider (ISP) service interruption
- Reduce lost worker productivity at departments caused by lost connections
- Reduce safety risk caused by interruption to the critical and essential applications
- Reduce customer frustration from loss of access to system or application
- Improve Coloradans experience with state services

In addition to these benefits, increased use of alternative service providers allows OIT to engage in physical and cellular options, establish pricing and purchasing methods, create private networks with multiple vendors, identify department traffic and designed security, configure automatic failover, and test and validate.

Striving for customer delight, the OIT CSN Circuits team has an internal goal to build solutions that fit the needs of all customers, provide options for network and voice connectivity, and expand current connectivity offerings. The proposed solution will address this goal by enhancing network continuity and increasing the current CSN Circuits service by adding service providers and service options for OIT's customers.

The requested increase in funds will be allocated through the OIT common policy billing. Allocations will be assigned to departments currently utilizing the CSN Circuits service. Based on feedback received from customers, these new products and services will be offered through the existing common policy service. The requested increase in spending authority would cover the growth that has occurred over the years and services provided by the additional service providers.

Consequences if not funded
If this request is not approved, redundancy and connectivity expansion will only be available to customers that have funding in their operating budgets to support this through direct billing. Many departments will not be able to secure the expanded connectivity and network continuity required to support their programs. In addition, when CSN connectivity is separated from common policy and resorts to one-off direct billing to select customers, OIT loses the ability to report the full picture of circuits usage for each department.

Anticipated Outcomes:

OIT is expecting several positive outcomes from this proposal.
- An increase in new circuits installed across the state at locations with no network connectivity
- An increase in new circuits installed for redundancy
- Options for departments to increase their bandwidth

- Possible savings for customers who can switch to a potentially more affordable service provider

Expanding the service providers will allow OIT to better serve its customers and provide the best pricing solution for the CSN Circuit service. This request meets all three of OIT's FY 2019-20 Wildly Important Goals (WIGS).

1) <u>Increasing Customer Satisfaction:</u> Including the additional service providers into common policy allows these services to be incorporated in the utilization reporting for common policy. Currently, OIT is able to provide a monthly detailed report of CSN circuits provided by the current service provider. Expanding this service will allow OIT to encompass all circuits from all service providers into the utilization reporting.
2) <u>Ensure a Secure Colorado</u>: When state departments are able to connect to the state network they are protected against outside threats. With more service offerings being made available to the public through automation it allows for opportunities that could threaten the state. Being a part of the state network ensures a more secure Colorado.
3) <u>Expand Virtual Access</u>: This is exactly what this request is aiming to do, provide virtual access to government services anytime and anywhere. Increased access available to state departments means increased service to OIT's customers.

For common policy reporting, currently installed circuits are tracked in OIT's Telecommunications Expense Management System (TEMS). Circuits installed and maintained by new service providers will also be added to the TEMS and available for customers to review through the monthly utilization reporting.

Assumptions and Calculations:

The CSN circuits line has seen continuous growth over time as new circuits are installed and bandwidth is increased. Over the last fiscal year, the CSN circuits line had approximately 6% growth with the current services provided. By expanding the number of service providers, the services offered, and the growth in new circuits, OIT is estimating an additional 30% in funding will be needed to cover the anticipated demand over the next three years. OIT worked with IT Directors to estimate the department allocations.

Table 1 below breaks out calculations for annual growth of the CSN Circuits service and the estimated costs to cover redundancy and net new service needs for each department for the total project amount of $2,504,281 which will be implemented over a three-year period.

Table 2 below breaks out the department common policy allocations over the next three years.

Table 1. CSN Circuit Service Growth and Expansion Estimates by Department

Improve Network Stability and Connectivity					
Department	Growth Over Last Fiscal Year	Estimated Redundancy and Net New Circuits	Redundancy and Net New Monthly Cost	Redundancy and Net New Annual Cost	Annual Growth, Redundancy, and Net New Total
Agriculture	$1,549	0	$0	$0	$1,549

Corrections	$28,662	11.1	$11,651	$139,809	$168,471
Education	$1,549	0.6	$630	$7,557	$9,107
General Assembly	$0	0	$0	$0	$0
Gov - Office of Information Technology	$9,296	3.6	$3,779	$45,344	$54,639
Governor	$0	0	$0	$0	$0
Health Care Policy and Financing	$1,549	0.6	$630	$7,557	$9,107
Higher Education (appropriated)	$775	0	$0	$0	$775
Higher Education (unappropriated)	$0	0	$0	$0	$0
Human Services	$99,155	38.4	$40,305	$483,665	$582,820
Judicial	$0	0	$0	$0	$0
Labor and Employment	$15,493	1	$1,050	$12,595	$28,088
Law	$0	0	$0	$0	$0
Local Affairs	$1,549	0.6	$630	$7,557	$9,107
Military and Veterans Affairs	$3,099	0.00	$0	$0	$3,099
Natural Resources	$58,099	22.5	$23,616	$283,397	$341,496
Personnel and Administration	$2,324	0.9	$945	$11,336	$13,660
Public Health and Environment	$2,324	0.9	$945	$11,336	$13,660
Public Safety	$50,352	19.5	$20,468	$245,611	$295,963
Regulatory	$0	0	$0	$0	$0
Revenue	$130,141	50.4	$52,901	$634,810	$764,951
State	$0	0	$0	$0	$0
Transportation	$60,423	11.7	$12,281	$147,367	$207,789
Treasurer	$0	0	$0	$0	$0
Total	**$466,339**	**161.8**	**$169,829**	**$2,037,942**	**$2,504,821**
Summary					
			Growth over the last year (6%)		$466,339
			Annual Grand Total (Redundancy / Net New)		$2,037,942
				Total Request	**$2,504,821**

Table 2. Department Common Policy Allocations by Fiscal Year

Department	Utilization	FY 2020-21 Allocation Rate	FY 2020-21 Cost Allocation	FY 2021-22 Cost Allocation	FY 2022-23 Cost Allocation
Agriculture	$1,549	$1.02	$0	$0	$1,584
Corrections	$168,471	$1.02	$0	$172,195	$172,195

Education	$9,107	$1.02	$0	$0	$9,308
General Assembly	$0	$1.02	$0	$0	$0
Gov - Office of Information Technology	$0	$1.02	$0	$0	$0
Governor	$0	$1.02	$0	$0	$0
Health Care Policy and Financing	$9,107	$1.02	$0	$0	$9,308
Higher Education (appropriated)	$775	$1.02	$0	$0	$792
Higher Education (unappropriated)	$0	$1.02	$0	$0	$0
Human Services	$582,820	$1.02	$0	$302,114	$596,199
Judicial	$0	$1.02	$0	$0	$0
Labor and Employment	$28,088	$1.02	$0	$0	$28,709
Law	$0	$1.02	$0	$0	$0
Local Affairs	$9,107	$1.02	$0	$0	$9,308
Military and Veterans Affairs	$3,099	$1.02	$0	$0	$3,168
Natural Resources	$341,496	$1.02	$349,043	$349,043	$349,043
Personnel and Administration	$13,660	$1.02	$0	$0	$13,962
Public Health and Environment	$13,660	$1.02	$0	$0	$13,962
Public Safety	$295,963	$1.02	$0	$0	$302,504
Regulatory	$0	$1.02	$0	$0	$0
Revenue	$764,951	$1.02	$781,857	$781,857	$781,857
State	$0	$1.02	$0	$0	$0
Transportation	$207,789	$1.02	$0	$212,382	$212,382
Treasurer	$0	$1.02	$0	$0	$0
Total	**$2,449,642**		**$1,130,900**	**$1,817,591**	**$2,504,281**

Office of the Governor

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-07 OIT Information Technology Service and Support Mgmt

Dept. Approval By: _[signature] Patricia Nord_

OSPB Approval By: _[signature]_

Supplemental FY 2019-20

Budget Amendment FY 2020-21

X

Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$14,109,226	$0	$14,109,226	$1,250,000	$1,250,000
	FTE	97.5	0.0	97.5	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	$711,061	$0	$711,061	$0	$0
	CF	$3,200,000	$0	$3,200,000	$0	$0
	RF	$10,198,165	$0	$10,198,165	$1,250,000	$1,250,000
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$14,109,226	$0	$14,109,226	$1,250,000	$1,250,000
	FTE	97.5	0.0	97.5	0.0	0.0
05. Office of Information Technology, (A) OIT Central Administration, (1) OIT Central Administration - Central Administration	GF	$711,061	$0	$711,061	$0	$0
	CF	$3,200,000	$0	$3,200,000	$0	$0
	RF	$10,198,165	$0	$10,198,165	$1,250,000	$1,250,000
	FF	$0	$0	$0	$0	$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Governor's Office Prioritized Request	Interagency Approval or Related Schedule 13s:	Impacts Other Agency

Office of Information Technology

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Theresa Szczurek
Executive Director

Department Priority: R-07
Request Detail: OIT Information Technology Service and Support Management

Summary of Incremental Funding Change for FY 2020-21		
	FY 2020-21	**FY 2021-22**
Total Funds	**$1,250,000**	**$1,250,000**
FTE	0.0	0.0
Reappropriated Funds	$1,250,000	$1,250,000

Summary of Request:

The Governor's Office of Information Technology (OIT) requests $1,250,000 Reappropriated Funds and 0.0 FTE in FY 2020-21 and beyond to support the purchase of licenses and ongoing maintenance for the upgraded and enhanced IT Service Management (ITSM) suite. This integrated tool will improve customer experience through a single hub for all customer needs and inquiries, faster processing with automated workflow, and better IT data with on demand analysis. This is an 8.7% increase to OIT's FY 2019-20 Central Administration budget.

Current Program:

The IT Service Management (ITSM) Ecosystem is intended to be a set of cohesive and integrated tools necessary to efficiently and consistently deliver technology support and services to state department programs. The initial drive for the ITSM ecosystem was to create a single repository for data to allow the ability to quickly respond to requests. This included using a suite of tools to provide a seamless integration of data. This integrated architecture was to allow for OIT to implement automation to reduce manual inefficiencies.

The ITSM suite of tools seamlessly links together and integrates organizational components to reduce manual inefficiencies (see Glossary in Appendix A). The specific components are listed below.
- Service desk - customer incident and problem management, customer service request management, customer program change management, and configuration management database
- Store front - customer-facing web portal serving state departments and counties
- OIT Purchase Catalog - customer-facing menu of OIT's services with current rates, including "common policy" and direct billing services.
- Clarity - a project and portfolio management tool OIT utilizes for project management, resource allocation, and service management
- Asset management - customer asset tracking, reporting and change management
- Client management - customer asset discovery, software delivery, and remote control, and
- Network management system - enables mission thread visibility for OIT and customer

OIT ITSM Ecosystem
OIT submitted a decision item and received $3,455,000 in initial funding in FY 2014-15 to implement an "IT Service Management (ITSM) Ecosystem." This initiative focused resources to implement the full IT Service Management suite of tools to address several issues. First, the system's components did not properly communicate, creating a disjointed interface with redundant manual entry and excessive searching for the correct information. This laborious process frustrated customers and OIT support staff. Second, there was no single repository for data. This caused OIT support to have to search in multiple places for information, delaying responses to customer requests. Multiple data sources also created an inability for users to generate reports quickly or automatically. Lastly, OIT's purchase catalog was not automated and did not link with other systems resulting in clunky deployment and tedious tracking of services ordered.

Success stories of the ITSM suite
Resulting from the implementation of the FY 2014-15 budget request, OIT has made a lot of progress in improving the ITSM ecosystem for customers and OIT staff.

Customer Portal - OIT created a central web experience (portal) with integrated self service offerings that include automated processes to assist state departments in initiating and tracking requests for goods and services. For example, if a department has a program that needs to purchase a specific type of software, they can go into the portal and submit a ticket to order one. OIT will verify that software is supported by the state, obtain a quote, and provide to the customer the information for direct purchase, or OIT will obtain directly for the customer and bill through common policy. Currently OIT supports 75,000 customer accounts.

Identity and Access Management - OIT improved in three areas on its process for providing employees with role-based access to the systems they need to do their jobs. First, OIT streamlined and consolidated internal tracking databases for employee information. Second, OIT automated access control requests, improved customer self service, and expedited approvals. Third, OIT incorporated identity and access management processes and requirements to system security policies.

Onboarding/Offboarding - OIT has had success in its onboarding and offboarding process which supports all state employees in every department. This process aligns 14 internal areas and processes to deliver tools, access, and equipment new employees need to do their work on their first day. OIT was able to streamline the process from 19 days down to 4 days with timely and proper notice and forms to meet service level commitment.

Change Management - OIT has made changes, enhancements, and implementations to its process and tracking tool planning system to avoid customer impact. OIT's failure rate has reduced to under 2% - or a 98.5% success rate. OIT has standardized change requests using Information Technology Infrastructure Library (ITIL)-based improvement process.

Incident Management - OIT's process and communications around issues to reduce customer downtime, understand business impact, and clearly communicate status of corrective action while focusing the OIT team to correct and prevent recurrence. OIT has achieved a 62% reduction in time to resolve major incidents.

Service Desk - OIT has progressed significantly by utilizing the ITSM tool for customer engagement to resolve questions and problems. OIT staff use a knowledge database to quickly understand repeat problems and address related systemic issues. OIT has a 97% customer satisfaction rate with Service Desk and Deskside support. OIT staff handle 28,000 tickets every month, which equates to more than 1,200 per day. OIT has absorbed a 4% increase in ticket volume with no additional staff added due to process improvement and tool utilization. OIT has also been able to achieve a 92% first call resolution for the Service Desk.

Project and Portfolio Management - OIT's tools to track and manage customer request intake and customer initiatives through the project life cycle. OIT has an automated process for idea and request intake which tracks over 500 customer items at any time. OIT's project management process improved with over 270 active projects with over 85% in green status.

From the FY 2014-15 decision item, OIT received $345,000 annually for ongoing ITSM maintenance and licensing, this is in addition to the original $381,000 budget. Although the $705,000 is sufficient for necessary updates to existing platforms, it does not provide the resources needed to support OIT's ITSM suite to the next generation of functionality. As the system and program have matured, there is a need to further optimize and enhance the services available, provide stronger security (active directory and single sign-on capabilities) and seamlessly integrate with other systems (Demand and Resource management, Project and Portfolio Management, vendor ticketing systems, and Financial Systems).

Problem or Opportunity:

Despite making significant progress with the current platform, OIT is not keeping pace with the technological advancements and demands of the ever-changing IT landscape. Following industry standards, OIT researched how the current products utilized by OIT compare to other available technologies. These findings have shined a light on current gaps and opportunities. OIT's current suite of ITSM tools is lagging behind current industry standards which poses limitations for future growth.

Gaps in Current ITSM Platform

Although OIT keeps the current suite of tools up-to-date with the latest patches and upgrades, current vendor roadmaps outlining the company's areas of focus for software and product improvement, do not show that they plan on making significant software modifications to improve the existing gaps for tools OIT currently uses. There are several identified gaps.

First, the tool does not interface with other systems (active directory, identity access management, etc.). In instances where the current system allows for possible integrations, it is very expensive and time consuming. Second, the current system does not allow full mobile capability and has limited views by customers. Third, the current system lacks user friendly mobile user interface/experience (UI/UE). Also, the current system is not platform-as-a-service, but instead is a group of separate software packages which creates challenges when deploying changes across all the software packages and creating cohesive reports.. Next, the current system has separate databases requiring additional licenses and various skill sets. This also means that there is no seamless and consistent data sharing between self service portal, service offerings, asset management, and service desk functionality. Lastly, the current system lacks cohesive displays of real-time information and reporting is limited, thereby causing a lack of customer-focused dashboards, quick analytics, and common access to instantaneous information. Appendix B includes a table of past, present, and future state of OIT's ITSM operations.

OIT, through the BerryDunn Assessment authorized by HB13-1761, analyzed customer satisfaction with OIT service delivery and proof of value of IT services delivered. Additionally, OIT established a Customer User Group focused on analyzing OIT service delivery perceptions and to jointly increase awareness of clear roles and responsibilities and to improve process efficiency. As part of establishing the User Group, OIT conducted a survey of county, agency, and non-centralized agency stakeholders who utilize OIT's current suite of ITSM tools. The sample size included more than 80 external stakeholders (50 percent of OIT customer user group) and 100 internal OIT employees (10 percent of OIT staff). Additionally, OIT internal teams that use the tools completed a survey looking at the current system along with industry alternative options. The scorecard below shows the results of the customer experience and ITSM capabilities from that survey. OIT's current on-premise suite of ITSM tools are far behind when comparing OIT's current ITSM suite of tools with other, more advanced ITSM solutions.

Table 1. Comparison of New Marketplace Options with OIT's ITSM Tools

Criteria	OIT's Current ITSM Tools	New Marketplace Options	Variance
	Points	Points	Points
Customer Experience			

Customer Solution Presentation - Ease of Interaction, Intuitiveness, and Transparency	3	10	-7
Internal OIT use - clarity and organization of data and workflows	3	7	-4
Technical Capabilities / Core ITSM			
Alignment with Strategic Direction & Tools	3	10	-7
Additional Inherent Capabilities or Synergies	3	10	-7
Point scale: 0=no capability, 3=some function without integration capabilities, 7=easily integrated system with clear process flows, 10=fully modern, integrated, off-the-shelf capabilities.			

ITSM Issues and Opportunities for Enhancements

The program has been able to deliver on a number of the initial milestones and evolutionary vision as described in the current program section above, however there are still remaining opportunities for improvement in customer experience, process, and technology. Some specific issues and opportunities with the current ITSM suite are listed below.

Identity and Access Management - Integrations to modern systems are challenging and expensive to implement. Security needs have outpaced the old, existing technology and the vendor roadmap for the current tool shows no plan for upgrading to meet the need.

Onboarding/Offboarding - Workflows require OIT staff to implement, taking additional time and skills. The enhanced tool suite enables customers to develop workflows to meet their needs. Reports are manual and require OIT staff intervention to create. Easier workflow establishment for OIT staff as it implements new service offerings. Automatic dashboards and reports for new offerings.

Change Management - The current system lacks integration to all databases to enable further improvements in visibility to the impact of potential system changes and to enable better planning for enhancements and projects.

Incident Management - The current system lacks integration of key customer metrics making reporting challenging. Reports are driven manually from multiple systems to generate one dashboard for customer viewing. When asked questions to pinpoint root causes, OIT staff have to look at multiple systems to determine the answer.

Service Desk - The current agent processes require customization to implement, whereas the enhanced system comes with out-of-the-box industry best practices enabled. Self-service capabilities require OIT staff to enable and create whereas the enhanced system will offer more options for the customer to resolve

challenges themselves.

Project and Portfolio Management - Current reports are cumbersome to produce. Also, linking project and system assets with financial systems is expensive and time consuming. Customer access to project data requires understanding a cumbersome tool versus having an easy portal to navigate.

Proposed Solution:

The Governor's Office of Information Technology (OIT) requests $1,250,000 Reappropriated Funds and 0.0 FTE in FY 2020-21 and beyond to purchase the licenses and ongoing maintenance and support to a new, improved, IT Service Management (ITSM) suite. This is an 8.7% increase to OIT's FY 2019-20 Central Administration budget.

Cloud-based, Customer-Focused Solution
The new ITSM will focus more on customer experience and the application and less on infrastructure by moving from on-premise to a cloud-based platform. Cloud-based applications, such as pre-built Software-as-a-Service Applications (SaaS), have a wide variety of use cases, and allow for ease of configuration, and enhancements with no or minimal coding knowledge. The vision of the system is outlined below.

Direct Customer Benefits
- Customers can access and receive service through a portal/community, which provides access to self- service processes, content, knowledge articles, and collaboration tools that allow them to search for answers to questions already provided or solicit help from others. Self-service capabilities empowers users and deflects service requests.
- When customers need help beyond "Tier 0", they interact with OIT through any channel. Those interactions are managed, processed, routed, assigned, and escalated by automated workflow and process capabilities that can be tailored by OIT with or without code. All interactions can be managed from a single agent console where all relevant customer data is brought together in one place to provide a 360-degree view of the situation to OIT personnel and contractors.

Knowledge and Resource Integration
- Suggested knowledge articles resolve issues fast. The solution includes a full knowledge article management system that can be used as an internal-facing resource for agents and technicians as well as an external self-service knowledge base for customers and partners.
- Out-of-the-box, ITIL(Information Technology Information Library)-ready service desk features providing tailored capabilities for IT, Human Resources, Finance, and other service management use cases, for both internal users (such as service agents) in the agent service console and customers in the portal/community.
- OIT will be able to perform on demand cost-benefit analysis to better understand what will bring the best return-on-investment to various business decisions and align with strategic goals.

Project Management

- Project and portfolio management with "out-of-the-box" functionality will provide full demand management, portfolio planning, resourcing, and project management.

- OIT will be able to track project timelines and execution with real time information on project timeline progress, financial performance, risk, and issues.

Workflow Automation
- OIT technicians are automatically or manually assigned requests and work orders that are completed, wherever they are, and interact with ITSM via their laptops, tablets, or mobile phones.
- OIT will be able to manage approvals with criteria based routing to single or multiple approvals.

Demand Management and Tracking
- Supervisors, managers, and executive leadership can monitor customer requests, issues, and levels of service through dynamic analytics that allow them to dig into the data, gain insights, and take action without having to leave their dashboard.
- OIT will be able to capture and funnel customer demand from various sources, whether from email, web forms, ITSM requests, or service portals.
- OIT will also be able to create efficiencies by grouping demand into functional areas, business units, and portfolios.

OIT Actions to Date

OIT has begun to install, implement, and configure ITSM components with success. The components vary in maturity for various reasons (ease of configuring, limitations of the current tool set, and process adoption). OIT plans to continue to phase-in implementation of the new enhancements utilizing the Agile methodology which is estimated to be fully completed by FY 2022-23.

Consequences of Not FundingThis Request

If this request is not approved, OIT can continue to operate with the current suite of tools. However, failure to keep up with the latest technologies and industry standards with these tools, will lead to additional costs for 3rd party bolt-ons, and a need for customization to the existing tools, which are costly and disjointed.

Anticipated Outcomes:

The ITSM ecosystem is core to OIT's capability to meet customer needs. Key outcomes would be increased customer self-service (quicker resolution of problems), faster response time when calling OIT, higher stability with systems, improved quality of estimates for projects and total cost of ownership of technology changes.

- 20% increased self-service capabilities for customers (and a commensurate reduction in calls to OIT) by leveraging a knowledge base and orchestration improving self-help.
- 20% improvement in time to resolve calls to OIT.
- 30% improvement in system stability by reducing the mean time to investigate root cause and eliminate problems once.
- 20% productivity improvement in project and portfolio management. These will be realized in the areas of Resource management, time tracking, and reporting.
- 30% improvement in overall customer satisfaction.

Industry estimates would project $11.5M in cost avoidance and productivity gains over three years.

OIT anticipates the enhancements to the ITSM ecosystem will provide significant benefits to the executive branch departments, OIT customers, and the State. The tools will increase enterprise-class visibility into critical systems, work flows, and IT assets. OIT will have improved capability to continuously introduce new or enhanced IT services. There will be reduced risks associated with supporting IT services. Customers will have increased visibility in the services OIT provides and the value of the current offerings. OIT will have increased transparency related to resource coordination, strategy planning, and management visibility. Customers will have the information they need to support business decisions to understand current state, required changes, strategic and transition planning, and evaluation. Improved reporting will provide intelligence around processes currently not available, improving management and decision-making around support and delivery of services.

OIT anticipates realizing time and cost savings from this initiative. State departments will spend less time managing IT assets, so they can focus their efforts on direct programmatic work. Industry standard projects a 17% reduction in time spent on support and maintenance activities. Also, the number of IT service requests that include information on the "total cost of ownership" will increase by 90%, providing a better picture for leaders to make better business decisions.

Table 2. Anticipated Outcomes

Items/Functionality	Current Metric/Outcomes	Anticipated Outcomes
Services available in Service Portal	41 Currently Available	50% increase to 62 services
Asset Inventory	7,000 devices for 4 agencies (deskside assets)	35,000 devices and all agencies (desktop, networking, servers assets)
Visits and heat mapping of Service Portal	No current capabilities	Ability to track customer experience and usage to improve customer service. Accurately trend and determine impact/value via request diversion, and cost per request/cost per end user
Knowledge and Resource Integration	Unable to assess knowledge creation or consumption trends	Accurately trend knowledge value measures: rate of creation, and rate of consumption.
Project Management	Unable to seamlessly tie projects with operational work.	Seamlessly integrated suite providing a holistic view

	Unable to fully understand the capacity and demand on OIT resources. It is a manual process to understand where things connect or relate to each other.	for projects, ticket management, capacity and demand management. Tool provides capabilities to report on related work and simplifying manual work with integrated data fields.
Workflow Automation	Single tier approval process	Multi-tier approvals
Demand Management and Tracking	Currently unable to track data and understand capacity in order to manage demand.	In order to ensure teams are properly utilizing CA PPM and getting value from it, the RMO (data analyst) will need to compile a Compliance Report for the Weekly RMO Forum Meeting.
Service Desk	97% customer satisfaction with Service Desk and Deskside support. 28,000 tickets handled monthly. 4% increase in ticket volume handled with no additional staff added to Service Desk (process improvement and tool utilization). 92% first call resolution to Service Desk.	Increased Customer Satisfaction. Improved accuracy in measuring Customer Experience measures and trends: Customer Success Rate, Customer Failure Rate, and Fulfillment Time.

Assumptions and Calculations:

OIT has calculated the ongoing operating costs for the ITSM enhancement by researching vendor quotes and invoice data. OIT anticipates that the license costs of OIT's current solution will no longer be needed, and have reduced the licenses and support costs to reflect this. OIT has also included the current funding for ITSM in the total as a reduction for the legacy platform. This information is outlined in the table below. OIT does not anticipate needing additional staff for this initiative and has not requested any FTE.

Table 3. Detail of ITSM Enhancement Costs

New Purchases	FY 2020-21 and Ongoing
Licenses and support: IT Service Management (Service Desk, Process Engine, Asset & Software Management, Self Service Portal, Service catalog)	$1,912,400
Licenses and support: Project and Portfolio Management	$387,6003
TOTAL NEW COSTS	$2,300,000
Original ITSM operating	($381,000)
FY 2014-15 ecosystem operating	($345,000)
NET TOTAL COSTS	$1,250,000

Department Allocations

The funding for this request is reappropriated from each department through common policy billing. Cost allocations per department were based on the department's percentage of total IT expenditures. Each department's percentage of IT expenditures from FY 2019-20 was reviewed and each department was assessed an equivalent percentage of the cost of this initiative.

Table 4. ITSM Department Allocation Breakdown

Department	FY 2019-20 Base Common Policy Allocation	% of Total	Decision Item Allocation FY 2020-21	FY 2021-22
Agriculture	$1,609,693	0.96%	$12,017	$12,017
Corrections	$23,578,912	14.08%	$176,022	$176,022
Education	$744,287	0.44%	$5,556	$5,556
General Assembly	$1,866	0.00%	$14	$14
Governor	$615,091	0.37%	$4,592	$4,592
Health Care Policy and Finance	$6,050,279	3.61%	$45,167	$45,167
Higher Education (Appropriated)	$644,898	0.39%	$4,814	$4,814
Higher Education (Unappropriated)	$270,119	0.16%	$2,017	$2,017
Human Services	$34,501,213	20.60%	$257,560	$257,560
Judicial	$5,346,312	3.19%	$39,911	$39,911
Labor and Employment	$11,688,070	6.98%	$87,254	$87,254
Law	$682,302	0.41%	$5,094	$5,094
Local Affairs	$2,180,668	1.30%	$16,279	$16,279
Military and Veterans Affairs	$262,923	0.16%	$1,963	$1,963

Natural Resources	$13,266,271	7.92%	$99,036	$99,036
Personnel and Administration	$4,656,345	2.78%	$34,761	$34,761
Public Health and Environment	$10,248,771	6.12%	$76,509	$76,509
Public Safety	$11,818,062	7.06%	$88,225	$88,225
Regulatory Agencies	$3,698,020	2.21%	$27,607	$27,607
Revenue	$16,820,554	10.05%	$125,569	$125,569
State	$315,627	0.19%	$2,356	$2,356
Transportation	$18,377,703	10.98%	$137,194	$137,194
Treasury	$64,835	0.04%	$484	$484
Total	**$167,442,821**	**100%**	**$1,250,000**	**$1,250,000**

Appendix A: Glossary of Terms

ITSM Glossary of Terms	
Term	**Definition**
Asset	Any resource or capability. The assets of a service provider include anything that could contribute to the delivery of a service. Assets can be one of the following types: management, organization, process, knowledge, people, information, applications, infrastructure or financial capital.
Asset Management	A generic activity or process responsible for tracking and reporting the value and ownership of assets through their lifecycle.
Availability Management	The process responsible for ensuring that IT services meet the current and future availability needs of the business in a cost-effective and timely manner. Availability management defines, analyses, plans, measures and improves all aspects of the availability of IT services, and ensures that all IT infrastructures, processes, tools, roles etc. are appropriate for the agreed service level targets for availability.
Capacity Management	The process responsible for ensuring that the capacity of IT services and the IT infrastructure is able to meet agreed capacity- and performance-related requirements in Page 14 a cost-effective and timely manner. Capacity management considers all resources required to deliver an IT service, and is concerned with meeting both the current and future capacity and performance needs of the business. Capacity management includes three sub-processes: business capacity management, service capacity management, and component capacity management.
Change Management	The process responsible for controlling the lifecycle of all changes, enabling beneficial changes to be made with minimum disruption to IT services.
Configuration Management Data Base (CMDB)	A database used to store configuration records throughout their lifecycle. The configuration management database stores attributes of configuration items, and relationships with other configuration items.
Configuration Management System	A set of tools, data and information that is used to support service asset and configuration management. The CMS is part of an overall service knowledge management system and includes tools for collecting, storing, managing, updating, analyzing and presenting data about all configuration items and their relationships. The CMS may also include information about incidents, problems, known errors, changes and releases.
Incident Management	The process responsible for managing the lifecycle of all incidents. Incident management ensures that normal service operation is restored as quickly as possible and the business impact is minimized.
IT Infrastructure	All of the hardware, software, networks, facilities etc. that are required to develop, test, deliver, monitor, control or support applications and IT services. The term includes all of the information technology but not the associated people, processes and documentation.

IT Operations Management	The function within an IT service provider that performs the daily activities needed to manage IT services and the supporting IT infrastructure. IT operations management includes IT operations control and facilities management.
IT Service Continuity Management	The process responsible for managing risks that could seriously affect IT services. IT service continuity management ensures that the IT service provider can always provide minimum agreed service levels, by reducing the risk to an acceptable level and planning for the recovery of IT services. IT service continuity management supports business continuity management.
IT Service Management	The implementation and management of quality IT services that meet the needs of the business. IT service management is performed by IT service providers through an appropriate mix of people, process and information technology.
Problem Management	The process responsible for managing the lifecycle of all problems. Problem management proactively prevents incidents from happening and minimizes the impact of incidents that cannot be prevented.
Release Management	The process responsible for planning, scheduling and controlling the build, test and deployment of releases, and for delivering new functionality required by the business while protecting the integrity of existing services.
Request Management	The request fulfillment process, usually in conjunction with the service desk, manages Service requests. Service requests may be linked to a request for change as part of fulfilling the request.
Resource Management	The process responsible for managing the assets of a service provider, including anything that could contribute to the delivery of a service. Assets can be one of the following types: management, organization, process, knowledge, people, information, applications, infrastructure or financial capital.
Service Catalog	A database or structured document with information about all live IT services, including those available for deployment. The service catalog is part of the service portfolio and contains information about two types of IT service: customer-facing services that are visible to the business; and supporting services required by the service provider to deliver customer-facing services.
Service Level Management	The process responsible for negotiating achievable service level agreements and ensuring that these are met. It is responsible for ensuring that all IT service management processes, operational level agreements and underpinning contracts are appropriate for the agreed service level targets. Service level management monitors and reports on service levels, holds regular service reviews with customers, and identifies required improvements.
Service Request	A service request from a user for something to be provided – for example, a request for information or advice; to reset a password; or to install a workstation for a new user.

Appendix B. OIT's ITSM Past, Current, and Future Details

The table below details the past, current and future opportunities for the different functional ITSM areas OIT provides.

Functionality	Past	Current	Future
Incident Management	Mature but requires integration to support full ecosystem buildout	Major incidents are housed in a separate system	Incorporate incident management with all other service desk functionality
Change Management	Software owned, but not fully implemented; dependent on full ecosystem build-out	In current system with customizations	Utilize standard out-of-the- box functionality
Problem Management	A part of the incident management- not fully implemented dependant on further build out.	In current system with customizations	Utilize standard out of the box functionality, and wrap it in with the incident process seamlessly.
Request Management	Software owned - not fully implemented - dependent on remainder of ecosystem build-out	Not being used today, but functionality exists.	Implement and mature this functionality. This would be an organization change that would require process changes, training, and policy and procedure updates.
CMDB (Configuration Manager Database)	Software owned - not populated - dependent on remainder of ecosystem build-out	Software owned - partially populated - dependent on additional interfaces with discovery tools	Mature this functionality that includes interfacing with current tools to keep information updated and synced.
Service Catalog (Customer facing service offerings)	High level understanding of needs - requires funding	This is implemented. Currently there are 40+ offerings in production up from 0. The 17 departments have various services like service a printer or password reset and then 8 have special services (onboarding, offboarding, application access and etc.)	Mature these offerings to include being able to provide true costs to services, adding,deleting, modifying assets accordingly in the asset inventory, and CMDB configuration items.
Self Service Portal (Originally called Storefront) -Web Portal (OIT's front door)	Implemented 6/30/13; will gain maturity over FY14 but requires remainder of ecosystem to fully develop	Implemented, but isn't compatible with current ADA software (JAWS).	Mature self service portal including Artificial Intelligence (AI), up to date with ADA compliance tools and easily configure without having a lot of code knowledge.

Process Automation		Implemented and using with service catalog offerings	Mature these processes to include multi level approvals and further automated processes
Asset & Software Management -Asset tracking, reporting and change management	Owned and partially implemented - dependent on remainder of ecosystem build-out	Base system installed and partially populated for 4 departments (DOR, CDA, DOLA, CDPS). Put on hold due to other OIT priorities	Utilize and mature these functions via interfaces and automated processing
Client Management (Discovery management)	High level understanding of needs - requires funding	Organizational decision was made to use existing tools. Initial processes were defined and Executive Leadership decided to focus on expanding the functionality of existing tools (SCCM).	
Network Management System - Enables mission thread visibility throughout lifecycle	Small pilot solution was highly effective showing the customer experience and critical paths - high level understanding of needs - requires funding	Not implemented to other priorities	
Integration/interfaces	N/A	Rudimentary and old	Mature using industry standards (REST, SAML) and OIT standard

Schedule 13

Office of the Governor

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-08 (OIT) Mainframe Services Budget Efficiency Savings

Dept. Approval By:

OSPB Approval By:

Supplemental FY 2019-20

Budget Amendment FY 2020-21

X

Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$4,454,265	$0	$4,454,265	($222,714)	($222,714)
	FTE	31.0	0.0	31.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	$0	$c	$0	$0	$0
	CF	$2,328	$0	$2,328	$0	$0
	RF	$4,451,937	$0	$4,451,937	($222,714)	($222,714)
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$4,454,265	$0	$4,454,265	($222,714)	($222,714)
	FTE	31.0	0.0	31.0	0.0	0.0
05. Office of Information Technology. (B) IT Infrastructure. (1) IT Infrastructure - Mainframe Services	GF	$0	$0	$0	$0	$0
	CF	$2,328	$0	$2,328	$0	$0
	RF	$4,451,937	$0	$4,451,937	($222,714)	($222,714)
	FF	$0	$0	$0	$0	$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Governor's Office Prioritized Request	Interagency Approval or Related Schedule 13s:	No Other Agency Impact

Office of Information Technology

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Theresa Szczurek
Executive Director

Department Priority: R-08
Request Detail: OIT Mainframe Budget Efficiency Savings

Summary of Incremental Funding Change for FY 2020-21		
	FY 2020-21	**FY 2021-22**
Total Funds	($222,714)	($222,714)
FTE	0.0	0.0
Reappropriated Funds	($222,714)	($222,714)

Summary of Budget Reduction Proposal:

In FY 2020-21 and beyond, the Governor's Office of Information Technology (OIT) proposes to reduce its Mainframe Services line by ($222,714) Reappropriated Funds.

Currently, the physical mainframe hardware is leased. OIT has identified that purchasing the hardware and eliminating the lease would result in cost savings of $122,214. Not only does this strategic decision save on costs, it is also a small step that allows OIT to leverage more cost control, as it reduces the usage of the mainframe and ultimately takes it out of service. OIT is also proposing a ($100,500) reduction in the operating budget for mainframe services. The operating budget for mainframe services in FY 2019-20 totals $2,294,449 and includes costs for supplies, software licenses, travel, training, conferences, and other operating needs.

Current Program and Background Information:

When OIT consolidated in 2008, the mainframe was being used by many state departments for legacy applications. Great efforts have been made in recent years to move those legacy applications off the mainframe. Currently, the mainframe supports twelve different state departments, however most of the utilization is tied to just three departments, the Colorado Department of Human Services (CDHS), Department of Revenue (DOR), and the Colorado Department of Labor and Employment (CDLE). OIT mainframe service managers are actively working to retire this service offering and eliminate the State's need for a mainframe.

Rationale for Reduction:

The OIT Mainframe Services line item currently receives $4,451,937 in reappropriated funding authority to operate. OIT is proposing a relatively small reduction to mainframe services to continue the transition away from such cost prohibitive technology, and nudge departments to migrate to appropriate technical solutions for each application.

Currently, the physical mainframe hardware is leased. OIT has identified that purchasing the hardware and eliminating the lease would result in cost savings of $122,214. Not only does this strategic decision save on costs, it is also a small step that allows OIT to leverage more cost control, as it reduces the usage of the mainframe and ultimately takes it out of service.

OIT is also proposing a ($100,500) reduction in the operating budget for mainframe services. The operating budget for mainframe services in FY 2019-20 totals $2,294,449 and includes costs for supplies, software licenses, travel, training, conferences, and other operating needs.

Outcomes / Operational and Service Delivery Impacts:

OIT has completed an analysis of forecasted needs and identified these costs as having an overall low impact to operations and service delivery as long as OIT mainframe retirement efforts continue as planned through FY 2020-21. If the mainframe is not retired in FY20, then the impact of reducing this budget would go from low to high.

Other Departments Impacted:

There are state departments who are still integrated with the mainframe or have applications that pull data out of that system in order to operate. OIT does not expect that the proposed reduction here will impact those departments.

All of the reappropriated funds for this program come from other state departments, so the proportion of the financial impact will be determined by the departments' FY19 utilization statistics.

Stakeholder Analysis:

OIT supports this reduction as it aligns with reducing the ongoing costs of the mainframe. OIT is actively planning for a final mainframe migration to remove this antiquated technology from service in State Government.

Assumptions and Calculations:

Table 1 below shows the cost estimate per OIT long bill line and the estimated risk if cut.

Table 1: Proposed Reduction Risk, Description, and Amount			
Risk (High,Medium,Low)	**OIT Long Bill Line**	**Description/Rationale**	**Amount**
Low*	Mainframe Services	Hardware Sirius Lease/Purchase Savings	($122,214)
Low*	Mainframe Services	Unobligated Operating (supplies, software, travel, training, etc)	($100,500)
		Total	**($222,714)**
*Risk will become high if mainframe retirement is not completed in FY20.			

Department allocations associated with this request are based on the FY 2019-20 base agency allocation for Mainframe Services (code 2101) and are detailed below.

			Decision Item Allocation	
Department	**FY 2019-20 Base Common Policy Allocation - Mainframe Service 2101**	**% of Total**	**FY 2020-21**	**FY 2021-22**
Agriculture	$5,061	0.14%	-$316	-$316
Corrections	$0	0.00%	$0	$0
Education	$0	0.00%	$0	$0
General Assembly	$0	0.00%	$0	$0
Governor	$0	0.00%	$0	$0
Health Care Policy and Finance	$0	0.00%	$0	$0

Higher Education (Appropriated)	$1,518	0.04%	-$95	-$95
Higher Education (Unappropriated)	$0	0.00%	$0	$0
Human Services	$3,108,916	87.15%	-$194,087	-$194,087
Judicial	$12,291	0.34%	-$767	-$767
Labor and Employment	$156,169	4.38%	-$9,749	-$9,749
Law	$0	0.00%	$0	$0
Local Affairs	$0	0.00%	$0	$0
Military and Veterans Affairs	$0	0.00%	$0	$0
Natural Resources	$166	0.00%	-$10	-$10
Personnel and Administration	$6,001	0.17%	-$375	-$375
Public Health and Environment	$2,024	0.06%	-$126	-$126
Public Safety	$795	0.02%	-$50	-$50
Regulatory Agencies	$4,121	0.12%	-$257	-$257
Revenue	$260,281	7.30%	-$16,249	-$16,249
State	$0	0.00%	$0	$0
Transportation	$10,122	0.28%	-$632	-$632
Treasury	$0	0.00%	$0	$0
Total	**$3,567,467**	**100%**	**-$222,714**	**-$222,714**

Schedule 13

Office of the Governor

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-09 (OIT) Central Administration Budget Efficiency Savings

Dept. Approval By:

OSPB Approval By:

___	Supplemental FY 2019-20
___	Budget Amendment FY 2020-21
X	Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total of All Line Items Impacted by Change Request	Total	$31,473,026	$0	$34,093,231	($473,728)	($473,728)
	FTE	97.5	0.0	97.5	(2.0)	(2.0)
	GF	$879,055	$0	$940,580	$0	$0
	CF	$3,200,000	$0	$3,200,000	$0	$0
	RF	$27,393,971	$0	$29,952,651	($473,728)	($473,728)
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
05. Office of Information Technology, (A) OIT Central Administration, (1) OIT Central Administration - Central Administration	Total	$14,109,226	$0	$14,109,226	($431,421)	($431,421)
	FTE	97.5	0.0	97.5	(2.0)	(2.0)
	GF	$711,061	$0	$711,061	$0	$0
	CF	$3,200,000	$0	$3,200,000	$0	$0
	RF	$10,198,165	$0	$10,198,165	($431,421)	($431,421)
	FF	$0	$0	$0	$0	$0
05. Office of Information Technology, (A) OIT Central Administration, (1) OIT Central Administration - Health, Life, and Dental	Total	$9,499,456	$0	$11,322,433	($20,084)	($20,084)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$91,280	$0	$134,151	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$9,408,176	$0	$11,188,282	($20,084)	($20,084)
	FF	$0	$0	$0	$0	$0

Office of Information Technology

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Theresa Szczurek
Executive Director

Department Priority: R-09
Request Detail: OIT Central Administration Budget Efficiency Savings

Summary of Incremental Funding Change for FY 2020-21		
	FY 2020-21	**FY 2021-22**
Total Funds	($473,728)	($473,728)
FTE	(2.0)	(2.0)
Reappropriated Funds	($473,728)	($473,728)

Summary of Budget Reduction Proposal:

In FY 2020-21 and beyond, the Governor's Office of Information Technology (OIT) proposes to reduce its Central Administration budget by ($473,728) in Reappropriated Funds and (2.0) FTE, removing out-dated Information Technology Service Management service catalog and suite, and eliminating redundant training offerings.

These reappropriated funds are captured through common policy collection from various state agencies. OIT's budget reduction will be allocated back to State departments as a reduced common policy budget. The amount will vary by agency depending on their use of IT services and the specific budgets that are reduced.

OIT serves the executive branch agencies and by extension, the residents of Colorado, and employs more than 1,00 people at 71 locations across the state. OIT provides IT infrastructure, network services, telecommunication tools, cloud computing, application development and support, and provisioning for more than 28,000 state agency employees across 1,300 locations. OIT serves Colorado first responders via the public safety communications network, and the OIT security team proactively protects the state's information systems and data for the executive and judicial branches of state government.

The Central Administration budget line includes all personnel and operating expenses associated with OIT Administration, which includes 97.5 FTE comprised of OIT executive leadership, budget, accounting, financial management, contracting, and human resources. This line is funded through cash and reappropriated funds.

Rationale for Reduction:

The reductions in the Central Administration line comprise specific costs associated with restructuring staff, and eliminating redundant training offerings. OIT has completed an analysis of forecasted needs and have determined that the funds budgeted for these areas can be reduced with minimal impact.

The OIT finance office has been piloting the automation of several back office processes using IT financial and customer experience tools over the past year. The team has had success in gaining efficiencies that (2.0) FTE can be made available, should the permanent funding request in FY 2020-21 for IT Customer Experience Tools be approved.

Outcomes / Operational and Service Delivery Impacts:

OIT has completed an analysis of forecasted needs and has identified costs having an overall low impact to operations and service delivery, however the specific impacts are described below:

> The removal of funds supporting the Central Administration Service Catalog will prevent OIT from replacing this resource, however OIT is requesting additional funds for the expansion of its IT Financial Management (ITFM) in the FY 2020-21 budget request, which will include replacement costs.
> OIT Central Administration has been able to create efficiencies in workload with the support of ITFM and customer experience tools recently utilized as a pilot and is now asking for funding to support the ongoing costs of these tools. The reduction of 2.0 FTE will increase the workload for existing employees. This could be visible to outside agencies from reduced response time. Also, increased workload has an added burden and stress on employees, leading to reduced morale and increased risk for turnover.
> ● Reducing the Learning and Development Center (LDC) and Skillsoft budget will minimize the funds available for technical training. This will result in reduced employee knowledge and growth causing redundant skills, and hindering recruitment. However,

OIT is requesting FY 2020-21 funding for a new workforce staffing and development program that will replace this.

Other Departments Impacted:
Other state agencies that pay into OIT's common policy line (Payments to OIT) in their long bill will show a savings associated with this reduction.

OIT's budget reduction will be allocated back to the departments as a reduced common policy budget. The amount will vary by agency depending on their use of IT services and the specific budgets that are reduced. The proportion of the financial impact will be determined by the agencies' FY19 utilization statistics.

Stakeholder Analysis:
Stakeholders impacted by this reduction would include all state agencies that utilize OIT's services, as well as OIT central administration staff.

OIT has assessed that the internal staff will have minimal impact from the changes, but may see additional workload from the restructuring.

State agencies who utilize OIT services will support the reduction, as the common policy burden will be reduced, and services should have minimal impact.

Assumptions and Calculations:
Table 1 below shows the cost estimate per OIT long bill line and the estimated risk if cut.

Table 1. OIT Proposed Reduction Risk, Description, and Amount			
Risk **(High, Medium, Low)**	**Central Administration Cost**	**Rationale**	**Amount**
Low	Service Catalog	Current catalog needs updated. Replacement system requested in FY 2020-21 ITFM budget request.	($125,764)
Medium	Position Cost Savings (details in Table 2)	Two positions can be absorbed pending permanent funding is secured for the ITFM tools to automate back office processes.	($295,799)

Low	Learning and Development Center	FY 2020-21 request for workforce staffing and development will replace these costs.	($12,831)
Low	Skillsoft	FY 2020-21 budget request for workforce staffing and development will replace these costs.	($29,995)
Low	Travel	Estimated savings by reducing multiple travelers, increasing virtual presence	($9,339)
	Total		**($473,728)**

Table 2 below shows the detailed calculations for the 2.0 FTE and salary reduction.

Table 2. Personal Services Detail Calculations

Expenditure Detail			
Personal Services:			
Classification Title	Biweekly Salary	FTE	
UNIT DIRECTOR	$4,942	1.0	$128,496
PERA			$13,364
AED			$6,425
SAED			$6,425
Medicare			$1,863
STD			$218
Health-Life-Dental			$10,042
Subtotal Position 1, 1.0 FTE		1.0	$166,833
Classification Title	Biweekly Salary	FTE	
PROGRAM SUPERVISOR	$3,463	1.0	$90,026
PERA			$9,363
AED			$4,501
SAED			$4,501
Medicare			$1,305
STD			$153
Health-Life-Dental			$10,042
Subtotal Position 2, 1.0 FTE		1.0	$119,891
Classification Title	Salary Savings	FTE	
COMMUNICATIONS SAVINGS	$9,075	-	$9,075
Subtotal Position 3, 0.0 FTE		-	$9,075
Personal Services		2.0	$295,799
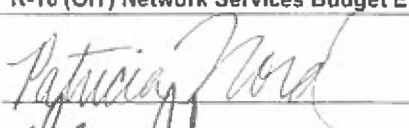
Department allocations associated with this request are based on the FY 2019-20 base agency allocation for the Central Administration appropriation and are detailed below.

Department	FY 2019-20 Base Common Policy Allocation	% of Total	Decision Item Allocation	
			FY 2020-21	FY 2021-22
Agriculture	$1,609,693	0.96%	-$4,554	-$4,554
Corrections	$23,578,912	14.08%	-$66,709	-$66,709
Education	$744,287	0.44%	-$2,106	-$2,106
General Assembly	$1,866	0.00%	-$5	-$5
Governor	$615,091	0.37%	-$1,740	-$1,740
Health Care Policy and Finance	$6,050,279	3.61%	-$17,117	-$17,117
Higher Education (Appropriated)	$644,898	0.39%	-$1,825	-$1,825
Higher Education (Unappropriated)	$270,119	0.16%	-$764	-$764
Human Services	$34,501,213	20.60%	-$97,611	-$97,611
Judicial	$5,346,312	3.19%	-$15,126	-$15,126
Labor and Employment	$11,688,070	6.98%	-$33,068	-$33,068
Law	$682,302	0.41%	-$1,930	-$1,930
Local Affairs	$2,180,668	1.30%	-$6,170	-$6,170
Military and Veterans Affairs	$262,923	0.16%	-$744	-$744
Natural Resources	$13,266,271	7.92%	-$37,533	-$37,533
Personnel and Administration	$4,656,345	2.78%	-$13,174	-$13,174
Public Health and Environment	$10,248,771	6.12%	-$28,996	-$28,996
Public Safety	$11,818,062	7.06%	-$33,436	-$33,436
Regulatory Agencies	$3,698,020	2.21%	-$10,462	-$10,462
Revenue	$16,820,554	10.05%	-$47,589	-$47,589
State	$315,627	0.19%	-$893	-$893
Transportation	$18,377,703	10.98%	-$51,994	-$51,994
Treasury	$64,835	0.04%	-$183	-$183
Total	**$167,442,821**	**100%**	**-$473,728**	**-$473,728**

Schedule 13

Office of the Governor

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-10 (OIT) Network Services Budget Efficiency Savings

Dept. Approval By:

OSPB Approval By:

_____ Supplemental FY 2019-20

_____ Budget Amendment FY 2020-21

__X__ Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$28,895,123	$0	$28,895,123	($209,000)	($209,000)
	FTE	59.0	0.0	59.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	$9,200,000	$0	$9,200,000	$0	$0
	CF	$48,600	$0	$48,600	$0	$0
	RF	$19,525,523	$0	$19,525,523	($209,000)	($209,000)
	FF	$121,000	$0	$121,000	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$4,050,938	$0	$4,050,938	($160,000)	($160,000)
	FTE	5.0	0.0	5.0	0.0	0.0
05. Office of Information Technology. (C) Network. (1) Network - Network Administration	GF	$0	$0	$0	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$4,050,938	$0	$4,050,938	($160,000)	($160,000)
	FF	$0	$0	$0	$0	$0
	Total	$24,844,185	$0	$24,844,185	($49,000)	($49,000)
	FTE	54.0	0.0	54.0	0.0	0.0
05. Office of Information Technology. (C) Network. (1) Network - Public Safety Network	GF	$9,200,000	$0	$9,200,000	$0	$0
	CF	$48,600	$0	$48,600	$0	$0
	RF	$15,474,585	$0	$15,474,585	($49,000)	($49,000)
	FF	$121,000	$0	$121,000	$0	$0

Office of Information Technology

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Theresa Szczurek
Executive Director

Department Priority: R-10
Request Detail: OIT Network Services Budget Efficiency Savings

Summary of Incremental Funding Change for FY 2020-21		
	FY 2020-21	**FY 2021-22**
Total Funds	($209,000)	($209,000)
FTE	0.0	0.0
Reappropriated Funds	($209,000)	($209,000)

Summary of Budget Reduction Proposal:

In FY 2020-21 and beyond, the Governor's Office of Information Technology (OIT) proposes to reduce the Network Administration and Public Safety Communications Network (PSCN) appropriations within it's Network services budget by ($209,000) Reappropriated Funds and 0.0 FTE. Specifically, an annualization error from the Backup Colorado budget request makes up ($160,000) of the total budget reduction. OIT is proposing a ($49,000) reduction to PSCN travel and training dollars, because they are also considered low risk. OIT will attempt to reduce training expenditures related to tower re-certifications by taking advantage of "Train the Trainer" tower rescue safety programs and conduct re-certifications in house. The travel budget reduction would be an approximately 20% cut, leaving an adequate amount for required travel needs.

Current Program and Background Information:

Network services provides quality, high speed broadband data communications and internet access statewide to Colorado State Agencies, schools, libraries, city and county government, health care providers, and institutions of higher education. OIT also maintains critical services including, 24/7 network monitoring and Core network availability. OIT network services employs 106.0 FTE and is funded entirely through reappropriated funds.

The Public Safety Communications Network team is responsible for maintaining the Digital Trunk Radio System (DTRS) across the state, allowing for communication between all public safety, public service, and other governmental agencies as either their primary source, or for interoperability emergency and operable communications. The maintained infrastructure consists of 238 active radio sites operating on five zone controllers and provides radio coverage to approximately 95% of the state highways.

Rationale for Reduction:

OIT included a reduction to the Network administration budget due to the low impact of the cut. Specifically, an annualization error from the Backup Colorado budget request makes up ($160,000) of the total budget reduction.

OIT is proposing a ($49,000) reduction to PSCN travel and training dollars, because they are also considered low risk. OIT will attempt to reduce training expenditures related to tower re-certifications by taking advantage of "Train the Trainer" tower rescue safety programs and conduct re-certifications in house. The travel budget reduction would be an approximately 20% cut, leaving an adequate amount for required travel needs.

Outcomes / Operational and Service Delivery Impacts:

Service delivery impacts vary depending on the specific proposed area to be cut. Reductions to the Network Administration, PSCN travel and training should result in minimal impact to service delivery. Future budget reductions will further impact the approximately 1,000 agencies (local, regional, state, and federal) that OIT supports.

Other Departments Impacted:

Many state and local agencies utilizing the DTRS network will be impacted by this reduction. State agencies include the Colorado Department of Corrections, Department of Natural Resources, Colorado Department of Public Safety, Colorado Department of Transportation. Also, all police and fire departments, and emergency management systems in Colorado's 64 counties and local governments will be affected. The proportion of the financial impact will be determined by the agencies' FY19 utilization statistics detailed in the calculations section below.

Stakeholders would include anyone utilizing the Public Safety Communications Network Digital Trunk Radio System. This would include state and federal agencies, local municipalities, and emergency personnel across the state (including those specified above).

Assumptions and Calculations:

Table 1 below shows the cost estimate per OIT long bill line and the estimated risk if cut.

Table 1. OIT Proposed Reduction Risk, Description, and Amount			
Risk (High, Medium, Low)	**OIT Long Bill Line Location**	**Program Name/Description**	**Amount**
Low	Network Administration Services	Annualization error (Backup Colorado)	($160,000)
Low	Public Safety Communications Network Services	Training	($39,000)
Low	Public Safety Communications Network Services	Travel	($10,000)
	Total		**($209,000)**

Department allocations associated with this request are based on the FY 2019-20 base agency allocation for Network and Public Safety Services (codes 3101, 3103, and 5101) and are detailed below.

	Decision Item Allocation	
Department	**FY 2020-21**	**FY 2021-22**
Agriculture	-$1,244	-$1,244
Corrections	-$42,550	-$42,550
Education	-$1,176	-$1,176
General Assembly	$0	$0
Governor	-$228	-$228
Health Care Policy and Finance	-$971	-$971
Higher Education (Appropriated)	-$250	-$250
Higher Education (Unappropriated)	-$1,120	-$1,120

Human Services	-$23,288	-$23,288
Judicial	-$7,837	-$7,837
Labor and Employment	-$3,417	-$3,417
Law	-$953	-$953
Local Affairs	-$547	-$547
Military and Veterans Affairs	-$885	-$885
Natural Resources	-$27,896	-$27,896
Personnel and Administration	-$844	-$844
Public Health and Environment	-$3,554	-$3,554
Public Safety	-$32,964	-$32,964
Regulatory Agencies	-$905	-$905
Revenue	-$17,321	-$17,321
State	-$225	-$225
Transportation	-$40,775	-$40,775
Treasury	-$52	-$52
Total	**-$209,000**	**-$209,000**

Schedule 13

Office of the Governor

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-11 (OIT) OIT Long Bill Reorganization

Dept. Approval By: _____

OSPB Approval By: _____

___	**Supplemental FY 2019-20**
___	**Budget Amendment FY 2020-21**
X	**Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$14,109,226	$0	$14,109,226	$0	$0
	FTE	97.5	0.0	97.5	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	$711,061	$0	$711,061	$0	$0
	CF	$3,200,000	$0	$3,200,000	$0	$0
	RF	$10,198,165	$0	$10,198,165	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$14,109,226	$0	$14,109,226	$0	$0
	FTE	97.5	0.0	97.5	0.0	0.0
05. Office of Information Technology, (A) OIT Central Administration, (1) OIT Central Administration - Central Administration	GF	$711,061	$0	$711,061	$0	$0
	CF	$3,200,000	$0	$3,200,000	$0	$0
	RF	$10,198,165	$0	$10,198,165	$0	$0
	FF	$0	$0	$0	$0	$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Governor's Office Prioritized Request	**Interagency Approval or Related Schedule 13s:**	No Other Agency Impact

Office of Information Technology

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Theresa Szczurek
Executive Director

Department Priority: R-11
Request Detail: OIT Long Bill Reorganization

Summary of Incremental Funding Change for FY 2020-21		
	FY 2020-21	**FY 2021-22**
Total Funds	**$0**	**$0**
FTE	0.0	0.0
Reappropriated Funds	$0	$0

Summary of Request:

Governor's Office of Information Technology (OIT) requests to restructure its Long Bill lines and complete an internal transfer of 5.0 FTE in order to reduce unnecessary complexity, allow for long term trend analysis of major spending categories, increase flexibility needed to support efficient IT service delivery for departments, and align certain FTE in the Long Bill with their current job function. This request is a technical change that does not require any additional funding or FTE.

OIT's current Long Bill (in Table 1 below) is very detailed and includes 5 groups with over 22 individual appropriations.

Table 1. Current OIT Long Bill Structure

Group	Description
(A) Central Administration	• Central Administration • Project Management • All other Centrally Appropriated lines
(B) Infrastructure	• Infrastructure Administration • Data Center Services • Mainframe Services • Server Management
(C) Network	• Network Administration • Colorado State Network Core • Colorado State Network Circuits • Voice and Data Services • Public Safety Network
(D) IT Security	• Security Administration • Security Governance • Security Operations
(E) Applications	• Applications Administration • Shared Services • Agency Services • Colorado Benefits Management System
(F) End User Services	• End User Administration • Service Desk Services • Deskside Support Services • Email Services
TOTAL	**22 OIT Budget Lines**

These appropriations provide spending authority for OIT service delivery. OIT segments these appropriations into individual service cost pools for the purposes of Common Policy rate development, utilization tracking, and revenue collection.

The Long Bill provides the main parameters for annual spending in these designated areas, and the Long Bill is not a flexible or agile tool for managing spending within detailed lines given the fast pace of technology service change.

In FY 2017-18, OIT submitted a request that was approved to reduce the number of Long Bill lines within the Applications Long Bill group. This request was successful in eliminating many outdated appropriations for specific application types, such as Health Services, Financial Management, Revenue/Regulatory, Personnel, Safety/Transportation, and Labor/Employer specific appropriations. These overly detailed lines

were consolidated within either Agency or Shared Applications lines. This request greatly increased flexibility for the enterprise applications team, and allowed for staff to support multiple types of applications across the enterprise. OIT is looking to gain the same increased efficiency with a reorganization of all Long Bill lines in this current request.

Problem or Opportunity:

OIT's Long Bill structure is overly complex and does not encourage maximum efficiency for IT service delivery. While traditional Long Bill structure serves a specific purpose for long-standing government program categories, technology is very different from most government services. A static, detailed Long Bill structure decreases efficiency and adds confusion to those looking to evaluate IT spending patterns over time.

IT services change quickly, leading to outdated detailed appropriations structure
Due to the fast pace of technology, OIT continually evaluates its portfolio of service offerings. As technology changes, the individual services often evolve from year to year. For example, the Server Management Long Bill line historically provided for Server Hosting and Storage, but as technology evolved, it became important to better align billing for Server Hosting with the distinct functions that this service was accomplishing. Specifically, OIT split traditional Server Hosting into OIT-Owned Compute and Server Managed Services. OIT-Owned Compute includes only OIT owned hardware in OIT data centers, and OIT owned software through the operating system layer, while Server Managed Services covers costs for FTE that support all servers, including installation and maintenance for operating systems, monitoring operations, and other support. As technology changes, OIT redesigns service offerings to accurately align billing with the support that is being provided to the customer in order to maintain a direct connection between the cost of the service and the benefit that is being provided.

This separation between appropriated lines and specific service offerings is an important part of a government technology organization, to maintain flexibility and ensure that service billing and utilization tracking are up-to-date. Broad, stable *groups* of services are the most useful basis for Long Bill appropriations.

OIT's current Long Bill structure hinders OIT's ability to maximize resources to meet consumer demand. It prevents consistent long-term trend analysis, and causes unnecessary confusion for stakeholders that look to analyze OIT spending and service delivery through the lens of meaningful, stable categories.

Independent evaluation calls for simpler IT financial modeling and tracking
In FY 2017-18, HB 17-1361 required an evaluation of statewide IT resources, and an independent consulting group delivered a comprehensive report with recommendations to the Legislature in December 2018. Several key findings in this report highlighted the need for clearer OIT billing practices and financial tracking that could show customers and outside stakeholders a clear trend of spending in major service groups. This structure would improve customer satisfaction and aid in the evaluation of IT benefits over the long term.

The evaluation clearly outlined the problem that overly complex billing and numerous service codes do not tell the overall story of OIT billing in a meaningful way to customers. This evaluation applies not only to the current service offering but to the overly detailed OIT Long Bill appropriations as well. Customers can

not understand how much the cost of certain aggregate services and groups has decreased or increased over time, and what services have been added or eliminated without broader categories that remain unchanged for long periods of time.

Long Bill lines do not align with IT management structure
The current Long Bill appropriations do not align directly with broad service categories that are meaningful to customers, nor with OIT's leadership structure. Several of the current appropriations fall under the purview of multiple executive leadership team members, and vise versa. A lack of resource flexibility, from a management perspective, leads to a diminished capacity to meet customer demand.

Throughout OIT's evaluation of the current Long Bill structure and the issues outlined above, OIT identified 5 positions that could be better aligned with a different service line based on their job duties and the work performed by similar positions in the organization. These positions include current administrative, applications, and security positions that would be more appropriately aligned under customer support and administration appropriations moving forward. Based on this evaluation, OIT determined these 5 positions should be included in a proposed reorganization of the Long Bill.

Proposed Solution:

OIT is proposing to restructure its Long Bill appropriations to ensure the broad service categories are meaningful to customers over the long term. This proposal will also better serve customers through innovative and efficient use of resources.

Description of Proposed Long Bill Groups:

Enterprise Solutions will provide enterprise-level technology services to state departments. This includes application/system development, software solutions and support, as well as the computing, network infrastructure (central data center facilities, mainframe hosting, database services, physical servers, virtual servers, and storage), Colorado State Network (CSN) Core, Circuits, and telecommunications infrastructure that support these product offerings. This line item includes the management of statewide systems and applications used in support of core business functions for state departments. Supporting these applications encompasses the entire application development and maintenance cycle.

Information Security will continue to provide enterprise-wide cyber security functions including assessment, monitoring, remediation, and process implementation. OIT's Information Security team is the single state source for cyber security readiness and awareness. Working closely with federal, state, local and private sector partners. OIT's Information Security team actively gathers and analyzes information on cyber threats and vulnerabilities presenting risks to the state's information systems, networks and applications.

Customer Service/Support includes Service Desk, Deskside Support, IT Directors, the Project Management Office, Business Analysts and Solutions Engineers. These functions provide for overall customer support as well as coordination between OIT and customers for all IT projects and multiyear technology planning.

DTRS (Digital Trunked Radio System) appropriation will remain unchanged. This appropriation will continue to be tracked separately as it provides a statewide, standard-based interoperable radio system for the public safety departments and first responders. Users include state departments, local governments, federal agencies, and tribal agencies.

CBMS (Colorado Benefits Management System) appropriation will remain unchanged, and continue as a separate appropriation to track funding specific to the Colorado Benefits Management System.

Central Administration remains unchanged and will continue to provide the centralized management and administration of OIT that generally supports all services. This group provides the organization with strategic and operational management direction, policy formulation, and financial management. Organizational units or activities include the OIT's Chief Information Officer (CIO), the Chief Financial Officer (procurement, accounting, budgeting), Human Resources, strategic communications, enterprise architecture and service management, IT innovation, and shared administrative functions, among others. Costs within this appropriation are included in Common Policy services as an overhead allocation.

While this new structure simplifies the Long Bill, the opportunity for detailed analysis will not be lost. Stakeholders that have an interest in analyzing detailed OIT operations will have the ability to do this via OIT's annual Common Policy Service reporting. OIT will continue to report on the individual service offerings within these Long Bill categories, such as Applications Development, Compute, Storage, etc. This reporting includes detailed cost estimates for each service, tracks changes in these estimates year-over-year, and provides actual cost and utilization detail for each service in the reporting for the Common Policy True Up.

Examples of State Technology Appropriations for Other State Governments

OIT has researched other state IT organizations in order to better understand how they serve customers, and learn best practices for government IT service management. Below is an example of Utah's Division of Technology Services appropriation lines. Currently, this organization benefits from a very simple appropriation structure:

Infrastructure and General Government				Budget of the State of Utah	

Agency Table: ISF - Technology Services
Internal Service Funds(ISF)

Sources of Finance	2019 Appropriated	2019 Supplemental	2019 Revised	2020 Appropriated	Change from 2019 Revised
Dedicated Credits Revenue	120,144,900	3,144,700	123,289,600	122,969,300	(320,300)
Single Sign-On Expendable Sp. Rev. Fund	1,200,000		1,200,000	400	(1,199,600)
Beginning Nonlapsing		20,646,000	20,646,000	20,748,200	102,200
Closing Nonlapsing		(20,748,200)	(20,748,200)	(20,889,000)	(140,800)
Total	**$121,344,900**	**$3,042,500**	**$124,387,400**	**$122,828,900**	**($1,558,500)**
Line Items					
ISF - DTS Enterprise Technology	121,344,900	3,042,500	124,387,400	122,828,900	(1,558,500)
Total	**$121,344,900**	**$3,042,500**	**$124,387,400**	**$122,828,900**	**($1,558,500)**
Budgeted FTE	733.0	0.0	733.0	733.0	0.0
Authorized Capital Outlay	6,000,000	0	6,000,000	6,000,000	0
Retained Earnings	2,261,000	8,368,700	10,629,700	10,770,500	140,800

Agency Table: Technology Services
Operating and Capital Budget including Expendable Funds and Accounts

Sources of Finance	2019 Appropriated	2019 Supplemental	2019 Revised	2020 Appropriated	Change from 2019 Revised
General Fund	1,799,900		1,799,900	2,069,800	269,900
General Fund, One-time	3,800	(211,300)	(207,500)	653,400	860,900
Federal Funds	238,100		238,100	500,200	262,100
Federal Funds, One-time	900	415,400	416,300	700	(415,600)
Dedicated Credits Revenue	1,138,800	69,400	1,208,200	1,212,800	4,600
E-911 Emergency Services (GFR)	333,600		333,600	334,000	400
Beginning Nonlapsing		2,188,000	2,188,000		(2,188,000)
Closing Nonlapsing		149,400	149,400		(149,400)
Total	**$3,515,100**	**$2,610,900**	**$6,126,000**	**$4,770,900**	**($1,355,100)**

Line Items					
Chief Information Officer	800,700	1,713,200	2,513,900	1,312,000	(1,201,900)
Integrated Technology	2,714,400	897,700	3,612,100	3,458,900	(153,200)
Total	**$3,515,100**	**$2,610,900**	**$6,126,000**	**$4,770,900**	**($1,355,100)**

Funding is allocated to Enterprise technology needs, as well as separate funding for the Chief Information Officer and Integrated Technology.

While there are many components that contribute to customer satisfaction, OIT's research with the state of Utah determined that flexibility to manage service delivery without a complex appropriations structure plays a significant role in customer service scores. This is due to customers' main priorities are quality, affordable service delivery, as well as meaningful cost transparency. These can be achieved successfully with a simplified appropriations structure.

Below is the customer satisfaction results that accompany Utah's appropriations information, as support for the merits of its current structure:

Infrastructure and General Government Appropriations Subcommittee
Performance Measure Table

Performance Measure Name	Target	Bill	Item #
Division of Facilities Construction and Management - ISF			
Maintenance costs per square foot as compared to the private sector	18% or less	H.B. 6	75
Department of Technology Services			
Chief Information Officer			
Data security systematic prioritization of high-risk areas	< 5,000	H.B. 6	56
Customer satisfaction for application development projects	83%	H.B. 6	56
State employees receive computers in a timely manner	75%	H.B. 6	56
Automated Geographic Reference Center (AGRC)			
AGRC availability	99.5% uptime	H.B. 6	57
County-sourced road and address updates	120	H.B. 6	57
Utah reference network GPS service availability	99.5% uptime	H.B. 6	57
Enterprise Technology - ISF			
Customer satisfaction for information technology services	4.5 out of 5 rating	H.B. 6	80
Agency application availability	99%	H.B. 6	80
DTS rates competitive with private market	100%	H.B. 6	80

In addition to the proposed reorganization, OIT requests that 5 specific positions be moved within that new structure, based on a recent analysis of current job function. This movement will make certain that the starting point for the new appropriations structure is as accurate as possible. The specific administrative, applications, and security positions are detailed in the Assumptions and Calculations section of this request.

Consequences if not approved
Customers and other stakeholders will continue to struggle to understand the long term cost trends for IT services until an appropriate restructure can provide the clarity and flexibility needed for statewide IT service delivery and reporting. The independent IT evaluation outlined the challenges presented by an overly complex organizational structure and service offerings that are not presented in broader categories that are meaningful to consumers. When the Long Bill puts unnatural constraints around technology service delivery, via additional Long Bill lines that segment resources in a way that is not congruent with current and evolving IT operations, this results in problems that impact customers:

- OIT service delivery is limited, and departments rely on other operating resources to supplement for critical technology needs.
- There is increased confusion regarding what is being delivered and how the components fit into the overall story of IT service delivery.
- Overly specific Long Bill lines quickly become outdated as technology evolves, and frequent restructures are necessary to try and keep the granular detail aligned with current technology management trends. This increases confusion for all stakeholders.

Anticipated Outcomes:

OIT's new Long Bill structure will remove the focus from antiquated appropriation lines, and shift it toward Common Policy service delivery. Annual spending can be tracked via broad service groups in order to provide a meaningful long term understanding of IT costs. OIT will continue to provide additional detail at the specific service code level in OIT's Common Policy submission each year.

OIT anticipates that the simplified Long Bill structure will improve customer perception of OIT service delivery. As technology continues to evolve, customers need less complexity when it comes to billing and financial tracking, and more emphasis on understanding the meaningful story of how the major IT service categories support department program needs.

As the environment moves from a focus on individual lines (such as Mainframe and Data Center) and shifts toward a holistic understanding of how Security, Enterprise Applications Solutions, and Customer Support change over time, this will help customers hone in on what is most important when it comes to IT service delivery.

The movement of the 5 FTE outlined in this request will ensure that all staff are appropriately aligned with their relevant service area and can support customers accordingly. The reorganization of the Long Bill sets a new baseline for service delivery across these major categories, and accomplishing the movement of these 5 FTE will make certain that the starting point for the new appropriations structure is as accurate as possible from the beginning.

OIT is requesting funding in a separate decision item for additional tools to support financial reporting for customers across all IT service categories. The Long Bill reorganization will go hand-in-hand with the goals of improved financial reporting for customers. A simplified Long Bill structure gives OIT the flexibility to be efficient and improve customer service, while the dynamic financial reporting tools will give customers the insight they need to make decisions and manage IT costs for their organizations.

Assumptions and Calculations:

This reorganization results in a no-cost, net-zero change to OIT's Long Bill. Table 2. below outlines OIT's Long Bill structure for FY 2019-20 and provides an overview and crosswalk to the proposed new structure. This new structure simplifies how OIT's total service offering is presented and provides increased flexibility for OIT to manage demand in a constantly evolving technology environment. The proposed reorganization will allow customers and other stakeholders to analyze OIT's operations through the lens of categories that are more intuitive, including Enterprise Solutions, Information Security, Customer Service/Support, and OIT Administration.

The numbers shown in the proposed new structure below are *estimated* based on the current FY 2019-20 Long Bill. Once this decision item is approved, the totals and FTE for each category will need to be updated to reflect the final approved FY 2020-21 Long Bill.

Table 2. Crosswalk of Current vs. Proposed Long Bill Appropriations

	Current (per FY20 Long Bill)				Proposed		
Long Bill Group	Appropriation	FTE	Amount	Long Bill Group	Appropriation	FTE	Amount
A	Central Administration	97.5	$13,534,226	A	Central Administration	96.5	$13,637,088
A	Project Management	53.0	$7,964,132	A	Centrally Appropriated	-	$36,433,081
A	Centrally Appropriated	-	$36,433,081				
B	Infrastructure Administration	31.5	$6,822,742				
B	Data Center Services	8.0	$822,021	B	Enterprise Solutions (Including Applications and Infrastructure Operations)	526.0	$115,719,095
B	Mainframe Services	31.0	$4,454,265				
B	Server Management	85.5	$23,858,358				
C	Network Administration	5.0	$4,043,588				
C	Colorado State Network Core	37.0	$7,538,977				
C	Colorado State Network Circuits	-	$7,080,410	C	DTRS/Public Safety Network	54.0	$24,844,185
C	Voice and Data Services	12.0	$13,699,921	D	Information Security	8.0	$19,819,854
C	Public Safety Network	54.0	$24,844,185	E	CBMS	49.5	$66,516,882
D	Security Administration	3.0	$412,886	F	Customer Service/Support	270.0	$27,169,954
D	Security Governance	6.0	$7,151,449				
D	Seurity Operations	44.0	$12,490,924				
E	Administration	17.0	$5,908,993				
E	Shared Services	112.0	$16,718,087				
E	Agency Services	189.0	$27,517,097				
E	Management System	49.5	$66,516,882				
F	End User Administration	2.0	$333,509				
F	Service Desk Services	48.0	$4,090,379				
F	Services	116.0	$9,949,347				
F	Email Services	3.0	$1,954,680				
	TOTAL	1,004.0	$304,140,139		TOTAL	1,004.0	$304,140,139

As a part of the Long Bill reorganization analysis, OIT also assessed the fit of each job function and service within the current structure. From this assessment, OIT has determined that 5.0 FTE should be transferred

to a more appropriate group. OIT would like to transfer these FTE as a part of the Long Bill reorganization. These positions are detailed in table 3 below:

Table 3. Additional Position Realignment

Position	Current Appropriation	Proposed Appropriation	FTE	Amount
Contracts Compliance Admin	Central Administration	Customer Service/Support	1.0	$88,917
Program Manager	Security Governance	Customer Service/Support	1.0	$129,480
Manager, Contracts Compliance	Security Operations	Central Administration	1.0	105,925
Vendor Relationship Manager	Applications Admin	Central Administration	1.0	$85,855
Deskside Support	Agency Applications	Customer Service/Support	1.0	$82,824
	Total Transfers		**5.0**	**$493,002**
	Net Impact to the Long Bill		**0.0**	**$0**

Schedule 13

Office of the Governor

Request Title

R-12 (OIT) Applications Budget Efficiency Savings

Dept. Approval By:

OSPB Approval By:

Supplemental FY 2019-20

Budget Amendment FY 2020-21

X

Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$79,096,747	$0	$81,716,952	($541,802)	($541,802)
	FTE	320.3	0.0	320.3	(1.0)	(1.0)
Total of All Line Items	GF	$10,692,949	$0	$10,754,474	($67,098)	($67,098)
Impacted by Change Request	CF	$768,815	$0	$768,815	($31,938)	($31,938)
	RF	$67,634,983	$0	$70,193,663	($442,766)	($442,766)
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$9,499,456	$0	$11,322,433	($10,042)	($10,042)
05. Office of Information	FTE	0.0	0.0	0.0	0.0	0.0
Technology, (A) OIT	GF	$91,280	$0	$134,151	$0	$0
Central Administration, (1) OIT Central	CF	$0	$0	$0	$0	$0
Administration - Health,	RF	$9,408,176	$0	$11,188,282	($10,042)	($10,042)
Life, and Dental	FF	$0	$0	$0	$0	$0
	Total	$131,262	$0	$144,274	($243)	($243)
05. Office of Information	FTE	0.0	0.0	0.0	0.0	0.0
Technology, (A) OIT	GF	$1,276	$0	$1,590	$0	$0
Central Administration, (1) OIT Central	CF	$0	$0	$0	$0	$0
Administration - Short-	RF	$129,986	$0	$142,684	($243)	($243)
term Disability	FF	$0	$0	$0	$0	$0

	Auxiliary Data		
Requires Legislation?	NO		
Type of Request?	Department of Governor's Office Prioritized Request	Interagency Approval or Related Schedule 13s:	Impacts Other Agency

Office of Information Technology

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Theresa Szczurek
Executive Director

Department Priority: R-12
Request Detail: OIT Applications Budget Efficiency Savings

Summary of Incremental Funding Change for FY 2020-21		
	FY 2020-21	**FY 2021-22**
Total Funds	($541,802)	($541,802)
FTE	(1.0)	(1.0)
General Fund	($67,098)	($67,098)
Cash Funds	($31,938)	($31,938)
Reappropriated Funds	($442,766)	($442,766)

Summary of Budget Reduction Proposal:

In FY 2020-21 and beyond, the Governor's Office of Information Technology (OIT) proposes to reduce the Applications program by ($541,802) Total Funds, of which ($67,098) is General Fund, ($31,938) are Cash Funds, and ($442,766) are Reappropriated Funds; as well as (1.0) FTE.

The proposed reduction would reduce the budget for Skillsoft, a training program which is being underutilized. OIT is additionally proposing to keep the vacant Director of IT Applications position unfilled, as the position has not been filled for the past year, and the team has been able to manage daily operations without this resource.

Current Program and Background Information:

The Applications Group appropriations and FTE support both enterprise applications (supporting multiple agencies) and agency-specific applications (supporting only one or two agencies). The group currently maintains over 1,100 applications. The group also develops new applications based on requests from the legislature and agencies.

Rationale for Reduction:

OIT has identified and is proposing a reduction to several costs that should have minimal impact to external agency services. The reductions focus on operating dollars not associated with contracts including: supplies, equipment, software, conferences, travel, and training.

The proposed reduction would reduce the budget for Skillsoft, a training program which is being underutilized. OIT is additionally proposing to keep the vacant Director of IT Applications position unfilled, as the position has not been filled for the past year, and the team has been able to manage daily operations without this resource.

Outcomes / Operational and Service Delivery Impacts:

Impacts on service delivery and quality vary depending on the specific reduction and how directly the cost ties to customers. See Table 1 below for details on the risk for each reduction area.

Other Departments Impacted:

The Applications group supports all agencies so any impacts would be shared across all of state government. All of the reappropriated funds for this program come from other state agencies, so the proportion of the financial impact will be determined by the agencies' FY19 utilization statistics detailed below in the calculations section.

Stakeholder Analysis:

Both the benefits,cost savings, and the risks to service quality will be broadly and equitably shared among state agencies. OIT believes that state agencies supported by OIT's Applications program would vary depending on the magnitude of the impact felt on the services they receive.

Assumptions and Calculations:

Table 1. below shows the cost estimate per OIT long bill line and the estimated risk if cut.

Table 1. OIT Proposed Reduction Risk, Description, and Amount				
Risk (High, Medium, Low)	**OIT Long Bill Line**	**Description/Rationale**	**Funding Type**	**Amount**

Low	Applications Administration	Broadband / Operating	General Fund	($21,358)
Low	Applications Administration	Broadband / GIS Operating	General Fund	($34,449)
Low	Applications Administration	Broadband / FirstNet Operating	General Fund	($11,291)
Low	Shared Services	Remove Skillsoft, replace with FY 2020-21 Workforce Learning and Development Budget Request	Reappr. Funds	($30,000)
Medium	Applications Administration	General Operating (software-GoogleCloud, Linguabee, Planview)	Reappr. Funds	($20,573)
Medium	Applications Administration	Marijuana Data Coordination (MDAT) / Operating and Hardware	Cash Funds	($31,938)
Medium	Applications Administration	Director - Enterprise Applications - keep vacancy (details in Table 2)	Reappr. Funds	($184,519)
Low-Medium	Agency Services	HCPF Customer Service Savings	Reappr. Funds	($157,674)
Medium	Shared Services	Remove Training Budget	Reappr. Funds	($50,000)
			Total	**($541,802)**

Table 2. Personal Services Detail Calculations

Expenditure Detail			
Personal Services:			
Classification Title	Biweekly Salary	FTE	
EA DIRECTOR	$5,500	1.0	$142,990
PERA			$14,871
AED			$7,150
SAED			$7,150
Medicare			$2,073
STD			$243
Health-Life-Dental			$10,042
Subtotal Position 1, 1.0 FTE		1.0	**$184,519**
Personal Services		1.0	**$184,519**

Department allocations for the ($442,766) in reappropriated funds associated with this request are based on the FY 2019-20 base agency allocation for Applications Services (codes 2705, 2706, 2709, 2903, and 2904) and are detailed below.

Department	FY 2019-20 Base Common Policy Allocation - Applications Services 2705, 2706, 2709, 2903, 2904	% of Total	Decision Item Allocation	
			FY 2020-21	FY 2021-22
Agriculture	$352,746	0.79%	-$3,508	-$3,508
Corrections	$4,818,029	10.82%	-$47,911	-$47,911
Education	$154,952	0.35%	-$1,541	-$1,541
General Assembly	$7	0.00%	$0	$0
Governor	$124,749	0.28%	-$1,241	-$1,241
Health Care Policy and Finance	$1,480,908	3.33%	-$14,726	-$14,726
Higher Education (Appropriated)	$90,841	0.20%	-$903	-$903

Higher Education (Unappropriated)	$961	0.00%	-$10	-$10
Human Services	$10,886,922	24.45%	-$108,261	-$108,261
Judicial	$1,210,495	2.72%	-$12,037	-$12,037
Labor and Employment	$4,500,402	10.11%	-$44,752	-$44,752
Law	$121,856	0.27%	-$1,212	-$1,212
Local Affairs	$1,121,377	2.52%	-$11,151	-$11,151
Military and Veterans Affairs	$15,309	0.03%	-$152	-$152
Natural Resources	$3,896,795	8.75%	-$38,750	-$38,750
Personnel and Administration	$2,020,542	4.54%	-$20,092	-$20,092
Public Health and Environment	$3,753,472	8.43%	-$37,325	-$37,325
Public Safety	$1,903,290	4.27%	-$18,926	-$18,926
Regulatory Agencies	$1,511,454	3.39%	-$15,030	-$15,030
Revenue	$2,410,556	5.41%	-$23,971	-$23,971
State	$36,538	0.08%	-$363	-$363
Transportation	$4,104,870	9.22%	-$40,819	-$40,819
Treasury	$8,471	0.02%	-$84	-$84
Total	**$44,525,542**	**100%**	**-$442,766**	**-$442,766**

Schedule 13

Office of the Governor

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-13 (OIT) IT Server Management Budget Efficiency Savings

Dept. Approval By: _____

OSPB Approval By: _____

_____ Supplemental FY 2019-20

_____ Budget Amendment FY 2020-21

X Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$23,858,358	$0	$23,858,358	($1,945,120)	($1,945,120)
	FTE	85.5	0.0	85.5	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	$0	$0	$0	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$23,858,358	$0	$23,858,358	($1,945,120)	($1,945,120)
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$23,858,358	$0	$23,858,358	($1,945,120)	($1,945,120)
	FTE	85.5	0.0	85.5	0.0	0.0
05. Office of Information Technology. (B) IT Infrastructure. (1) IT Infrastructure - Server Management	GF	$0	$0	$0	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$23,858,358	$0	$23,858,358	($1,945,120)	($1,945,120)
	FF	$0	$0	$0	$0	$0

Auxiliary Data

Requires Legislation? NO

Type of Request? Department of Governor's Office Prioritized Request

Interagency Approval or Related Schedule 13s: No Other Agency Impact

Office of Information Technology

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Theresa Szczurek
Executive Director

Department Priority: R-13
Request Detail: OIT IT Server Management Budget Efficiency Savings

Summary of Incremental Funding Change for FY 2020-21		
	FY 2020-21	**FY 2021-22**
Total Funds	($1,945,120)	($1,945,120)
FTE	0.0	0.0
Reappropriated Funds	($1,945,120)	($1,945,120)

Summary of Budget Reduction Proposal:

In FY 2020-21 and beyond, the Governor's Office of Information Technology (OIT) proposes to reduce its IT Server Management budget by ($1,945,120) reappropriated funds and 0.0 FTE. This represents a 10% reduction from the current funding levels for Server Management.

OIT has identified annualization errors from Backup Colorado and Active Directory that need to be corrected. As a result of reducing these annualization errors, OIT is proposing a reduction to costs that should minimize any negative impact to external agency services.

Current Program and Background Information:

The IT Infrastructure program manages database services and infrastructure overhead within OIT and is funded through reappropriated funds, accompanied with 23.0 FTE. The proposal here specifically addresses a reduction in IT Server Management. In 2014, OIT submitted two budget requests, one FY 2014-15 supplemental and FY 2015-16 budget amendment for Backup Colorado Phase II and one FY 2015-16 decision item for Active Directory. In those requests, OIT reflected budget needs that changed in the out year and in year three. With year three budget changes being unusual, the year three change for these requests was not completed in the annualization process. Because the annualizations were not completed, the budget for FY 2017-18 was artificially inflated for Backup Colorado, and the Active Directory budget for FY 2018-19 was also artificially inflated. OIT needs to adjust these budgets to properly reflect the resources needed to operate these programs and align with the approved budget requests.

Rationale for Reduction:

OIT has identified annualization errors from Backup Colorado and Active Directory that need to be corrected. As a result of reducing these annualization errors, OIT is proposing a reduction to costs that should minimize any negative impact to external agency services.

Outcomes / Operational and Service Delivery Impacts:

There will be no significant service delivery impact to customers or agencies

Other Departments Impacted:

The budgets for all State agencies supported by OIT will benefit from this budget reduction. With all of the funds for this program reappropriated from other state agencies, the proportion of the financial impact for any specific department will be determined by the agencies' FY19 utilization of IT Server Management.

Stakeholder Analysis:

OIT supports this reduction in an effort to correct an annualization error. State agencies supported by OIT Backup Colorado and Active Directory will benefit from this correction.

Assumptions and Calculations:

Table 1 below shows the cost estimate per OIT long bill line and the estimated risk if cut.

Table 1: Annualization Error by Long Bill Line			
Risk **(High, Medium, Low)**	**OIT** **Long Bill Line**	**Description/** **Rationale**	**Amount**

Low	IT Server Management	Annualization error (Backup Colorado)	($1,660,500)
Low	IT Server Management	Annualization error (Active Directory)	($284,620)
		TOTAL	**($1,945,120)**

Department allocations associated with this request are based on the FY 2019-20 base agency allocation for Server Management Services (codes 2261, 2262, and 2264) and are detailed below.

			Decision Item Allocation	
Department	**FY 2019-20 Base Common Policy Allocation - Server Services 2261, 2262, 2264**	% of Total	**FY 2020-21**	**FY 2021-22**
Agriculture	$181,697	1.65%	-$32,030	-$32,030
Corrections	$939,446	8.51%	-$165,610	-$165,610
Education	$0	0.00%	$0	$0
General Assembly	$1,743	0.02%	-$307	-$307
Governor	$63,896	0.58%	-$11,264	-$11,264
Health Care Policy and Finance	$202,433	1.83%	-$35,686	-$35,686
Higher Education (Appropriated)	$98,312	0.89%	-$17,331	-$17,331
Higher Education (Unappropriated)	$0	0.00%	$0	$0
Human Services	$877,228	7.95%	-$154,642	-$154,642
Judicial	$0	0.00%	$0	$0
Labor and Employment	$1,434,434	13.00%	-$252,869	-$252,869
Law	$0	0.00%	$0	$0
Local Affairs	$170,471	1.54%	-$30,051	-$30,051
Military and Veterans Affairs	$45,247	0.41%	-$7,976	-$7,976
Natural Resources	$1,374,419	12.46%	-$242,289	-$242,289
Personnel and Administration	$507,535	4.60%	-$89,471	-$89,471
Public Health and Environment	$1,352,241	12.26%	-$238,379	-$238,379
Public Safety	$716,271	6.49%	-$126,268	-$126,268

Regulatory Agencies	$204,176	1.85%	-$35,993	-$35,993
Revenue	$1,326,958	12.03%	-$233,922	-$233,922
State	$0	0.00%	$0	$0
Transportation	$1,537,462	13.93%	-$271,031	-$271,031
Treasury	$0	0.00%	$0	$0
Total	**$11,033,968**	**100%**	**-$1,945,120**	**-$1,945,120**

Schedule 13

Office of the Governor

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-14 (OIT) Voice and Data Services Budget Efficiency Savings

Dept. Approval By: _____

OSPB Approval By: _____

_____	Supplemental FY 2019-20
_____	Budget Amendment FY 2020-21
X	Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$13,699,921	$0	$13,699,921	($2,200,000)	($2,200,000)
	FTE	12.0	0.0	12.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	$0	$0	$0	$0	$0
	CF	$1,200,000	$0	$1,200,000	($1,200,000)	($1,200,000)
	RF	$12,499,921	$0	$12,499,921	($1,000,000)	($1,000,000)
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$13,699,921	$0	$13,699,921	($2,200,000)	($2,200,000)
	FTE	12.0	0.0	12.0	0.0	0.0
05. Office of Information Technology, (C) Network, (1) Network - Voice and Data Services	GF	$0	$0	$0	$0	$0
	CF	$1,200,000	$0	$1,200,000	($1,200,000)	($1,200,000)
	RF	$12,499,921	$0	$12,499,921	($1,000,000)	($1,000,000)
	FF	$0	$0	$0	$0	$0

Auxiliary Data		
Requires Legislation?	NO	
Type of Request?	Department of Governor's Office Prioritized Request	**Interagency Approval or Related Schedule 13s:** Impacts Other Agency

Office of Information Technology

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Theresa Szczurek
Executive Director

Department Priority: R-14
Request Detail: OIT Voice and Data Services Budget Efficiency Savings

Summary of Incremental Funding Change for FY 2020-21		
	FY 2020-21	**FY 2021-22**
Total Funds	($2,200,000)	($2,200,000)
FTE	0.0	0.0
Cash Funds	($1,200,000)	($1,200,000)
Reappropriated Funds	($1,000,000)	($1,200,000)

Summary of Budget Reduction Proposal:

In FY 2020-21 and beyond, the Governor's Office of Information Technology (OIT) proposes to reduce the Voice and Data Services program by ($1,200,000) Cash Funds and ($1,000,000) Reappropriated Funds. This represents a reduction of 16% from the current funding level for Voice and Data Services.

This reduction has two parts: completely removing the cash funds appropriation ($1,200,000) due to the correction of how telecommunication service charges are being assigned, and reducing the amount of reappropriated funds by ($1,00,000) to better align the spending authority with revenues.

Current Program and Background Information:

OIT's Voice and Data Services program provides phone services, hardware, and associated infrastructure to State agencies. The Cash Funds appropriation was established to collect user fees from non-state agencies for deposit into the Information Technology Revolving Fund created in Section 24-37.5-112 (1)(a), C.R.S. In the past, OIT's use of telecommunications services was being charged back to OIT, essentially double billing for these expenses. OIT has corrected the issue and telecom expenses are no longer being booked to this cash line.

Rationale for Reduction:

This reduction has two parts: completely removing the cash funds appropriation ($1,200,000), and reducing the amount of reappropriated funds by ($1,00,000) to better align the spending authority with revenues.

For the cash funds, with the correction of how telecommunication service charges are being assigned, OIT no longer is booking expenses to this cash line. This budget is no longer needed.

For the reappropriated funds, OIT has consistently collected significantly less in revenue than it has spending authority in the long bill.

Outcomes / Operational and Service Delivery Impacts:

This budget reduction will not impact any of the Departments' operational or performance ability. The cash line has not been utilized for the past three fiscal years, and the reappropriated spending authority is in excess of what has been historically collected in revenues.

Other Departments Impacted:

Although this is a service provided to all participating Departments, the impact of the reduction will not be felt by them, as the appropriation reductions do not affect ongoing revenue and expenditure projections in the near future.

Stakeholder Analysis:

All state agencies supported by OIT should support this reduction, as it will not impact any services provided to them by OIT. In addition, it prevents other reductions to lines of services that may negatively impact operations and service delivery.

Assumptions and Calculations:

The cash appropriation for Voice and Data Services has not had any expenditures since FY 2014-15, and OIT does not foresee needing this appropriation in the projected future.

For the reappropriated budget, Table 1 below shows the specific spending authority savings each year since FY 2016-2017 with forecasted savings into FY 2020-21. With the proposed $1 million decrease in spending authority, the demand and resulting revenue collected for voice and

data services will continue to stay well below the spending authority in the long bill. Table 2 below shows the cost estimate per OIT long bill line and the estimated risk if cut.

	Table 1. OIT Voice and Data Services Reappropriated Spending Authority Gap				
	FY 2016-2017	FY 2017-2018	FY 2018-2019	FY 2019-2020*	FY 2020-2021*
Total Revenue	$6,084,685	$5,455,083	$10,445,809	$10,090,231	$10,112,698
Appropriation	$6,917,650	$7,554,318	$11,794,396	$11,794,396	$11,794,396
Difference	$832,964	$2,099,235	$1,348,588	$1,704,165	$1,681,699

*Forecasted

Table 2. OIT Proposed Reduction Risk, Description, and Amount			
Risk **(High, Medium, Low)**	**OIT** **Long Bill Line**	**Description/** **Rationale**	**Amount**
Low	Voice and Data Services - Cash Funds	Funds unexpended	($1,200,000)
Low	Voice and Data Services - Reappropriated Funds	Excess spending authority	($1,000,000)
		Total	**($2,200,000)**

Schedule 13

Office of the Governor

Funding Request for The FY 2020-21 Budget Cycle

Request Title

NP-01 (OIT) Annual Fleet Vehicle Request

Dept. Approval By:

OSPB Approval By:

_____ Supplemental FY 2019-20

_____ Budget Amendment FY 2020-21

X

_____ Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$86,456	$0	$86,456	$23,207	$23,207
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	$0	$0	$0	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$86,456	$0	$86,456	$23,207	$23,207
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$86,456	$0	$86,456	$23,207	$23,207
	FTE	0.0	0.0	0.0	0.0	0.0
05. Office of Information Technology. (A) OIT Central Administration. (1) OIT Central Administration - Vehicle Lease Payments	GF	$0	$0	$0	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$86,456	$0	$86,456	$23,207	$23,207
	FF	$0	$0	$0	$0	$0

Auxiliary Data			
Requires Legislation?	YES		
Type of Request?	Department of Governor's Office Non-Prioritized Request	Interagency Approval or Related Schedule 13s:	Impacts Other Agency

Schedule 13

Office of the Governor

Request Title

NP-01 (Gov's Office) Annual Fleet Vehicle Request

Dept. Approval By:

OSPB Approval By:

Supplemental FY 2019-20

Budget Amendment FY 2020-21

X

Change Request FY 2020-21

Summary Information		FY 2019-20		FY 2020-21		FY 2021-22
	Fund	Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$241,843	$0	$241,843	$12,203	$0
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	$241,843	$0	$241,843	$12,203	$0
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

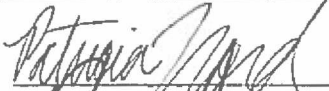| Line Item Information		FY 2019-20		FY 2020-21		FY 2021-22
	Fund	Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$229,801	$0	$229,801	$5,201	$0
	FTE	0.0	0.0	0.0	0.0	0.0
01. Office of the Governor, (C) Colorado Energy Office, (1) Colorado Energy Office - Leased Space	GF	$229,801	$0	$229,801	$5,201	$0
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
	Total	$12,042	$0	$12,042	$7,002	$0
04. Economic Development Programs. (A) Economic Development Programs. (1) Economic Development Programs - Vehicle Lease Payments	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$12,042	$0	$12,042	$7,002	$0
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Schedule 13

Office of the Governor

Funding Request for The FY 2020-21 Budget Cycle

Request Title

NP-02 (OIT) OGCC Electronic Filing System (DNR R-1)

Dept. Approval By: _[signature]_

OSPB Approval By: _[signature]_

___	Supplemental FY 2019-20
___	Budget Amendment FY 2020-21
X	Change Request FY 2020-21

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
	Total	$28,724,256	$0	$28,724,256	$147,840	$35,640
	FTE	189.9	0.0	189.9	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	$0	$0	$0	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$28,724,256	$0	$28,724,256	$147,840	$35,640
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
	Total	$28,724,256	$0	$28,724,256	$147,840	$35,640
	FTE	189.9	0.0	189.9	0.0	0.0
05. Office of Information Technology. (E) Applications. (1) Applications - Agency Services	GF	$0	$0	$0	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$28,724,256	$0	$28,724,256	$147,840	$35,640
	FF	$0	$0	$0	$0	$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Governor's Office Non-Prioritized Request	Interagency Approval or Related Schedule 13s:	Impacts Other Agency

Schedule 13

Office of the Governor

Funding Request for The FY 2020-21 Budget Cycle

Request Title

NP-02 (Gov) OIT_FY21 Budget Request Package

Dept. Approval By:

OSPB Approval By:

X

Supplemental FY 2019-20

Budget Amendment FY 2020-21

Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$0	$0	$1,028,656	($162)	$0
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	$0	$0	$1,028,656	($162)	$0
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$0	$0	$1,028,656	($162)	$0
	FTE	0.0	0.0	0.0	0.0	0.0
01. Office of the Governor, (B) Special Purpose, (1) Special Purpose - Payments to OIT	GF	$0	$0	$1,028,656	($162)	$0
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

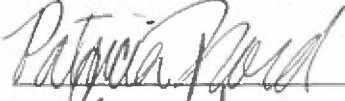| Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Governor's Office Non-Prioritized Request	**Interagency Approval or Related Schedule 13s:**	Requires OIT Approval

Schedule 13

Office of the Governor

Funding Request for The FY 2020-21 Budget Cycle

Request Title

NP-03 (OIT) Improve Customer Service (HCPF R-6)

Dept. Approval By: _____

OSPB Approval By: _____

___	Supplemental FY 2019-20
___	Budget Amendment FY 2020-21
X	Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total of All Line Items Impacted by Change Request	Total	$74,817,254	$0	$74,817,254	$3,001,446	$995,678
	FTE	104.5	0.0	104.5	1.0	1.0
	GF	$200,000	$0	$200,000	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$74,617,254	$0	$74,617,254	$3,001,446	$995,678
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
05. Office of Information Technology, (A) OIT Central Administration, (1) OIT Central Administration - Project Management	Total	$8,164,132	$0	$8,164,132	$2,501,670	$995,678
	FTE	55.0	0.0	55.0	1.0	1.0
	GF	$200,000	$0	$200,000	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$7,964,132	$0	$7,964,132	$2,501,670	$995,678
	FF	$0	$0	$0	$0	$0
05. Office of Information Technology, (E) Applications, (1) Applications - Colorado Benefits Management System	Total	$66,653,122	$0	$66,653,122	$499,776	$0
	FTE	49.5	0.0	49.5	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$66,653,122	$0	$66,653,122	$499,776	$0
	FF	$0	$0	$0	$0	$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Governor's Office Non-Prioritized Request	**Interagency Approval or Related Schedule 13s:**	Impacts HCPF Medicaid

Schedule 13

Office of the Governor

Funding Request for The FY 2020-21 Budget Cycle

Request Title

NP-04 (OIT) JAI Operations & Maint. (CDHS R-14)

Dept. Approval By: *Patricia Nord*

OSPB Approval By:

_____	Supplemental FY 2019-20
_____	Budget Amendment FY 2020-21
X	Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total of All Line Items Impacted by Change Request	Total	$16,290,604	$0	$15,016,134	$6,627,766	$6,627,766
	FTE	18.4	0.0	17.3	0.0	0.0
	GF	$10,524,955	$0	$10,117,749	$0	$0
	CF	$768,815	$0	$647,950	$0	$0
	RF	$4,996,834	$0	$4,250,435	$6,627,766	$6,627,766
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
05. Office of Information Technology. (E) Applications. (1) Applications - Applications Administration	Total	$16,290,604	$0	$15,016,134	$6,627,766	$6,627,766
	FTE	18.4	0.0	17.3	0.0	0.0
	GF	$10,524,955	$0	$10,117,749	$0	$0
	CF	$768,815	$0	$647,950	$0	$0
	RF	$4,996,834	$0	$4,250,435	$6,627,766	$6,627,766
	FF	$0	$0	$0	$0	$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Governor's Office Non-Prioritized Request	**Interagency Approval or Related Schedule 13s:**	Impacts Other Agency

Office of the Governor

Funding Request for The FY 2020-21 Budget Cycle

Request Title

NP-05 (OIT) Replace Phone Systems (CDHS R-15)

Dept. Approval By:

OSPB Approval By:

_____	Supplemental FY 2019-20
_____	Budget Amendment FY 2020-21
X	Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$13,699,921	$0	$13,731,233	$917,525	$787,983
	FTE	12.0	0.0	12.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	$0	$0	$0	$0	$0
	CF	$1,200,000	$0	$1,200,000	$0	$0
	RF	$12,499,921	$0	$12,531,233	$917,525	$787,983
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$13,699,921	$0	$13,731,233	$917,525	$787,983
	FTE	12.0	0.0	12.0	0.0	0.0
05. Office of Information Technology, (C) Network, (1) Network - Voice and Data Services	GF	$0	$0	$0	$0	$0
	CF	$1,200,000	$0	$1,200,000	$0	$0
	RF	$12,499,921	$0	$12,531,233	$917,525	$787,983
	FF	$0	$0	$0	$0	$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Governor's Office Non-Prioritized Request	**Interagency Approval or Related Schedule 13s:**	Impacts Other Agency

Schedule 13

Office of the Governor

Funding Request for The FY 2020-21 Budget Cycle

Request Title

NP-06 (OIT) Staffing for EHR Support (CDHS R-18)

Dept. Approval By: *Patricia Nord*

OSPB Approval By: *[signature]*

	Supplemental FY 2019-20
—	
	Budget Amendment FY 2020-21
X	
—	Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$46,088,056	$0	$48,275,513	$274,676	$132,586
	FTE	189.9	0.0	199.0	2.0	1.0
Total of All Line Items Impacted by Change Request	GF	$167,994	$0	$229,519	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$45,920,062	$0	$48,045,994	$274,576	$132,586
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	$9,499,456	$0	$11,377,924	$18,938	$9,469
	FTE	0.0	0.0	0.0	0.0	0.0
05. Office of Information Technology, (A) OIT Central Administration, (1) OIT Central Administration - Health, Life, and Dental	GF	$91,280	$0	$134,151	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$9,408,176	$0	$11,243,773	$18,938	$9,469
	FF	$0	$0	$0	$0	$0
	Total	$131,262	$0	$145,353	$380	$190
	FTE	0.0	0.0	0.0	0.0	0.0
05. Office of Information Technology, (A) OIT Central Administration, (1) OIT Central Administration - Short-term Disability	GF	$1,276	$0	$1,590	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$129,986	$0	$143,763	$380	$190
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
05. Office of Information Technology, (A) OIT Central Administration, (1) OIT Central Administration - Amortization Equalization Disbursement	Total	$3,866,541	$0	$4,287,034	$10,010	$5,005
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$37,719	$0	$46,889	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$3,828,822	$0	$4,240,145	$10,010	$5,005
	FF	$0	$0	$0	$0	$0
05. Office of Information Technology, (A) OIT Central Administration, (1) OIT Central Administration - Supplemental Amortization Equalization Disbursement	Total	$3,866,541	$0	$4,287,034	$10,010	$5,005
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$37,719	$0	$46,889	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$3,828,822	$0	$4,240,145	$10,010	$5,005
	FF	$0	$0	$0	$0	$0
05. Office of Information Technology, (E) Applications, (1) Applications - Agency Services	Total	$28,724,256	$0	$28,178,168	$235,238	$112,917
	FTE	189.9	0.0	199.0	2.0	1.0
	GF	$0	$0	$0	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$28,724,256	$0	$28,178,168	$235,238	$112,917
	FF	$0	$0	$0	$0	$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Governor's Office Non-Prioritized Request	Interagency Approval or Related Schedule 13s:	Impacts Other Agency