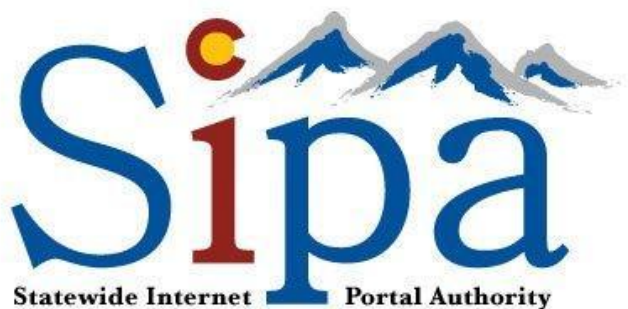


Legislative Report

November 1, 2012



Delivering Effective and Efficient e-Government Services

The Statewide Internet Portal Authority (SIPA) was created in 2004 by the Colorado General Assembly with a mandate to provide efficient and effective e-Government services for eligible governmental entities (EGEs) and citizens through the use of modern business practices and innovative technology solutions.

SIPA is governed by a 13-member Board of Directors comprised of elected officials, government stakeholders, and private citizens.

SIPA serves as the oversight body of the Colorado.gov portal which is the gateway to Colorado government and is intended to be Colorado's single most comprehensive delivery channel for e-Government services.

Introduction – Governments across Colorado are relied upon for many services and functions. Whether it is public safety, parks, utility services, or countless other areas, residents interact with government every day. As these residents have more and more technology at their fingertips, they want the services they need from governments to be offered through their mobile devices and on their schedule as opposed to brick and mortar facilities. They also demand that these services be cost effective especially during these economic times.

A recently published story titled *The Economics of Online Services in Utah* (<http://cppa.utah.edu/>) published by the University of Utah Center for Public Policy and Administration demonstrates the power and savings available to residents through online governmental services. The report finds that the cost for providing an offline service averaged \$14 per transaction while the average cost for providing the same service online was only \$4 for a savings of \$13 per transaction. This is a tremendous savings and is happening daily in Colorado and could be expanded to more services and thereby more savings. SIPA will continue to have these discussions with government leaders across Colorado.

Available today are online services allowing Coloradans to complete tasks such as renewing a driver's license, vehicle registration or pet license, and new businesses can register for a sales and unemployment tax number using the Colorado Business Express online registration system (www.colorado.gov/coloradobusinessexpress). SIPA will continue working with EGEs to offer creative solutions that take advantage of new technologies and meet the fiscal challenges of today.

Sincerely,

John D. Conley
Executive Director

Mission – The mission of the Statewide Internet Portal Authority is to provide efficient and effective services for citizens through the use of modern business practices and innovative technology solutions.

Vision – The vision of the Statewide Internet Portal Authority is to transform Colorado government service delivery through the use of technology, allowing a single point of contact for members of the public to access state and local government information, products, and services.

Eligible Governmental Entities Served – The Statewide Internet Portal Authority (SIPA) is a quasi-governmental entity that serves other governmental entities throughout Colorado. Eligible governmental entities (EGEs) are generally State Agencies, County and Municipal Governments, School Districts, and Special Purpose Authorities. In August 2012, SIPA had agreements in place with 180 EGEs, a group comprised of 23 State Agencies, 31 County Governments, 56 Municipalities, 59 Special Districts, 2 Higher Education Institutions, 6 School Districts, and 3 other districts Figure 1. Figure 2 demonstrates the statewide impact SIPA has in serving these 180 EGEs. As is evident by Figure 2 SIPA is serving governmental entities across the entire state of Colorado.

Figure 1

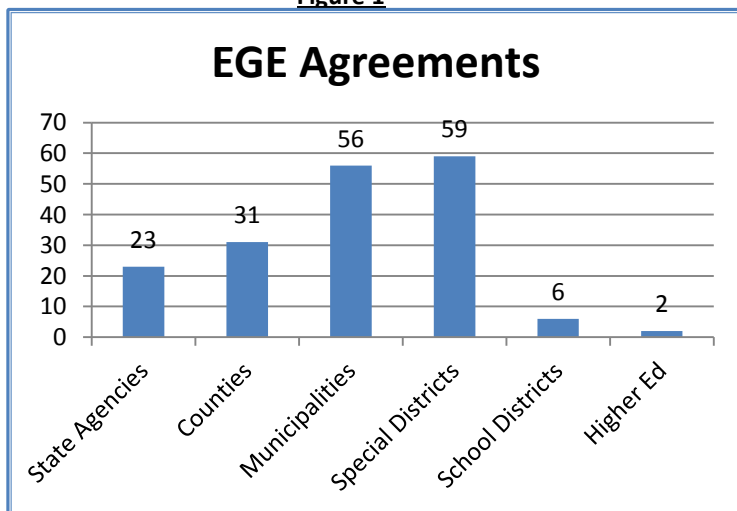
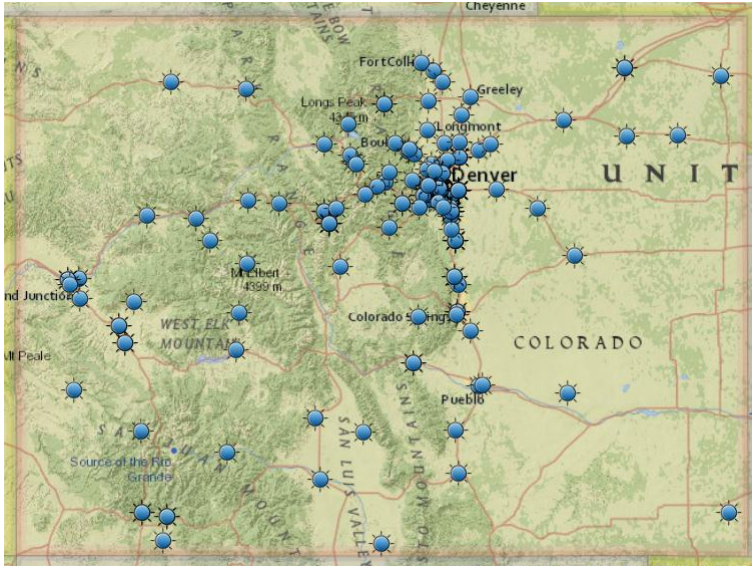


Figure 2



Services – SIPA and its partners offer many services to the eligible governmental entities of Colorado and the members of the public that interact with these services. These services fall within four groupings which are described below.

- 1) *Websites* - SIPA provides website creation to EGEs and has more than 100 websites in production today. These websites allow members of the public to gather valuable information regarding governmental services 24 hours a day 7 days a week from their home, office, or mobile devices.

There are more than 100 websites online today through SIPA.

Almost every website that SIPA creates for a governmental entity has a cost of at least \$11,500 that is absorbed by SIPA and its partners. This represents a savings of approximately \$1,150,000 million for entities using this service.

Screen Capture of Town of Estes Park Website



SIPA is also responsible for overseeing the State of Colorado's homepage www.colorado.gov which serves as the single and most comprehensive delivery channel for e-Government services available in Colorado. This site contains links to many of the websites available on Colorado.gov and connects members of the public to the e-Government service they are seeking.

Screen Capture of www.Colorado.gov Website



2) *Applications* - SIPA maintains a process to assist EGEs in developing custom applications which provide improved services to the citizens of Colorado. EGEs have partnered with SIPA to develop more than 200

applications since SIPA was created. These applications include Driver's License Renewal, Child Care Directories, Change of Address, Colorado Cold Case, and much more. The majority of these applications utilize a public-private partnership and are not funded by taxpayer dollars. Instead they are financed through a portal administration fee whereby the direct beneficiary of the service pays a small amount to support the service.

3) *Electronic Payment Processing* - Integrated within Colorado.gov, SIPA provides a convenient and efficient way for members of the public and citizens of Colorado to pay for services they receive online or over-the-counter by allowing EGEs to accept credit cards and electronics checks. This process follows the Payment Card Industry (PCI) Data Security Standards (DSS). If the state agencies and local governments using SIPA's services were to stand a similar service up it would carry costs of at least \$2.8 million related to PCI compliance alone. In FY 2012 there were more than 1.9 million transactions completed using SIPA's payment engine. As indicated by the graphic below this payment processing system is used in 59 of Colorado's counties.

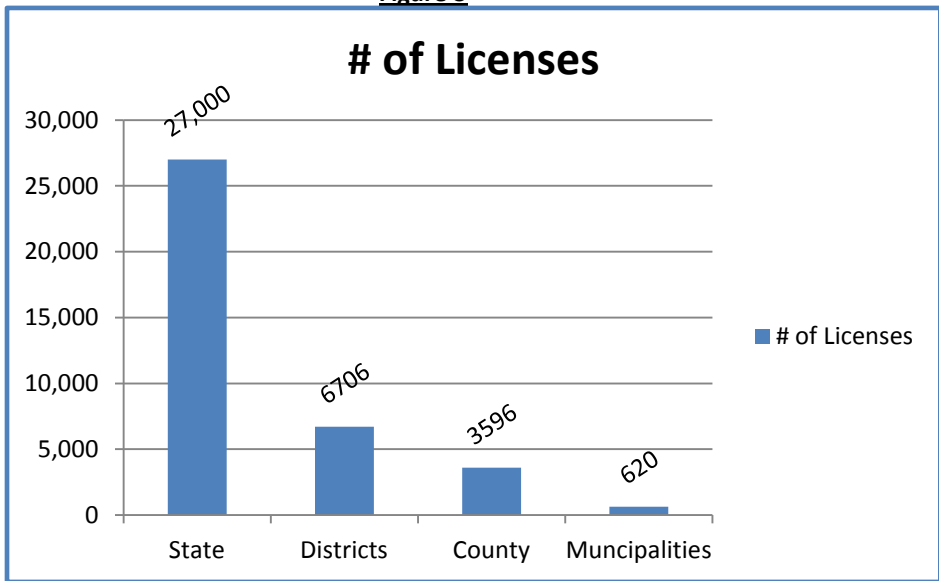
Payment Processing via Colorado.gov in use throughout Colorado*



*Shaded areas depict Counties using the system.

4) *Messaging* - SIPA recently formed a new partnership allowing EGEs to acquire a suite of messaging tools at a competitive price. This suite of applications includes collaboration tools, office productivity applications, and e-mail functions. This service is offered as an on-demand pricing model allowing EGEs to pay only for what they are using. SIPA is providing over 38,000 licenses to 19 EGEs. By leveraging an existing contract which exists between SIPA and a local private sector company these entities saved or avoided approximately \$350,000 in costs annually.

Figure 3



Financial Information - In 2010 the Colorado General Assembly passed House Bill 10-1401 which included reporting requirements for SIPA. SIPA is to report to the Business, Labor, and Technology Committee of the Senate, the Business Affairs and Labor Committee of the House of Representatives, and the Joint Budget Committee the total amount of charges or fees imposed by each state agency for accessing electronic information, products, and services through the statewide internet portal and the total amount of receipts and revenue derived by the Authority from those transactions. Both of these reporting requirements are for the preceding fiscal year, which for this reporting period is Fiscal Year 2011/2012.

Charges – Table 1 provides information related to the charges imposed by state agencies as a result of laws, rules, or regulations and includes the list of available state agency services, the number of transactions completed, and the total amount of charges associated with the transactions.

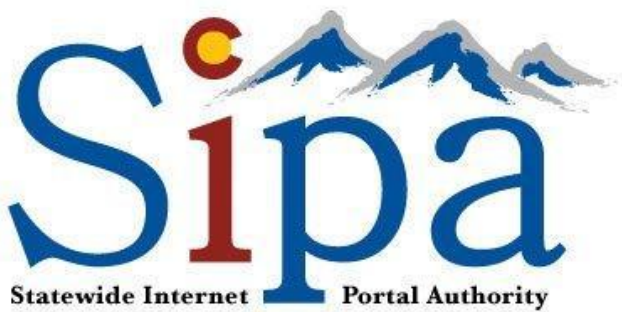
In Fiscal Year 2011/2012 (FY 11/12) the applications created through SIPA on behalf of state agencies completed 1,922,278 transactions collecting a total of \$432,331,204. The total dollar amount of \$433,062,997 includes the statutory fees associated with the service, credit card processing fees, and a portal administration fee to operate and maintain the system. It is important to note the users of these services have alternatives available and are not required to use them, but elect to because of their availability and ease of use.

Receipts & Revenues - SIPA does not receive any General Fund appropriation from the Colorado General Assembly. SIPA receives funding through its partnerships, the sale of licenses, and time and material consulting. To remain a viable and functioning organization SIPA must offer products and services that are in demand by the EGEs and that they elect to use. The actual revenue (unaudited) SIPA received for FY 2011/2012 related to the services provided to state agencies totals \$100,920

Table 1¹

Service (Alpha)	State Agency	Transactions	Funds Received
AG-Cashier Payment Portal	Agriculture	872	\$66,884
Auto Industry Division - Sales Licensing	Revenue	0	\$0
Board of Assessment Appeals	DOLA	37	\$43,136
CDLE Boiler Inspections	CDLE	530	\$71,615
Colorado BIDS	DPA	3,908	\$162,886
County DMV PayPort	Revenue	469,379	\$88,817,350
DCJ Class Registrations	DPS	679	\$32,398
DORA Professional Licensing	DORA	221,305	\$20,287,224
DORA Surplus Lines Tax	DORA	165	\$1,752,239
DPA CSS	DPA	12,566	\$1,954,631
DPA HR	DPA	334	\$66,216
Driver Matching	Revenue	6,104	\$434
Driver Record Monitoring	Revenue	310,796	\$1,240,557
Educator License Payments	CDE	6,169	\$1,522,780
Gambling Intercept - Child Support	DOR	16	\$26,864
Measurement Device Licensing	Agriculture	306	\$49,381
Motor Vehicle Interlock Service	Revenue	12,281	\$491,240
Motor Vehicle Title and Lien Records	Revenue	1,588	\$499,957
Motor Vehicle Verification Service	CBI	39,861	\$202,900
Non-Profit Annual Report Filings	DOLA	1,400	\$188,951
Online Driver License Renewals	Revenue	161,259	\$3,625,211
Online Sales Tax Processing	Revenue	203,835	\$233,239,528
Online Vehicle Registrations	Revenue	451,112	\$75,806,847
Ports of Entry	DOR	9,562	\$2,482,823
Private Applicators Exam Request	Agriculture	460	\$13,616
Private Applicators Licensing	Agriculture	242	\$18,767
Search And Rescue Cards	DOLA	1,544	\$20,129
Storage Tank Registrations	CDLE	396	\$65,331
Colorado Business Express	DOR/CDLE	4,934	\$302,527
Utility Payments	DORA	638	\$10,575
Total:		1,922,278	\$433,062,907

¹ These numbers are unaudited.



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