

BUDGET FUNCTION:
Agency: Department of Administration
Code: 200

OCIO
CURRENT LEVEL STAFF RESOURCE ALLOCATION TO COST CENTERS
(IN FULL TIME POSITIONS)

Develop this staff resource allocation spreadsheet up from zero base on a cost center by cost center basis. This reconstruction of staff levels should reflect any alternative approaches to the current structure. In order to fulfill the department's core mission, please use this spreadsheet to address how this cost center should be structured. The total from this spreadsheet should equal the total under the total salary and benefits row on the Decision Package spreadsheet.

PCN	JOB TITLE	Annual Salary	GENERAL									DEDICATED							
			Cost Center	Cost Center	Cost Center	Cost Center	Cost Center	Cost Center	Cost Center	Cost Center	Cost Center	Cost Center	Cost Center	Cost Center	Cost Center	Cost Center	Cost Center	Cost Center	
			0001 OCIO / ITRMC	0001 Enterprise Applications	0001 Enterprise Plans & Programs	Enterprise Consol. Services	Enterprise IT Support/ Services	0001 Enterprise Infrastructure	0001 Enterprise IT Security	0001 Idaho Geospatial Office	Subtotal	1501 OCIO / ITRMC	0125 Enterprise Applications	0450 Enterprise IT Security	0450 Enterprise Infrastructure	0349 Enterprise Infra. (IEN)	0125 Enterprise Consol. Services	0125 Enterprise IT Support/ Services	0450 Enterprise IT Support/ Services
	Total FTP's		2	2	1	3	3	2	13	6	2		3	2	2	3	3	18	
5449	Employee	0	2,157				7,549		9,706	42,060			48,531			7,549		98,139	
2008	Employee	0								0								0	
5464	Employee	0								0								0	
5465	Employee	0								0								0	
5466	Employee	0					58,665		58,665	13,538			18,051					31,589	
5467	Employee	0								0								0	
5469	Employee	0							69,641	69,641			7,738					7,738	
1033	Employee	0							0	0								0	
5459	Employee	0											0					0	
5433	Employee	0											0					0	
5439	Employee	0											0					0	
5462	Employee	0					9,334		9,334	18,668			32,669			32,669		84,006	
5468	Employee	0					5,908		5,908				29,542			23,634		53,175	
2005	Employee	0							66,044	66,044								14,497	
5448	Employee	0							0	0								0	
2006	Employee	0					0		0	0								0	
2209	Employee	0					0		0	0								0	
5430	Employee	0					0		0	0								0	
5115	Employee	0		0					0	0								0	
5128	Employee	0		0					0	0								0	
1035	Employee	0									0							0	
5106	Employee	0									0							0	
5112	Employee	0														0		0	
5122	Employee	0													0			0	
0335	Employee	0			Employee												0	0	
5137	Employee	0					0		0	0								0	
5134	Employee	0													0			0	
5136	Employee	0												0				0	
5463	Employee	0												0				0	
1033	Employee	0												0				0	
	Employee	0											40,000					40,000	
	TOTAL	0	2,157	0	0	0	0	81,456	66,044	69,641	219,298	82,004	0	0	128,792	40,000	63,852	14,497	329,145
	5448 Overtime (24x7x356 support)	1,768									0		1,768						1,768
	5433 Overtime (24x7x356 support)	1,887									0		1,887		0				1,887
	5112, 5134, 5136, 0330 Overtime (24x7x356 support)	6,474									0						6,474	0	6,474
	GRAND TOTAL	10,130	2,157	0	0	0	0	81,456	66,044	69,641	219,298	82,004	0	1,768	130,679	40,000	70,326	14,497	339,274

Changes to the Original Cost Center Structure - The Office of the CIO has completely remodeled their original cost center structure which were formulated prior to the transition from DITCS into OCIO. This new structure is designed to be more inline with the OCIO current organizational structure. We are also transitioning original General Fund allocations into a dedicated funding model Cost Center for those programs that makes sense.

Cost Center Description

This cost center includes OCIO and ITRMC Administrative Staff - we are not expecting this cost center to change in structure, it will remain as dedicated funding with the same personnel: (Administrator (CTO), Administrative Assistant, Lead Staff members.

The Information Technology Resource Management Council (ITRMC) supported by the OCIO reviews and evaluates the information technology and telecommunications systems, processes and projects used or planned by state agencies, and prepares statewide short and long-range IT and Telecommunications Plans. Together, ITRMC and the OCIO develop and implement a comprehensive statewide information technology infrastructure to enhance the delivery of accurate, timely, and appropriate services for Idahoans while increasing their economic vitality.

For this decision package, please thoroughly answer, on a separate sheet, the following three questions with as much detail as is necessary:

1. Why is this service/activity performed and why is it performed in this manner?

The IT efforts of the agencies of the state necessitate centralized coordination to become more efficient and cost-effective. ITRMC and the Office of the CIO are the entities which provide this coordination and which manage most consolidation efforts. Already, the efforts of these two bodies have reduced overall IT expenditure and have plans for significantly increasing efficiencies with ongoing and planned consolidation efforts.

2. How does this service/activity and this base level of funding support your agency's strategic plan and fulfill legal mandates?

The ITRMC is a statutorily mandated body, as is the Department of Administration with the OCIO required for both entities. The OCIO serves as the business unit for the Council supporting the requirements of statute 67-5745C. The OCIO is also responsible for maintaining the requirements of several other statutes 67-5745D, 67-5747, 67-5780, 67-5781. The department developed 9 goals in its FY10-FY12 Strategic Plan of which the OCIO developed 3 key objectives: Develop capacity to manage and deliver successful IT projects; Consolidate enterprise services including e-mail and telephone; and, Assess and align IT security investment. These objectives are directly in line with the State IT Strategic Plan.

3. What adjustments would be made if this cost center were eliminated?

The Governance model and authority for managing the state's IT resources would be difficult to maintain. Agencies would find consolidation and collaboration efforts more difficult, and agency IT work would again become more stove-piped, expensive, and inefficient.

Develop this decision package by reconstructing the cost center's operation up from zero base according to what is absolutely needed to fulfill your agency's legal requirements in the most efficient and effective way. Critical to this step is the identification and analysis of alternative approaches to how business is currently undertaken within this cost center (please identify opportunities to do the job differently and better). This reconstruction should reflect the preferred alternative (from the alternative box below) to the current structure. Alternatives may include the need to, for example, propose legislation to eliminate low value or out-of-date mandates, reorganize or re-engineer work processes, further exploit information technology applications, including system consolidation, outsource services to contractors, share or transfer work responsibilities to other cost centers, programs, or agencies.

Expenditure Category	Amount			Explanation (include details to justify basis for the calculated number attach a separate sheet if needed)
	0450	0001	Total	
4000 Total Salary & Benefits	#REF!	#REF!	#REF!	Budget allocations are based from fiscal year 2009 budgeted allocations and actual expenditures.
5001 Subtotal Communication	\$ 7,600		\$ 7,600	
5051 Subtotal Employee Development	\$ 12,600		\$ 12,600	
5101 Subtotal General Services	\$ 18,000		\$ 18,000	
5151 Subtotal Professional Services	\$ 1,000		\$ 1,000	
5201 Subtotal Repair & Maint Services	\$ 9,300		\$ 9,300	
5251 Subtotal Administrative Service	\$ 500		\$ 500	
5301 Subtotal Computer services	\$ -		\$ -	
5351 Subtotal Employee Travel	\$ 8,700		\$ 8,700	
5401 Subtotal Administrative Supplies	\$ 1,500		\$ 1,500	
5451 Subtotal Fuel & Lubricants	\$ -		\$ -	
5501 Subtotal Mfg & Merch Costs	\$ -		\$ -	
5551 Subtotal Computer supplies	\$ 1,600		\$ 1,600	
5601 Subtotal Repair & Maint Supplies	\$ 200		\$ 200	
5651 Subtotal Instit & Resid supplies	\$ -		\$ -	
5701 Subtotal Specific use supplies	\$ 100		\$ 100	
5751 Subtotal Insurance	\$ 2,000		\$ 2,000	
5851 Subtotal utility charges	\$ -		\$ -	
5901 Subtotal Rentals & Operating leases	\$ 24,700		\$ 24,700	
5961 Subtotal Misc Expenditures	\$ 67,063		\$ 67,063	
5000 Total Operating Expenses	\$ 154,863		\$ 154,863	
6000 Capital Outlay	\$ -		\$ -	
7000 Trustee/Benefits	\$ -		\$ -	
TOTAL EXPENDITURES	#REF!	#REF!	#REF!	

Alternatives	Cost Description (use separate sheet of paper if necessary)	Benefit Description (use separate sheet of paper if necessary)
<p>1. <u>The preferred budget, illustrated above,</u> reflects personnel and operating restructuring by aligning cost centers with specific areas of responsibility. This new structure is designed to be more inline with the OCIO current organizational structure and services offering. It will also allow lead staff team members the ability to manage their own respective budgets.</p>	<p>Base Budget</p>	<p>Due to the economic climate the OCIO is not implementing needed changes that impact this cost center as indicated below: -----The Geospatial Information Officer's salary and operating expenses will not transition to General Fund, this position will remain funded by ITRMC Dedicated funds. In fiscal year 2012 budget requests will be made to transition this position to General Fund as the IGO provides services to all agencies as well as other public entities.</p>
<p><u>2nd Alternative</u> is to leave the existing cost centers and programs in place with no modification.</p>	<p>There would be not additional costs in leaving the existing cost centers in place for the OCIO</p>	<p>There is no real benefit to leaving the existing OCIO cost centers as they are other than we maintain the status quo. There is a disadvantage in that currently it is not possible to track expenses per the existing individual business units.</p>
<p><u>3rd Alternative</u> is outsourcing.</p>	<p>Estimated to be 40-50% higher in personnel costs, operations costs should remain close to the same.</p>	<p>There is no quick way to determine what these costs would be as it will take an RFI/RFP process to determine scope and actual costs, this process can take from 6 months to a year to complete. We do know that the private sector is paying 30-40% higher than the state for IT related positions. The outsource provider also has their administrative overhead costs and profit to build in. There is no benefit as the functions must be performed regardless of who completes them and outsourcing costs more.</p>

For this decision package, please thoroughly answer, on a separate sheet, the following three questions with as much detail as is necessary:

1. Why is this service/activity performed and why is it performed in this manner?

This cost center currently provides Enterprise Services in the following areas:

Web hosting: providing a hardware and software platform for agencies websites and web applications. An example of this is the Employee Portal; <http://www.employee.idaho.gov/>

Database hosting: providing a hardware and software platform for agencies databases for both agency internal applications and public facing applications. An example of this is the employee search;

http://www.cio.idaho.gov/products_and_services/phone_search/

Web development: providing consulting for agency staff and coordination with third party vendors developing web pages and applications for the state. Also providing some direct development and trouble shooting of agencies websites.

Application technical consulting: Providing technical expertise to agencies develop applications themselves or as they contract with vendors for applications.

DNS service: Providing the internet addressing that allows state websites to be visible and email to be addressed.

Helpdesk: Provide our customers with a tool to report, track, and follow-up on service calls. Provide a tool for our to keep track of open calls, keep records of solutions to problems and to communicate with our customers.

FTP services: Provide a platform for state agencies to transfer files and collect data from other agencies and their customers.

A consolidated services approach is in the best interest of the state. The web hosting, database hosting, FTP services, and DNS services are provided so that agencies do not have to fund and support these services independently and duplicate personnel and systems. Application and Web development consulting are to provide some expertise when running these projects so that money is not wasted or spent needlessly. The helpdesk provides technical support to state customer agencies whether directly supported or at the enterprise.

2. How does this service/activity and this base level of funding support your agency's strategic plan and fulfill legal mandates?

These services directly support the department's goal #3. Consolidate Enterprise Services Including E-Mail and Telephone. These services provide systems that are consolidated and available to agencies thus reducing the need to fund and support duplicate systems at each agency. These services also directly support our Vision - To bring appropriate, efficient and innovative business practices to Idaho government, and our Mission - To provide responsive, cost effective, and timely support services to Idaho's policy makers, public agencies and state employees as they serve Idaho citizens.

3. What adjustments would be made if this cost center were eliminated?

Agencies would need to seek additional personnel funding or additional funding for contracted services. DNS services must be centrally managed as it is the way the Internet addressing is done for the state as a whole and would not work if each agency did addressing independently.

Develop this decision package by reconstructing the cost center's operation up from zero base according to what is absolutely needed to fulfill your agency's legal requirements in the most efficient and effective way. Critical to this step is the identification and analysis of alternative approaches to how business is currently undertaken within this cost center (please identify opportunities to do the job differently and better). This reconstruction should reflect the preferred alternative (from the alternative box below) to the current structure. Alternatives may include the need to, for example, propose legislation to eliminate low value or out-of-date mandates, reorganize or re-engineer work processes, further exploit information technology applications, including system consolidation, outsource services to contractors, share or transfer work responsibilities to other cost centers, programs, or agencies.

Expenditure Category	Amount			Total	Explanation (include details to justify basis for the calculated number attach a separate sheet if needed)
	0001	0125	Fund 3		
4000 Total Salary & Benefits	#REF!	#REF!		#REF!	Budget allocations are based from fiscal year 2009 budgeted allocations and actual expenditures.
5001 Subtotal Communication	\$ 3,078			\$ 3,078	
5051 Subtotal Employee Development	\$ 10,900			\$ 10,900	
5101 Subtotal General Services	\$ -			\$ -	
5151 Subtotal Professional Services	\$ -			\$ -	
5201 Subtotal Repair & Maint Services	\$ 27,400			\$ 27,400	
5251 Subtotal Administrative Service	\$ -			\$ -	
5301 Subtotal Computer services	\$ 1,200			\$ 1,200	
5351 Subtotal Employee Travel	\$ 3,600			\$ 3,600	
5401 Subtotal Administrative Supplies	\$ 200			\$ 200	
5451 Subtotal Fuel & Lubricants	\$ -			\$ -	
5501 Subtotal Mfg & Merch Costs	\$ -			\$ -	
5551 Subtotal Computer supplies	\$ 600			\$ 600	
5601 Subtotal Repair & Maint Supplies	\$ -			\$ -	
5651 Subtotal Instit & Resid supplies	\$ -			\$ -	
5701 Subtotal Specific use supplies	\$ 150			\$ 150	
5751 Subtotal Insurance	\$ 2,000			\$ 2,000	
5851 Subtotal utility charges	\$ -			\$ -	
5901 Subtotal Rentals & Operating leases	\$ 10,000			\$ 10,000	
5961 Subtotal Misc Expenditures	\$ 3,000			\$ 3,000	
5000 Total Operating Expenses	\$ 62,128	\$ -		\$ 62,128	
6000 Capital Outlay	\$ -			\$ -	
7000 Trustee/Benefits	\$ -			\$ -	
TOTAL EXPENDITURES	#REF!	#REF!		#REF!	

Alternatives	Cost Description (use separate sheet of paper if necessary)	Benefit Description (use separate sheet of paper if necessary)
<p>The preferred budget, illustrated above, reflects personnel and operating restructuring by aligning cost centers with specific areas of responsibility. This new structure is designed to be more inline with the OCIO current organizational structure and services offering. It will also allow lead staff team members the ability to manage their own respective budgets.</p>	<p>Base Budget</p>	<p>Due to the economic climate the OCIO is not implementing needed changes that impact this cost center as indicated below: -----Enterprise Application staff salaries and operating expenses will not transition to general fund, these positions will remain funded by the department's Indirect fund. Two Staff positions (PCN 5106, and 1035) are currently funded by the divisions within the department yet these staff members are providing enterprise services. In FY12 budget requests will be made to transition these two staff members salaries and associated operating costs to general fund as the services this business unit provides supports to all state agencies.</p>
<p>2nd Alternative is to leave the existing cost centers and programs in place with no modification.</p>	<p>There would be no additional costs in leaving the existing cost centers in place for the OCIO. However there would be a change in the allocation of personnel costs. The personnel costs for the IT Systems Integrations Analyst Sr (PCN 5115) , and Web Master (PCN 5128) would come from the Department's Indirect Fund (0125), a total amount of \$151,421.</p>	<p>There is no real benefit to leaving the existing OCIO cost centers as they are other than we maintain the status quo. There is a disadvantage in that currently it is not possible to allocate IT related costs to agencies for those costs that make sense and to track expenses per the existing individual business units.</p>
<p>3rd Alternative is outsourcing.</p>	<p>Estimated to be 40-50% higher in personnel costs, operations costs should remain close to the same.</p>	<p>There is no quick way to determine what these costs would be as it will take an RFI/RFP process to determine scope and actual costs, this process can take from 6 months to a year to complete. We do know that the private sector is paying 30-40% higher than the state for IT related positions. The outsource provider also has their administrative overhead costs and profit to build in. There is no benefit as the functions must be performed regardless of who completes them and outsourcing costs more.</p>

Cost Center Description

The Enterprise IT Security Team takes actions required to protect the sensitive information of the state, most of which resides on computers and network servers and moves across network segments so agencies can accomplish their missions. The Enterprise IT Security Team provides network intrusion detection services on the state's network. The primary focus of the intrusion-detection system (IDS) is identifying and preventing threats from the Internet. In addition, all incoming state email is processed by the Enterprise IT Security Team's email scanning solution to protect the network from malicious software and to drastically reduce spam and scam email from reaching state employees. The Team also serves as the central coordination entity for security incidents on the state's network. Furthermore, the Team scans for vulnerabilities on the state network and, with assistance from agencies, provides vulnerability scanning inside agency networks. With this approach, networks are analyzed from the perspective of the outside attacker in order to prevent attackers from affecting state-held information.

For this decision package, please thoroughly answer, on a separate sheet, the following three questions with as much detail as is necessary:

1. Why is this service/activity performed and why is it performed in this manner?

The Office of the CIO is charged with establishing guidelines for accessing information that is held by the state, and our IT Strategic plan matches that by stating the objective to "Safeguard the privacy and confidentiality of information." The job of safeguarding the privacy of citizen's personal information and other sensitive information is complex, and includes protecting the network itself from malicious software, network attacks, malicious insiders, careless employees, theft and accidental loss. In general, IT Best Practices include maintaining the confidentiality, integrity and availability of information overall, while maintaining the authenticity of the information and information users along with non-repudiation of information exchanges. Therefore, securing the network and its information requires that we operate as described in the Cost Center Description above.

2. How does this service/activity and this base level of funding support your agency's strategic plan and fulfill legal mandates?

The department's Strategic Plan shows that the department's vision is "To bring appropriate, efficient and innovative business practices to Idaho government." Protecting networks and the information required to conduct the business of the state is a critical component of establishing these innovative business practices. Furthermore, the Plan states the OCIO is required to "Assess and Align IT Security Investment" which in turn leads to the requirement to "Assess threats and adequacy" of the current threat "mitigation strategy." Idaho Statute 67-5745C paragraph (10) states that "In accordance with statutes governing the availability or confidentiality of public records and information, establish guidelines for the accessing of public information by the public." This requires that we provide safeguard features in the network to specifically control who has access to what information.

3. What adjustments would be made if this cost center were eliminated?

Resources from other cost centers would be used to fund the activities of the Enterprise IT Security Team since these activities and systems cannot be eliminated. This could lead to a reduction in security capabilities because of conflicting priorities. Plus, more management time would be consumed while trying to resolve conflicts.

Develop this decision package by reconstructing the cost center's operation up from zero base according to what is absolutely needed to fulfill your agency's legal requirements in the most efficient and effective way. Critical to this step is the identification and analysis of alternative approaches to how business is currently undertaken within this cost center (please identify opportunities to do the job differently and better). This reconstruction should reflect the preferred alternative (from the alternative box below) to the current structure. Alternatives may include the need to, for example, propose legislation to eliminate low value or out-of-date mandates, reorganize or re-engineer work processes, further exploit information technology applications, including system consolidation, outsource services to contractors, share or transfer work responsibilities to other cost centers, programs, or agencies.

Expenditure Category	Amount					Explanation (include details to justify basis for the calculated number attach a separate sheet if needed)
	0001	0001 Line Item #3	0450	0450 - McAfee/VPN	Total	
4000 Total Salary & Benefits	#REF!		#REF!		#REF!	Budget allocations are based from fiscal year 2009 budgeted allocations and actual expenditures.
5001 Subtotal Communication	\$ 1,089				\$ 1,089	The Department's Line Item #3 Request (a portion of DU 12.03), is shown in a separate adjacent general fund column. The \$530,000 request is for a technical solution and program, including an FTP to manage it , which will identify when confidential or sensitive information is being released outside state government and which will help make remediation relatively easy.
5051 Subtotal Employee Development	\$ 4,100				\$ 4,100	
5101 Subtotal General Services		\$ 80,000	\$ -		\$ 80,000	
5151 Subtotal Professional Services			\$ -		\$ -	
5201 Subtotal Repair & Maint Services	\$ 33,300	\$ 50,000		\$ 193,000	\$ 243,000	
5251 Subtotal Administrative Service			\$ -		\$ -	
5301 Subtotal Computer services			\$ -		\$ -	
5351 Subtotal Employee Travel	\$ 3,500				\$ 3,500	
5401 Subtotal Administrative Supplies	\$ 200				\$ 200	
5451 Subtotal Fuel & Lubricants			\$ -		\$ -	
5501 Subtotal Mfg & Merch Costs			\$ -		\$ -	
5551 Subtotal Computer supplies	\$ 1,100	\$ 400,000			\$ 400,000	
5601 Subtotal Repair & Maint Supplies			\$ -		\$ -	
5651 Subtotal Instit & Resid supplies			\$ -		\$ -	
5701 Subtotal Specific use supplies	\$ 150				\$ 150	
5751 Subtotal Insurance	\$ 2,000				\$ 2,000	
5851 Subtotal utility charges	\$ -				\$ -	
5901 Subtotal Rentals & Operating leases	\$ 4,900				\$ 4,900	
5961 Subtotal Misc Expenditures	\$ 8,000				\$ 8,000	
5000 Total Operating Expenses	\$ 58,339	\$ 530,000	\$ -	\$ 193,000	\$ 781,339	
6000 Capital Outlay	\$ -				\$ -	
7000 Trustee/Benefits	\$ -				\$ -	
TOTAL EXPENDITURES (Request)	#REF!	\$ -	#REF!	\$ 193,000	#REF!	

Alternatives	Cost Description (use separate sheet of paper if necessary)	Benefit Description (use separate sheet of paper if necessary)
<p>The preferred budget, as illustrated above, Calculations reflects personnel and operating restructuring by aligning cost centers with specific areas of responsibility. This new structure is designed to be more inline with the OCIO current organizational structure and services offering. It will also allow lead staff team members the ability to manage their own respective budgets.</p>	<p>Base Budget</p>	<p>Due to the economic climate the OCIO is not implementing needed changes that impact this cost center as indicated below: ---Enterprise Security staff salaries and operating expenses will not transition to ITRMC Dedicated Fund; positions will remain funded by the general fund. In FY12 budget requests will be made to transition Enterprise Security Services to ITRMC Dedicated Fund as Enterprise IT Security provides services to state agencies and should be funded by a Dedicated Funding model.</p>
<p>2nd Alternative is to leave the existing cost centers and programs in place with no modification.</p>	<p>There would be no additional costs in leaving the existing cost centers in place for the OCIO.</p>	<p>There is no real benefit to leaving the existing OCIO cost centers as they are other than we maintain the status quo. There is a disadvantage in that currently it is not possible to track expenses per the existing individual business units.</p>
<p>3rd Alternative is outsourcing.</p>	<p>Estimated to be 40-50% higher in personnel costs, operations costs should remain close to the same.</p>	<p>There is no quick way to determine what these costs would be as it will take an RFI/RFP process to determine scope and actual costs, this process can take from 6 months to a year to complete. We do know that the private sector is paying 30-40% higher than the state for IT related positions. The outsource provider also has their administrative overhead costs and profit to build in. There is no benefit as the functions must be performed regardless of who completes them and outsourcing costs more.</p>

Agency Department of Administration - OCIO
Code: 200
Decision Package Title: Enterprise Plans & Programs

Cost Center Description

This cost center currently provides project management, enterprise architecture, budget planning and oversight, and strategic planning for the Office of the CIO and enterprise consolidated initiatives. On the statewide enterprise level provides Customer relations, contract management, interagency billings for services provided, strategic planning, and review of agencies IT plans. As this program grows project management and enterprise architecture related services will also be offered on a statewide level. Salary for this effort is allocated to other cost centers.

For this decision package, please thoroughly answer, on a separate sheet, the following three questions with as much detail as is necessary:

1. Why is this service/activity performed and why is it performed in this manner?

Enterprise Plans and Programs currently provides project management, enterprise architecture, budget planning and oversight, and strategic planning for the OCIO and enterprise consolidated initiatives. The statewide enterprise level provides customer relations, contract development, oversight and management, enterprise licensing and setting standards, interagency billings for services provided, strategic planning, and review of agencies' IT plans. As this program grows project management and enterprise architecture related services will also be offered on a statewide level.

The OCIO requires business operations and services oversight to support its mission. The oversight and support functions provided allows the OCIO the ability to manage the various statewide services it provides, as well orchestrates a method for moving forward with enterprise consolidated initiatives. The Plans and Programs business unit helps the OCIO manage and develop its budgets, fulfill its statute requirement, as well as supports the state's and OCIO's strategic plan.

2. How does this service/activity and this base level of funding support your agency's strategic plan and fulfill legal mandates?

In addition to the various services it provides the OCIO, it also supports ITRMC. OCIO makes available to the Council information needed to make sound decisions and it carries-out those duties assigned by the Council. The OCIO serves as the Council's business unit supporting requirements of statute 67-5745C. It also responsible for maintaining the requirements of several other statutes: 67-5745D, 67-5747, 67-5780, 67-5781. Administration developed 9 goals in its FY10-FY12 Strategic Plan of which the OCIO developed 3 key objectives: Manage and deliver successful IT projects; Consolidate enterprise services; and, Assesses and align IT Security investment. These objectives are directly in line with the State IT Strategic Plan.

Based on a recommendation of the Office of Performance Evaluation (OPE) and the IT Alignment Task Force chaired by Garry Beaty of Boise City, the Plans and Programs business unit will be expanded to include a Project Reporting Office and 6 additional staff members. During FY09 state agencies were involved in 150 projects. It is anticipated that this unit will provide Project Management (40%), and Portfolio Management (60%) services to state agencies. Providing a statewide Consolidated State Payroll and HR System will be initiatives for the Project Reporting Office. Funding for developing the business cases will be requested in FY12.

3. What adjustments would be made if this cost center were eliminated?

Functions provided by this cost center would continue to be needed and must be absorbed elsewhere if it were eliminated. This is not a function that could easily be outsourced as oversight and management of service provider contracts would be needed by state personnel.

Develop this decision package by reconstructing the cost center's operation up from zero base according to what is absolutely needed to fulfill your agency's legal requirements in the most efficient and effective way. Critical to this step is the identification and analysis of alternative approaches to how business is currently undertaken within this cost center (please identify opportunities to do the job differently and better). This reconstruction should reflect the preferred alternative (from the alternative box below) to the current structure. Alternatives may include the need to, for example, propose legislation to eliminate low value or out-of-date mandates, reorganize or re-engineer work processes, further exploit information technology applications, including system consolidation, outsource services to contractors, share or transfer work responsibilities to other cost centers, programs, or agencies.

Expenditure Category	Amount				Explanation (include details to justify basis for the calculated number attach a separate sheet if needed)
	0001	Fund 2	Fund 3	Total	
4000 Total Salary & Benefits	#REF!			#REF!	Budget allocations are based from fiscal year 2009 budgeted allocations and actual expenditures.
5001 Subtotal Communication	\$ 6,200			\$ 6,200	
5051 Subtotal Employee Development	\$ 5,800			\$ 5,800	
5101 Subtotal General Services				\$ -	
5151 Subtotal Professional Services	\$ -			\$ -	
5201 Subtotal Repair & Maint Services	\$ -			\$ -	
5251 Subtotal Administrative Service	\$ -			\$ -	
5301 Subtotal Computer services	\$ -			\$ -	
5351 Subtotal Employee Travel				\$ -	
5401 Subtotal Administrative Supplies	\$ 800			\$ 800	
5451 Subtotal Fuel & Lubricants	\$ -			\$ -	
5501 Subtotal Mfg & Merch Costs	\$ -			\$ -	
5551 Subtotal Computer supplies	\$ 3,600			\$ 3,600	
5601 Subtotal Repair & Maint Supplies	\$ -			\$ -	
5651 Subtotal Instit & Resid supplies	\$ -			\$ -	
5701 Subtotal Specific use supplies	\$ 700			\$ 700	
5751 Subtotal Insurance	\$ 2,000			\$ 2,000	
5851 Subtotal utility charges	\$ -			\$ -	
5901 Subtotal Rentals & Operating leases	\$ 4,000			\$ 4,000	
5961 Subtotal Misc Expenditures	\$ 4,600			\$ 4,600	
5000 Total Operating Expenses	\$ 27,700			\$ 27,700	
6000 Capital Outlay	\$ -			\$ -	
7000 Trustee/Benefits	\$ -			\$ -	
TOTAL EXPENDITURES	#REF!			#REF!	

Alternatives	Cost Description (use separate sheet of paper if necessary)	Benefit Description (use separate sheet of paper if necessary)
<p>The preferred budget, as illustrated above, reflects personnel and operating restructuring by aligning cost centers with specific areas of responsibility. This new structure is designed to be more inline with the OCIO current organizational structure and services offering. It will also allow lead staff team members the ability to manage their own respective budgets.</p>	<p>Base Budget</p>	<p>Due to the economic climate the OCIO is not implementing needed changes that impact this cost center as indicated below: -----The Project Reporting Office as originally planned will not be implemented until fiscal year 2012. The Office of Performance Evaluation (OPE) and the IT Alignment Task Force chaired by Garry Beaty of Boise City recommended the establishment of the Project Reporting Office and in order for this office to function effectively the Plans and Programs business unit needs be expanded to include 6 additional staff members. These additional staff members and their associated operating expenses will be requested in fiscal year 2012.</p>
<p>2nd Alternative is a phased approach to implementing the Project Reporting Office. Based on a recommendation of the Office of Performance Evaluation (OPE) and the IT Alignment Task Force chaired by Garry Beaty of Boise City the Plans and Programs business unit will be expanded to include a Project Reporting Office and 6 additional staff members. During fiscal year 2009 state agencies were involved in 150 projects. It is anticipated that this unit will provide Project Management (40%), and Portfolio Management (60%) services to state agencies.</p>	<p>Phasing in this office over 2 years would add 3 of the 6 FTP's in the first year at about \$230,000. Operating would be an additional \$44,000. Phasing in the Office over 3 years would add 2 FTP's in the first year at \$209,859. Operating would be \$37,550.</p>	<p>The benefit to implementing the Project Reporting Office would enable the OCIO to provide state agencies project management and project portfolio management and begin the State Payroll and State HR systems consolidation projects. Currently, the Plans and Programs Cost Center has 3 FTEs and does not have adequate staffing resources needed to address planning and implementation of enterprise consolidation initiatives.</p>
<p>3rd Alternative is to leave the existing cost centers and programs in place with no modification.</p>	<p>There would be not additional costs in leaving the existing cost centers in place for the OCIO. The Plans and Programs unit is already a predominately General Funded business unit of the OCIO.</p>	<p>There is no real benefit to leaving the existing OCIO cost centers as they are other than we maintain the status quo. There is a disadvantage in that currently it is not possible to track expenses per the existing individual business units.</p>

Code: 200

Decision Package Title: **Enterprise Consol. Serv**

This Cost Center is the foundation for developing and providing enterprise-wide services. This cost center currently includes the personnel and operating costs for server management for Consolidated Messaging which is the beginning of Consolidated Enterprise Services initiative. As the state expands on these consolidated efforts additional staffing and resources will need to be added.

For this decision package, please thoroughly answer, on a separate sheet, the following three questions with as much detail as is necessary:

1. Why is this service/activity performed and why is it performed in this manner?

The Office of the CIO is charged with establishing those consolidated services that make sense for the state. The Governor has asked agencies to streamline and make their IT operations more efficient and cost effective; consolidating like services across the state is the best method of containing or lowering costs. Consolidated messaging is a good example of this as global address information will be available to all employees, scheduling meeting across agencies will be possible, and in an emergency situation the governor or his designee can easily email information to all state employees.

2. How does this service/activity and this base level of funding support your agency's strategic plan and fulfill legal mandates?

The Department of Administration developed 9 goals in its FY10-12 Strategic Plan of which the OCIO developed 3 key objectives: Develop capacity to manage and deliver successful IT projects; Consolidate enterprise services including e-mail and telephone; Assess and align IT security investment. These objectives are directly in line with the State IT Strategic Plan.

3. What adjustments would be made if this cost center were eliminated?

If this cost center were to be eliminated agencies would need to provide for these consolidated services individually within their respective agencies. There would be a duplication of effort across all agencies and costs to the state would rise. The existing consolidated services would still need to exist for agencies that are now reliant on this support. In addition to consolidated services the server team supports other enterprise level equipment and would still need to do so.

Develop this decision package by reconstructing the cost center's operation up from zero base according to what is absolutely needed to fulfill your agency's legal requirements in the most efficient and effective way. Critical to this step is the identification and analysis of alternative approaches to how business is currently undertaken within this cost center (please identify opportunities to do the job differently and better). This reconstruction should reflect the preferred alternative (from the alternative box below) to the current structure. Alternatives may include the need to, for example, propose legislation to eliminate low value or out-of-date mandates, reorganize or re-engineer work processes, further exploit information technology applications, including system consolidation,

Expenditure Category	Amount	Amount	Total	Explanation (include details to justify basis for the calculated number attach a separate sheet if needed)
	0450 & 0125 (Consolidated Messaging)	0001 Line Item #2 (Consolidated Messaging)		
4000 Total Salary & Benefits	#REF!		#REF!	Budget allocations are based from fiscal year 2009 budgeted allocations and actual expenditures. Line Item #2 Request (DU 12.02), is shown in a separate adjacent general fund column. The \$1,893,700 request is to continue the consolidated messaging system initiated in FY08.
5001 Subtotal Communication		\$ -	\$ -	
5051 Subtotal Employee Development	\$ 6,500	\$ 20,000	\$ 26,500	
5101 Subtotal General Services		\$ -	\$ -	
5151 Subtotal Professional Services		\$ 728,000	\$ 728,000	
5201 Subtotal Repair & Maint Services	\$ 62,000	\$ 157,900	\$ 219,900	
5251 Subtotal Administrative Service		\$ -	\$ -	
5301 Subtotal Computer services		\$ -	\$ -	
5351 Subtotal Employee Travel		\$ -	\$ -	
5401 Subtotal Administrative Supplies		\$ -	\$ -	
5451 Subtotal Fuel & Lubricants		\$ -	\$ -	
5501 Subtotal Mfg & Merch Costs		\$ -	\$ -	
5551 Subtotal Computer supplies		\$ 494,800	\$ 494,800	
5601 Subtotal Repair & Maint Supplies		\$ -	\$ -	
5651 Subtotal Instit & Resid supplies		\$ -	\$ -	
5701 Subtotal Specific use supplies		\$ -	\$ -	
5751 Subtotal Insurance		\$ -	\$ -	
5851 Subtotal utility charges		\$ -	\$ -	
5901 Subtotal Rentals & Operating leases	\$ 93,100	\$ 202,100	\$ 295,200	
5961 Subtotal Misc Expenditures	\$ 19,000	\$ 240,500	\$ 259,500	
5000 Total Operating Expenses	\$ 180,600	\$ 1,843,300	\$ 2,023,900	
6000 Capital Outlay		\$ 50,400	\$ 50,400	
7000 Trustee/Benefits		\$ -	\$ -	

TOTAL EXPENDITURES (Request) **#REF!** \$ - **#REF!**

Alternatives	Benefit Description (use separate sheet of paper if necessary)
<p>The preferred budget, as illustrated above, reflects personnel and operating restructuring by aligning cost centers with specific areas of responsibility. This new structure is designed to be more inline with the OCIO current organizational structure and services offering. It will also allow lead staff team members the ability to manage their own respective budgets.</p>	<p>Due to the economic climate the OCIO is not implementing needed changes that impact this cost center as indicated below: -----The IT support staff from DFM was to transition to the OCIO and in return the OCIO would provide IT support and other IT services to DFM, DHR, the Governor's Office, Lt. Governor's Office, and Office on Drug Policy. Beginning in FY10 and through FY11 an MOA and pilot trial period will be developed. Assuming this arrangement provides benefits intended, in FY12 DFM will transition their IT support staff (two staff members) and associated general funding to the OCIO.</p>
<p>2nd Alternative is to transition IT support staff from DFM to the OCIO and in return the OCIO would provide IT support and other IT services to DFM, DHR, the Governor's Office, Lt. Governor's Office, and Office on Drug Policy. Beginning in FY10 and through FY11 an MOA and pilot trial period will be developed. Assuming this arrangement provides the benefits intended in FY12 DFM will transition their IT support staff (two staff members) and associated General funding to the OCIO.</p>	<p>There is no real benefit to leaving the existing OCIO cost centers as they are other than we maintain the status quo. There is a disadvantage in that currently it is not possible to track expenses per the existing individual business units.</p>
<p>3rd Alternative is outsourcing.</p>	<p>There is no quick way to determine what these costs would be as it will take an RFI/RFP process to determine scope and actual costs, this process can take from 6 months to a year to complete. We do know that the private sector is paying 30-40% higher than the state for IT related positions. The outsource provider also has their administrative overhead costs and profit to build in. There is no benefit as the functions must be performed regardless of who completes them and outsourcing costs more.</p>

For this decision package, please thoroughly answer, on a separate sheet, the following three questions with as much detail as is necessary:

1. Why is this service/activity performed and why is it performed in this manner?

Enterprise Infrastructure funds operation of the state's core network. This network connects agencies to each other and provides connectivity to outside of the state network. The state's enterprise infrastructure network enables inter-agency communications such as access to common state applications, e-mail, video teleconferencing (VTC) and Voice Over IP (VOIP) telephony. It also permits communication between IP-based devices such as PBX's, security devices and building controls. It provides the transport of traffic to and from the State network's Internet Access point for all state agencies.

Telephone Services centrally manages:

- Telephone service contracts - Telephone equipment and services project coordination
- All service orders and service installation coordination
- PBX management
- Long distance services and calling cards
- Cellular services and equipment contracts
- Audio/Video Conferencing services and core equipment
- Monthly interagency telephone services billing and inventory management
- On-line State Telephone Directory coordination

The Telephone Services program is statutorily required to control and approve the acquisition and installation of all communications equipment and facilities for all departments and Institutions of state government. The current oversight and support functions and activities allow Telephone services to manage the various statewide services it provides, as well as provides a method for moving forward with enterprise consolidated initiatives. The program and all the associated activities are required to fulfill its statutory requirement and to support the state's and OCIO's strategic plan.

VPN Access: This cost center will make it possible for Virtual Private Network (VPN) access to the state's internal network for all agencies. It is a key component in telecommuting providing the ability for state agencies to participate in telecommuting in a secure manner. VPN access allows authorized and authenticated users to access resources such as state applications from outside the physical perimeter of the state core network. Communication between the remote computer and the core network is encrypted. It is necessary to provide a measure of security to the core network and the remote computer connecting to the network.

2. How does this service/activity and this base level of funding support your agency's strategic plan and fulfill legal mandates?

The services listed above are necessary to meet the basic expectations of the state's employees and constituents for access to electronic services. The OCIO is also responsible for maintaining the requirements of several other statutes 67-5745D, 67-5747, 67-5780, 67-5781. As indicated above, Enterprise Infrastructure – Network Services directly supports the OCIO in its mission. Administration developed 9 goals in its FY10-FY12 Strategic Plan of which the OCIO developed 3 key objectives: Develop capacity to manage and deliver successful IT projects; Consolidate enterprise services including e-mail and telephone; Assess and align IT security investment. These objectives are directly in line with the State IT Strategic Plan.

Telephone Services: Telephone Services is guided by IC statute 67-5745C and currently centrally contracts for and manages statewide contracts for telecommunications services and equipment.

VPN Access: OCIO is responsible for supporting small agencies. Additionally, telecommuting is supported by resolution SCR 110. The OCIO is also responsible for maintaining the requirements of several other statutes 67-5745D, 67-5747, 67-5780, 67-5781. As indicated above, Enterprise Infrastructure – VPN Access directly supports the OCIO in its mission.

3. What adjustments would be made if this cost center were eliminated?

If this cost center were to be eliminated alternate funding and staffing would have to be provided, as this is a basic service that is required for the operation of State government.

Telephone Services: Centralized telephone services are critical in supporting agency missions and the contracts negotiated by telephone services leverage the consolidated buying power of all the combined telecommunications needs of the State. If the program were not funded individual agencies will continue to be required to duplicate services at a much higher cost in dollars and effort and will have to obtain services without the benefit of statewide contracts and the associated negotiated savings.

VPN Access: If this cost center were to be eliminated alternate funding and staffing would have to be provided or remote access capabilities would be eliminated. Develop this decision package by reconstructing the cost center's operation up from zero base according to what is absolutely needed to fulfill your agency's legal requirements in the most efficient and effective way. Critical to this step is the identification and analysis of alternative approaches to how business is currently undertaken within this cost center (please identify opportunities to do the job differently and better). This reconstruction should reflect the preferred alternative (from the alternative box below) to the current structure. Alternatives may include the need to, for example, propose legislation to eliminate low value or out-of-date mandates, reorganize or re-engineer work processes, further exploit information technology applications, including system consolidation, outsource services to contractors, share or transfer work responsibilities to other cost centers, programs, or agencies.

Expenditure Category	Amount						Total	Explanation (include details to justify basis for the calculated number attach a separate sheet if needed)
	0001 (Network Services) #REF!	0450 (Telephone Services) #REF!	0450 Line Item #3 (VPN Access) \$	0346 (Stimulus Funds - IEN) \$	0349 Line Item #1 (Idaho Educ. Network) Albertson's Foundation Donation \$			
4000 Total Salary & Benefits	#REF!	#REF!	\$ -	#REF!	\$ 246,800	#REF!		Budget allocations are based from fiscal year 2009 budgeted allocations and actual expenditures.
5000 Operating for Idaho Educ. Network	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
5001 Subtotal Communication	\$ 14,433	\$ 3,020	\$ -	\$ 2,353,560	\$ 1,540,300	\$ 2,371,013		
5051 Subtotal Employee Development	\$ 7,900	\$ 11,900	\$ -	\$ 71,000	\$ 2,500	\$ 90,800		The Department's Line Item #1 Request (DU 12.01), is shown in a separate adjacent general fund column. The \$3 million request is to provide a robust network to Idaho High Schools to facilitate distance learning opportunities.
5101 Subtotal General Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
5151 Subtotal Professional Services	\$ -	\$ 2,000	\$ -	\$ -	\$ 162,500	\$ 2,000		
5201 Subtotal Repair & Maint Services	\$ 192,200	\$ 78,000	\$ 200,000	\$ 105,300	\$ 115,800	\$ 575,500		The Department's Line Item #3 Request (portion of DU 12.03), is shown in a separate adjacent General Fund column. The \$200,000 request is for a reliable and secure remote access system to the state's network.
5251 Subtotal Administrative Service	\$ -	\$ -	\$ -	\$ 21,000	\$ -	\$ 21,000		
5301 Subtotal Computer services	\$ -	\$ 13,500	\$ -	\$ 114,000	\$ 197,700	\$ 127,500		
5351 Subtotal Employee Travel	\$ 4,700	\$ 5,500	\$ -	\$ 10,000	\$ 17,000	\$ 20,200		
5401 Subtotal Administrative Supplies	\$ 300	\$ 3,600	\$ -	\$ -	\$ -	\$ 3,900		
5451 Subtotal Fuel & Lubricants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
5501 Subtotal Mfg & Merch Costs	\$ 200	\$ -	\$ -	\$ -	\$ -	\$ 200		
5551 Subtotal Computer supplies	\$ 3,500	\$ 4,000	\$ -	\$ -	\$ -	\$ 7,500		
5601 Subtotal Repair & Maint Supplies	\$ -	\$ -	\$ -	\$ 125,140	\$ 108,200	\$ 125,140		
5651 Subtotal Instit & Resid supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
5701 Subtotal Specific use supplies	\$ 150	\$ -	\$ -	\$ -	\$ -	\$ 150		
5751 Subtotal Insurance	\$ 2,000	\$ 2,000	\$ -	\$ -	\$ -	\$ 4,000		
5851 Subtotal utility charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
5901 Subtotal Rentals & Operating leases	\$ 28,800	\$ 7,700	\$ -	\$ -	\$ -	\$ 36,500		
5961 Subtotal Misc Expenditures	\$ 12,100	\$ 188,209	\$ -	\$ -	\$ 19,000	\$ 200,309		
5000 Total Operating Expenses	\$ 266,283	\$ 319,429	\$ 200,000	\$ 2,800,000	\$ 2,163,000	\$ 3,585,712		
6000 Capital Outlay	\$ -	\$ 15,000	\$ -	\$ -	\$ 590,200	\$ 15,000		
7000 Trustee/Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
TOTAL EXPENDITURES (Request)	#REF!	#REF!	\$ -	#REF!		#REF!		

Alternatives	Cost Description (use separate sheet of paper if necessary)	Benefit Description (use separate sheet of paper if necessary)
<p>The preferred budget, illustrated above, reflects personnel and operating restructuring by aligning cost centers with specific areas of responsibility. This new structure is designed to be more inline with the OCIO current organizational structure and services offering. It will also allow lead staff team members the ability to manage their own respective budgets.</p> <p>This budget supports the Governor's initiative for telecommuting by providing a secure Virtual Private Network (VPN) Access, and includes those operating costs for providing the services so that these costs can be recovered by the agencies.</p>	<p>The budget includes \$62,000 in General Funds for supporting the Capitol Mall Ethernet and Borah building connectivity as these funds were allocated to DPW by mistake. DPW in their budget will transfer these appropriations to the OCIO.</p> <p>Included is a transition of Capitol Mall Fiber from dedicated to general fund as this infrastructure is utilized by all agencies and is more in line with a General Fund appropriation.</p> <p>Idanet as we knew it is transitioning to services under the Idaho Education Network contract therefore the \$60,000 spending authority appropriation for the Idanet Network Operations Center is no longer needed. This \$60,000 spending authority has been added into Telephone Services so that it can be utilized for other telecommunication consolidation projects such as video conferencing and consolidated telephone systems.</p> <p>Additionally, the ITTP program is no longer needed so the \$190,000 spending authority is being utilized for Consolidated Messaging ongoing dedicated funds, with the remainder going into telephone services to cover additional spending authority needed.</p>	<p>Due to the economic climate the OCIO is not implementing needed changes that impact this cost center as indicated below:</p> <p>----Enterprise Security staff salaries and operating expenses will not transition to ITRMC Dedicated Fund, these positions will remain within Enterprise Infrastructure business unit which is funded by the general fund. In fiscal year 2012 budget requests will be made to transition Enterprise Security Services to ITRMC Dedicated Fund as Enterprise IT Security provides services to state agencies and should be funded by a Dedicated Funding model.</p>
<p>2nd Alternative is to leave the existing cost centers and programs in place with no modification.</p>	<p>There would be no additional costs in leaving the existing cost centers in place for the OCIO. The Enterprise Infrastructure cost center is already in place, Network Services (Generally Funded) and Telephone Services (Dedicated Funded) is in existence today. We would not be seeking \$200,000 in spending authority for VPN Access therefore agency telecommuting initiatives would not be possible. A donation of \$3,000,000 from the Albertsons Foundation to further fund the IEN is expected so there would not be a budget enhancement request needed until FY2012.</p>	<p>There is no real benefit to leaving the existing OCIO cost centers as they are other than we maintain the status quo. There is a disadvantage in that currently it is not possible to track expenses per the existing individual business units.</p>
<p>3rd Alternative is outsourcing.</p>	<p>Estimated to be 40-50% higher in personnel costs, operations costs should remain close to the same.</p>	<p>There is no quick way to determine what these costs would be as it will take an RFI/RFP process to determine scope and actual costs, this process can take from 6 months to a year to complete. We do know that the private sector is paying 30-40% higher than the state for IT related positions. The outsource provider also has their administrative overhead costs and profit to build in. There is no benefit as the functions must be performed regardless of who completes them and outsourcing costs more.</p>

Cost Center Description

This cost center provides secure Internet access to all state agencies.

Decision Package Title: **Enterprise Infrastructure - Bundled Internet**

For this decision package, please thoroughly answer, on a separate sheet, the following three questions with as much detail as is necessary:

1. Why is this service/activity performed and why is it performed in this manner?

This cost center funds Internet Access and Enterprise firewall related costs. These services are required to provide agencies with Internet access and a minimum level of security for the use of the Internet.

2. How does this service/activity and this base level of funding support your agency's strategic plan and fulfill legal mandates?

The services listed above are necessary to meet the basic expectations of the State's employees and constituents for access to electronic services. The OCIO is also responsible for maintaining the requirements of several other statutes 67-5745D, 67-5747, 67-5780, 67-5781. The Department of Administration developed 9 goals in its FY2009-2010 Strategic Plan of which the OCIO developed 3 key objectives: Develop capacity to manage and deliver successful IT projects; Consolidate enterprise services including e-mail and telephone; and, Assess and align IT security investment. These objectives are directly in line with the State IT Strategic Plan.

Bundled Internet: OCIO is required by statute (67-5747) to provide communication services to the state which includes managing Internet access and providing a minimum level of security for the state's computing resources and communications.

3. What adjustments would be made if this cost center were eliminated?

If this cost center were to be eliminated general funding would still have to be provided, as this is a basic service that is required for the operation of state government.

Develop this decision package by reconstructing the cost center's operation up from zero base according to what is absolutely needed to fulfill your agency's legal requirements in the most efficient and effective way. Critical to this step is the identification and analysis of alternative approaches to how business is currently undertaken within this cost center (please identify opportunities to do the job differently and better). This reconstruction should reflect the preferred alternative (from the alternative box below) to the current structure. Alternatives may include the need to, for example, propose legislation to eliminate low value or out-of-date mandates, reorganize or re-engineer work processes, further exploit information technology applications, including system consolidation, outsource services to contractors, share or transfer work responsibilities to other cost centers, programs, or agencies.

Expenditure Category	Amount		Explanation (include details to justify basis for the calculated number attach a separate sheet if needed)
	0001 (Bundled Internet)	Total	
4000 Total Salary & Benefits	\$ -	\$ -	Budget allocations are based from fiscal year 2009 budgeted allocations and actual expenditures.
5000 Operating for Idaho Educ. Network	\$ -	\$ -	
5001 Subtotal Communication	\$ -	\$ -	
5051 Subtotal Employee Development	\$ -	\$ -	
5101 Subtotal General Services	\$ -	\$ -	
5151 Subtotal Professional Services	\$ -	\$ -	
5201 Subtotal Repair & Main Services	\$ 50,500	\$ 50,500	
5251 Subtotal Administrative Service	\$ -	\$ -	
5301 Subtotal Computer services	\$ 90,000	\$ 90,000	
5351 Subtotal Employee Travel	\$ -	\$ -	
5401 Subtotal Administrative Supplies	\$ -	\$ -	
5451 Subtotal Fuel & Lubricants	\$ -	\$ -	
5501 Subtotal Mfg & Merch Costs	\$ -	\$ -	
5551 Subtotal Computer supplies	\$ -	\$ -	
5601 Subtotal Repair & Maint Supplies	\$ -	\$ -	
5651 Subtotal Instit & Resid supplies	\$ -	\$ -	
5701 Subtotal Specific use supplies	\$ -	\$ -	
5751 Subtotal Insurance	\$ -	\$ -	
5851 Subtotal utility charges	\$ -	\$ -	
5901 Subtotal Rentals & Operating leases	\$ -	\$ -	
5961 Subtotal Misc Expenditures	\$ -	\$ -	
5000 Total Operating Expenses	\$ 140,500	\$ 140,500	
6000 Capital Outlay	\$ -	\$ -	
7000 Trustee/Benefits	\$ -	\$ -	
TOTAL EXPENDITURES	\$ 140,500	\$ 140,500	

Alternatives	Cost Description (use separate sheet of paper if necessary)	Benefit Description (use separate sheet of paper if necessary)
<p>The preferred budget reflects personnel and operating restructuring by aligning cost centers with specific areas of responsibility. This new structure is designed to be more inline with the OCIO current organizational structure and services offering. It will also allow lead staff team members the ability to manage their own respective budgets.</p> <p>It includes bundled Internet and those operating costs for providing the services so that eventually these known costs can be recovered by the agencies.</p>		<p>Due to the economic climate the OCIO is not implementing needed changes that impact this cost center as indicated below:</p> <p>----The costs of providing Internet Services to state agencies will remain funded by the General Fund. In fiscal year 2012 the request will be made to transition the operating costs for providing services to a dedicated funding model. Where possible the OCIO desires to implement a dedicated funding model for those services that make sense limiting the dependencies on the general fund.</p>
<p>The 2nd Alternative would revert this cost center back to General funding</p>	<p>Costs for Bundled Internet Services would not be billed to the agencies based on their actual usage. General Funding would continue to support Internet Services for the state (\$140,500). This cost center reverts to Enterprise Infrastructure where it exists today.</p>	<p>Benefits would be in that agencies would not sustain a fee for this service and it would continue to be supported by General Fund appropriations. With this model however a growth in Internet capacity would not happen as quickly as may be needed since any increase would require a budget enhancement request.</p>
<p>The 3rd Alternative is to leave the existing cost centers and programs in place with no modification.</p>	<p>There would be not additional costs in leaving the existing cost centers in place for the OCIO</p>	<p>There is no real benefit to leaving the existing OCIO cost centers as they are other than we maintain the status quo. There is a disadvantage in that currently it is not possible to track expenses per the existing individual business units.</p>

Agency Department of Administration - OCIO

Code: 200

Decision Package Title: **Enterprise IT Support & Services**

Cost Center Description

This cost center provides total IT support for the Department of Administration and 30 or so small agencies. This support is for all aspects of IT including: user desktop, network administration (LAN), server, file storage, backup & data recovery, wireless support, VPN (virtual Private Network), preparation of bid specification and virtually all other aspects of the agencies IT infrastructure.

For this decision package, please thoroughly answer, on a separate sheet, the following three questions with as much detail as is necessary:

1. Why is this service/activity performed and why is it performed in this manner?

Agencies have a need for a wide range of technical expertise to allow agencies to meet their missions. Smaller agencies don't need any one of these services enough to hire and have multiple people on staff, but they do need access on a regular basis to these services, so it makes sense to have expertise available to agencies from a central support group.

2. How does this service/activity and this base level of funding support your agency's strategic plan and fulfill legal mandates?

These services directly support the department's goal #3. Consolidate Enterprise Services Including E-Mail and Telephone. These services provide systems that are consolidated and available to agencies thus reducing the need to fund and support duplicate systems at each agency. These services also directly support our Vision - To bring appropriate, efficient and innovative business practices to Idaho government; and our Mission - To provide responsive, cost effective, and timely support services to Idaho's policy makers, public agencies and state employees as they serve Idaho citizens.

3. What adjustments would be made if this cost center were eliminated?

Small agencies would need to seek additional funding for personnel, or for contracted services to provide IT support services for the agency. Administration's IT needs would have to be absorbed within another IT cost center, or outsourced.

Develop this decision package by reconstructing the cost center's operation up from zero base according to what is absolutely needed to fulfill your agency's legal requirements in the most efficient and effective way. Critical to this step is the identification and analysis of alternative approaches to how business is currently undertaken within this cost center (please identify opportunities to do the job differently and better). This reconstruction should reflect the preferred alternative (from the alternative box below) to the current structure. Alternatives may include the need to, for example, propose legislation to eliminate low value or out-of-date mandates, reorganize or re-engineer work processes, further exploit information technology applications, including system consolidation, outsource services to contractors, share or transfer work responsibilities to other cost centers, programs, or agencies.

Expenditure Category	Amount				Explanation (include details to justify basis for the calculated number attach a separate sheet if needed)
	0125	0450	0001 Line Item #5	Total	
4000 Total Salary & Benefits	#REF!	#REF!	\$ 49,500	#REF!	Budget allocations are based from fiscal year 2009 budgeted allocations and actual expenditures.
5001 Subtotal Communication	\$ 4,100	\$ 1,500		\$ 5,600	
Subtotal Employee Development	\$ 19,300	\$ 3,100		\$ 22,400	The Department's Line Item #5 Request (DU 12.05) is shown in a separate adjacent general fund column. The \$49,500 request is to transfer funding from the Division of Human Resources to Administration for a Information Systems Technician
5051					
5101 Subtotal General Services	\$ -	\$ 108,000		\$ 108,000	
5151 Subtotal Professional Services	\$ -			\$ -	
5201 Subtotal Repair & Maint Services	\$ 24,100			\$ 24,100	
5251 Subtotal Administrative Service	\$ -			\$ -	
5301 Subtotal Computer services	\$ -			\$ -	
5351 Subtotal Employee Travel	\$ 1,400	\$ 1,000		\$ 2,400	
5401 Subtotal Administrative Supplies	\$ 600	\$ 300		\$ 900	
5451 Subtotal Fuel & Lubricants	\$ -			\$ -	
5501 Subtotal Mfg & Merch Costs	\$ -			\$ -	
5551 Subtotal Computer supplies	\$ 1,500	\$ 1,100		\$ 2,600	
5601 Subtotal Repair & Maint Supplies	\$ 500			\$ 500	
5651 Subtotal Instit & Resid supplies	\$ -			\$ -	
5701 Subtotal Specific use supplies	\$ 200	\$ 200		\$ 400	
5751 Subtotal Insurance	\$ 2,200			\$ 2,200	
5851 Subtotal utility charges	\$ -			\$ -	
5901 Subtotal Rentals & Operating leases	\$ 22,200	\$ 3,200		\$ 25,400	
5961 Subtotal Misc Expenditures	\$ 3,800	\$ 100		\$ 3,900	
5000 Total Operating Expenses	\$ 79,900	\$ 118,500	\$ -	\$ 198,400	
6000 Capital Outlay	\$ -	\$ -		\$ -	
7000 Trustee/Benefits	\$ -	\$ -		\$ -	
TOTAL EXPENDITURES	#REF!	#REF!	\$ -	#REF!	

Alternatives	Cost Description (use separate sheet of paper if necessary)	Benefit Description (use separate sheet of paper if necessary)
<p>The preferred budget, illustrated above, reflects personnel and operating restructuring by aligning cost centers with specific areas of responsibility within the OCIO. This new structure is designed to be more inline with OCIOs current organizational structure and services offering. Restructuring will also allow lead staff team members the ability to manage their own respective budgets.</p>	<p>This cost center budget has combined what previously was internal IT support for the Department of Administration, and IT support (external) for the small agencies and commissions that receive their IT support from Administration. In this restructured environment Administration would become a customer of the OCIO and treated just like any other agency requiring IT support services, and then billed accordingly.</p>	<p>Due to the economic climate the OCIO will not be implementing all the changes required to develop this business unit as intended, which are described below:</p> <ol style="list-style-type: none"> 1. Enterprise Consolidated Support staff salaries and operating expenses will not transition to the Generally Funded Enterprise IT Consolidated Services business unit as originally intended, these positions will remain in the Enterprise IT Support Services business unit funded by the Department of Administration's Indirect fund. In fiscal year 2012 budget requests will be made to transition these staff members salaries and associated operating costs to the Enterprise IT Consolidated Services business unit as these staff provide support to all state agencies. 2. IT Support Services staff salaries and operating expenses will not transition to the newly created dedicated funding portion of Enterprise IT Support Services cost center as originally intended, these positions will remain funded by the department's internal Indirect fund. These staff positions are currently funded by the divisions within the department yet these staff members are providing IT support services to the small agencies. In fiscal year 2012 budget requests will be made to transition these staff members salaries and associated operating costs to dedicated funding from the department's internal direct fund. Utilizing a "bill for services" model the small agencies receiving OCIO IT support services will be billed appropriately to cover all the costs associated in providing their IT support service. The result is an increase in IT support costs to the small agencies as currently they are only funding personnel costs of one position and no operating costs. Administration and the State Board of Education is currently funding the majority of personnel and operating costs associated in providing IT support to the smaller agencies. 3. Two Enterprise Application staff salaries and operating expenses will not transition to the newly created generally funded Enterprise Application Services business unit as intended, these positions will remain within the Enterprise IT Support Services business unit and funded by the department's Indirect Fund. These staff positions are currently funded by the divisions within the department yet these staff members are providing enterprise services. In FY12 budget requests will be made to transition these staff members salaries and associated operating costs to the Enterprise Application Services business unit as the services this business unit provides is to all state agencies.
<p>2nd Alternative is to leave the existing cost centers and programs in place with no modification.</p>	<p>There would be no additional costs in leaving the existing cost centers in place for the OCIO. However there would be a change in the allocation of the operating costs and personnel costs. The personnel costs for the IT Info Tech and the one IT Info Sys Tech Sr. 's would not be supported by Dedicated Fund 0450 and would transition back to Indirect Fund (0125) (\$112,273) as well as the operating costs (\$75,000). One IT Info Sys Tech Sr. position remains dedicated funded 0450 as it is today (\$57,016) as well as \$20,350 in operating costs. The General Fund personnel costs for the IT Info Sys Tech and IT Info Sys Tech Sr. would not be transferred from DFM to the OCIO (\$112,672).</p>	<p>There is no real benefit to leaving the existing OCIO cost centers as they are other than we maintain the status quo. There is a disadvantage in that currently it is not possible to track expenses per the existing individual business units.</p>
<p>3rd Alternative is outsourcing.</p>	<p>Estimated to be 40-50% higher in personnel costs, operations costs should remain close to the same.</p>	<p>There is no quick way to determine what these costs would be as it will take an RFI/RFP process to determine scope and actual costs, this process can take from 6 months to a year to complete. We do know that the private sector is paying 30-40% higher than the state for IT related positions. The outsource provider also has their administrative overhead costs and profit to build in. There is no benefit as the functions must be performed regardless of who completes them and outsourcing costs more.</p>

Agency Department of Administration - OCIO
Code: 200

Decision Package Title: Idaho Geospatial Office (IGO)/ITRMC

Cost Center Description

This cost center currently provides multi-organization collaborative planning & actions to realize statewide base geospatial information, geospatial consulting, small agency assistance and support, development and maintenance of the state Integrated Property Records system, promotes the Geospatial Data Clearinghouse and other shared services, standardizes geospatial information, and encourages best practices.

For this decision package, please thoroughly answer, on a separate sheet, the following three questions with as much detail as is necessary:

1. Why is this service/activity performed and why is it performed in this manner?

The IGO enables state agencies and other governments to more effectively and efficiently accomplish their mission by providing a coordinated approach to building and maintaining data and services.

2. How does this service/activity and this base level of funding support your agency's strategic plan and fulfill legal mandates?

The IGO is also responsible for maintaining the requirements of several statutes 67-5779, 67-5780, 67-5781, 67-5782, and EO 2006-05, This cost center fits within the Dept of Administration's strategic plan goal relating to consolidation. It also fits within ITRMC's strategic plan goals for simplifying government services and information, managing information technology from an enterprise perspective, and promoting collaborative relationships among diverse organizations.

3. What adjustments would be made if this cost center were eliminated?

If this cost center were to be eliminated the state would lose significant opportunities to efficiently manage, gather, coordinate and use geospatial data and services, as well as increase efficiency of state workers, improve decisions and the decision-making process, and positively impact citizen participation. It would become impossible to coordinate the diverse elements of the GIS community. Access to critical state data will not be possible. The state will not realize the potential of effective geospatial coordination and consolidation. The GIS community would continue on their own with a patchwork of different solutions much of which will not be in the public domain and would not be shared.

Develop this decision package by reconstructing the cost center's operation up from zero base according to what is absolutely needed to fulfill your agency's legal requirements in the most efficient and effective way. Critical to this step is the identification and analysis of alternative approaches to how business is currently undertaken within this cost center (please identify opportunities to do the job differently and better). This reconstruction should reflect the preferred alternative (from the alternative box below) to the current structure. Alternatives may include the need to, for example, propose legislation to eliminate low value or out-of-date mandates, reorganize or re-engineer work processes, further exploit information technology applications, including system consolidation, outsource services to contractors, share or transfer work responsibilities to other cost centers, programs, or agencies.

Expenditure Category	Amount 450				Explanation (include details)
	0001	0001 Line Item #4	ESRI Master License Univ Agreement	Total	
4000 Total Salary & Benefits	#REF!			#REF!	<p>attach a separate sheet if needed)</p> <p>Budget allocations are based from fiscal year 2009 budgeted allocations and actual expenditures.</p> <p>Calculations reflect personnel and operating restructuring by aligning cost centers with specific areas of responsibility. This new structure is designed to be more in-line with the OCIO current organizational structure and services offering. It will also allow lead staff team members the ability to manage their own respective budgets.</p> <p>The Department's Line Item #4 Request (DU 12.04) is shown in a separate adjacent general fund column and if for funding to create the ISDI (Idaho Spatial Data Infrastructure) Core.</p> <p>Creating the ISDI requires a combination of data and services, policies and people that form a general platform for a shared based map. Developing the SDI requires hardware and software to build, maintain and expand the infrastructure; contracted resources to develop and enhance the datasets; multiple resource locations that will house the infrastructure and data; outreach and communications; training; additional staffing in a Framework Coordinator for the GIO; and, an organized approach to data development, maintenance, and access, all within a responsive and collaborative structure. SDI will provide accurate and reliable base data to fuel applications for decisions affecting the security, prosperity, health and safety of our citizens and organizations.</p>
5001 Subtotal Communication				\$ -	
5051 Subtotal Employee Development	\$ 6,000			\$ 6,000	
5101 Subtotal General Services				\$ -	
5151 Subtotal Professional Services				\$ -	
5201 Subtotal Repair & Maint Services	\$ 6,000		\$ 30,500	\$ 36,500	
5251 Subtotal Administrative Service				\$ -	
5301 Subtotal Computer services		\$ 465,000		\$ 465,000	
5351 Subtotal Employee Travel	\$ 4,600			\$ 4,600	
5401 Subtotal Administrative Supplies				\$ -	
5451 Subtotal Fuel & Lubricants				\$ -	
5501 Subtotal Mfg & Merch Costs				\$ -	
5551 Subtotal Computer supplies				\$ -	
5601 Subtotal Repair & Maint Supplies				\$ -	
5651 Subtotal Instit & Resid supplies				\$ -	
5701 Subtotal Specific use supplies				\$ -	
5751 Subtotal Insurance				\$ -	
5851 Subtotal utility charges				\$ -	
5901 Subtotal Rentals & Operating leases	\$ 1,200			\$ 1,200	
5961 Subtotal Misc Expenditures				\$ -	
5000 Total Operating Expenses	\$ 17,800	\$ 465,000	\$ 30,500	\$ 513,300	
6000 Capital Outlay		\$ 85,000		\$ 85,000	
7000 Trustee/Benefits	\$ -			\$ -	
TOTAL EXPENDITURES	#REF!		\$ 30,500	#REF!	

Alternatives	Cost Description (use separate sheet of paper if necessary)	Benefit Description
<p>The preferred budget, illustrated above, reflects personnel and operating restructuring by aligning cost centers with specific areas of responsibility. This new structure is designed to be more in-line with the OCIO current organizational structure and services offering. It will also allow lead staff team members the ability to manage their own respective budgets.</p>	<p>Base Budget</p>	<p>Due to the economic climate the OCIO is not implementing needed changes that impact this cost center as indicated below: -----The Geospatial Information Officer's salary and operating expenses will not transition to General Fund, this position will remain funded by ITRMC Dedicated funds. In fiscal year 2012 budget requests will be made to transition this position to General Fund as the IGO provides services to all agencies as well as other public entities.</p>
<p>2nd Alternative is to leave the existing cost centers and programs in place with no modification.</p>	<p>There would be no additional costs in leaving the existing cost centers in place for the OCIO. However there would be a change in the allocation of the operating costs and personnel costs for the GIS Officer and dedicated funding, and they would be incorporated into the annual ITRMC assessments to agencies. The GIS Info Sys Analyst Sr. position remains general funded along with the associated operating costs. The Idaho Spatial Data Infrastructure (ISDI) State Core project would not be possible. The dedicated fund Environmental Research System Institute (ERSI) Master Licence Univ Agreement remains as it is with no change required.</p>	<p>There is no real benefit to leaving the existing OCIO cost centers as they are other than we maintain the status quo. There is a disadvantage in that currently it is not possible to track expenses per the existing individual business units.</p>
<p>3rd Alternative is outsourcing.</p>	<p>Estimated to be 40-50% higher in personnel costs, operations costs should remain close to the same.</p>	<p>There is no quick way to determine what these costs would be as it will take an RFI/RFP process to determine scope and actual costs, this process can take from 6 months to a year to complete. We do know that the private sector is paying 30-40% higher than the state for IT related positions. The outsource provider also has their administrative overhead costs and profit to build in. There is no benefit as the functions must be performed regardless of who completes them and outsourcing costs more.</p>

MANAGEMENT RANKING LIST

Agency: Department of Administration- OCIO
 Code: 200

This ranking spreadsheet is designed to capture the total priority ranking and associated costs of the decision packages. The expenditure total should reflect the newly reconstructed cost for the entire program. Prioritize and rank each decision package according to the degree to which they accomplish your core mission, fulfill your strategic plan and statutory authority, and meet performance expectations.

(DOLLARS)

(1 = Top)

Priority Rank	Decision Packages	Full Time Positions	
		Cumulative	
		Increment	Total
1	ITRMC / OCIO Administration	#REF!	#REF!
2	Enterprise Plans and Programs	#REF!	#REF!
3	Enterprise Infrastructure (Tel = 3, Netw = 3, IEN =	#REF!	#REF!
4	Enterprise IT Security	#REF!	#REF!
5	Enterprise Applications	#REF!	#REF!
6	IGO	1.00	#REF!
7	Enterprise IT Support and Services	4.00	#REF!
8	Enterprise IT Consol.Services	#REF!	#REF!
9	Bundled Internet	0	#REF!

Total Reconstruction Expenditures		#REF!
Total FY 2011 Projected Base Appropriation		29
Difference		#REF!

General Fund		Dedicated		Federal		Other (IEN)		TOTAL \$\$
Cumulative		Cumulative		Cumulative		Cumulative		
Increment	Total	Increment	Total	Increment	Total	Increment	Total	
#REF!	#REF!	#REF!	#REF!			0	-	
#REF!	#REF!	0	#REF!			0	-	
#REF!	#REF!	#REF!	#REF!	#REF!	#REF!		-	
#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	0	-	
#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	0	-	
#REF!	#REF!	30,500	#REF!	#REF!	#REF!	0	-	
0	#REF!	#REF!	#REF!	#REF!	#REF!	0	-	
-	#REF!	#REF!	#REF!	#REF!	#REF!	0	-	
140,500	#REF!	0	#REF!	#REF!	#REF!	0	-	
	#REF!		#REF!		#REF!	0		#REF!
	1,225,400		2,279,000		2,999,500		-	6,503,900
	#REF!		#REF!		#REF!		-	#REF!