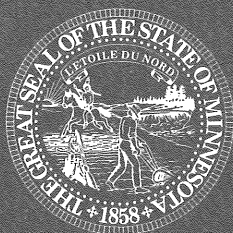




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Department of  
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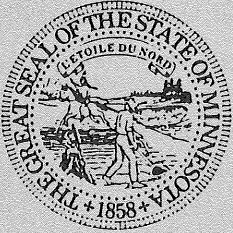
# 1992-93 Information System Funding Recommendations

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STATE OF MINNESOTA

Department of  
Administration



INFORMATION  
POLICY OFFICE

# 1992-93 Information System Funding Recommendations

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MAR 14 1991



## Introduction

Minnesota has been swept up in the great upheaval known as the information age. The computer and the technological revolution it sparked have transformed our society and propelled it into the global economy. The old ways of doing business are changing or disappearing as we encounter a new era dominated and defined by an unquenchable thirst for information.

The information society has placed new demands on government during a time of shrinking resources. Improved efficiency and cost-effectiveness are imperative if government is to provide the services citizens require. State agencies have responded to the challenge by recognizing the potential of technology to improve service delivery, and are actively incorporating it into their operations.

The rapid pace of technological innovation has given birth to equally innovative management techniques; strategies have shifted from automating existing processes to fundamental restructuring of the workplace itself. What began as small-scale efforts in a few agencies to centralize computer operations and make use of telecommunications have evolved into a broad-based struggle at all levels of state government to optimize what is now seen as the state's most important strategic resource: information.

The Information Policy Office (IPO) facilitates this process.

## The Role of Information Resource Management in Minnesota

Resource management is critically important to any organization. In the past, three basic resources received the bulk of attention: money, material and labor. Information has now emerged as the fourth basic resource to be considered in an organization's business planning. Managers are recognizing that they must view information strategically and learn new ways to make it work if their organization is to be successful.

This is especially true in government. With few exceptions, a government's primary products and services consist of information in various forms. Legislation, agency rules, tax rates, eligibility information, licensing and highway maps are examples of services and products that are offered in the form of information. Technology is playing an increasingly important role in delivering these services and products to Minnesota's citizens. The trend is toward leaner agencies with smaller operating budgets; the demand for information, however, is increasing. Agencies must now do more with less, which has put an emphasis on using information technology to improve productivity.

Proper use of such technology requires planning. Without a comprehensive understanding of an organization's business goals and resources it is impossible to extract the maximum potential from information technology. Without a business-oriented planning approach, information resources cannot be managed effectively in support of business goals.

## The Role of the Information Policy Office

The legislature requires that IPO select statewide standards, policies and guidelines for managing information resources. The office is also responsible for reviewing all major information system requests and setting priorities.

The office establishes the foundation for effective use of information systems by selecting appropriate standards, policies and management tools for use by all agencies. It provides education and training; reviews technology budgets, plans and system performance; and administers technology contracts and procurement.



IPO emphasizes planning as an information resource management tool. Comprehensive business plans reveal and establish realistic business goals. Follow-up strategic information and tactical planning demonstrates how technology can be used to support those goals. This helps prevent technology from becoming the determining factor in what an agency can and cannot do; it allows an understanding of how technology can help reach business goals and facilitates more effective investment in technology.

IPO works from both statewide and agency-specific perspectives to help agencies manage their information resources. Strategies are emphasized that allow development of systems that best meet the needs of individual state agencies and of Minnesota's citizens.

## **Statewide Issues**

Because of this mix of perspectives, IPO has identified several budget issues that go beyond the needs of individual agencies. All have a potential impact on every level of state government.

***Re-engineering the Workplace.*** Early efforts to capitalize on the computer usually meant automating an existing work process. This often resulted in significantly improved service delivery. It is becoming apparent that even more improvement can come from redesigning and restructuring the way the work is done while matching the process to available technology. Such a re-engineering of the workplace can invest employees with the power to design and deliver dramatic improvements in service delivery.

***Information Resource Management and Accountability.*** Organizations are beginning to recognize the importance of managing information as a fundamental business resource. This requires top level management, responsibility, involvement and support.

***Geographic Information Systems (GIS).*** GIS presents information that is related to geographic locations in an easily understood format. A map is a common GIS product. Nationally, GIS is an important management tool. In Minnesota several GIS-related issues need attention from policy makers.

***Statewide Financial Systems.*** Improved technology presents an opportunity to replace and improve financial systems now in place at many levels of government. More efficient use of information resources could be obtained by instituting a sophisticated statewide system.

## Budget Request Evaluation Process

Modifications in the biennial budgeting process defined by the Department of Finance and the governor resulted in IPO reviewing significantly lower numbers of information system requests in 1990. Agencies were required to develop their 1992-93 biennial budget requests from their 1990-91 base budgets; change level requests were not allowed. As a result, information system-related requests were down from 79 in 1989 to 11 in 1991.

Although agencies were instructed to submit only requests for a change in base budget allocations or requests for funds from dedicated sources, IPO received and evaluated several requests for general fund money. Figure 1 shows a summary of evaluated requests.

### Evaluation Requirements

Along with budget review, IPO is charged with developing a statewide information architecture and a statewide information resource management process (Figure 2). The information architecture consists of the guidelines, standards and policies that collectively support Minnesota's information activities. The information resource management process is a how-to guide to extracting maximum potential and cost-effectiveness from information systems.

Effective resource management requires several levels of planning because the full potential to meet business goals cannot be tapped without a comprehensive understanding of the organization's mission and structure. The goal is to help an agency understand its needs and how to meet them before costly investments are made; the

**Figure 1: Summary of Agency Budget Requests**

Agency	POS*	Amount		Rating	
		Requested	Recommended	90-91	92-93
Accountancy Board	0	19,000	19,000	N/A	N/A
Human Services (SSIS)	0	3,129,000	3,129,000	N/A	90%
Human Services (JAS)	4	760,000	760,000	N/A	90%
Finance	4	500,000	500,000	N/A	N/A
Labor and Industry	0	553,584	553,584	94%	94%
Pharmacy Board	0	46,200	46,200	50%	94%
Revenue	0	2,400,000	2,400,000	97%	N/A
Supreme Court	0	1,267,000	1,267,000	99%	N/A
Tax Court	0	114,083	114,083	N/A	96%
Transportation	0	4,628,000	4,628,000	97%	80%
Transportation Regulatory Board	0	36,000	36,000	60%	93%

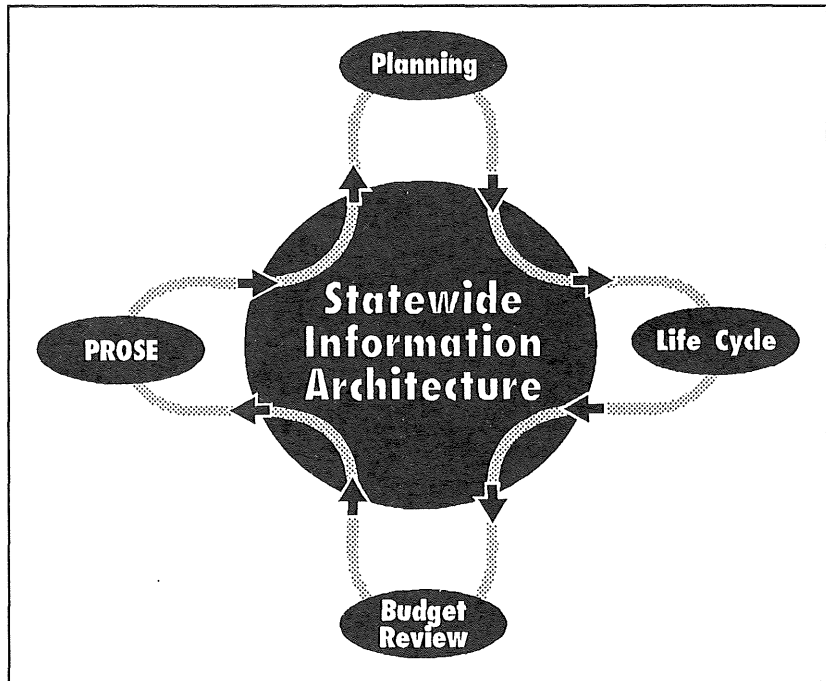
\* Requested positions

better an agency understands itself the better it will meet its information system needs.

Information system budget review is an integral part of the information resource management process. IPO used the process as the basis for evaluating budget requests.

**Planning.** Agencies should adopt a business and strategic information planning process before designing and implementing systems. Business planning paints a picture of the organization and identifies business goals. Strategic information planning shows how information technology can help meet those goals. Both planning efforts help agency management focus attention on issues critical to success.

**Figure 2: Statewide Information Management Process**



**Life Cycle.** Life cycle planning is started after the business and strategic information plans are substantially completed. This stage identifies the costs, benefits and risks associated with specific projects over the course of their predicted life spans. Life cycle planning accurately identifies costs; clearly defines benefits in measurable terms; reveals the risks associated with a system; and identifies how these risks can be mitigated. Properly executed, the life cycle analysis demonstrates the system's success potential.

**Budget Review.** Budget review is mandated by the legislature. It combines a review of agency business, strategic information and life cycle planning with an analysis of how the proposal relates to the statewide architecture. Recommendations on specific requests are made to the legislature and the governor.

**Performance review of system expectations (PROSE).** After the legislature has approved funding, review of the project continues. The PROSE process ensures that the system serves the original business goal it was designed to support, remains within budget, and is completed on time.

**Statewide Information Architecture.** The statewide information architecture consists of the information-related standards, policies and guidelines that support state government functions. In a sense the architecture will never be completed because it must evolve to meet changing business needs and technological advancements. Business and strategic information planning, life cycle planning, the budget review process and ongoing monitoring of individual systems (PROSE) aid the creation of the architecture by injecting the knowledge developed at the agency level into the evolutionary process. The architecture in turn helps in the planning and operation of individual information systems by providing a strong foundation of experience for agencies to draw on. The interaction and mutual support of all the factors eliminates redundant data collection, enhances data sharing and ultimately reduces cost of government.

## Evaluation Ratings

Agency budget requests were evaluated and given weighted scores based on answers to questions involving each part of the information resource management process. The questions were developed by IPO in consultation with the Information Policy Council, the Department of Finance and legislative staff.

Figure 3 shows how the request and evaluation results are shown in the recommendations section beginning on page 12. The source of requested funds is at the top of the table, followed by a per-year breakdown, total biennial request and the amount recommended by IPO. Ratings of each review criteria are shown in the bar graph, along with an overall rating, which is an average of the individual categories.

The categories and the general thrust of the questions were:

**Impact.** Has this proposal streamlined the way the agency does business and provides services? Is the scope of the project well-defined? Has reorganizing the business structure been considered? How will data sharing be enhanced?

**Success Potential.** What are the potential project risks? Is the proposed system critical to agency operations. Is the current system unable to meet agency requirements? Has a disaster recovery plan been developed?

**Planning.** Has a planning process been initiated and does it support the mission, goals and objectives of the agency?

**Architecture.** Has work on agency-wide information system standards, guidelines and policies been initiated?

**Costs and Benefits.** Has a complete cost analysis, including capital and operating costs, been completed for the entire life of the system? What are expected system benefits?

## Statewide Issues

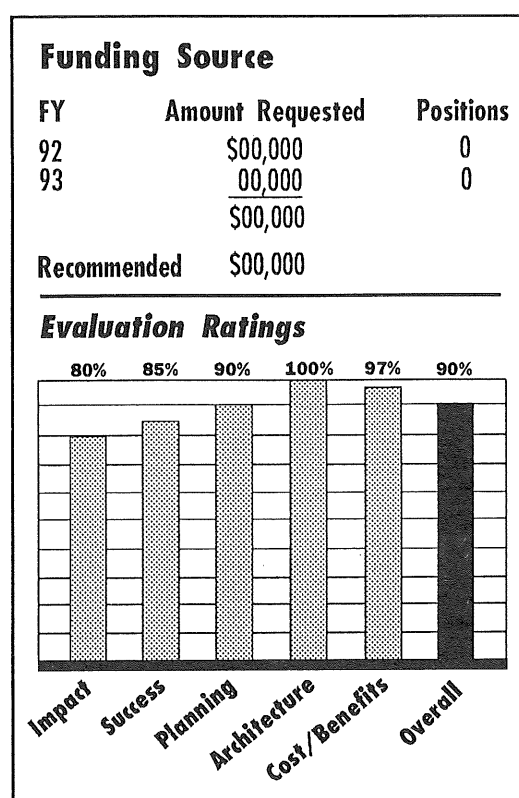
During the course of fulfilling its mandated responsibilities, IPO has observed several information-related issues that have statewide impact. They fall into four basic categories: workplace re-engineering, information resource management and accountability, geographic information systems, and statewide financial systems.

**Re-engineering the Workplace.** Over the long term the needs of Minnesota's citizens will best be met not by automating the way the state government does business, but by changing the way it does business. Information technology is a powerful tool that is best applied in a work environment that has been re-engineered to ensure maximum productivity and cost-effectiveness.

Computers and other information technology resources are routinely used to automate existing business processes. While automation can improve productivity, there is a growing understanding that merely automating an existing process is a poor use of the technology.

The best gains in productivity are achieved by adapting technology to business processes that have been rede-

**Figure 3: Evaluation Chart**





signed and restructured from the ground up. Re-engineering can be used to build a flexible information technology infrastructure that can empower the work force and lead to dramatic gains in efficiency.

Successful re-engineering requires a thorough understanding of an organization's goals, resources, processes and needs. Such knowledge can only be achieved by instituting an extensive, multi-faceted planning effort.

But the most important single key to success of any re-engineering effort is active, vigorous support by top management personnel. Re-engineering is a fundamental transformation of an organization's daily operations. All aspects of an organization are evaluated: structures, processes, strategies, personnel and technology. Such a comprehensive undertaking cannot work without a top management that champions the process.

More and more organizations are adopting the re-engineering approach. Government agencies can especially benefit. State agencies are now faced with new problems that cannot be solved by using the old strategy of automation. Agencies must provide new, higher quality services to citizens at a lower cost while also improving service delivery. To do this, agencies will need to overhaul the procedures and organizational structures they have carried over from earlier years. In the coming years they will turn in increasing numbers to re-engineering the way they do business.

**Information System Management and Accountability.** Information resources are a top-level management responsibility that cannot be delegated. Information management is simply too important to assign to mid-level managers who do not have the authority to participate in organization-wide decision-making. The complexity, rapid evolution and impact of technology have created a need to concentrate responsibility for managing information in one high-ranking individual.

Most organizations need an individual who understands the organization's business and information technology, and who has the authority to make decisions. This person should be a member of the management team responsible for the daily operation of the agency. He or she should also be an integral member of the team that develops the agency strategic information plans and information policies and guidelines.

Each agency should define the role of the top level information manager as it relates to the organization's business function. Information management can be only part of the duties assigned to the individual, but it should never be a minor part of the job or be given low priority. It is critical that the top level information manager act as a catalyst for change and work to expand the strategic application of technology to meet business goals.

**Geographic Information Systems.** GIS provides information that relates information to geographic locations. The most common format is a map. They are computer-based tools that allow planners to deal visually with large amounts of demographic, natural resources, topographic or other types of information. On average 80 percent of the cost of a GIS activity is for data collection, 20 percent for hardware and software.

GIS is increasingly popular because it allows decision makers to analyze large quantities of information presented in a logical, easily understood format. This often eliminates time-consuming research and allows quicker and more thorough examination of alternatives.

GIS is widespread. It is estimated by *GIS World* magazine that \$9.9 billion will be spent nationwide on GIS hardware, software, consulting and maintenance during 1991. In fiscal 1992 the State Planning Agency estimates that Minnesota state government will spend over \$20 million on GIS. Local government will likely spend \$40 million.

Realizing the potential of this investment will require leadership and planning. GIS systems are complex, expensive and require a comprehensive approach that includes business and strategic information planning, life cycle planning, budget review and PROSE. Systems must be tailored to the needs of individual agencies while also meeting the overall needs of Minnesota's citizens by fitting into the statewide information architecture.

More specifically, a large number of GIS issues have surfaced that need attention from policy makers. Among them are GIS funding, data management, fee structures, map maintenance, liability, information accessibility, wide area networks, and the future of the Land Management Information Center (LMIC).

**Statewide Financial Systems.** Financial systems are the key to effective operations of state agencies, counties, cities and school districts. Most of these financial systems are 10 to 20 years old and in need of replacement.

Several state agencies are updating their internal financial systems. Although these efforts are necessary they are an inefficient way of managing the information resource. They also do not provide a system capable of handling a sophisticated government operations. A cooperative effort is needed to provide a statewide financial system for current and future users.

Major state systems that should be assessed are: Fixed Asset Resource Management System (FARMS), Personnel Payroll System (PPS), Biennial Budget System (BBS), Procurement Automated Logistics System (PALS), and Statewide Accounting (SWA). These systems should be integrated and a cost accounting system added to allow better resource management.

The new financial system should include executive information system (EIS) and electronic data interchange (EDI) capabilities. EIS can provide top management and legislative access to up-to-date information, and allow modeling of different financial scenarios. EDI will speed and simplify the purchase order process, shipping notification, receipt of goods, invoicing, payment processing and funds transfer. EDI has the potential to dramatically reduce personnel costs and processing time. Numerous companies have implemented this technology and realized dramatic reductions in staffing requirements.

Any financial system should incorporate an open systems design that can be operated on different hardware platforms regardless of vendor or manufacturer. Closed systems that use only certain vendor or manufacturer-supplied hardware or software limit data access. Open systems simplify data sharing among individuals and organizations by removing technology or vendor barriers.

Many financial systems opportunities exist for data sharing but only limited success has been realized. Sharing of information among state agencies, counties, cities and school districts will reduce repetitive data collection and reduce costs. Technology now exists to allow access to data by multiple users at multiple sites using different manufacturer's hardware.

## Budget Requests Improved

The quality of agency budget requests improved dramatically since the 1989 budget review. The most significant reason is better quality planning by the agencies. The IPO budget review team also identified several more specific reasons for the improvement:

- Agencies documented their information management environment more thoroughly.
- The Department of Finance modified its budget process to emphasize business goals and service to customers, which is the prerequisite to strategic information planning, a type of planning required by IPO.
- Agencies screened projects more thoroughly and submitted only the higher priority or better planned and organized projects.
- IPO recommended planning funds for some agencies in the 1990-91 biennium. Agencies completed their planning and are now ready for project development and implementation.

- More strategic information planning; there are more than 20 agencies that have either submitted a strategic information plan or are in the process of developing one. Some agencies have begun planning efforts with no intention of submitting a budget request.
- Agencies are now putting their information systems through a more complete analysis and identifying costs, benefits and risks over the expected life of the systems.
- Agencies have shown a willingness to join with IPO in developing tools and methodologies for information management.
- Agencies are showing a willingness to work together when common objectives are identified.
- Agencies are learning to better manage their data and information systems, and to streamline their work processes.

## **Board of Accountancy: Licensing System Enhancement**

<b>General Fund</b>		
<b>FY</b>	<b>Amount Requested</b>	<b>Positions</b>
92	\$16,000	0
93	3,000	0
	<u>\$19,000</u>	
<b>Recommended</b>	<b>\$19,000</b>	

### **Purpose**

Convert present ineffective system to an application designed to more effectively administer licensing, examination and regulatory functions.

### **Evaluation**

Planning and supporting documentation are not yet complete. The board has agreed to work with the Information Policy Office on strategic information planning and project definition.

The Accountancy Board developed its own personal computer-based system and stopped using the statewide licensing system after InterTech announced termination of the system. This project would reorganize the Accountancy Board's system into a more efficient structure and improve reporting capabilities.

The board has contracted with InterTech to perform the work.

### **Recommendation**

The Information Policy Office supports completion of this project and recommends funding if money is available. Money is not available through base reallocation.

To continue to perform its licensing duties effectively, the Accountancy Board needs additional software development. Strategic information and life cycle planning should be completed before system enhancements continue. The board should develop and implement a method to measure both the effects of technology changes and any efforts to re-engineer the workplace. InterTech should address within its rate structure future needs to replace obsolete technology.

## Department of Transportation: Department-wide Information Systems

### Purpose

Improve the overall operation of the department through the use of information systems.

### Evaluation

The proposal was derived from a department-wide planning process. A three-committee structure involving top management, middle management and staff has assembled recommendations with three areas of emphasis:

- Department-wide information management, including architecture planning, data management, systems development, and program delivery.
- Department-wide application development in district and maintenance offices, computer-aided design and drafting, facilities management, and integrated traffic systems.
- Division-specific applications development to capture employee knowledge and improve data access and sharing, data management, existing applications, networking capabilities, program delivery, facilities management systems, and communications with the public.

Information architecture planning will improve information systems investments. Improved data management will reduce redundancy and improve quality. Standardization of systems will help identify additional automation opportunities. Matching applications to needs will result in reduced costs and quicker response times. Data sharing will benefit local government projects. Road maintenance and traffic management will be improved.

### Recommendation

The request combines reallocation of existing funds with new money from the Trunk Highway Fund. Although detailed descriptions and cost justifications have not been submitted, the Information Policy Office supports the proposal based on the demonstrated quality and success of MnDOT's internal planning process. The department has shown a commitment to re-engineering the work place to increase productivity. MnDOT should continue with its information system planning process and complete project life cycle analyses by June 30, 1991. Open system designs and standards should be used to ensure maximum flexibility of equipment choice. The department should develop and implement a method to measure both the effects of technology changes and the workplace re-engineering efforts. Stakeholders from outside the department should be included in the planning.

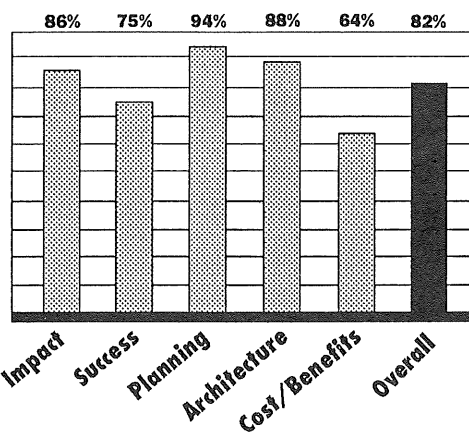
#### Trunk Highway Fund

FY	Amount Requested	Positions
92	\$1,965,500	0
93	1,965,500	0
<b>Subtotal</b>	<b>\$3,931,000</b>	

#### Base Reallocation

FY	Amount Requested	Positions
92	\$348,500	0
93	348,500	0
<b>Subtotal</b>	<b>\$697,000</b>	
<b>Total</b>	<b>\$4,628,000</b>	
<b>Recommended</b>	<b>\$4,628,000</b>	

#### Evaluation Ratings





## Transportation Regulation Board: *Rate Analysis System*

### Purpose

Replace manual rate analysis method with higher capacity automated system.

### Evaluation

A primary responsibility of the Transportation Regulation Board is to review motor carrier rate and tariff schedules. This process is currently done manually and often not to the depth of analysis desired by the board. The onset of collective rate-making and computerization by large motor carriers has complicated the process beyond the capacity of manual analysis.

The proposed system is a standard industry application and will be used by staff members familiar with the rate analysis process. There is little risk other than choosing the right mix of motor carriers to use in the rate analysis model.

The board has developed a strategic business and information plan, and has established a joint planning process with the Departments of Transportation and Public Safety. The proposed rate analysis system is supported by the board's plan and was developed in collaboration with the Minnesota Department of Transportation.

Funding for this system was requested during the 1990-91 biennial process. At that time the Information Policy Office recommended that more planning be undertaken. The board followed this suggestion and now demonstrates an improved understanding of the purpose and use of the technology. In addition, the joint effort with the Department of Transportation is expected to ensure consistency of motor carrier regulation by the two agencies.

The rates analyst position identified in the budget request was not considered part of the information system request and was not included in the evaluation.

### Recommendation

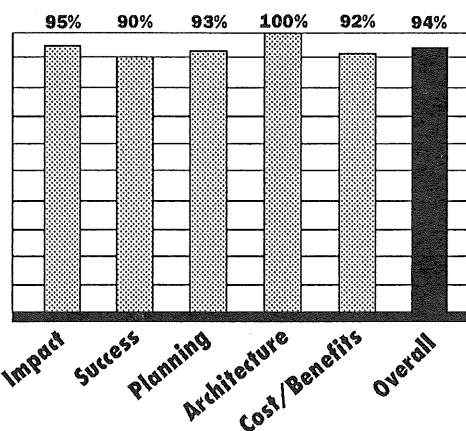
The Information Policy Office supports this request and recommends funding from the Trunk Highway Fund. Money is not available through base reallocation.

This is a joint TRB/MnDOT project to improve their shared motor carrier rate regulation function. A method of measuring the impact of this system should be developed and implemented so that required outcomes are ensured.

#### Trunk Highway Fund

FY	Amount Requested	Positions
92	\$16,000	0
93	20,000	0
	<u>\$36,000</u>	
Recommended	\$36,000	

#### Evaluation Ratings



## **Funding Recommendations:**

### *Health and Human Services Division*

## Department of Human Services: Social Services Information System

### Purpose

Improve data collection and reporting by replacing the inefficient and ineffective Community Social Services Information System.

### Evaluation

The current social services data collection and reporting system is antiquated and expensive to maintain. County workers perform redundant administrative tasks. Reports are often inadequate to meet the evolving needs of program and financial administrators, and policy makers.

The plan addresses improving the process as well as the supporting technology. The approach would balance the need for consistent, high quality statewide data with unique county needs. County social workers would be given a case management tool that would support them in their day-to-day jobs, and automatically capture needed data. Counties would supply DHS with standardized information and DHS would generate all necessary reports.

Success depends on the active participation and cooperation of the counties, and on effective use of the technology by county social services staff. Expected benefits are: improved reporting to the legislature; improved productivity and client service from county social workers; improved quality, consistency and availability of information; and more thorough, flexible and non-duplicated reporting of social services program activities.

The proposal is supported by DHS management and was developed with the assistance of county directors. The system would conform to DHS's current technology architecture and statewide standards.

### Recommendation

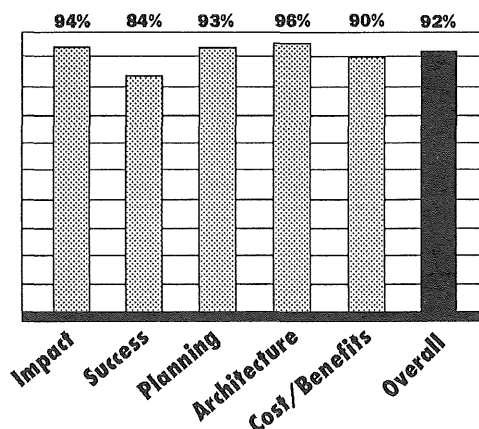
Funding for this project is available through reallocation of base appropriations.

The Information Policy Office supports this project. The system will actively support county social workers and provide enhanced information to improve decision making. DHS should: adopt an open system design to ensure flexibility of equipment choice at the county level; perform a critical review to identify and eliminate unnecessary data collection; involve county social worker staff in system planning; establish a balanced state/county steering committee to govern the project from planning through operation; evaluate existing county-developed case management systems for use in the statewide system; and implement a method for measuring social worker and other productivity improvements.

#### Base Reallocation

FY	Amount Requested	Positions
92	\$ 593,000	0
93	2,536,000	0
	<u>\$3,129,000</u>	
Recommended	\$3,129,000	

#### Evaluation Ratings



## Department of Human Services: *JOBS Automated System*

### Purpose

Plan and design an information system to meet new federal requirements and improve currently inadequate data collection among agencies involved in the STRIDE/JOBS program.

### Evaluation

Human Services and the Department of Jobs and Training have been working together to implement the STRIDE/JOBS (Success Through Realizing Individual Development and Employment/Jobs Opportunity and Basic Skills) program since 1988. The information management system that supports the program was originally designed to meet minimum federal reporting requirements. More demands are now placed on the system, which is a jury-rigged combination of automated and manual processes. It is a costly and inefficient method of producing reports and will not meet new federal data collection requirements that become effective October 1991.

The proposal calls for planning an information system that will not only meet the new federal regulations that require case-specific reporting, but also strengthen communications among counties, state agencies, and local employment and training service providers. The proposal shifts the primary purpose and benefit of the new system from simply reporting program outcomes to supporting service delivery.

The only identified risk is one of inaction: the current system's inability to meet the new federal reporting requirements could lead to cuts in funding, and not developing a new system may cause forfeiture of matching federal funds.

### Recommendation

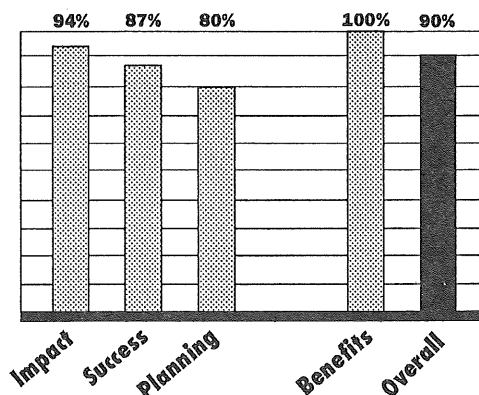
The request is for system planning and design. Funds are available through base reallocation.

The Information Policy Office supports the concept proposed for improving data sharing between DHS and DJT, and for meeting federal uniform data collection requirements. Planning should be a joint effort by personnel in both agencies who use, supply and maintain the data. A joint information architecture linking both agency environments should be developed. Development and implementation of the system should be contingent upon further review of the plan by the Information Policy Office.

#### Base Reallocation

FY	Amount Requested	Positions
92	\$360,000	4
93	400,000	4
	<u>\$760,000</u>	
Recommended	\$760,000	

#### Evaluation Ratings



Note: Because this is a planning request a full life cycle analysis is not appropriate at this time. Only the expected benefits of the system have been analyzed. A rating on architecture will be made when the plan is complete.

## Board of Pharmacy: Licensing System

### Purpose

Implement an in-house system to replace the obsolete statewide licensing system being phased out by InterTech.

### Evaluation

The board licenses approximately 4,200 pharmacists, 1,200 pharmacies, 400 wholesalers/manufacturers and 250 researchers/interns. Licensing functions are currently being performed by the statewide licensing system (SWL) at InterTech. All other data collection and processing is done manually.

Due to technical obsolescence InterTech is eliminating the SWL system. The board began bringing its licensing function in-house in 1988. The proposed system will have functions beyond basic licensing needs; it will also improve service to clients in the areas of inspection, compliance, and disciplinary and demographic information.

The effort was carried into the 1991 fiscal year by using programming and systems development time made available by InterTech. This request is for hardware, software, programming and training needed to complete the project in FY 1992.

The system will conform to statewide standards.

### Recommendation

The Information Policy Office supports completion of the project. Funding from the special revenue fund is recommended for hardware and training costs. Funds are not available through base reallocation.

To continue to perform its licensing duties efficiently, an automated system is needed. The board should develop and implement a method to measure both the effects of technology changes and any workplace re-engineering efforts.

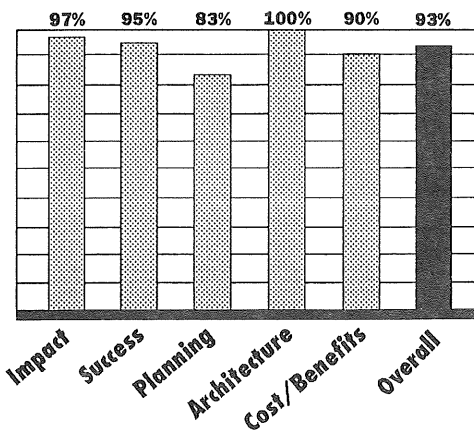
#### Special Revenue Fund

(Continuation of previously funded project)

FY	Amount Requested	Positions
92	\$46,200	0
93	0	0
	<u>\$46,200</u>	

**Recommended** \$46,200

#### Evaluation Ratings





## **Funding Recommendations:**

### ***State Departments Division***

## Department of Finance: *Redesign of Statewide Financial Systems*

### Purpose

Begin planning for replacement of ineffective statewide accounting system and the personnel/payroll systems with a statewide financial system.

### Evaluation

The project will develop a plan to re-engineer work processes, and determine cost estimates for the proposed system. An executive information system (EIS) will be included to allow top management and legislators access to up-to-date information, and to create and examine different financial scenarios.

State agencies are dissatisfied with the 20-year-old statewide accounting system. The 12-year-old personnel payroll system is in danger of failing. Both systems are obsolete, inflexible in use and difficult to modify, and provide only marginal information for decision makers.

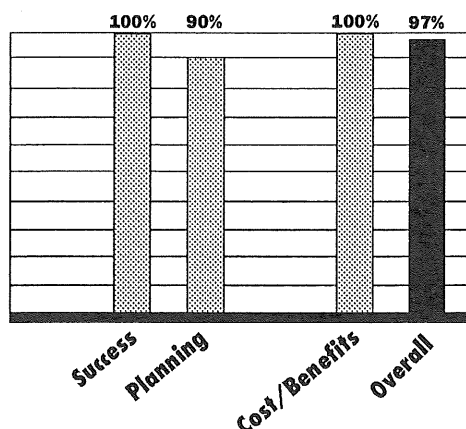
### Recommendation

The Information Policy Office supports funding this planning effort. However, work on the agency-wide strategic information plan should be completed before design of new financial systems begins. The statewide financial function should be re-engineered. This should include statewide accounting (SWA), biennial budget system (BBS), personnel/payroll system (PPS), fixed asset resource management system (FARMS), procurement automated logistics system (PALS), the Treasurer's office and the State Investment Board. The new state financial system should be the result of a partnership involving agencies with a vested interest in its successful outcome. The department should develop and implement a method to measure the effects of technology changes on productivity. The system should be based on an open system design to allow unhindered data sharing among organizations.

#### General Fund

FY	Amount Requested	Positions
92	\$250,000	1
93	250,000	3
	<u>\$500,000</u>	
<b>Recommended</b>	<b>\$500,000</b>	

#### Evaluation Ratings



Note: Because this is a planning request a complete evaluation is not appropriate at this time.

## Department of Labor and Industry: *System Upgrade and Image Processing*

### Purpose

Upgrade an information system and provide image processing to handle increasing work loads and meet customer needs.

### Evaluation

The system upgrade will support the workers' compensation division and several other divisions. The present system is operating at maximum capacity. Without an upgrade the system will be unable to meet customer needs appropriately. The department's ability to regulate the workers' compensation system will be degraded.

The project will allow quicker customer service while enabling employees to serve more customers. Included are hardware, software and development services for an image processing (optical disk) case management pilot project.

The image processing pilot project will monitor case progress and allow case workers simultaneous access to information. It will automatically inform staff members if a case is behind schedule or ready for further action.

Labor and Industry has established far-reaching information goals. A thorough job of identifying costs, benefits and risks has been completed. The department has established a formal process for evaluating and modifying data and procedures that support its information systems. The project will conform to statewide information system standards.

### Recommendation

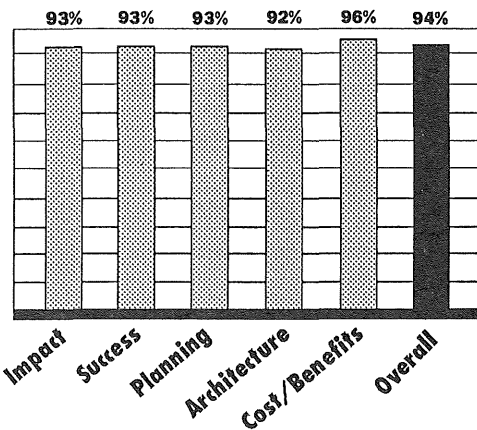
The Information Policy Office supports this project. It would be funded through the Special Compensation Fund.

The upgrade is seen as the foundation for Labor and Industry's long-term approach to information systems. The image processing pilot project will re-engineer the work place to significantly increase productivity and has the potential for substantial cost savings. The department should develop and implement a method to measure both the effects of technology changes and the efforts to re-engineer the workplace. The image processing project should follow state standards for use and storage of records on optical disks.

#### Special Compensation Fund

FY	Amount Requested	Positions
92	\$286,783	0
93	266,801	0
	<u>\$553,584</u>	
Recommended	\$553,584	

#### Evaluation Ratings



## Department of Revenue: *Sales Tax/Document Processing System*

### General Fund

(Continuation of previously funded project)

FY	Amount Requested	Positions
92	\$1,200,000	0
93	1,200,000	0
	<u>\$2,400,000</u>	
Recommended	\$2,400,000	

### Purpose

Continue work on a multi-year project to develop a sales tax processing information system and implement emerging document processing technologies.

### Evaluation

Revenue has restructured its business strategy and developed a strategic information plan. The staff has focused on re-engineering the organization and its work processes, and investigating emerging technologies that facilitate document processing. It is these technologies and methods that will be applied to the sales tax restructuring. The design of the sales tax system will serve as the framework for additional tax types in the future.

This project was previously approved by the legislature.

### Recommendation

During the 1990-91 biennial budget process the Information Policy Office reviewed and supported this project. The legislature approved the project, but cut the appropriation and lengthened the implementation period to four years. The Information Policy Office recommends continued funding of this project at the requested level. The proposed systems should follow optical disk use and storage, and other statewide information system standards. The department should develop and implement a method to measure both the effects of technology changes and efforts to re-engineer the workplace for increased productivity.

## **Supreme Court: Total Court Information System**

### **General Fund**

(Continuation of previously funded project)

<b>FY</b>	<b>Amount Requested</b>	<b>Positions</b>
92	\$759,000	0
93	508,000	0
	<u>\$1,267,000</u>	
<b>Recommended</b>	<b>\$1,267,000</b>	

### **Purpose**

Continue implementation of the Total Court Information System (TCIS) in state district courts.

### **Evaluation**

Where TCIS has been implemented district courts have reported improved operating efficiency.

This is a continuation of a previously approved project.

### **Recommendation**

The Information Policy Office reviewed and supported this project in the 1990-91 budget process. The legislature approved the project, but with partial funding and extended implementation period. Continued funding at the requested level is recommended. The court should develop a methodology for measuring the efficiencies resulting from technology changes, and should investigate re-engineering their related work processes to increase productivity.



## Tax Court: Case Management System

### Purpose

Implement a system to provide legislatively mandated services and eliminate a lengthy backlog of cases.

### Evaluation

The proposed automated system will directly improve services to taxpayers and government operations. Automation will allow new and efficient ways of providing services. All employees will have access to the case management support system, tax court decisions index, budget maintenance and reporting, and word processing.

The current process allows only limited employee access to data. Case management and word processing work loads have increased an average of 15 to 20 percent a year for the last five years. A backlog of cases has resulted.

The Tax Court has shown how automation will help it keep abreast of workload increases and provide data accessibility to the entire staff. Alternative solutions were considered, but none were found that would enable the court to provide legislatively mandated services and meet deadlines. Internal and external users and clients have been identified and included in the planning and needs assessment. Citizens will benefit by more efficient court scheduling and improved decision response time.

Specific and reasonable information goals have been established through an agency-wide strategic information planning process. Costs, benefits and risks were thoroughly analyzed and identified for the system's anticipated five-year life span. Project risks were identified and will be mitigated through good planning and phased implementation.

The proposed system will conform to statewide standards.

### Recommendation

The Information Policy Office supports the Tax Court request and recommends funding if money is available. Money is not available through base budget reallocation.

Large work load increases have resulted in a backlog of cases. Automation is required to handle the backlog and to sustain the Tax Court's ability to respond to continuously growing case loads. The Tax Court should develop and implement a method to measure both the effects of technology changes and any efforts to re-engineer the workplace for increased productivity.

#### General Fund

FY	Amount Requested	Positions
92	\$98,767	0
93	15,316	0
	<u>\$114,083</u>	
Recommended	\$114,083	

#### Evaluation Ratings

