STATE OF ALABAMA
ANNUAL IT REPORT
2014

STATE OF ALABAMA

OFFICE OF INFORMATION TECHNOLOGY
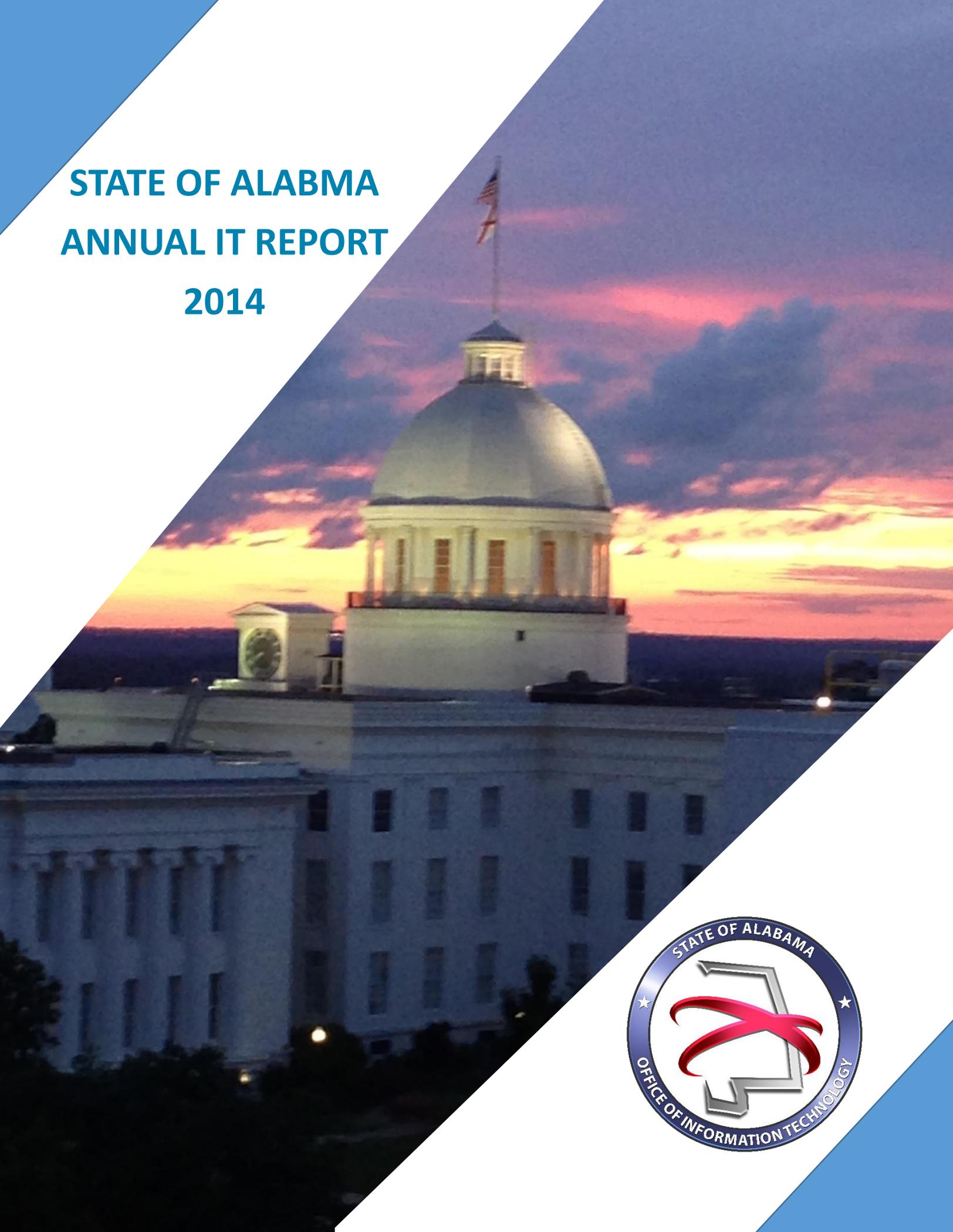
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Secretary's Letter to the Governor

Dear Governor Bentley,

I'm pleased to deliver to you the 2014 Annual Report for the Office of Information Technology. 2014 was an important year for a number of information technology initiatives as well as preparing for enterprise systems that will be implemented over the next several years.

A few highlights of these initiatives are as follows:

- Significant progress in eliminating software that is unsupported.
- The initiation of phased go-live for the state's time and attendance system.
- The beginning of the configuration phase of the enterprise resource planning project which is planned for initial go-live in October 2015.
- The development of a number of study groups to address issues that have had a negative impact on information technology operations for decades.

I appreciate your continued support of this office and our work. We remain committed to focusing on priorities that make computing for the State of Alabama more efficient, safer and more effective. We promise to always favor things of consequence over the trivial and do everything in our power to make the great State of Alabama even better.

Yours truly,

L. Brunson White
Secretary of Information Technology
June 30, 2015

Executive Summary

The 2014 Annual IT Report is organized to present a statewide view of technology spend, IT inventory and major technology projects for 2014. There is also a summary of IT governance activities and updates on efficiency and security activities. This information represents the collective input from the Office of Information Technology, the Finance Information Services Division and agency IT organizations.

It is important to understand the State's investment in technology and then examine how the funds are being utilized. Historically, the State spends less than 1.2% of its total annual spend on technology. In FY2014 the IT expenditures were approximately $348 million which was 1.17% of the total state expenditures and includes hardware, software, personnel and services.

The accumulated inventory of active IT hardware that is tracked as an asset exceeds 81,000 devices which have a total original acquisition cost of $200 million. Much of that equipment is over five years old. We currently do not have a consolidated database for software so we are not able to track and report software assets for this report. There were 1,100 state employees in recognized IT classifications in 2014. Personnel costs for these employees total almost $100 million. Like most states, Alabama has an aging IT workforce with 21% of the current technical staff eligible for retirement now, increasing to 40% in five years.

The State has a broad Project Portfolio with several projects that affect multiple agencies and many agency specific projects that have impact on citizen services and agency efficiencies. The project that has the broadest impact on all agencies is the upgrade of the financial, purchasing and personnel systems to the more holistic ERP system named STAARS (State of Alabama Accounting and Resource System). Two State employee systems have been implemented to improve employee access to their employment information and to streamline agency personnel processes. The CARES (Centralized Alabama Recipient Eligibility/Enrollment System) is an integrated eligibility project that will positively impact the Health and Human Services Programs and the related services to Alabama citizens. The State's most widely used data center, run by Finance ISD, will be upgraded and moved into a state-of-the-art facility in an RSA building in 2015.

EXECUTIVE SUMMARY

Agency IT organizations have initiated and completed a wide variety of projects that focus on improving citizen access to state services, improving interagency communication, and improving agency processes. Facility and hardware consolidation also continues to be a major concern and is reflected in the numerous projects reported for 2014.

The Information Services Division (ISD) of the Finance Department is the central Information Technology service provider for state agencies. A major focus of 2014 was to build a Customer Service Improvement Plan with broad stakeholder engagement. The plan resulted in the following three customer service priority areas: 1) Organizational Health, 2) Communications, and 3) Technology and Operations.

The State IT community is working together to build best practices and develop policies to improve IT governance. Active workgroups of Agency CIOs studied and made recommendations for IT Project Management and IT Human Capital Management. Our office also provided governance over the Alabama CARES project and initiated the use of IT Project Budget forms to track IT budgets beginning in the FY2016 budget cycle.

IT security is always a concern and is collectively being considered by the Security Council which is led by OIT and includes members of ISD, Agency CIOs and senior IT security professionals. The elimination of Windows XP was a major accomplishment of 2014.

Current State of IT

FY2014 IT SPEND

State Summary

The State total spend for FY2014 was $29.7 billion dollars. Of that amount, $347.7 million was categorized as Information Technology spend. That equates to less than 1.2% of the total state expenditures.

The table below shows the state consistently spends below 1.2% of our annual expenditures on information technology, with the five year average of 1.10%.

STATE SPEND IN MILLIONS $ BY BUDGET FISCAL YEAR

BFY	Total State Spend	IT Spend	IT %
2010	$27,753	$302	1.09%
2011	$27,313	$287	1.05%
2012	$27,860	$301	1.08%
2013	$27,925	$311	1.11%
2014	$29,736	$348	1.17%
Average			**1.10%**

The chart below indicates the major IT spend categories for FY2014. Nearly half of the state IT spend was on professional services, while close to thirty percent was dedicated to state IT employees. The remaining funds went to software and hardware.

**BFY 2014 Estimated Cost of Information Technology by IT Category
(In $ Millions)**

**BFY 2014
Total Gross
$347.69
Millon**

State IT
Employees
$99.53
28.6%

Services
$161.68
46.5%

Software
$50.26
14.5%

Hardware
$35.88
10.3%

Training
$0.34
0.1%
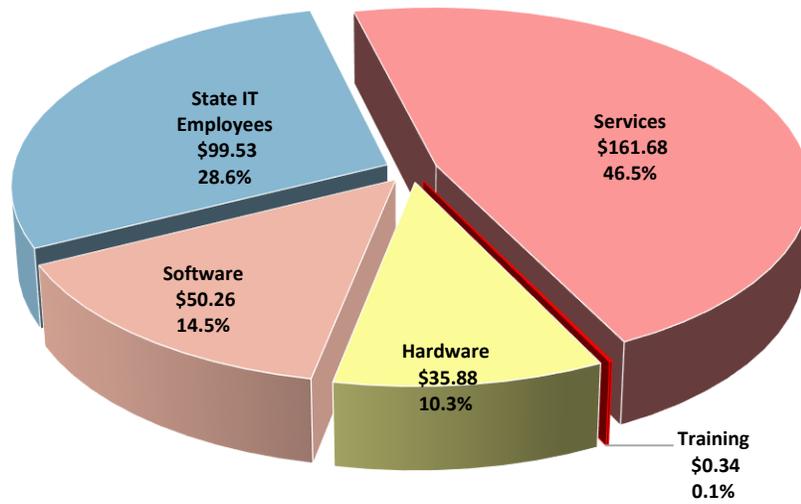
Agency Summary

The ten agencies that have the highest IT Spend account for 74% of the total IT spend for FY2014. The charts below show the expenditures by category and agency.

IT Expenditures - Top Ten Agencies

Legend:
- Finance
- Transportation
- Human Resources
- Public Health
- Revenue
- Medicaid Agency
- Education
- Supercomputer Authority
- Labor
- Public Safety
- All Other Agencies
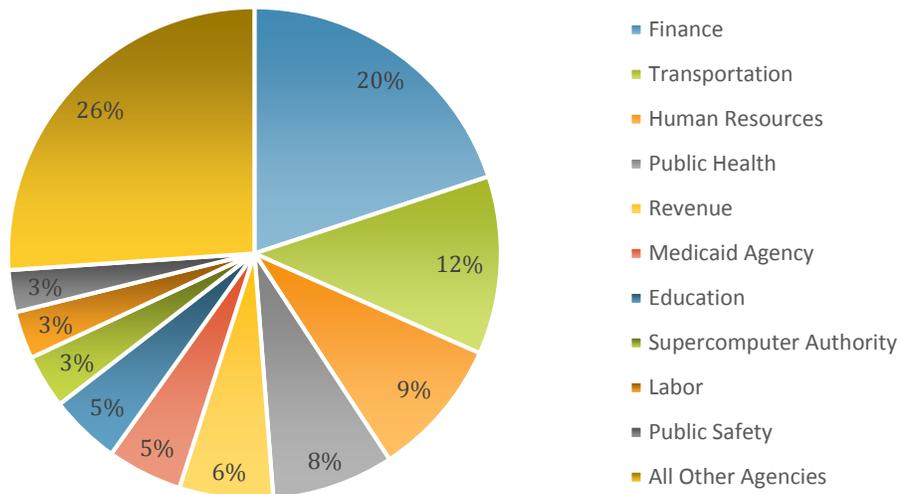
TOP TEN AGENCY EXPENDITURE TABLE

	AGENCY	HARD WARE	SOFT WARE	SERVICES	TRAINING	STATE IT STAFF	TOTAL
1	Finance	$2.57	$14.77	$38.58	$0.04	$13.38	**$69.34**
2	Transportation	$6.50	$8.66	$13.58	$0.15	$11.80	**$40.69**
3	Human Resources	$3.23	$1.35	$17.79	$ -	$9.35	**$31.72**
4	Public Health	$2.90	$4.97	$10.38	$0.01	$9.57	**$27.83**
5	Revenue	$1.98	$0.65	$12.04	$0.04	$6.71	**$21.42**
6	Medicaid Agency	$0.77	$1.42	$11.28	$ -	$3.70	**$17.17**
7	Education	$0.59	$6.32	$6.69	$ -	$2.56	**$16.16**
8	Supercomputer Authority	$0.01		$12.24	$ -		**$12.25**
9	Labor	$1.24	$1.46	$3.74	$ -	$4.41	**$10.85**
10	Public Safety	$0.82	$0.91	$5.20	$0.02	$2.65	**$9.60**
	All Other Agencies	$15.27	$9.75	$30.16	$0.08	$35.42	**$90.68**
Total Gross (In Millions $)		**$35.88**	**$50.26**	**$161.68**	**$0.34**	**$99.53**	**$347.69**

FY2014 IT INVENTORY

Hardware

IT Hardware accounts for approximately ten percent of the annual IT expenditures. The information presented is retrieved primarily from the system maintained by the State Auditor. The chart below reflects the IT hardware assets as of the end of the fiscal year 2014.

IT HARDWARE ASSETS

Specialized Functions
2,599
3.2%

Drives
1,589
2.0%

Servers
3,342
4.1%

Voice, Telepresence
1,570
1.9%

Operational Support
1,532
1.9%

Printers, Scanners, Fax
8,831
10.9%

Mobile Computing
891
1.1%

Networks
7,377
9.1%

Mainframe/Mid
9
0.0%

Personal Computing
53,584
65.9%

Mainframe/Mid-range and Personal Computing device counts are Processor/CPUs. Also Specialized Functions may include CPUs, scanners, or printers, etc.

As well as tracking the numbers and types of hardware, it is also important to track the age of the state's technology hardware. The chart below shows the hardware categories by age. The hardware in the personal and mobile computing categories are the most updated due largely to the forced retirement of systems that could only run operating systems that are no longer supported with security updates. The backbone of the state's technology are the mainframe, servers and networks categories. All of these areas present a security risk with well more than fifty percent of the items in the five or more years old range.

IT HARDWARE, AGE BY CATEGORY

■ % One Year or Less   ■ % Two to Five Years   ■ % Five or More Years

Category	% One Year or Less	% Two to Five Years	% Five or More Years
MAINFRAME/MID	11%	0%	89%
PERSONAL COMPUTING	29%	46%	25%
MOBILE COMPUTING	22%	40%	38%
PRINTERS, SCANNERS, FAX	7%	33%	60%
DRIVES	22%	35%	43%
SERVER	12%	34%	54%
SPECIALIZED FUNCTIONS	22%	15%	63%
NETWORKS	10%	30%	60%
OPERATIONAL SUPPORT	7%	39%	54%
VOICE, TELEPRESENCE	8%	44%	49%
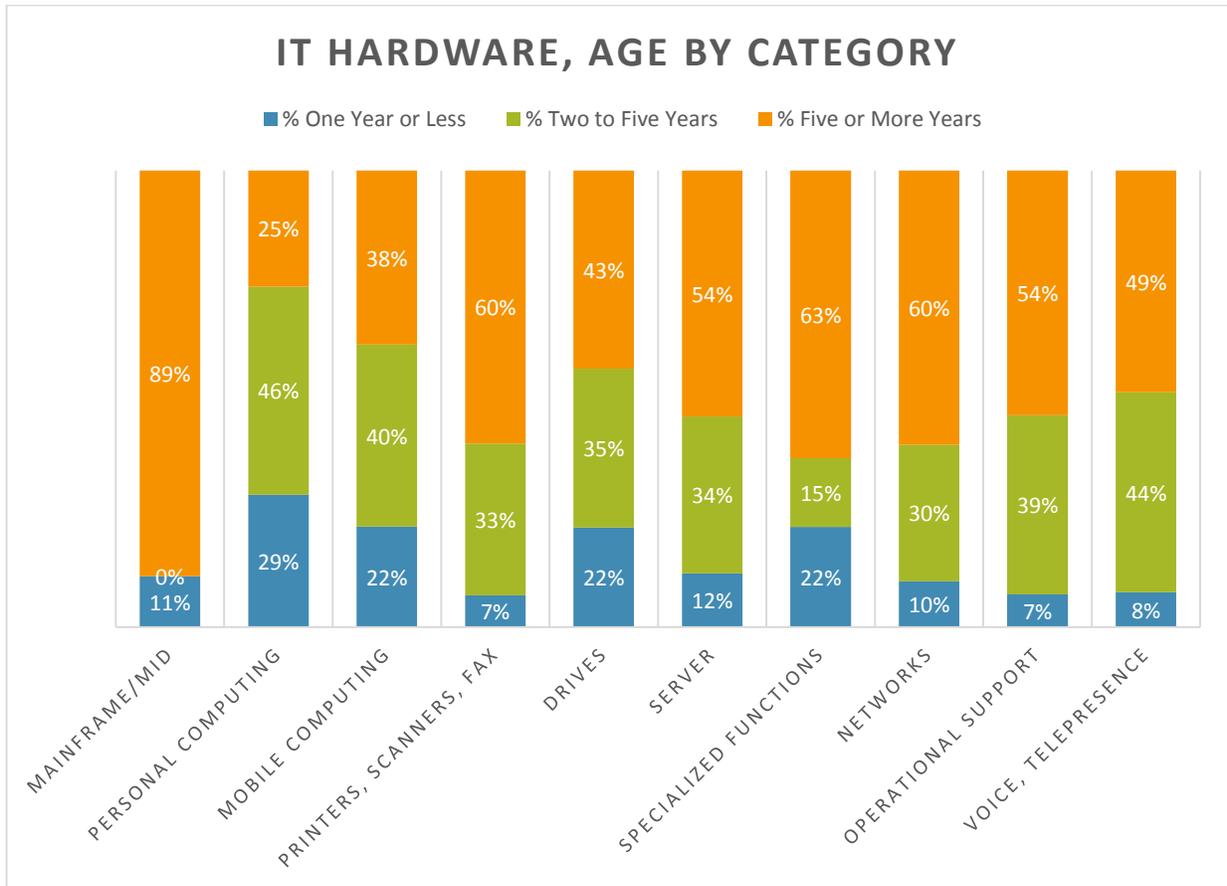
Software – an inventory of software assets is not available for FY2014

Personnel

The most important IT asset is IT Personnel. In FY 2014 the state had 1,100 employees in recognized IT classifications. The chart below shows the number of IT employees in the largest ten agencies.

Number of IT Employees by Agency

Medicaid Agency 40 4%
Public Safety 35 3%
Mental Health 34 3%
Retirement Systems 46 4%
Labor 59 5%
Revenue 80 7%
Human Resources 101 9%
Public Health 105 10%
Finance 140 13%
Transportation 144 13%
All Other 316 29%

Total State Employees with IT Classification excluding Port Authority =1100
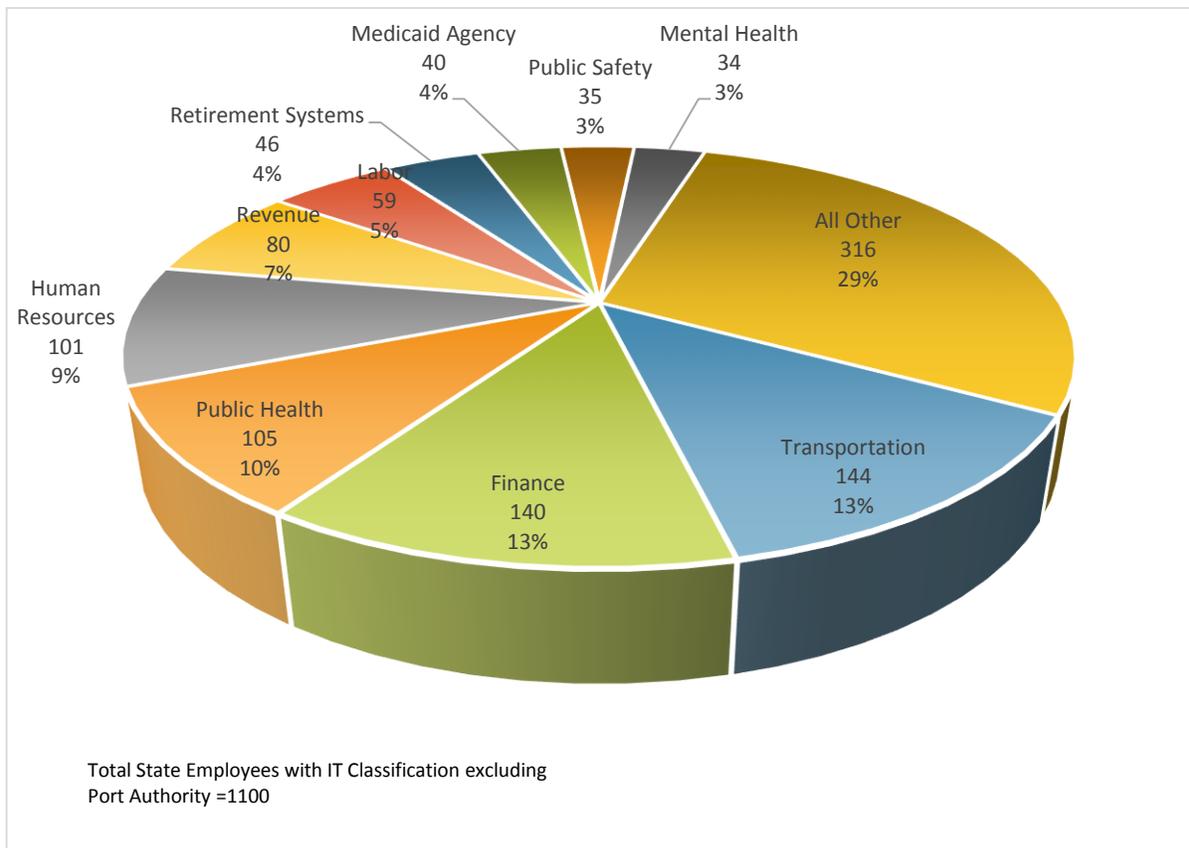
It is important to be aware of the age and longevity of staff to be prepared for the impact of staff retirements. Alabama, like most states, has an aging IT workforce, with 40% of the current staff eligible for retirement in the next five years. The following chart shows the retirement potential of current staff over time.

Number and Percentage of Current Staff Eligible for Retirement over Time
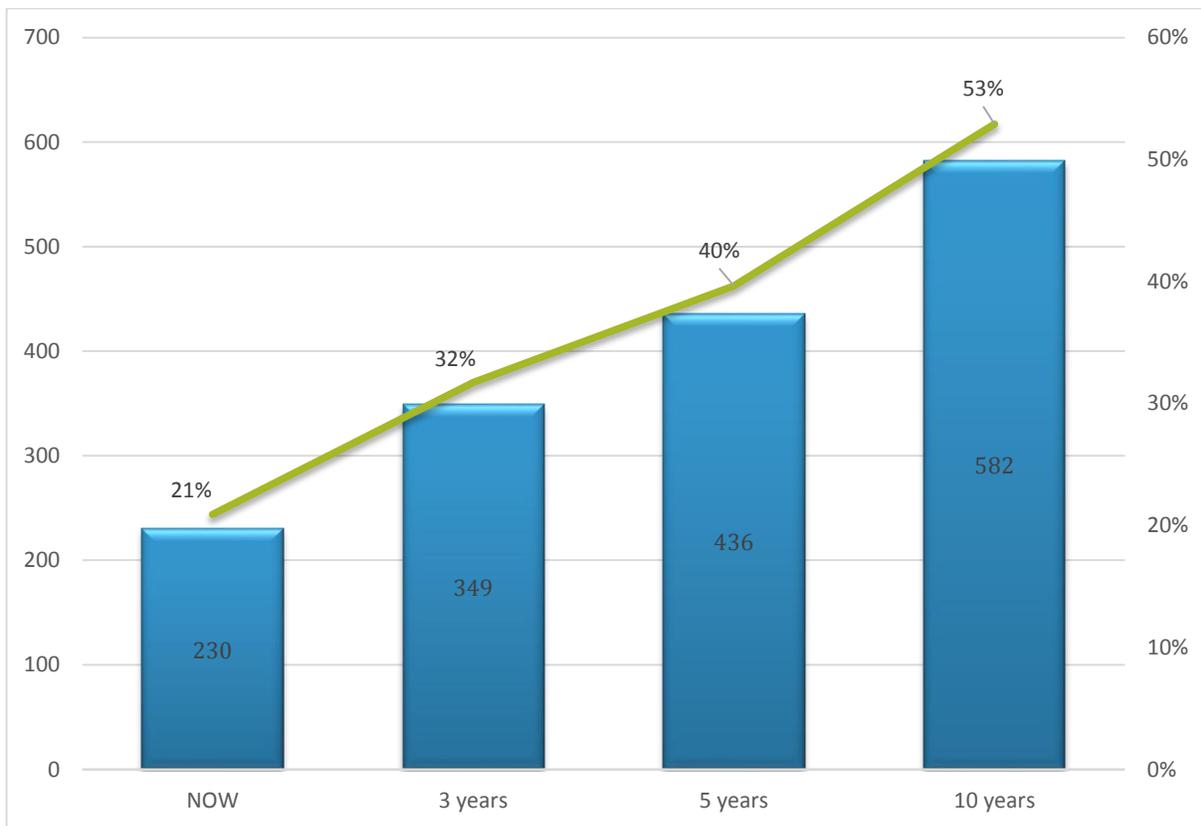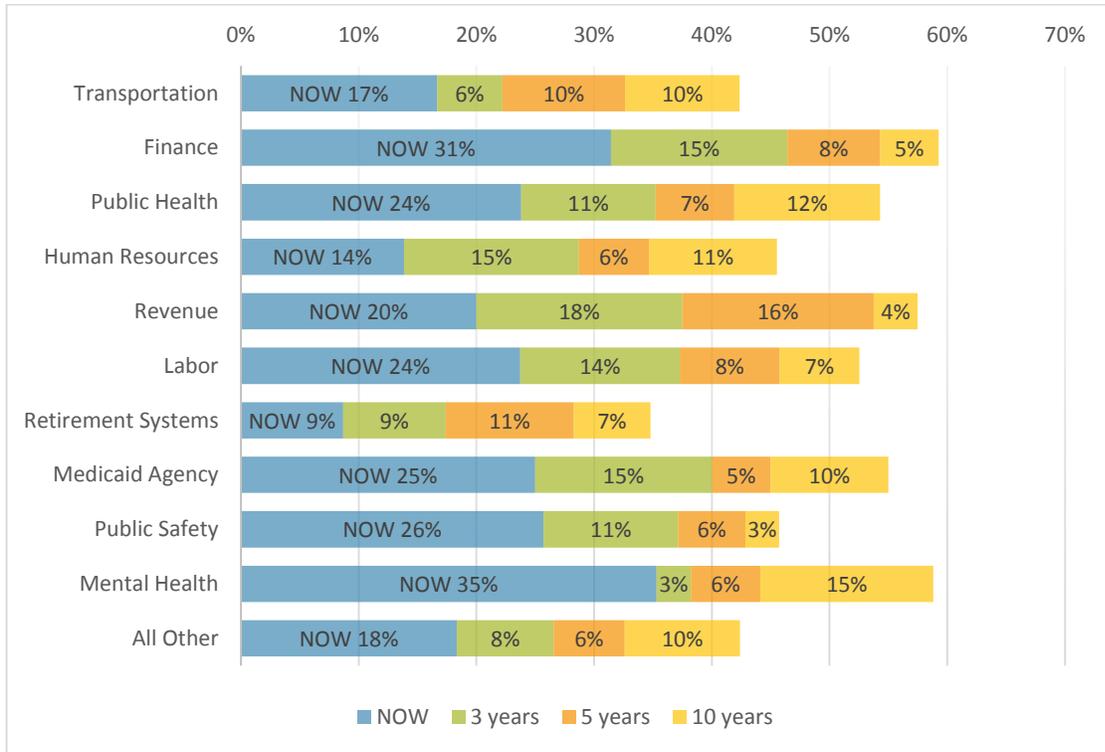
The large state agencies have their own staff to provide specialized IT services. The table below shows the potential retirement numbers of the largest ten agencies.

Agency	NOW	3 years	5 years	10 years
Transportation	NOW 17%	6%	10%	10%
Finance	NOW 31%	15%	8%	5%
Public Health	NOW 24%	11%	7%	12%
Human Resources	NOW 14%	15%	6%	11%
Revenue	NOW 20%	18%	16%	4%
Labor	NOW 24%	14%	8%	7%
Retirement Systems	NOW 9%	9%	11%	7%
Medicaid Agency	NOW 25%	15%	5%	10%
Public Safety	NOW 26%	11%	6%	3%
Mental Health	NOW 35%	3%	6%	15%
All Other	NOW 18%	8%	6%	10%

CURRENT STATE OF IT

In order to provide on-going technical services and to prepare for future IT services, an understanding of the potential shortages in IT skill sets is necessary. The chart below shows the potential retirement numbers by IT job classification.

Classification Title	Total IT Staff	Cumulative Retirement Potential				
		Now	3 Years	5 Years	7 Years	10 Years
IT MANAGER I	32	12	17	21	23	26
IT MANAGER II	24	12	16	17	17	21
IT MANAGER III	5	4	4	4	4	4
IT OPERATIONS TECHNICIAN	30	9	12	12	13	16
IT OPERATIONS SPECIALIST	31	12	16	21	22	23
IT OPERATIONS SUPERVISOR	10	6	6	7	8	9
IT OPERATIONS MANAGER	5	4	4	5	5	5
IT PROJECT MANAGER	12	2	4	5	5	7
IT SYSTEMS SPEC, ASSOC	126	18	35	46	54	65
IT SYSTEMS SPECIALIST	130	26	45	56	62	72
IT SYSTEMS SPECIALIST, SR	64	22	32	37	40	44
IT SYSTEMS TECHNICIAN	65	8	10	14	16	18
IT SYSTEMS TECHNICIAN, SR	112	16	29	40	46	56
M H INFO SYSTEMS COOR I	3	-	1	1	1	2
PROGRAMMER	24	3	3	4	5	6
PROGRAMMER ANALYST, ASSOC	74	6	10	13	16	28
PROGRAMMER ANALYST	157	26	45	55	66	86
PROGRAMMER ANALYST, SR	63	16	22	25	29	32
RSA SENIOR IT MANAGER	4	1	1	2	2	3
SR INFO SYS ADMINISTRATOR	3	-	-	-	-	-
SR SOFTWARE DEVELOPER	8	1	2	4	4	4
SYSTEMS SUPPORT TECHNICIAN	3	-	-	-	1	1
TECH SERVICES SPECIALIST II	4	4	4	4	4	4
TECHNOLOGY OPERATIONS SPEC	4	-	-	1	1	1
BUSINESS TECHNOLOGY ANALYST	3	-	1	1	1	1
BUSINESS TECHNOLOGY SPEC	4	-	-	-	-	-
DATA ENTRY OPERATOR	27	7	12	17	17	18
DATA ENTRY SPECIALIST	3	3	3	3	3	3
DATA PROCESSING SPEC I(T)	3	2	3	3	3	3
GIS SPECIALIST	10	-	-	-	-	-
GIS SPECIALIST, SENIOR	12	-	1	1	1	1
IT FUNCTIONL SYSTEMS ANLYST	7	-	-	1	1	3
All Other	38	10	11	16	16	20
Total	**1,100**	**230**	**349**	**436**	**486**	**582**

FY2014 PROJECT PORTFOLIO

State level Initiatives

STAARS – State of Alabama Accounting and Resource System

In December 2013, the State of Alabama embarked on an upgrade project that will modernize the State's accounting, procurement, personnel, payroll, budget and reporting functions across all state agencies. The system is a much newer version of Alabama's current system and is designed and built specifically for state and local governments. The new system is known around the country as CGI Advantage ERP and is already implemented in other states and large counties. In Alabama the system will be known as STAARS and it offers all of the enterprise resource management software capability the State needs. Because it's highly configurable, it is easier and faster to implement than systems that are not as flexible.

Implementing STAARS is much more than a technology upgrade. Before STAARS can be put in place across the State, the Project Team will work with all affected agencies to evaluate carefully how they currently do their work and how they will accomplish it in the future using STAARS. As STAARS is being implemented technically, our focus is to provide state accounting employees with the information, training, job aids, and support they need to do their jobs efficiently. The exciting thing is the features in STAARS will simplify many current tasks and eliminate some cumbersome tasks altogether. There will be significantly less paper. STAARS users will find it easier to access information and will have more information available at their fingertips.

The chart below shows the implementation strategy and timeline for STAARS.
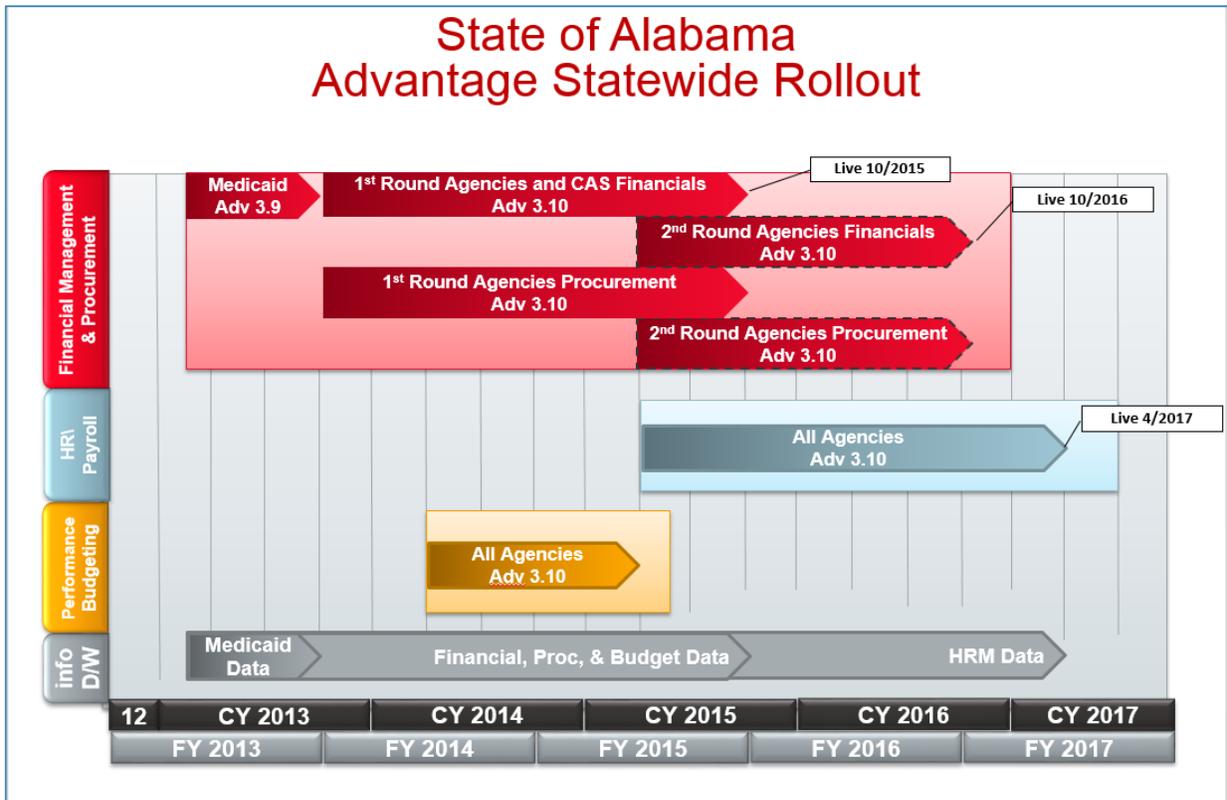
The Alabama Medicaid Agency was the first agency to implement the Financial Management module at the beginning of fiscal year 2014. All agencies will begin using the Performance Budgeting in fiscal year 2015. The Financial and Procurement modules will be implemented in two rounds with the first round going live in fiscal year 2015 and the second round going live in fiscal year 2016.

eMAP – State Employee Portal

The Alabama Portal (eMAP) system is a centralized location to provide common agency links, electronic versions of employee pay stubs, W2's and other documents relevant to state employees. The application also provides an avenue to display critical information in regards to weather, network outages and/or office closures.

The eMAP project was completed as of December 2014. All agencies have designated payroll administrators/clerks in order to access employee pay stub information. This ability is required for research and/or requests from agency employees who do not have internet access. All state employees can use eMAP to access electronic versions of their pay stubs and W2 information. In the fall 2014, the eMAP application loaded the first employee W2 information for employee access. No paper documents were distributed and provided to individuals unless they did not have internet access or requested copies from agency administrators.
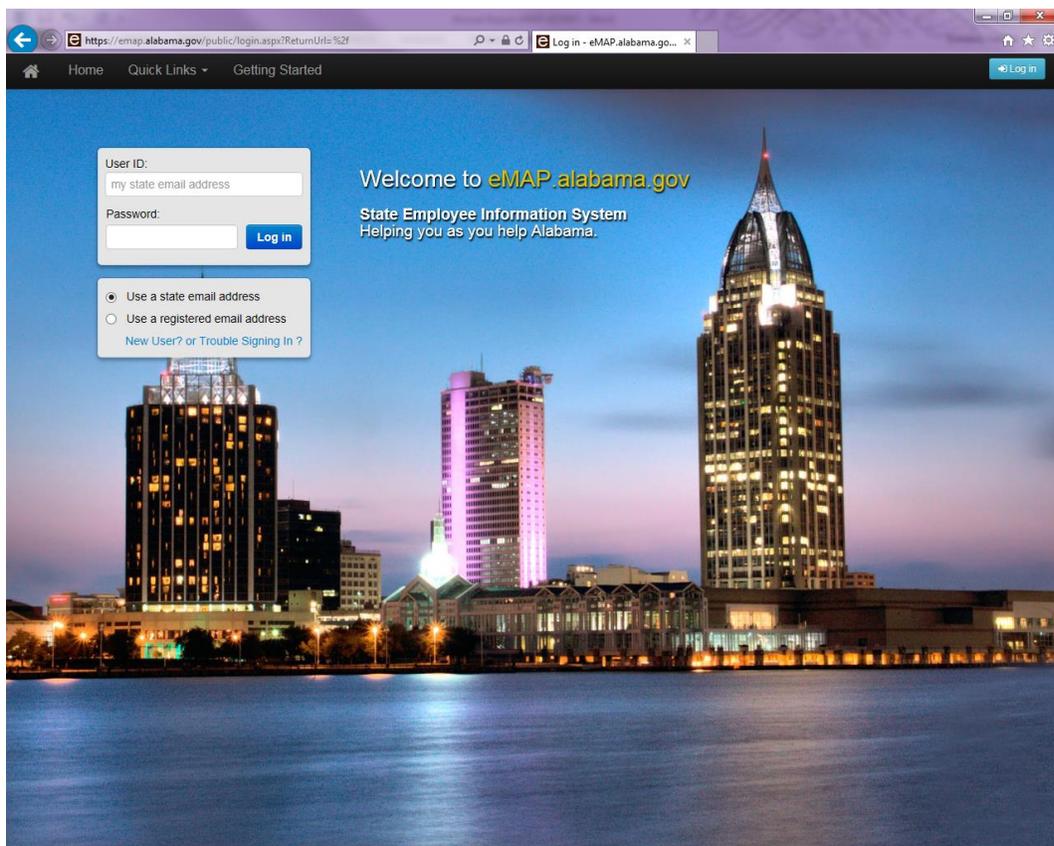
eSTART – State Time and Reporting Terminal system

The State Time and Reporting Terminal (eSTART) application is being implemented by the Department of Finance. The project goal is to automate the collection of all state employee work time and leave usage within a centralized platform. For any agencies currently activated in eSTART, the automation process has eliminated the majority of manual data entries into the human resource management system known as GHRS. Pay and Leave configuration policies have been defined for all employee job classifications across the State of Alabama. These policies will be in compliance with the Family Medical Leave Act requirements.

The eSTART application will provide agencies with reporting tools for real-time or historical views of employee work hours, leave requests and accrual information. This will allow agencies to provide a more accurate view of staff utilization.

Several time entry methods have been installed for employees in order to track work hours. These methods include time clocks, mobile applications (for smart phone access) and an internet URL.

The eSTART project is well into the implementation process. More than half of state agency employee information has been loaded to eSTART. There are 10,000+ employees which are live on eSTART for the automation of employee time and leave transactions into GHRS. There are also 3000+ employees currently in a test pilot mode.

eSTART is currently in the process of installing TeleTime. The TeleTime option will allow employees without smart phones the ability to generate time entry from off-site work locations (if approved by the agency). This feature will be beneficial to agencies such as ALDOT and ALEA whom have employees traveling or working from various locations.

eSTART intends to implement release 8 at the end of 2015 which will eliminate the java requirement for managers and administrators within the application. The entire eSTART project is anticipated to complete around August 2016.

CARES – Centralized Alabama Recipient Eligibility/Enrollment System

Governor Bentley's Executive Order 44, issued June 30, 2014, ordered "establishment of a joint eligibility and enrollment system among the Alabama Medicaid Agency, Alabama Department of Public Health, Alabama Department of Human Resources, Alabama Department of Mental

Health and Alabama Department of Senior Services, for the purpose of coordinating and providing for joint application, eligibility determination and enrollment by Alabama citizens in Federal and State public benefits programs".

The CARES Organization is the provider of the technical, management and implementation services to those agencies of this joint system that replaces aging and independent mainframe systems currently in operation.

Significant milestones accomplished in 2014 include.

- ➢ Advance Planning Document (APD) preparation and ultimate approval by CMS
- ➢ CMS Funding approval leveraging the Federal Funding Participation 90/10 matching funds formula with the State of Alabama. Two years of funding were granted.
- ➢ Locating and initiating office space settling on the sixth floor of the RSA building
- ➢ Agile practices implemented for CARES activities in 2014 and beyond
- ➢ Proof of Concept successfully completed to confirming existence of capability within CARES to accomplish the Governor's goal.
- ➢ Hiring of key leadership team members and staff positions in late summer to early fall.
- ➢ Necessary Program Management Office Policy/Procedures established and approved by Program governance including these key Program level documents.
  - o Program Charter
  - o Change Control Board Policy/Procedure
  - o Internal Risk Review Board Policy/Procedure
  - o Project Management Policy/Procedure
  - o Communications Policy/Procedure
  - o Artifact registration and submission with CMS CALT repository

The goal of the CARES Program in implementing an enterprise Information Technology (IT) solution is to support a first-class, modern experience, as well as seamless coordination among Medicaid, CHIP and the DHR programs. More specifically, the State of Alabama is seeking to:

- ➢ Provide the same customer experience to all individuals seeking coverage, regardless of source or amount of subsidy for which they may qualify, or the 'door' through which they enter;

- ➢ Permit real-time eligibility determination, routing and enrollment whenever feasible, and for all individuals, a timely and responsive resolution process;

➢ Extract the business rules out of multiple aging eligibility systems in order to share those, along with the Modified Adjusted Gross Income (MAGI) rules, in a central repository that is more dynamic and flexible;

➢ Implement a common system complemented with a high level of integration to avoid duplication of costs, processes, data and effort on the part of the State and beneficiaries

➢ Leverage the federal approach provided by the Federal Hub for verification from federal agencies such as the Internal Revenue Service, Department of Health and Human Services, and Department of Homeland Security to avoid the independent establishment of those interfaces and connections at the State level.

➢ Persist data at the highest quality level across the Enterprise of Agencies

➢ Achieve certification of our system(s) at Medicaid Information Technology Architecture (MITA) maturity level 3

Utilizing an Integrated Master Schedule (see below) we are able to project realistic and current Project Statuses to our Executive Oversight and Steering Committees.

% Complete	WBS	Activities	Duration	Start	Finish
27%	1	**SW0 - CARES Program Integrated Master Schedule**	**300 days**	**Tue 11/11/14**	**Fri 1/22/16**
27%	1.1	**CARE Vision**	**285 days**	**Tue 11/11/14**	**Fri 1/1/16**
40%	1.1.1	**Citizen Portal [CP]**	**186 days**	**Mon 1/5/15**	**Tue 9/29/15**
22%	1.1.2	**Case Worker Portal (CWP)**	**198 days**	**Mon 3/16/15**	**Wed 12/30/15**
47%	1.1.3	**Stabilization**	**156 days**	**Mon 2/9/15**	**Mon 9/21/15**
16%	1.1.4	**Infrastructure**	**104 days**	**Fri 4/3/15**	**Tue 9/1/15**
26%	1.1.5	**Non-MAGI**	**283 days**	**Tue 11/11/14**	**Wed 12/30/15**
27%	2	**Sub-Projects**	**352 days**	**Wed 8/6/14**	**Wed 12/30/15**
54%	2.1	**SW1 - Citizen Portal (CP) Project**	**188 days**	**Mon 1/5/15**	**Wed 9/30/15**
17%	2.2	**SW2 - Case Worker Portal (CWP) Project**	**208 days**	**Mon 3/2/15**	**Wed 12/30/15**
41%	2.3	**SW3 - Stabilization Project**	**164 days**	**Wed 2/4/15**	**Mon 9/28/15**
8%	2.4	**SW4 - Infrastructure Project**	**124 days**	**Fri 4/3/15**	**Wed 9/30/15**

18%	2.5	SW5 - Non-MAGI Project	352 days	Wed 8/6/14	Wed 12/30/15
19%	3	Program Management	528 days	Thu 9/4/14	Fri 9/30/16

ISD Datacenter Move/Upgrade

The Information Services Division (ISD) has been operating from its current datacenter several years and the facility is in dire need of repair and renovation. In 2012, the Retirement Systems of Alabama (RSA) opened a new state-of-the-art datacenter located in the RSA Dexter Avenue Building in downtown Montgomery. The RSA Datacenter provides redundant infrastructure (power and cooling) and enhanced security including multi-factor, multi-layer physical access controls. In 2014, ISD established a tenant agreement with RSA and started an effort to relocate its datacenter assets to the RSA Datacenter.

ISD's goal is to create a new datacenter that is as state-of-the-art as the facility it is housed in. To that end, they procured the latest networking equipment and designed the infrastructure to be highly-available and highly-configurable to the meet the needs of client agencies. Additional fiber has been laid, and internet bandwidth is being increased. Firewalls have been relocated and reconfigured to provide high-availability. Disaster Recovery systems are being relocated to geographically-separated locations to mitigate risk from potential disasters. In 2015 more systems will be moved to the RSA Datacenter including the State's primary mainframe and servers supporting enterprise applications such as eSTART and STAARS.

Agency Initiatives

Alcoholic Beverage Control Board

The Alcoholic Beverage Control Board began a project to replace an in-house developed licensing system with a comprehensive SaaS based Licensing and Compliance system. The agency selected Accela Corp. via a RFP and work began November 2014. The project is on schedule and is expected to be completed first quarter of 2016. The agency licenses 14000+ entities to sell alcohol within the state with annual renewals required. With the consolidation of law enforcement effective January 2015, new positions of Inspectors were created to perform the non-criminal duties associated with compliance of rules and policy of the ABC Board. The new system allows complete integration of the licensing and compliance functions that the current solution does not.

Alabama Department of Corrections

ADOC implemented an Escape Reporting System in 2014 that sends real-time alerts in the event of an inmate escape to ADOC personnel, the Governor's Office, the District Attorneys, the Sheriffs, the Chiefs of Police, the Alabama Law Enforcement Agency, and to media outlets statewide. All Law Enforcement entities are notified electronically with a bulletin including the inmate photo within four hours of the report of the incident. Within six hours, a media alert is generated, distributed statewide to media outlets who have subscribed to this service, and the ADOC website is updated with the details of the escape. Previously, all notifications were made solely by phone calls from a centralized communication center. The new system significantly reduces the amount of time required to respond to the emergency situation of an inmate escape. Furthermore, the notification was designed to be compatible with mobile devices utilized by ADOC Correction Officers and other Law Enforcement personnel. These bulletins have been praised by ALEA as a significant advance in Law Enforcement cooperation and efficiency.

Alabama Department of Human Resources

DHR completely overhauled the debt collection automated TOP process (Treasury Offset Program). The TOPS process assisted in the increased efforts to establish claims and collect overpayments resulting in over $4.5 million collected in FY 2014. That represents more than double the amount of money and benefits collected to repay recipient fraud and non-fraud claims over the previous year.

In March 2014, the online application system known as MyDHR was updated to provide a more user friendly experience. As a result, over 110,000 customers use the portal that is available at ***www.MyAlabama.gov*** to access the Supplemental Nutrition Assistance Program (SNAP) online. Many functions that previously required an office visit may now be completed online. Individuals may use the portal to submit applications, check their application status, submit verification, obtain verification of benefits, check eligibility for programs in other social service agencies, and send emails to their local county office. During the month of March 2014, over 3,000 applications were submitted through MyDHR. This number increased to over 6,200 applications submitted during the month of September.

In an attempt to address a duplicate participation problem within the SNAP program, the National Accuracy Clearinghouse (NAC) project was established through a grant from the Partnership Fund for Program Integrity Innovation. The purpose of the NAC is to identify and prevent duplicate participation through the development of an automated system to house

and match information from multiple states. Alabama joined four other states (Florida, Georgia, Louisiana and Mississippi) to develop the system and test the effectiveness of such a system to prevent duplicate participation. Implemented in June, the system automatically alerts workers if a household member matches information from another state. Statistics are still being gathered to determine if the project is a success. The ultimate goal is to establish a national database.

DHR developed an online training course in FY 2014 for persons mandated to report child abuse or neglect. The online training is designed to instruct mandated reporters on important elements of the reporting process. It emphasizes the importance of reporting child abuse and neglect, who is required to report, how to recognize it, how to report it and what happens after a report is made.

Alabama Department of Labor

ADOL completed several technology consolidation and upgrade projects that resulted in more cost effective and efficient departmental operations. The major technology changes include consolidation of mainframe services and moving agency servers into the central Information Services Division (ISD) in the Department of Finance, conversion of the VoIP phone system to SIP trunk technology, and standardization of the file transfer processes. The Department's Single Line Adjudication Program was modified to enhance functionality.

The New Hire Reporting Enforcement project helps reduce fraudulent unemployment payments by assessing penalties against employers who fail to report newly hired employees.

To improve service to Alabama citizens and businesses the Alabama Job Link website was upgraded and a website allowing employers to file their First Report of Injury claims was completed.

Alabama Department of Revenue

Taxpayer Identity Protection Program

As individual tax returns are filed with ADOR each return is processed through an automated system that flags various indicators of potential taxpayer fraud. Those returns that pass through this process without being flagged have historically been cleared for payment of any refunds claimed by the taxpayer. In 2014 ADOR completed modifications to our process to allow us to securely transfer the data from the cleared returns to a third party who then processed these returns against a vast warehouse of public data in order to detect anomalies

that indicate possible fraud. As a result of this process, taxpayers whose returns were found to contain these anomalies were contacted through official ADOR mailings and directed to take an identity protection quiz either online or by phone or bring various identification documents to a local ADOR office for physical verification of identity.

Online Sales Tax Rate Lookup Application

Sales tax rates in Alabama are typically calculated based upon the physical location from which merchandise is purchased. The percentage paid is typically derived from a combination of state, county, city or town, police jurisdiction, and other applicable sales tax rates. These rates change depending upon the county, city or town, police jurisdiction, etc. that pertain to the physical location from which the merchandise is purchased. Due to the clarification of the interpretation of the "local nexus" law in early 2014, businesses that deliver goods such as pizza and flowers were required to charge sales tax to customers based upon the location where the merchandise is to be delivered. As an aid to these businesses, ADOR implemented a web-based application that permits anyone to key in a specific address within the state of Alabama and have the appropriate state, county, city or town, police jurisdiction, and other applicable sales tax rates returned. The link for this application can be found on the ADOR home page under "What's New", "New, Interactive, Sales Tax Rate Lookup Application". The application can be accessed thru any device with an internet connection such as desk top computers, iPhones, Android devices, tablets, etc.

Alabama Revenue Information System (ARIS) Conversion

ADOR's use of IMS had been declining since the implementation of the client-server based GENTAX tax administration system; ADOR's customized version of this system is known as the Revenue Integrated Tax System or RITS. The only data ADOR still had in IMS tables was older data used primarily by our Collections Division. The conversion project centered around moving this remaining IMS data to DB2 databases due to the wholesale decline of the State's utilization of IMS which made it too costly for a single agency to maintain support of IMS on its own.

Alabama Department of Transportation

Enterprise Geospatial Information System (EGIS)

ALDOT began a project to implement an Enterprise level Geospatial Information System (GIS) intended to serve all of ALDOT's GIS needs such as providing a single Linear Reference System (LRS) that all other geospatial data sets can be derived from and/or mapped to. The system will provide an environment for hosting Geospatial data and imagery from various ALDOT bureaus, a mechanism for sharing Geospatial data amongst all of ALDOT's users as well as the general public, and the means to standardize and optimize Geospatial data collection and maintenance, and GIS application development, deployment, and maintenance.   The new EGIS is built on many of ESRI's core products such as ArcGIS Server, Roads and Highways, Roadway Characteristics Editor, Workflow Manager and ArcGIS Online, to name a few. Full implementation of the EGIS is expected to be completed in winter of 2016.

Fleet Management

By legislation ALDOT assumed responsibility for State Motor Pool operations in fiscal year 2014. To prepare for this new responsibility, ALDOT IT personnel supplied and installed new computer equipment to include workstations, printers, and a virtual server. For this new ALDOT site, network connectivity was established via fiber. IT personnel coordinated a Site Survey with Vision Security Technologies to do an assessment of existing Security Cameras and had an active role in upgrading the Avigilon system and cameras. The scope of this project also included establishing network connectivity to Capitol Police to allow monitoring of the Security Cameras, which was done through fiber connectivity. A new Motor Pool car reservation system was designed and implemented along with a new State Motor Pool website all of which is now hosted and supported by ALDOT.

Disaster Recovery

In 2014, ALDOT Computer Services embarked on a project to build a new off campus computer dark site. After receiving approval from ALDOT's Administration and working in conjunction with ALDOT's Equipment Bureau, Computer Services has acquired the land to build a computer data center that will serve as ALDOT's disaster recovery facility. Architectural plans are completed and have been approved by the Alabama Building

Commission. Construction is expected to begin mid-July, 2015 with an estimated completion date expected in late 2016.

Region Consolidation

ALDOT completed the implementation of a new state wide organizational structure in 2014 by consolidating nine division offices into five regional areas. To accommodate this organizational change, ALDOT IT personnel outfitted five new office locations located throughout the state with the necessary computer equipment and network infrastructure so that all offices were operational within 2014. Many of ALDOT's applications and databases also required modification by the application support staff so that the systems could properly capture and report ALDOT information for the new organizational structure.

FY2014 ISD REPORT

As the central Information Technology service provider for the State of Alabama, ISD's mission is to support critical IT functions of state agencies. Driven by a commitment to achieving performance excellence, leadership of the State of Alabama's Department of Finance engaged Clarus Consulting Group (Clarus) to aid ISD in developing a plan to sustainably improve the division's service to customer agencies. Clarus guided ISD through a planning process centered on broad stakeholder engagement that resulted in a comprehensive Customer Service Improvement Plan. Based on the feedback of over 150 stakeholders and guidance of an engaged Steering Committee, the Customer Service Improvement Plan works toward a single goal:

Creating and sustaining a culture of quality customer service.

The plan identifies three customer service priority areas and a series of objectives and preliminary tactics for ISD to accomplish within each priority area. The customer service priority areas are:

- *Organizational Health.* Promote a high-performing division through strong and cohesive leadership, organizational structure that reinforces leadership's vision for success and customer service, and processes that ensure ongoing knowledge and resource development.

- *Communication.* Improve customer satisfaction and employee morale through consistent, clear, and transparent communication.
- *Technology and Operations.* Provide high value information technology services through continual alignment of service offerings, competitive cost structures, and core internal resources and infrastructure.

2014 Activities and Accomplishments

IT GOVERNANCE

IT Project Budget Forms

The OIT worked with the Executive Budget Office to develop and implement a new budget process and forms to track Information Technology budgets for all state agencies. New forms will allow the state to track IT budgets beginning in the FY2016 budget cycle. The new IT Budget form, EBO Form 7 can be found at http://budget.alabama.gov/pages/budreq.aspx.

IT Project Management

The IT Project Management Workgroup completed the first phase (out of four) of the new IT Project Management process. This phase covers project approval requirements for IT projects that meet a defined threshold and requires agencies to submit a business case and cost benefit analysis for capital investment IT projects. The IT Project Governance Policy, IT Project Planning Policy, IT Project Execution and Control Policy and IT Project Closure Policy are currently under review by the OIT and will be published soon.

Alabama CARES project

Executive Order 44 was signed by Governor Bentley on June 30, 2014 which established a governance structure to ensure the state agencies involved in the integrated eligibility system have input and insight to the development project and the ongoing operation of the system. The goal of this project is to streamline the government processes and provide an integrated approach to services for citizens of Alabama.

IT Human Capital Management

The IT Human Capital Management Workgroup was established in November 2014 to address Strategic Goal 2, defined in the Alabama IT Strategic Plan FY 15-18, which states, "Develop and maintain a trained and productive IT workforce with the skill sets necessary to keep pace with technology." The Agency CIO Advisory Council identified twelve issues that adversely affect the State's ability to acquire and maintain a trained and productive IT workforce. Those issues were categorized into four general areas.

OIT invited all of the Agency CIO Advisory Council, several additional Agency CIOs, several Agency Personnel Directors and State Personnel to participate on the Workgroup to develop recommendations to address the issues. The report can be found at
http://www.oit.alabama.gov/documents.aspx

Data Center Standards

The Datacenter Standards workgroup is focusing on developing governance for State datacenters and the classification of data. This workgroup will help OIT develop the policies and standards that will govern the operations of all state datacenters, and to ensure the state's critical and sensitive data is hosted in the appropriate datacenter.

IT EFFICIENCY AND SECURITY

Security Council

The IT Security Council is a policy advisory body comprised of state agency CIOs & senior IT security professionals. Its mission is to develop, review and propose security policy for the Secretary of Information Technology, as well as network and collaborate on IT security issues facing Alabama government. Its meetings provide a forum to discuss best practices and emerging threats.

Currently, the Security Council is reviewing the NIST Framework for Improving Critical Infrastructure Cybersecurity, and considering the extent and means of implementing the framework in Alabama government IT.

ADOL datacenter move to ISD

After several years of intense discussions and extensive mainframe capacity and cost accounting analysis, the Alabama Department of Labor (ADOL) and Finance Information Services Division (ISD) came to an agreement and developed a plan to consolidate the two mainframe operations. The Mainframe Consolidation Project began in July of 2014 and in January 2015 ADOL became fully operational in a dedicated partition on the ISD mainframe. With the validation of ADOL data migration to, ADOL ceased all operational processing activities on their mainframe. There is still work to be done to finalize the on-going operational state of the ADOL production systems, but the state is one step closer to maximizing its technology resources through smart consolidation.

Microsoft Office 365

The State made the decision to move to Office 365 in June 2014. Since that time, ISD has been working on deployment of the new on-line capabilities of this powerful suite of applications. After a few months of planning, ISD created the Active Directory Federation Service (ADFS) infrastructure that enables AD synchronization of user identities with the cloud environment. This allows O365 users to sign on using their primary AD account credentials. By late 2014, ISD with the assistance of Summit 7 Systems of Huntsville, had created and began distributing the Office Pro Plus installation package to allow agencies to deploy the Microsoft Office applications on their personal computers. In April, with the assistance of Integrated Computer Solutions, Inc. (ICS - Montgomery) and Imager Software Inc. (ISC – Tallahassee Florida), ISD began a pilot migration of mailboxes from their on-premises Exchange servers to Exchange on-line. This very successful pilot recently completed, having migrated close to 4,000 mailboxes. With roughly 14,000 more mailboxes to migrate, the State has retained the ICS/ISC team to complete this project. Estimated date of completion is March 2016.

Eliminating Windows XP

The initiative to upgrade or replace all state desktops and laptops that were running on Microsoft Windows XP was started in June 2013. Most agencies were successful and met the April 2014 deadline. A small number of agencies did not meet the April deadline and were required to enter into a custom agreement with Microsoft to continue receiving security patches for the XP machines they considered critical to their organization. Non-mission critical XP machines not covered by a Microsoft support agreement were taken off the state network after April 8, 2014.

This project resulted in approximately half of the state's desktops and laptops being upgraded or replaced in less than one year.

OIT COORDINATION AND REPRESENTATION

Sponsored the Alabama Digital Government Summit

Served as Technical Advisors for:

- Drone Task Force
- Workforce Improvement Council Data Sub-committee

Represents Alabama Information Technology on the following boards and associations:

- National Association of State Chief Information Officers
- Alabama Supercomputer Authority
- Homeland Security Task Force
- Alabama Geographic Information Systems Executive Council
- Stewards of Change
- American Public Human Services Association – IT Solutions Management for Human Services
- University of Alabama Management Information Systems Forum

OFFICE OF INFORMATION TECHNOLOGY

Office of Information Technology

FY2014 FINANCIAL REPORT

OBJECT CODE	MAJOR OBJECT	EXPENDED
0100	Personnel Costs	$303,066.52
0200	Employee Benefits	$87,750.61
0300	Travel, In-State, and Per Diem	$1,231.10
0400	Travel, Out-of-State	$12,765.43
0600	Rentals and Leases	$3,831.69
0700	Utilities and Communications	$0.00
0800	Services	$255,373.25
0900	Supplies, Materials, and Operating Expenses	$94,504.37
1400	Other Equipment Purchases	$21,652.31
Totals		**$780,175.28**

2015 OIT EXECUTIVE COMMITTEE MEMBERS

NAME	AGENCY
Buckner, Nancy	Department of Human Resources
Byard, Jim	Department of Economics and Community Affairs
Collier, Spencer	Alabama Law Enforcement Agency
Cooper, John	Department of Transportation
Heinrich, Mark	Post-Secondary Education
Magee, Julie	Department of Revenue
Newton, Bill	Department of Finance
Ridling, Jim	Department of Insurance

2014 AGENCY CIO ADVISORY COUNCIL MEMBERS

NAME	AGENCY
Doane, Jack	Information Services Division
Hargrove, Jeb	Emergency Management Agency
Heitman, John	Department of Public Health
Hornsby, Debbie	Department of Revenue
Latham, David	Alcoholic Beverages Control Board
Maddox, Melinda	Department of Education
Mitchell, Maury	Alabama Law Enforcement Agency
Pendergast, Jeannine	Department of Labor
Stokes, Michael	Department of Transportation
Townsend, Lisa	Department of Human Resources

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