



# Moving Washington's Information Technology Forward

*2009 – 11 Strategic Plan*

June 2008



*Washington State Department of*  
**Information Services**



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## INTRODUCTION

“No state in the nation is better than Washington at developing and sharing information.” That conclusion was reported by the Pew Center in an evaluation of state government management, which recently awarded top honors to the state of Washington.

The Pew Center on the States issued its ‘state government management report card’ in February 2008. In March 2008, *Governing Magazine* reported the results in its cover story, which began with this declaration: “Information is King.”

Each of the 50 states were evaluated and graded according to their management of four essential resources: money, people, infrastructure, and information. Overall, Washington shared the top ranking with two other states. Of those three top-ranked states, Washington ranked best (grade A) in management of information.

The Department of Information Services (DIS) is committed to advancing Washington’s leadership position in the use of information to support the delivery of public services.

In Washington, DIS provides technology to support government agencies, information to support the measurement and management of government services, and connectivity between Washington State government and the public it serves.

DIS deploys information technology (IT) services to state and local governments, educational institutions, tribal governments, and qualified non-profit organizations. DIS leverages investments through economies of scale and system and data integration.

DIS works to improve the delivery of state public services so that the public receives a return on the investment they make in the state government.

Governor Gregoire and her administration are committed to moving Washington forward by delivering leadership and services, building trust and confidence in state government, helping Washington citizens to achieve outstanding qualities of life, and to compete effectively in the global economy of the 21st century.

Through information services and IT leadership, DIS supports the delivery of outstanding government and educational services to move Washington forward.



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## EXECUTIVE SUMMARY

This document is the 2009-11 Strategic Plan for the Washington State Department of Information Services (DIS). Led by Washington's Chief Information Officer, DIS provides information services and IT leadership for government organizations throughout the state.

DIS goals are responsive to the priorities of our key stakeholders – the Governor, the Legislature, the Information Services Board, state agencies, other customers, and DIS employees.

### **DIS goals**

- Provide innovative technology leadership.
- Provide quality, reliable, cost-effective, common IT services.
- Implement successful DIS and state IT projects and IT infrastructure.
- Promote a valued, skilled, and aligned workforce.
- Ensure financial stability.
- Provide quality and reliable internal support services.

DIS leads cross-agency initiatives to provide common IT services. DIS and partner agencies are jointly accountable for the success of major state IT projects.

All of Washington's [Priorities of Government](#) (PoG) result areas are supported by DIS goals and services. Most PoG result areas are supported indirectly, through provision of IT services to state agencies that have primary service responsibilities in those areas.

“To improve the ability of state government to operate efficiently and effectively” is the PoG result area most directly supported and advanced by DIS services, activities, and initiatives.



## SIGNIFICANT SOURCES FOR THIS PLAN

- **Governor Gregoire** has given DIS clear direction to provide quality and reliable IT services, to ensure the success of state IT projects, and to provide technological leadership. The Director of DIS also serves on the Government Management, Accountability, and Performance Panel that uses information to measure results, improve performance, and solve problems.
- **The Washington State Legislature** has defined the purpose and expectations of DIS, most recently through the strategies outlined in the [IT Work Group Report](#). In addition, the Legislature directed DIS to administer the IT Tech Pool and the 903 consultation process. The primary statutory responsibilities of DIS are reported on pages 23-24 in this Plan.
- **The Information Services Board (ISB)** adopted a [State IT Strategic Plan](#) in February of 2008. The Plan provides direction for IT policies and strategies. The goals and objectives of the State Strategic IT Plan are a primary foundation of DIS goals, strategies, objectives, and activities.
- **The Office of Financial Management (OFM)**, through its 2009-11 Budget Instructions – Part 12: Information Technology Portfolios and Decision Packages, has directed DIS to consult with state agencies regarding their proposed use of IT products and services. OFM’s Priorities of Government budgeting process calls upon DIS and other agencies to further the goals of efficient and effective government.
- **DIS customers** provide valuable input through their participation on the Customer Advisory Board, Chief Information Officer (CIO) Forums, project committees, and customer surveys.
- **DIS employees**, at every level, participate in the development of DIS strategic plan and goals. The DIS management team ensures that the strategic plan is comprehensive and best supports the priorities of the state and the strategies of the Information Services Board.



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## **DIS Mission**

Deliver quality and reliable information technology products and services, through proactive and timely technology leadership.

## **DIS Vision**

We connect and inform Washington's public services.

## **DIS Core Values**

### **Service, Integrity, Accountability**

We are committed to the highest standards of public service and accountability. Our work is vital to Washington's delivery of public services.

### **Teamwork and Innovation**

We respond to needs and manage changes, through collaborative teamwork, use of best practices, and innovation.

### **Our Workforce**

The well-being of our employees – continuous development of their capabilities, and recognition of their accomplishments – are honored values, crucial to our success.



## GOALS, OBJECTIVES, STRATEGIES, AND ACTIVITIES

### Goal 1: Provide innovative technology leadership

The state of Washington is often recognized for its innovation and leadership in the use of information technology for government services. DIS has led and partnered in these successes.

Among our current innovations:

- The Business Portal, providing a single site for Washington business owners' governmental electronic transaction needs
- The Next Generation Network, and the Tri-City Metropolitan Optical Network, providing high-speed data transport
- Unified Communications service, combining voice, data, video, web collaboration, and mobile capabilities, over existing data networks
- New security services, including campus-wide secure wireless deployment
- Consumer-protection enhancements for Access Washington®, the internet portal for Washington State
- IT Professional Services Master Contracts, providing convenient, effective means for state agencies to acquire professional IT support from vendors
- Computer power-management software, reducing the state's carbon footprint and energy usage
- Expanded mobile messaging services, providing wireless access to business information for state government agencies
- Data integration services, to further enhance multi-agency use of data and common technology systems.
- Web 2.0 services, to facilitate information sharing and collaboration
- Radio-over-IP services for the state's existing network infrastructure
- Records management efficiencies, including storage and search services
- Common business continuity services, to help state agencies deliver public services in times of emergency



## **Objectives**

- DIS develops and implements the right common technology solutions at the right time, offering flexible solutions that leverage the state's investments.
- DIS employs IT policies and decision-making tools that enable efficient and effective implementation of IT projects throughout state government.

## **Strategies**

- DIS leads cross-agency initiatives to improve public services through innovative and leveraged uses of information technology.
- DIS works with the ISB to develop and implement policies and standards to ensure the efficient and effective use of information technology across state government.

## **Activities**

### **Service Requirement Assessments**

The service operation divisions of DIS – Telecommunication Services, Computer Services, and Interactive Technologies – continually assess the ongoing and emerging IT service requirements of state agencies and other DIS customers. This work enables DIS to conduct and guide development of efficient and effective IT services.

### **Enterprise Architecture (EA)**

Promotes consistency, predictability and timeliness in state IT planning, investments, and design decisions; enables integrated end-user experiences; facilitates cross-organizational sharing of enterprise information; and implements best practices across state government.

### **Networks and Interoperability**

Enhance coordination and effectiveness of educational, justice, and public safety communications. Initiatives underway include: build-out of interoperable networks; expansion of IP-based data capacity; and integration of justice information systems.

### **Geospatial IT projects**

Enable geospatial data to support planning and operation of public services, such as: transportation systems; natural resource and wildlife management; emergency response; homeland security; economic development; and health and human services.



## **Goal 2: Provide quality, reliable, cost-effective, common IT services**

The Legislature established DIS to provide technology services on a cost-recovery basis to state and local governments, educational institutions, tribal governments, and qualified non-profit organizations.

DIS provides a core set of common services and infrastructures – shared services designed for use by customers. Common services enable innovation and economies of scale, that leverage investments and increase efficiencies.

These systems are essential to the delivery of public services to millions of people – around the clock and throughout the year. The critical nature of these public services means these IT systems must be high quality and reliable. DIS has built redundancy, security, and disaster recovery capabilities into Washington’s IT infrastructure.

The DIS [TechMall](#) provides up-to-date, detailed information on DIS products and services.

### **Objectives**

- Increase efficiencies for the state, through economies of scale resulting from the use of common IT services by state agencies.
- Maintain high levels of service quality and reliability.
- Maintain and enhance customer satisfaction with DIS services.

### **Strategies**

- Implement the Information Technology Infrastructure Library (ITIL), management best-practices for the IT industry.
- Proactively identify the technology needs of state government, and develop common services to meet them.
- Facilitate increases in the number of state agencies using the common IT services.
- Conduct monthly meetings with individual state agencies to review need, initiatives, account status, and to address any service issues.

The efficiency proposition of DIS services is: attain maximum economies of scale and leverage of IT investments – reducing the unit-costs of IT services – through widespread use of common services.

Over time, this practice will enable agencies to channel greater shares of their resources to their core public service missions, rather than to IT infrastructure.



## **Activities**

### **Data Network Services**

Provide internet connectivity for public-sector customers, the State Government Network (SGN), and other networks such as the K-20 Education Network, and the Intergovernmental Network (IGN). The SGN provides greater security, more efficient network management, and voice/video/data transfer over the common infrastructure. Significant initiatives include the Campus Region Optical Network and Quality of Service Implementation.

### **Mainframe Computing Services**

Process millions of business transactions each day for the public and state agencies, in categories such as: social services, employment, corrections, licensing, worker compensation, business services, finance, retirement systems, health care, and natural resources.

### **Enterprise Storage Services**

Provide data storage for mainframe and server-based technologies. Needs for data storage continue to grow as computer applications advance, and the state develops more integrated business practices.

### **Enterprise Business Solutions**

Provide server-based IT services that can be shared by agencies across state and local governments. Enterprise Business Solutions works to expand use of existing solutions, and to develop new services that meet the common business needs of DIS customers.

### **Telephony Services**

Provide and manage more than 50,000 local telephone lines and provide long-distance telephone services to more than 150,000 individual users in public agencies, as well as conference calling services, directory assistance for state agencies and local governments, state directory assistance for the public, and technology and consulting support for the call-center operations of other state agencies.

### **Technology Acquisition Services (TAS)**

Enable agencies to purchase and lease IT equipment and software at high-volume contract prices. Specific services include technology brokering, leasing, master contracts, and technology consulting. TAS works to gain economies of scale by developing standards for state technology products and implementing master contracts for use by DIS customers.



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### **Enterprise Security Services (ESS)**

Protect data traffic on networks, transaction of the public that are made through state online business systems, and the daily work of state government personnel. ESS also coordinates the Washington Computer Incident Response Center, an inter-agency technical group focused on the security of systems and data.

### **Multimedia Production Services**

Provide professional, broadcast-quality programs to help customers communicate key messages to the public and internal audiences. The Multimedia Group creates and produces videos, webcasts, streaming media, and websites.

### **Web Properties**

Operate websites for state government. Access Washington® serves as Washington's internet portal for the public, receiving millions of visits each year. Inside Washington™ serves as the state intranet portal, offering a wide range of resources for state employees.

### **Enterprise Active Directory (EAD) Services**

Enable state employees to work more efficiently as individuals and in groups, while permitting agencies to tailor specific features. Examples of EAD services include: single sign-on capability to state computer applications, unified communication services, centralized e-mail spam and virus filtering, network faxing, e-mail directories, and mobile messaging.



### **Goal 3: Implement successful DIS and state IT projects and IT infrastructure**

DIS is jointly accountable for the success of the state's major IT projects, which are overseen by the Information Service Board in accordance with Washington's investment and IT portfolio management policies. DIS also ensures successful implementation of IT infrastructure deployed for use by the state government enterprise.

#### **Objectives**

- Implement major state IT projects on time, on budget, with full scope.
- Implement DIS IT projects on time, on budget, with full scope.
- Improve long-range planning of IT projects and infrastructure.
- Improve initial estimates of project costs, timelines, functions, and business value.
- Ensure that small agencies have sufficient information technology resources to accomplish their business missions.
- Ensure that the state's IT investments deliver best-possible business value for agencies and improved services for the public.

#### **Strategies**

- Implement a new IT portfolio management system, in order to:
  - Improve investment prioritization processes;
  - Improve tracking of project status and risk;
  - Improve visibility of all proposed projects; and
  - Track concepts prior to formulation of proposed investment.
- Maintain effective partnerships with customer agencies.
- Promote expertise in IT project management.
- Use cross-division DIS teams to support implementation of major state IT projects.



## Activities

### Policy Development and Project Oversight

The Management and Oversight of Strategic Technologies (MOST) Division of DIS provides support to the Information Services Board, which is composed of representatives of all three branches of state government as well as the private sector. Activities include: development of statewide information technology policy, preparation of technical IT standards, oversight of major IT projects, and evaluation of technical merits of proposed projects. The focus is on successful implementation of IT projects.

### IT Portfolio Management System

DIS will use a new computer-based system, to enable consistent collection of IT project and asset information, to support planning, analysis, management, reporting and decision-making by the Governor, the Legislature, OFM, the Information Services Board, DIS, and state agencies.

This implementation follows recommendations of the Joint Legislative Audit and Review Committee that the ISB should require all agencies to submit IT project expenses and budgets in complete and consistent portfolio reports.

### Small Agency Support Services

DIS provides advice to small agencies for effective IT planning and investment decisions. Emphases include: critical IT equipment and infrastructure; connections to the State Government Network and common IT systems; emerging security needs; best practices for portfolio development, investment plans, and compliance requirements. With its partners on the Small Agency Initiative Committee, DIS administers the small agency Technology Pool.

- DIS assists state agencies to build expertise in IT project management, reflecting the variations in agency project management resources and capabilities, and recognizing that skills are developed through training, collaboration, and experience.
- DIS produces more complete project estimate information, earlier in the project development process. Improvement of initial estimates - for project costs, timelines, functions, and business value - are essential elements for ultimate project success.
- DIS uses rigorous criteria for the evaluation of project status and risk. Industry best-practice project management techniques are used, to improve successful implementation of IT projects. Lessons learned during each of the major IT projects are reported, using the 'critical success factors' adopted by the ISB.



## **Goal 4: Promote a valued, skilled, and aligned workforce**

DIS employees are the foundation of our continued success. DIS must be competitive as an employer, to attract and retain outstanding professionals to accomplish our goals.

Growth opportunities, adequate resources, respect, and recognition for achievement are conditions necessary for DIS to employ and retain high-caliber employees. These staff enable DIS to fulfill its role as the IT leader of Washington State government.

### **Objectives**

- DIS employees are well-trained, qualified, and prepared for their job.
- DIS employees are valued and recognized for their work.
- DIS employees are passionate about their work and their professional development.

### **Strategies**

- Provide timely, relevant, training and mentoring resources for all levels of staff.
- Provide timely and appropriate recognition for all levels of staff.
- Develop and sustain competitive compensation.

### **Activities**

- All DIS employees participate in organized internal meetings, frequently held, to focus on current business and to ensure essential teamwork.
- Inside DIS, the DIS intranet, ensures that the DIS workforce is kept continuously abreast of business and organizational topics.
- Provide updated tools for employees, including communication tools, e-mail storage services, file sharing, and web collaboration.
- Develop, test, and practice methods and venues to enable and promote effective communications to – and among – the DIS workforce.
- Provide appropriate staffing capacity to respond to the breadth and volume of DIS services.



## **Goal 5: Ensure financial stability**

DIS expenditures are primarily supported by customer purchases of DIS services. DIS must therefore effectively compete with other service providers, ensure that revenues cover expenses, and maintain sufficient financial capacity to develop new services to meet customer business needs.

In previous years, DIS recovered its costs in the aggregate so that overall revenues met overall costs. More recently, the shift to cost recoverability for each service line has resulted in additional accountability.

### **Objectives**

- Attain and maintain full cost-recoverability for each DIS service line.
- Maintain customer understanding of methods used to establish rates.

### **Strategies**

- Employ a comprehensive system for rate-setting based on each line of service.
- Use monthly Government Management, Accountability, and Performance (GMAP) sessions to closely track DIS finances and focus on variances.

### **Activities**

- Align DIS accounting systems to enable service managers to monitor financial information at the service level.
- Systematically check rates for accuracy and monitor changes in service volumes and costs.
- Identify and promote services that meet the business needs of customers.
- Proactively develop new enterprise service initiatives and ensure that existing services remain financially sound.
- Develop a Business Plan for each new or pilot service. Monitor progress of new or pilot services according to the Business Plan assumptions.



## **Goal 6: Provide quality and reliable internal support services**

DIS internal support services include: human resources, finance, training, legal affairs and contracting, internal information technology, communications, facilities, and performance management.

### **Objectives**

- Recruit, train, equip, support, manage, guide, and retain an exceptional DIS workforce.
- Ensure that DIS facilities and internal technology are well-designed, and tailored to best support the DIS workforce.
- Establish expectations and provide timely performance evaluations.
- Deliver clear, concise, timely, and targeted communications to all parties, external and internal.

### **Strategies**

- Conduct continuous monitoring, reporting, and internal assessments of DIS performance. Leverage the skills of the DIS workforce.
- Deliver effective communications about internal support services to all DIS employees.
- Use innovative methods to identify and recruit prospective employees.
- Work constructively with employee representative organizations.
- Deliver targeted training and mentoring to DIS staff.
- Use innovative technology channels to deliver internal services, including webcasting, videos and streaming media, threaded discussions on websites, and collaboration tools.
- Implement comprehensive preventative maintenance programs.
- Implement practices to improve facility operational performance, reduce operating costs, and reduce greenhouse gas and ozone-depleting emissions.
- Be an early adopter of new technologies provided by DIS.
- Demonstrate technology leadership in the new Data Center; prepare the facility to support the use of innovative technologies.



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## Activities

### Communication Services

Support DIS delivery of customer solutions by developing communications tools, training, and associated materials that promote the benefits and advantages of DIS products and services. Communication Services also provides internal communications to share information that inspires and sustains quality work by DIS employees. Internal and external communications programs use traditional, online, and multimedia communications and events to reach, engage, and broaden DIS audiences.

### Employee Development Services

Assist DIS to provide technology leadership through training opportunities that support employee professional development and the business needs of DIS.

### Finance Services

Provide a complete range of accounting, budgeting, and financial analytical services for DIS. Services include: customer invoicing, accounts receivable, accounts payable, payroll and leave accounting, general ledger, budget, business planning and rate creation/analysis.

### Human Resource Services

Deliver recruiting, retention, and employee wellness services and activities.

### Risk Management Services

Identify, address, and mitigate risks to the agency.

### Legal and Contract Services

Provide legal, acquisition, and contracting solutions for DIS to maximize investments and ensure compliance with statutory and regulatory requirements.

### Agency Technology Services

Develop, administer, and support the internal information technology systems of DIS.

### Performance Management Services

Implement the Government Management, Accountability, and Performance program within DIS. Continuously assess the performance and results of every DIS operation. Ensure targeted and timely focus on all opportunities for improvement of DIS operations, organization, workflows, and business activities.



## Facility Services

Ensure that service, maintenance, and warranty contracts are adequate in scope, optimal in terms, and that the services meet customer needs; prioritize and schedule maintenance activities; ensure prompt response to disruptions of services; optimize use of hybrid-vehicle pool assets; surplus inefficient or underused equipment; develop and specify infrastructure and work-station standards; specify energy-efficient equipment, appliances and design, when upgrading or repairing equipment and buildings; and promote recycling programs.

## PERFORMANCE: ANALYSES, MEASURES, AND TARGETS

### Performance Analyses

One way that DIS evaluates its performance is through continuous application of the Government Management, Accountability, and Performance program (GMAP). In addition to DIS participation in the Governor's GMAP Forum (Government Efficiency), DIS also conducts monthly internal DIS GMAP sessions, at which DIS management and staff focus together on the performance of each of the department's major service activities.

Performance is actively measured, reported, and evaluated. Performance targets are set, improvement plans are identified and implemented.

As provider of central services to the state's other agencies, DIS uses several means to maintain close and responsive customer relations. The Customer Advisory Board meetings, CIO Forums, and Deputy Director meetings provide frequent opportunities to address IT issues in group settings.

Members of these groups, as well as general callers to the DIS Service Desk, are surveyed to gather additional formal ratings on each of the service and product lines provided by DIS.

DIS Assistant Directors represent the Department at regular meetings with individual customer agencies, assuring timely focus on agency IT issues. Reports on each of these regular meetings are presented and discussed at weekly meetings of the DIS Management Team.

DIS uses live monitoring tools to track the operational status of systems, and to measure and analyze their performance.

Together, these performance-related communications enable DIS to measure and manage performance.

Key issues that will affect DIS performance in the 2009-11 Biennium are outlined in the next sections of this Strategic Plan.



## Performance Measures and Targets

The performance measures and targets presented in this 2009-11 Strategic Plan are reported quarterly to OFM pursuant to RCW 43.88.090.

In addition to these measures and targets reported to OFM, DIS also uses specific performance-related results, readings, and measures to operate each DIS provided service.

### Measures and Targets for the 2009-11 Biennium

The DIS performance measures reported quarterly to OFM are presented below, along with estimated targets for the 2009-11 Biennium:

	FY10 1stQtr <i>estimate</i>	FY10 2nd Qtr <i>estimate</i>	FY10 3rd Qtr <i>estimate</i>	FY10 4th Qtr <i>estimate</i>	FY11 1stQtr <i>estimate</i>	FY11 2nd Qtr <i>estimate</i>	FY11 3rd Qtr <i>estimate</i>	FY11 4th Qtr <i>estimate</i>
Computer Processing Units per Customer Revenue Dollar	39,427	38,720	40,268	43,858	41,399	40,656	42,281	46,051
Customer Online Transactions, System 390 and UniSys	261.2M	263.6M	288.0M	282.25M	274.3M	276.8M	302.4M	296.6M
Telephone (PBX) Lines utilized by Customer Agencies	29,000	29,000	29,000	29,000	29,500	29,500	29,500	29,500
Use of the Inter-governmental Network (IGN) <i>(billions of bytes; average per month)</i>	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Technology Brokering and Leasing (business dollars)	15M	15M	15M	15M	15M	15M	15M	15M
Use of Enterprise Server Technology <i>(number of customer agencies)</i>	142	147	149	154	145	150	151	157
Use of Enterprise Security Services <i>(number of customer agencies)</i>	185	185	185	185	190	190	190	190
Use of the K-20 Intranet <i>(billions of bytes; average per day)</i>	4,680	9,775	11,540	11,000	5,150	10,750	12,700	12,100
On-line Visits to Access Washington (state's web portal) <i>(visits per quarter)</i>	1.881M	1.881M	1.881M	1.881M	1.919M	1.919M	1.919M	1.919M
Enterprise Media Services <i>(number of customer agencies)</i>	32	32	32	32	35	35	35	35
					FY10 <i>estimate</i>			FY11 <i>estimate</i>
Enterprise Initiatives Completed				2				2
Major State IT Projects Completed on time, on budget				100%				100%



## ASSESSMENT OF INTERNAL CAPACITY

The primary factors which determine the internal capacity of DIS are professional workforce and facilities. Limitation of these resources could constrain the ability of DIS to fully accomplish its mission and goals.

### Professional Workforce

Nationwide, IT professionals continue to be in very high demand, throughout a broad range of businesses and industries, in the public and private sectors.

Recruitment and retention of qualified IT professionals by Washington State government is difficult, due to comparatively higher compensation levels prevalent throughout the IT private sector. The compensation factor draws qualified IT professionals elsewhere – an ongoing dynamic that results in recruitment challenges for DIS. The root-cause of this issue may be seen as ‘external,’ but its consequences constitute a significant constraint on the internal capacities of DIS.

A second trend that will likely impact DIS staffing is the expected increase in the retirements of experienced professional staff as baby-boomers reach retirement age.

Ensuring that the professional IT workforce of DIS is sufficient in number to properly plan, develop, and implement the many services, products, and initiatives with which DIS is charged is a key factor for success.

### DIS Facilities

Facilities have posed a key challenge to DIS for most of its 22 years of existence.

In 1991, a study commissioned by the Information Services Board concluded that DIS should acquire a new data center and integrated office facility. Now, 17 years later, the DIS data center is still located in the basement of the state’s Office Building Two (OB2), and DIS staff are still dispersed into several locations—Olympia, West Olympia, Lacey, and Tumwater, as well as at other remote sites.

The current outdated data center undercuts efficient operations due to energy-consuming mechanical and electrical systems, floor layout, security, and seismic rating.

Technological advances have actually heightened the operational disadvantages of DIS staff dispersion, because the technological bases of DIS services – data networks, voice networks, security, mainframe computers, servers, telephones, and web-based technologies – have become much more convergent. Efficient DIS operations and development of next-generation IT services require an integrated DIS facility.



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## ASSESSMENT OF FINANCIAL CONDITION

Financial risks are inherent to the operational and fiscal environment of DIS.

DIS provides central services on a cost-recovery basis. The operational revenues of DIS – rates and charges – are designed to recover costs. DIS needs to make investments and then recover costs. DIS customers have discretion over their decision to buy IT services from DIS, a situation that carries financial risk for the Department. The need for specific types of IT services evolves and changes quite rapidly, another fact which carries financial risk for DIS.

- Rates for DIS services are built upon estimates of total usage of the respective services. For any given service, if total actual use falls below the estimate, DIS receives less revenue than it budgeted.
- Significant technology capital investments are required in order to provide quality and reliable IT services. These capital investments must be made in advance – sometimes far in advance – of the opportunities to recover these costs through charges to users.
- The state's Data Processing Revolving Account (Fund 419) must provide financial resources for needed investments. The DIS cash balance must be sufficient to accommodate low-points caused by variations in the flows of revenues and expenditures, and sufficient to fund needed capital investments.



## ASSESSMENT OF EXTERNAL CHALLENGES AND OPPORTUNITIES

As we proceed into a period of intensified fiscal pressures at all levels of government, DIS will pursue opportunities to expand state agencies' use of common IT services, in order to achieve economies of scale and avoid duplication of services.

Significant challenges and opportunities facing DIS operations are reflective of trends and changes in the IT industry and in the expectations of service recipients.

These trends and changes include:

- Highly integrated end-user experiences for all users of the state's IT systems
- Convergence of technologies such as data, voice and radio networks, server and mainframe computing environments, security, web technologies, telephones, personal computers, and mobile computing devices
- Seamless availability and presentation of all information pertinent to an individual's interest or task, regardless of which government organizations originate or manage the information components
- Convenient access to government services and public records
- Security of information coupled with robust, reliable, redundant systems and networks
- Continuity of government services in the event of emergencies and disasters; integration of emergency-related communications
- Sustainable practices and environmental stewardship
- Growth of business needs for wireless and mobile services, broadband capacity, and digital storage
- Frequent and rapid changes in internet-based technologies
- Homeland Security and critical infrastructure security requirements

Other changes affecting DIS internal support activities:

- Federal HIPAA compliance requirements for state agencies
- Federal Securities and Exchange Commission requirements for vendors
- Federal Communications Commission regulations
- Sarbanes-Oxley requirements for financial reporting



## STATUTORY AUTHORITIES

**Chapter 43.105 RCW** establishes the Department of Information Services and the Information Services Board.

**RCW 43.105.052** lists the powers and duties of DIS:

DIS shall perform all duties and responsibilities delegated to it by the Information Services Board (ISB), including:

- Review of agencies' information technology portfolios and related requests;
- Implementation of statewide interagency policies, standards and guidelines

DIS shall make available information services on a full cost recovery basis, to state agencies and local governments and public benefit non-profit corporations, including but not limited to:

- Telecommunications services, for voice, data and video
- Mainframe computing services
- Equipment acquisition assistance, including leasing, brokering and establishment of master contracts
- Facilities management services for information technology equipment, equipment repair, and maintenance services
- Office automation services
- System development services

DIS shall develop a state strategic information technology plan and performance reports, with the advice of the ISB and agencies.

DIS shall identify opportunities for the effective use of information services and coordinate appropriate responses to those opportunities.

DIS shall assess agencies' projects, acquisitions, plans, IT portfolios, or overall information processing performance, as requested by ISB, agencies, the Director of OFM, or the Legislature.

DIS shall develop planning, budgeting and expenditure reporting requirements, in conjunction with OFM, for agencies to follow.

DIS shall assist OFM with budgetary and policy review of agency plans for information services.



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**RCW 43.105.047** establishes the Department of Information Services (DIS), and its Director, who is appointed by the Governor with the consent of the Senate. It also establishes a strategic planning and policy component of the department.

**RCW 43.105.032** establishes the Information Services Board (ISB), which is staffed by the Department of Information Services Management Oversight and Strategic Technologies Division.

The powers and duties of the ISB include:

- To develop standards and procedures governing the acquisition and disposition of equipment and services, licensing of the radio spectrum by or on behalf of state agencies, and confidentiality of computerized data
- To develop statewide or interagency technical policies, standards and procedures
- To review and approve standards and common specifications for new or expanded telecommunications networks, and to assure the cost-effective development and implementation of statewide video telecommunications systems to serve government agencies, education institutions, and the general public through public affairs programming
- To provide direction concerning strategic planning goals and objectives of the state
- To establish policies for planning, management, control and use of information services, training and education, and project management

**RCW 43.105.057** provides to DIS and the ISB authority to adopt rules as necessary under RCW 34.05 to implement the provisions of RCW 43.105.

**RCW 43.105.060** authorizes DIS and state and local government agencies to enter into contracts to effectuate the purposes and policies of RCW 43.105, for maximum utilization of facilities and services.

**RCW 43.105.095** directs DIS to develop policies and procedures to implement management and oversight based on the use of information technology portfolios.