

# DTMB Budget FY 2017

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House General Government Appropriations Subcommittee  
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# DTMB's Mission, Vision & Values

**Mission:** We provide vital administrative and technology services and information to enable Michigan's reinvention.

**Vision:** We will make the State of Michigan one of the most innovative, efficient and responsive governments in the world.

**Values:** As men and women of integrity, we will adhere to the State of Michigan's values of leadership, excellence and teamwork.

# DTMB's Strategic Goals

1. Develop trusted partnerships with our customers
2. Achieve a culture of excellence and accountability
3. Value, engage and empower employees
4. Lead, innovate and deliver solutions

# What does DTMB do?

## Information Technology

- Customer Service
- Software and Application Development
- Infrastructure, Telecommunications and Network Services
- Cybersecurity and Infrastructure Protection
- Enterprise Architecture and Technology Innovations
- Desktop and End-User Support
- IT Project Management
- IT Shared Services
- Data Analytics
- Geographic Information Systems
- Michigan Public Safety Communications System

# What does DTMB do?

## Management

- Procurement Services
- Building Operations, Real Estate and Leasing
- Fleet, Mail, Print, Delivery, Warehousing, Records Management and Surplus Services
- Multi-agency Financial Services
- Retirement Services
- Facility Design, Construction and Maintenance
- Labor Market Information and Strategic Initiatives

# Also in DTMB's budget

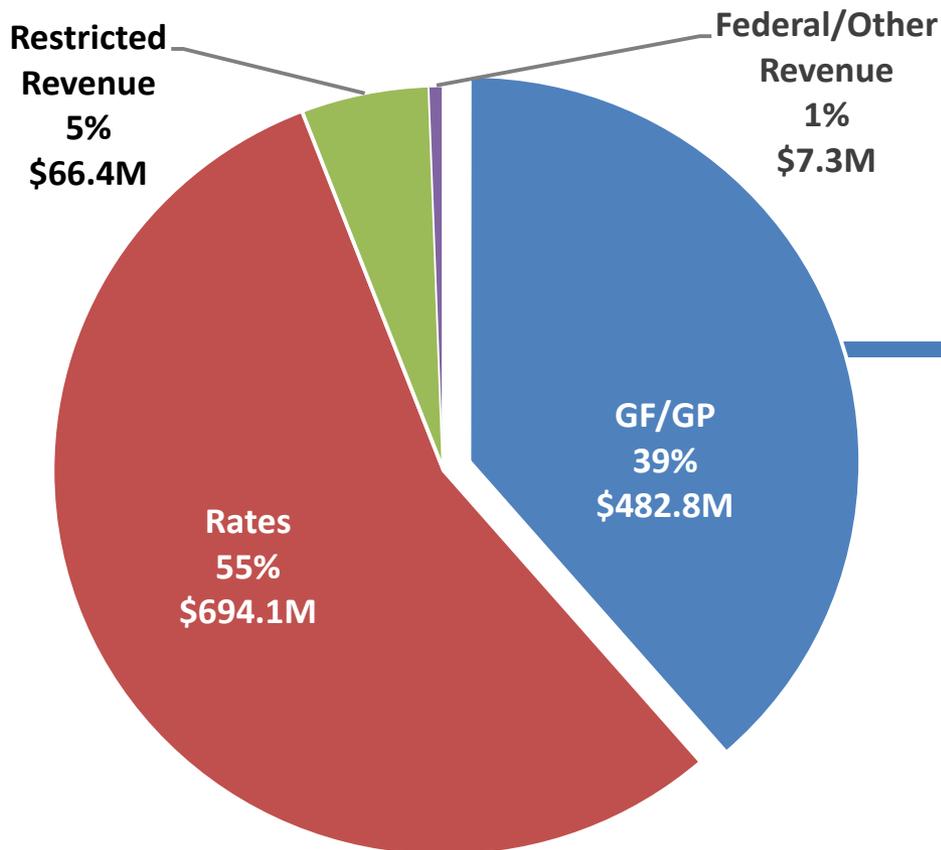
- State Budget Office
- Office of State Employer
- Office of Children's Ombudsman
- School Reform Office
- Office of Urban Initiatives
- Office of Performance and Transformation
  - Executive Order 2016-4 (pending)

# How is DTMB funded?

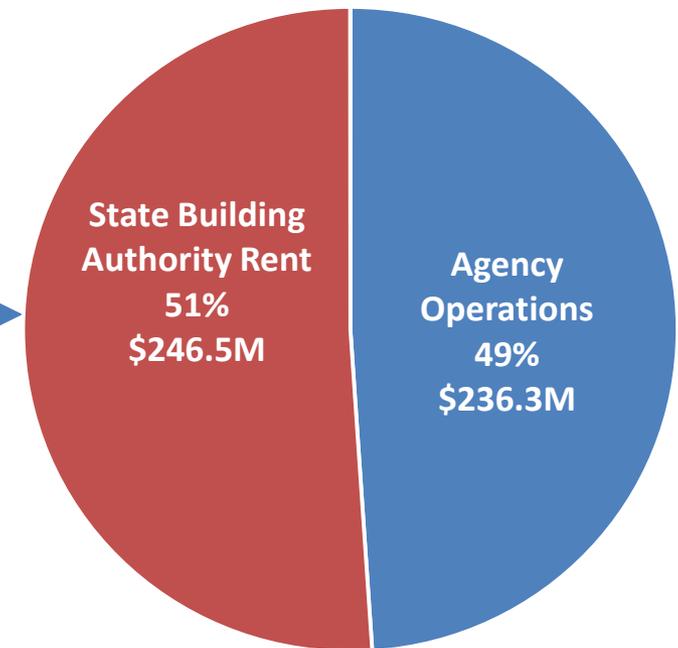
- DTMB provides customer service to all state agencies
- Mostly funded by rates charged to agencies
  - Building Occupancy
  - Fleet Services
  - IT
  - Accounting Service Centers
- Rates are established during the budget process
  - Established a rate committee in 2015
  - Work with state agencies to establish new rates
  - New rates are submitted to the State Budget Office
- General Fund

# How is DTMB funded?

## DTMB Funding by Source



## GF/GP Breakdown



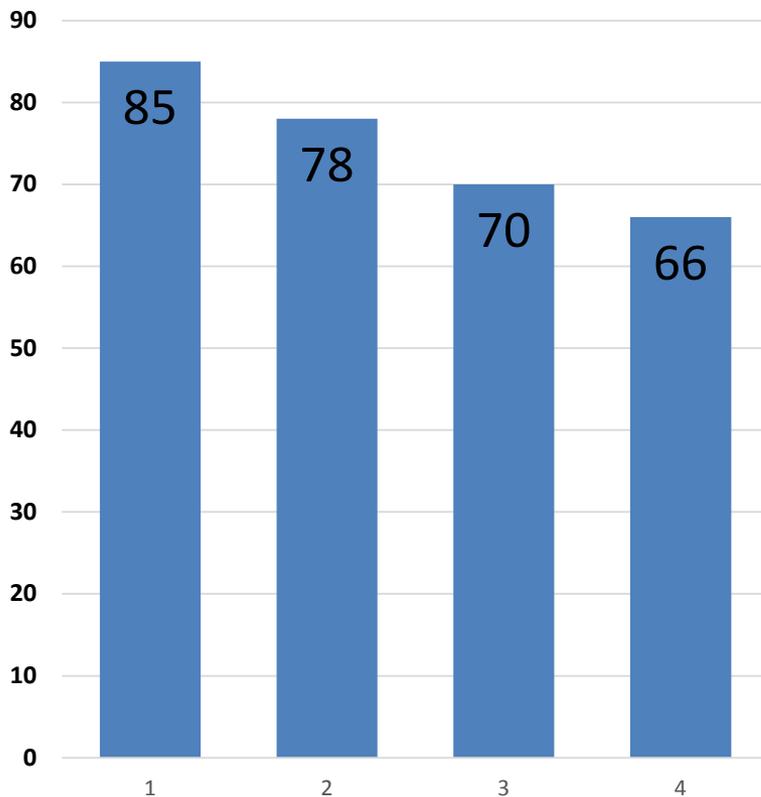
# **FY 2015 Accomplishments and FY 2016 Ongoing Projects**

# FY 2015 IT Accomplishments

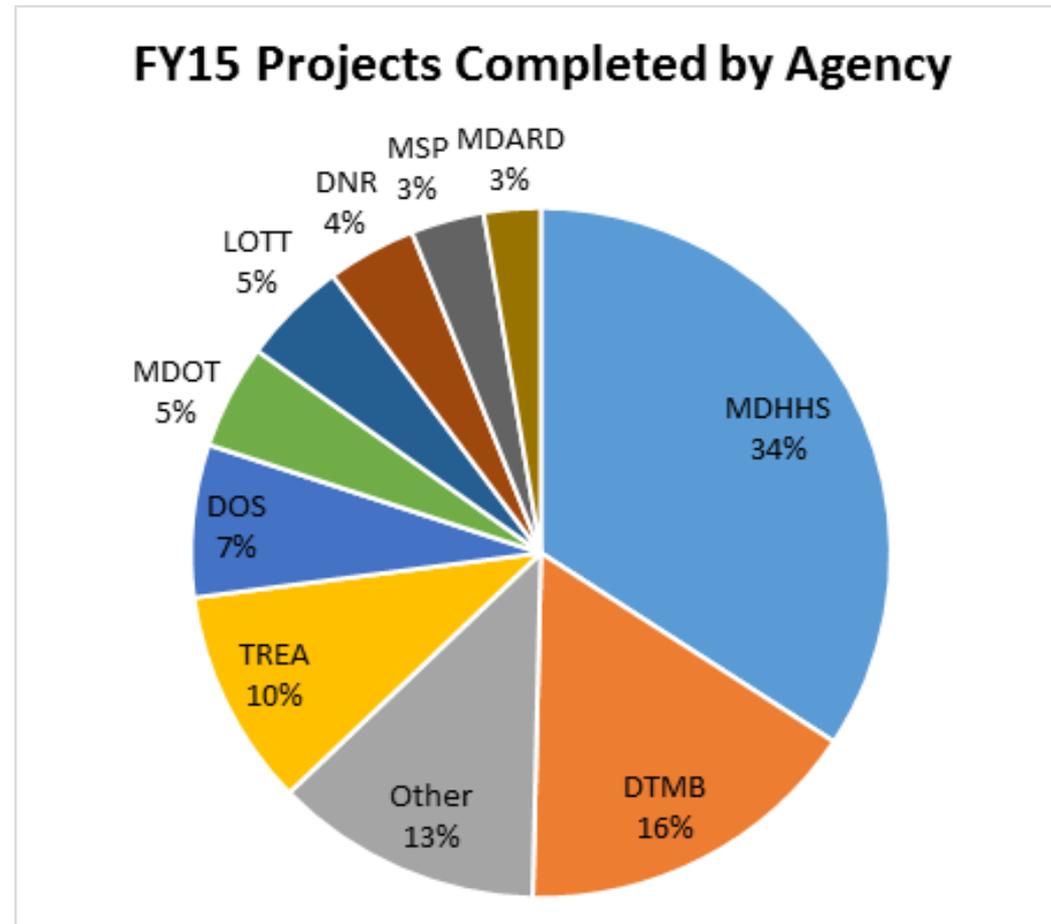
- Unisys Mainframe Refresh
- MS System Configuration Manager 2012
- Infrastructure Server Virtualization Project
- State of Michigan Wide Network Transformation
- State of Michigan Data Center Upgrades
- Next Generation Digital Infrastructure (NGDI)
- Sales Use and Withholding, Phase 2
- Radio Frequency ID (RFID) Program
- MI Student Scholarships & Grants - Treasury
- MI Forest Inventory (MFI) – DNR
- Diseased Wildlife Reporting mobile app - DNR
- TED-TIA-UIA Taxable Wage Base
- TED-TIA-WDA Workforce Innovation and Opportunity Act (WIOA)
- Unemployment Insurance REA program
- MiLogin Enterprise Identity and Access Management Solution
- Medicaid Provider Enrollment for Illinois
- Enterprise Fraud Program
- Bureau of Labor Market Information and Strategic Initiatives (LMISI) new website for labor market information
- Center for Educational Performance and Information (CEPI) – Michigan Statewide Longitudinal Data System (MSLDS), Phase 2
- Office of Children’s Ombudsmen MS Dynamics CRM implementation
- Insurance Licensing Online Services Portal release
- MDOT Permit Gateway migration from Business OneStop

# FY 2015 Information Technology Results

## FY15 Projects Completed by Quarter

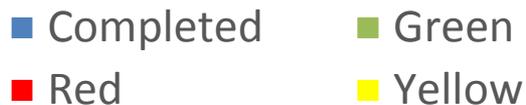
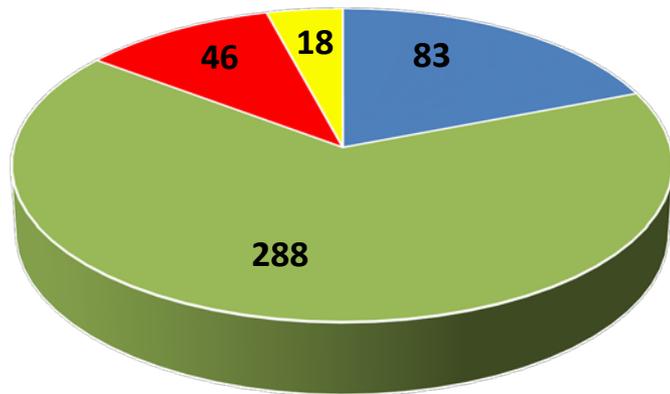


## FY15 Projects Completed by Agency



# FY 2016 SOM Information Technology Portfolio

## FY16 Project Statistics



- In FY16 there are 352 projects currently active and 83 projects have been completed
- Currently 77% of our projects are on time
- Projects listed as red are reviewed by the Project Review Board monthly to make adjustments and ensure project success

# IT Investment Fund

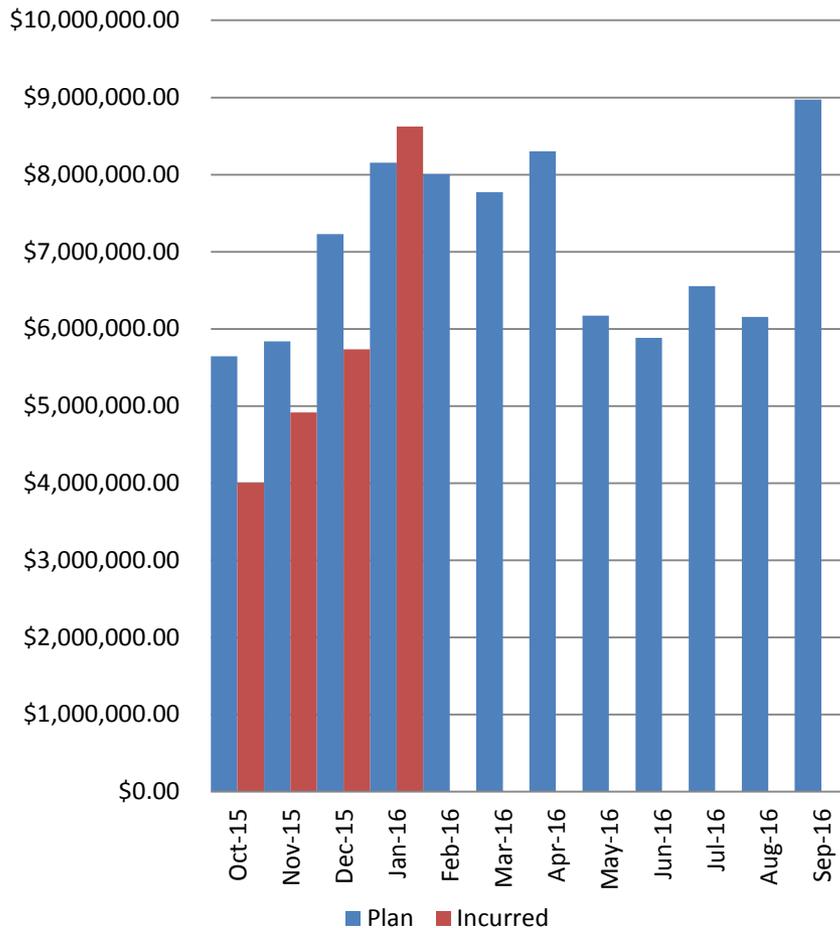
- 2013 – to date
  - \$9M savings realized through cost avoidance and efficiencies
  - FY16 funding \$65M
  - 49 projects
  - 23 projects are complete – all on time and all on budget
  - 26 projects are active or in planning phase
  - 75 legacy systems have been retired, replaced, or modernized
  - 50 legacy interfaces eliminated
  - 230 manual processes automated
  - 72 new systems implemented
  - Over 180 agency remote offices have network and connectivity upgrades, retiring 10 year old and non-upgradeable telecommunications technology
  - Improved services, time savings, new information, improved maintainability, expanded user base, improved user experience

Open Michigan IT Investment Fund Transparency:

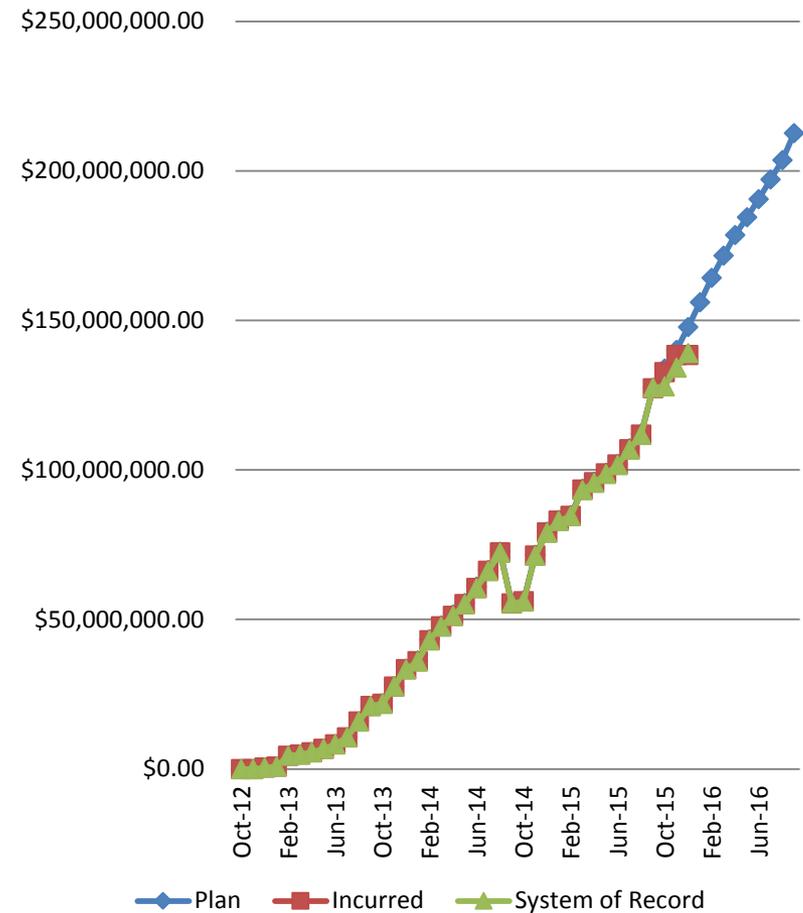
[http://www.michigan.gov/openmichigan/0,4648,7-266-58520\\_63185---,00.html](http://www.michigan.gov/openmichigan/0,4648,7-266-58520_63185---,00.html)

# IT Investment Fund Portfolio: Key Metrics

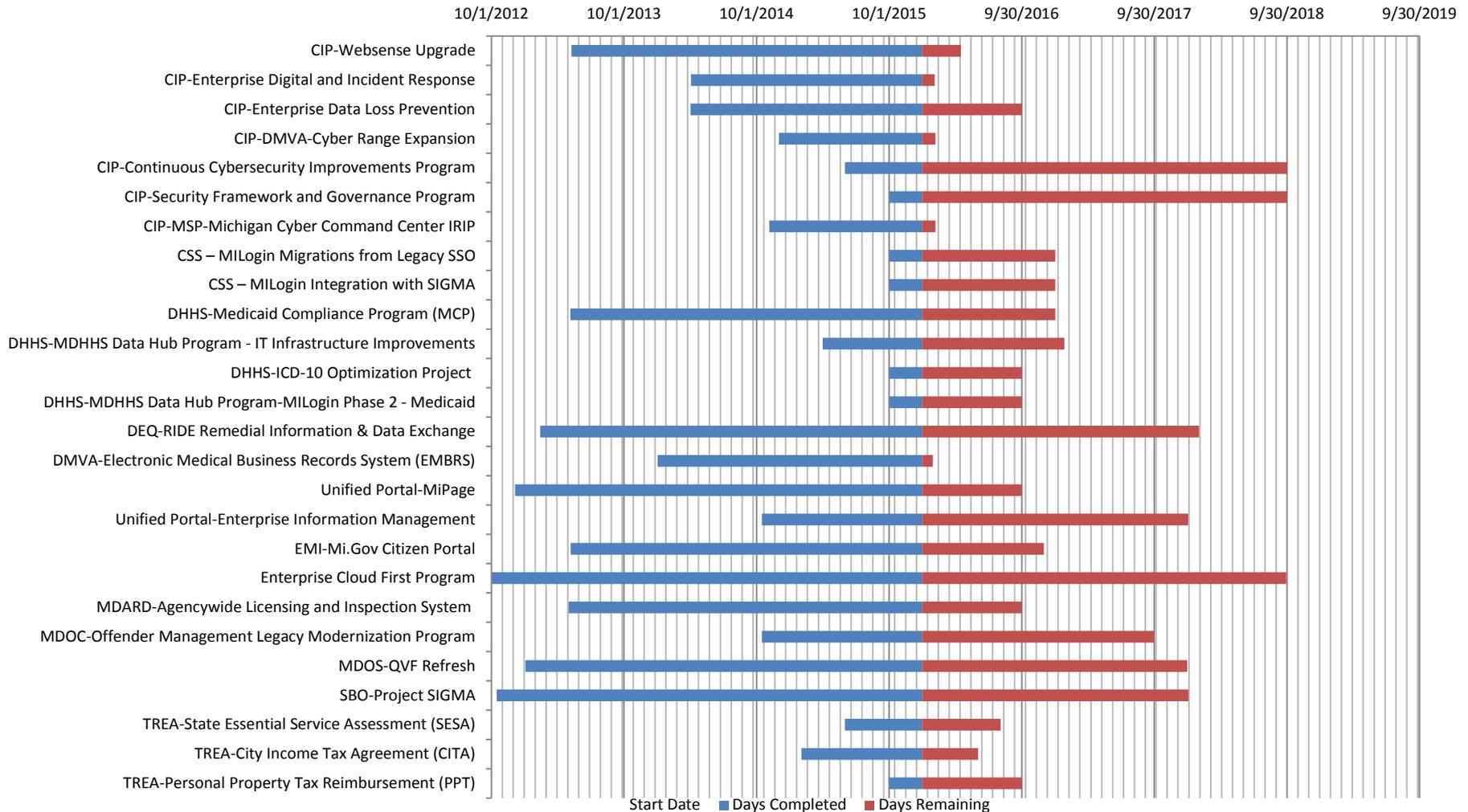
## Portfolio Spend by Month



## Cumulative Spend by Month



# IT Investment Fund Portfolio: Active Projects

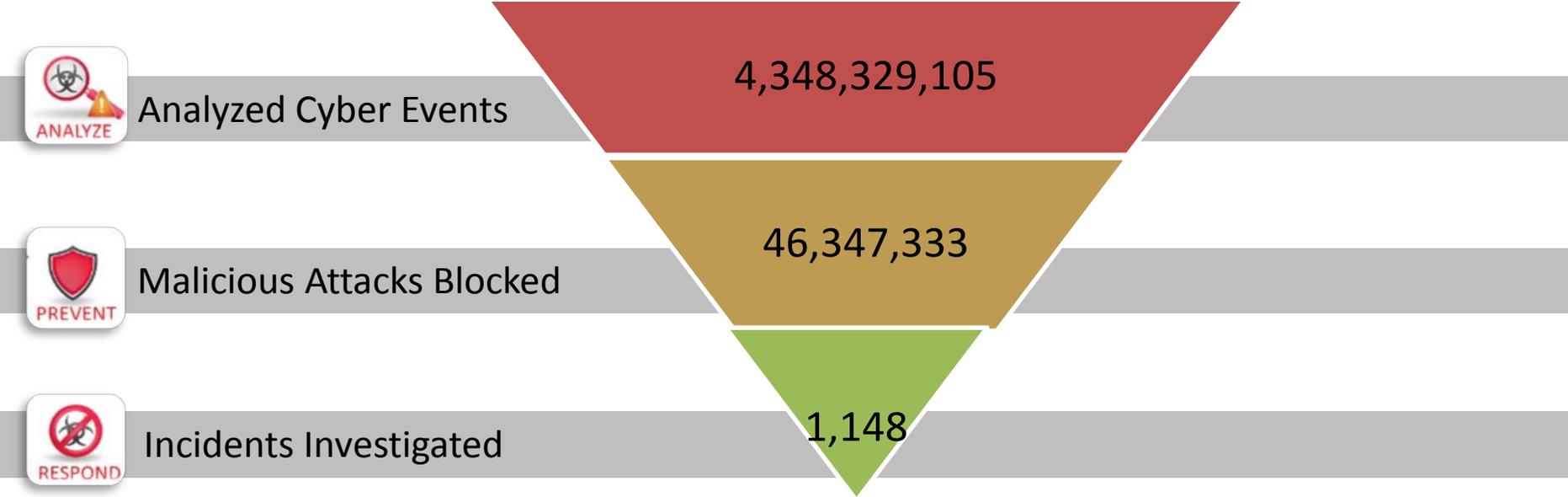


# FY 2015 Network Modernization Accomplishments

- Strategic Network Upgrades remediate enterprise network issues, specifically number of devices replaced or upgraded to meet continuing life cycle and continuously changing federal security compliance requirements.
  - Legacy Data Center Upgrades: upgraded legacy data center routers, reducing high risk vulnerabilities by 78%
  - Application Security Network Manager: implemented enhanced firewalls with additional performance capabilities
  - As part of continuous life cycle management, additional purchases have been made and will be implemented in FY16 including:
    - Internet routers, switch upgrades, firewall upgrades, switch replacements and creating of a network test environment to reduce the risk of network upgrades through testing prior to installation

# Cybersecurity Threats

## January 2016 Metrics

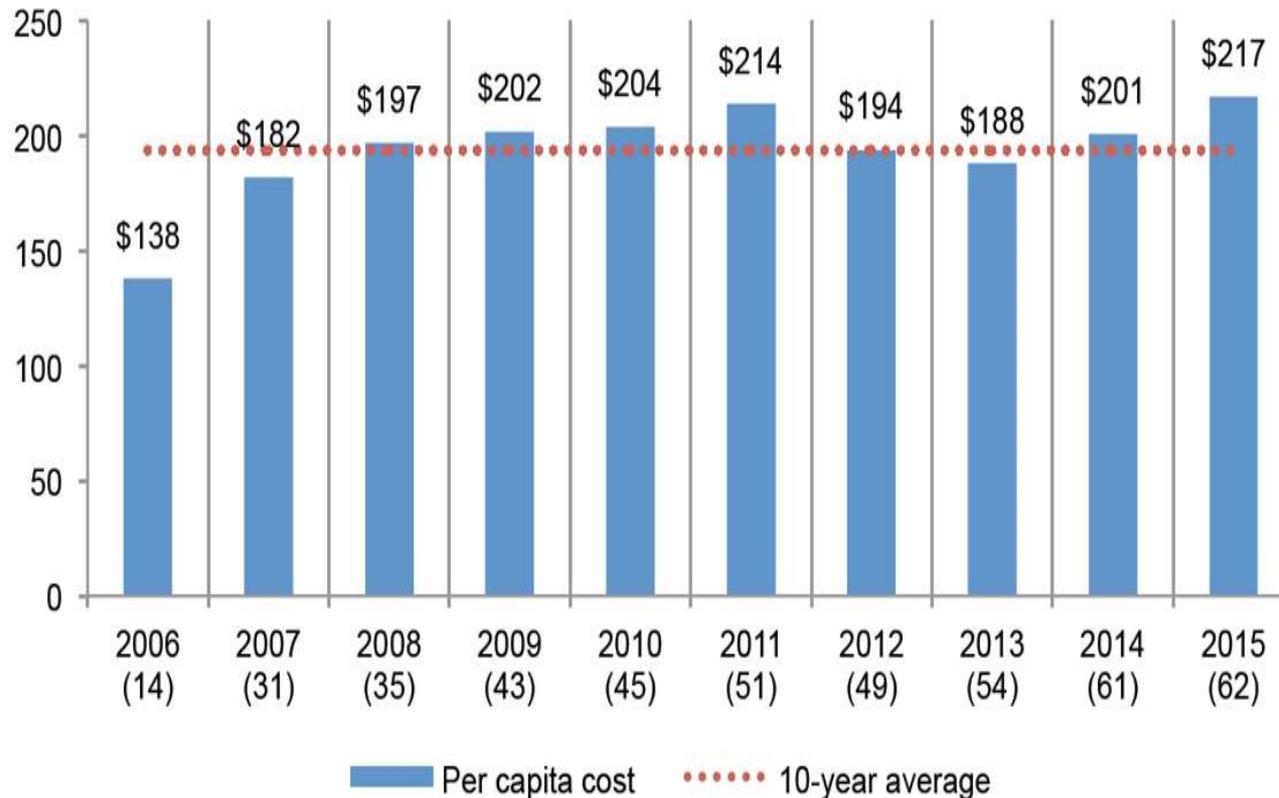


**DTMB blocks an average of 2.1M malicious attacks every day**

# Cybersecurity Breach Costs

**Figure 1. The average per capita cost of data breach over 10 years**

Bracketed number defines the benchmark sample size



# FY 2015 Cybersecurity Accomplishments

- 13 Michigan Cyber Civilian Corps teams established, with 32 members total, an increase from 21 members in 2014 - an additional 18 members are currently being vetted
- Through implementation of Data Loss Prevention, Digital Incident Response and Security program risk reduction the average number of incidents per month have been reduced 43% in FY15
- 25 Cyber Range events were held and the range was extended to Selfridge Air National Guard Base and Combat Readiness Center in Alpena

# FY 2015 Facilities and Business Services Administration Accomplishments



- Completion of State Emergency Operation Center
- Eliminated 10 leased facilities, totaling 159,050 sq. ft. and reduced annual base rent payments by \$2.1M
- Six DTMB buildings received EPA's ENERGY STAR status

# FY 2015 Special Maintenance Accomplishments

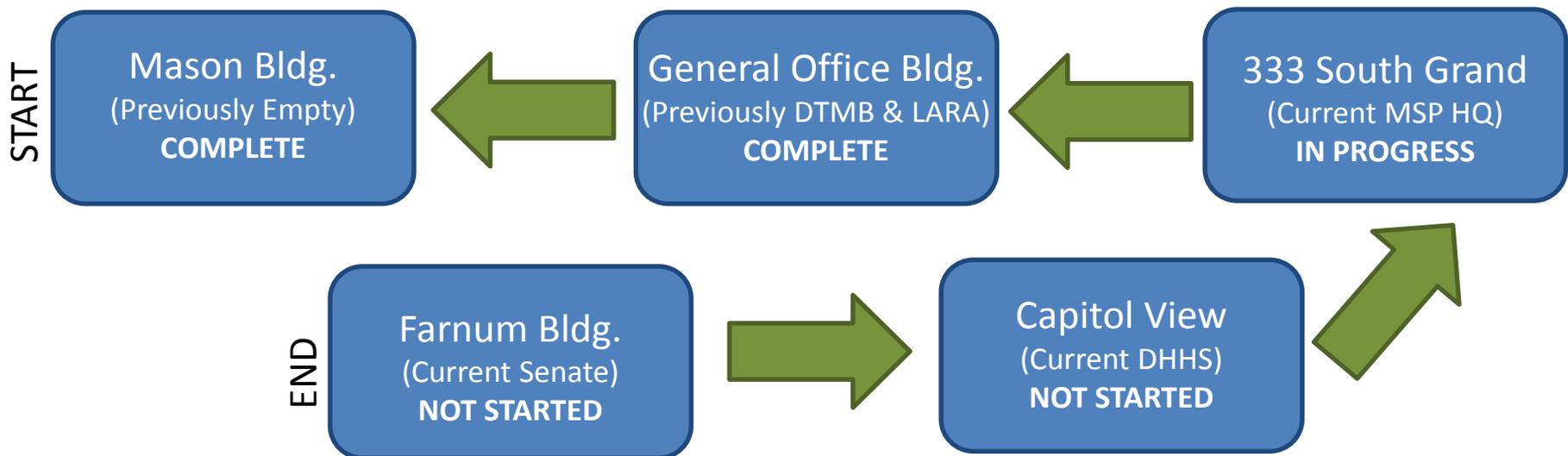
- Capitol dome restoration
- DOC – multiple facilities roof replacement
- Grand Tower – replaced air handling system
- MDARD labs – roof replacement and replaced parking lot
- MSP – multiple facilities roof replacement



Photo Credit: Lauren Leeds

# FY 2015 Capitol Area Reconfiguration Accomplishments

- Moved over 1,300 staff from May 2015 – Feb. 2016 (for CAR and related moves)
- Post-move survey's showed overall satisfaction score of 92%



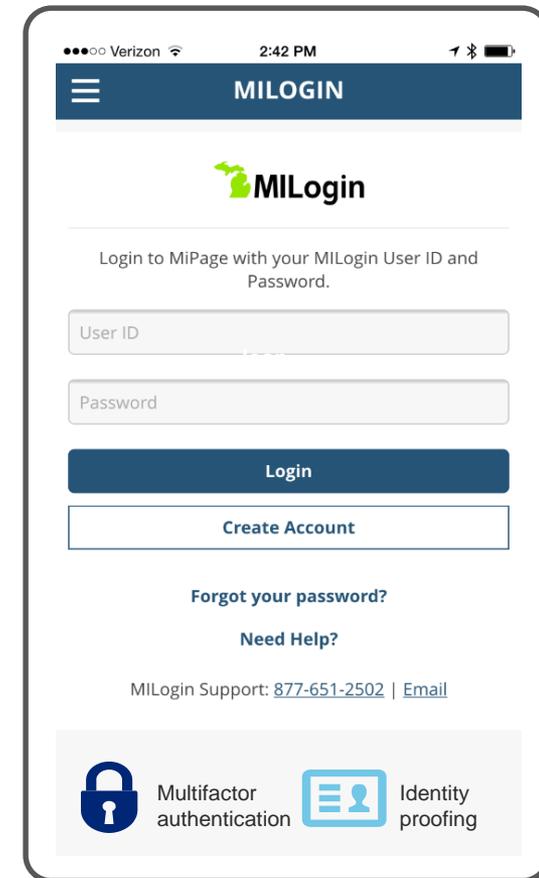
# FY 2017 Funding Priorities

# FY 2017 Funding Priorities: Cybersecurity

- Cybersecurity - \$5M ongoing
  - Focus on prevention, detection and response
    - Comprehensive Asset Description Program
    - Security Event monitoring, analytics and business intelligence
    - Data Loss Prevention
    - Network Security Project

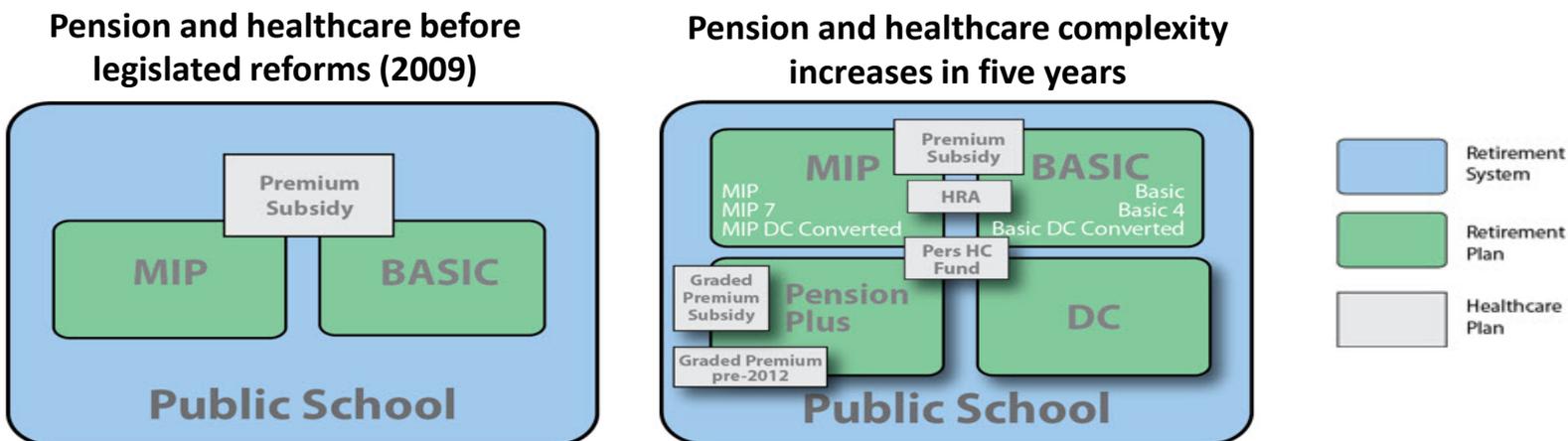
# FY 2017 Funding Priorities: Enterprise Identity Management (Single Sign-On)

- Enterprise Identity Management: \$6.7M ongoing, \$2M one-time, 6 FTEs
  - Includes software, hardware, hosting charges, vendor resources and DTMB staffing
- Purpose: One customer – one set of credentials for all State systems (400+ Web & Mobile) and secure access in compliance with Federal and State laws and regulations
- Success Metrics: 6M citizens, 300,000 businesses and 50,000 state workers and contractors
- Major initiatives:
  - MDHHS MyHealthPortal and MyHealthButton (implemented Oct. 2014)
  - MiPage integration (implemented April 2015)
  - MDHHS CHAMPS/IMPACT (partially implemented in July 2015, rest planned for FY16/FY17)
  - Michigan Treasury Online (implemented Dec. 2015)
  - Program SIGMA (planned for FY16/FY17)
  - MDHHS Medicaid Modernization (planned for FY17)
  - Fraud Prevention (MDHHS, Treasury, UIA)



# FY 2017 Funding Priorities: Office of Retirement Services

- Office of Retirement Services - \$6.5M restricted funds, 7 FTEs
  - IT Modernization: \$2.9M one-time replacing legacy systems
  - IT Services Increase: \$2.5M ongoing for application and operation support, 2 FTEs
  - Customer Service Improvements: \$1.1M ongoing, 5 FTEs



# FY 2017 Funding Priorities: Enterprise-wide Maintenance

- Special Maintenance: \$10M one-time, (3.5M) ongoing
  - Statewide requests for facilities maintenance dollars totaled \$134.8M in FY17 and included:
    - ADA upgrades
    - Roof repairs
    - Energy efficiency improvements
    - Waterproofing building exteriors
    - Sidewalk repair and parking lot resurfacing
- Capital Area Reconfiguration Project: \$7.5M one-time

# FY 2017 Funding Priorities

- Office of Performance and Transformation - \$2.7M ongoing
  - Executive Order 2016-4 pending April 2016
  - Combining Office of Good Government (DTMB), Office of Regulatory Reform (LARA) and Office of Reinventing Performance in Michigan (LARA)
  - Includes \$500k for employee engagement and citizens surveys
  - Includes funding for 6 FTEs to enhance organizational excellence and to continue to strengthen our leadership position regarding performance and accountability within state government
- Legal Services Fund - \$5M one-time
- ITIF Funding - \$7M one-time
  - Treasury legacy system modernization - \$5M
  - Enterprise Identity Management integrations - \$2M

# FY 2017 SOM IT Summary

- Statewide Technology Investments: \$107.7M
  - DHHS: MiSACWIS Phase II Upgrades - \$7.7M GF, \$22.3M
  - DHHS: Technology supporting Integrated Service Delivery - \$1.2M GF, \$49.2M
  - LARA: Liquor Control Commission Legacy upgrades - \$0 GF, \$1.6M
  - LARA: MI Automated Prescription System upgrades - \$4.4M GF, \$4.4M
  - DNR: Commercial Fishing and Wholesale Reporting - \$0.3M GF, \$0.6M
  - DNR: Forest IT System – Timber Sales - \$0 GF, \$2.1M
  - DNR: Public Land Ownership Tracking System - \$0 GF, \$4M
  - DOS: IT Legacy Modernization - \$0 GF, \$14.1M
  - TED: Data System Integration for Talent and Pipeline Development - \$0 GF, \$8.9M
  - Treasury: Gaming – IT Operations upgrades - \$0 GF, \$0.5M

# Questions?

## Thank you.