Washington State Department of Information Services

Tier II Transition Document

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DEPARTMENT OF INFORMATION SERVICES

2003-05 Biennium Budget by Source, Program and Object

Dollars in thousands

			FY 04	FY 05	2003-05 TOTAL
Management Services Division Program 010					
FTEs			***58.0***	***58.0***	***58.0***
001-1 General Fund - State			$1,000	$1,650	$2,650
419-6 Data Processing Revolving - Non-appropriated			5,814	6,099	11,913
Total			**$6,814**	**$7,749**	**$14,563**
	A	Salaries	$3,321	$3,345	$6,666
	B	Benefits	$665	$731	$1,396
	C	Personal Service Contracts	$250	$250	$500
	E	Goods and Services	$2,533	$3,064	$5,597
	G	Travel	$40	$40	$80
	J	Capital Assets	$179	$179	$358
	N	Grants	$68	$382	$450
	T	Internal Transfers	-$242	-$242	-$484
Total			**$6,814**	**$7,749**	**$14,563**
Policy and Regulation Division Program 020					
FTEs			***15.0***	***15.0***	***15.0***
419-1 Data Processing Revolving - Appropriated			1,789	1,803	3,592
Total			**$1,789**	**$1,803**	**$3,592**
	A	Salaries	$1,074	$1,076	$2,150
	B	Benefits	$188	$187	$375
	C	Personal Service Contracts	$48	$48	$96
	E	Goods and Services	$221	$234	$455
	G	Travel	$35	$35	$70
	J	Capital Assets	$3	$3	$6
	T	Internal Transfers	$220	$220	$440
Total			**$1,789**	**$1,803**	**$3,592**
Telecommunication Services Division Program 030					
FTEs			***187.7***	***187.7***	***187.7***
419-6 Data Processing Revolving - Non-appropriated			48,638	48,694	97,332
Total			**$48,638**	**$48,694**	**$97,332**
	A	Salaries	$10,202	$10,155	$20,357
	B	Benefits	$2,133	$2,314	$4,447
	C	Personal Service Contracts	$307	$307	$614
	E	Goods and Services	$29,070	$28,992	$58,062
	G	Travel	$79	$79	$158
	J	Capital Assets	$6,879	$6,879	$13,758
	T	Internal Transfers	-$32	-$32	-$64
Total			**$48,638**	**$48,694**	**$97,332**

DEPARTMENT OF INFORMATION SERVICES

2003-05 Biennium Budget by Source, Program and Object

Dollars in thousands

			FY 04	FY 05	2003-05 TOTAL
Computer Services Division Program 040					
FTEs			***168.5***	***167.1***	***167.8***
419-6 Data Processing Revolving - Non-appropriated			32,452	32,480	64,932
Total			**$32,452**	**$32,480**	**$64,932**
	A	Salaries	$8,646	$8,727	$17,373
	B	Benefits	$1,865	$2,050	$3,915
	C	Personal Service Contracts	$62	$62	$124
	E	Goods and Services	$15,071	$14,806	$29,877
	G	Travel	$156	$156	$312
	J	Capital Assets	$6,598	$6,625	$13,223
	T	Internal Transfers	$54	$54	$108
Total			**$32,452**	**$32,480**	**$64,932**
K-20 Educational Network Program 090					
FTEs			***1.0***	***1.0***	***1.0***
421-6 Education Technology Revolving - Non-appropriated			14,059	14,060	28,119
Total			**$14,059**	**$14,060**	**$28,119**
	A	Salaries	$86	$86	$172
	B	Benefits	$14	$15	$29
	E	Goods and Services	$10,678	$10,677	$21,355
	G	Travel	$2	$2	$4
	J	Capital Assets	$3,279	$3,280	$6,559
Total			**$14,059**	**$14,060**	**$28,119**
Agency Totals					
FTEs			***430.2***	***428.8***	***429.5***
001-1 General Fund - State			1,000	1,650	2,650
419-1 Data Processing Revolving - Appropriated			1,789	1,803	3,592
419-6 Data Processing Revolving - Non-appropriated			86,904	87,273	174,177
421-6 Education Technology Revolving - Non-appropriated			14,059	14,060	28,119
Total All Funds			**$103,752**	**$104,786**	**$208,538**
	A	Salaries	$23,329	$23,389	$46,718
	B	Benefits	$4,865	$5,297	$10,162
	C	Personal Service Contracts	$667	$667	$1,334
	E	Goods and Services	$57,573	$57,773	$115,346
	G	Travel	$312	$312	$624
	J	Capital Assets	$16,938	$16,966	$33,904
	N	Grants	$68	$382	$450
	T	Internal Transfers	$0	$0	$0
Total Objects			**$103,752**	**$104,786**	**$208,538**

Department of Information Services organizational chart

Governor
Gary Locke

Information Services Board

Deputy Director Management And Oversight of Strategic Technologies
Susan Hettinger

Interim Director
Michael D. McVicker

Deputy Director Of Operations
(vacant)

Policy and Oversight
Tom Parma, Manager
Acquisition Review
Information Services Board
Policy Development

Policy and Oversight
Leroy Hurt, Manager
Geographic Information Council
State Interoperability Executive Committee
Policy Development
Statewide Planning

Digital Government Applications Academy
Dave Kirk, Manager
Academy initiatives/projects
Enterprise Management Group

Enterprise Architecture
Greg Brant, Program Director
ISB Enterprise Architecture Committee
Agency Enterprise Architecture Consulting

Small Agency Client Services
Connie Michener, Program Manager
Digital Government Strategies & Solutions for Small Agencies, Boards and Commissions
Acquisition Review
Policy Development
IT Security
IT Budget Development

Communications Services
Nancy Jackson, Director
Emergency Communications
Internal/External Communications
Media Relations
Marketing
Web Content Development

Government Affairs
Carrie Tellefson, Director
Washington State Legislature
Northwest Congressional Delegation
Local Government

Management Services Division
Gail Douglas, Assistant Director
Contracts & Legal Affairs
Finance & budget
Human Resources
Quality & Employee Development

Computer Services Division
Becci Riley, Assistant Director
Enterprise Business Solutions
Computer Facilities Mgmt
Data & Systems Recovery
Facility Services
Production Services
Mainframe Support
Storage Management

K-20 Educational Network Program Office
Ellen Wolfhagen, Program Manager

Interactive Technologies
Laura Parma, Assistant Director
Access Washington, Inside Washington Web portals
Business Technology Solutions
Digital Government Strategies & Solutions
Enterprise Security Services
Multimedia Design & Development
Video Production & Broadcast

Telecommunications Services Division
Mike Emans, Assistant Director
Local Telephone & Long Distance (SCAN)
Digital Transport Network & Data Networks
Campus Fiber Network
Technology Brokering & Master Contracts
Intergovernmental Network

Mike McVicker, interim director and chief information officer for the state, has more than 30 years of technical and management experience with public and private sector information systems. Previously, Mike served as deputy director of Operations, assistant director Telecommunications Services and assistant director of Computer Services.

Susan Hettinger, deputy director of Management and Oversight of Strategic Technologies, is the agency's liaison to the Information Services Board and is responsible for the implementation of statewide information technology policy, oversight, strategic planning and tactical coordination. Susan has performed legal and management roles in private, nonprofit and public sectors.

Gail Douglas, assistant director of Administrative Services, is responsible for contracts & legal affairs, finance & budget, human resources and quality & employee development. Her 23 years of public service includes work at the Department of Labor and Industries, the Employment Security Department, Office of Financial Management and the Thurston County Housing Authority.

Mike Emans, assistant director of Telecommunication Services, is responsible for the strategic direction and leadership of telephony, data network and technology acquisition services. Mike's 27+ years of public service began with Service Center 3 and continued with DIS when it was establishment in 1987. Previously, he managed data centers in the private sector and for the United States Air Force.

Becci Riley, assistant director for the Computer Services Division, is responsible for the reliable, efficient and cost-effective operation of one of the region's largest data centers. Becci has worked for DIS and its predecessor agency, Service Center 3, for approximately 16 years.

Laura Parma, assistant director of Interactive Technologies, is responsible for the security infrastructure of the shared government network, state web properties, video production & webcast services, and support for the DIS administrative applications. Laura's leadership in launching the Access Washington state portal is a model of digital government for many state organizations and international delegations

Nancy Jackson, communications director, provides strategic communication support to the DIS director, plans and implements agency communication strategies, consults with divisions regarding marketing strategies and works closely with the governor's communications office. Nancy has 14 years of developing strategic and high-impact public relations and marketing communications for high tech organizations.

Carrie Tellefson, government affairs director, develops and manages the agency's legislative relations strategy and serves as primary point-of-contact for elected officials. Previously, Carrie served as senior counsel for the House of Representatives financial institutions and insurance committee; deputy commissioner for legislative affairs for the Office of the Insurance Commissioner; and assistant director for DIS.

Ellen Wolfhagen, program manager of the K-20 Educational Network, applies her facilitation and mediation background to hold together the coalition of educational sectors that make up the K-20 community. Previously, she worked for the Universal

Service Administrative Company's Schools and Libraries Division, as legal counsel and then division director for the E-rate program, which provides discounts on telecommunications for schools and libraries.

Lynn Kennedy, executive assistant, serves as advisor to the director, special projects liaison, staff coordinator, legislative process manager and liaison and manager of operations and administration. Prior to working for DIS, Lynn provided critical organizational management, project coordination, communication and personnel management leadership for the Washington Department of Labor and Industries.

AUTHORIZING ENVIRONMENT

The Department of Information Services (DIS) was formed in 1987 through the consolidation of the state's four independent data processing and communications systems (Chapter 43.105 RCW). DIS is a cabinet-level agency organized to provide technology leadership, statewide policy development and cost effective service choices for the use of information technology within state and local governments. The legislative intent in creating DIS was to make government information and services more available, accessible and affordable.

The Legislature also created the Information Services Board (ISB) (Chapter 43.105 RCW) in 1987 to provide coordinated planning and management of state information technology services. The ISB is a policy-making organization whose 15 members represent the three branches of state government, education and the private sector. DIS provides staff support to the ISB.

The ISB has the power and duty to:

- Develop statewide or interagency technical policies, standards and procedures.
- Review and approve standards and common specifications for new or expanded telecommunication networks proposed by agencies, public post-secondary education districts, educational service districts or statewide or regional providers of K-12 information technology services, and to assure the cost-effective development and incremental implementation of a statewide video telecommunications system to serve public schools, educational service districts, vocational-technical institutes, community colleges, colleges and universities, state and local government, and the general public through public affairs programming.
- Delegate to other agencies and institutions of state government, under appropriate standards, the authority to purchase, lease, rent or otherwise acquire, dispose of and maintain equipment, proprietary software and purchased services, and confidentiality of computerized data.

The powers and duties granted to DIS are to:

- Provide technology services on a cost-recovery basis to state, local and other government entities; these services are for discretionary rather than mandatory use by customer agencies.
- Establish rate structures that recover the costs of providing services.
- Establish a Customer Advisory Board to advise DIS on service-related issues.
- Perform work delegated by the Information Services Board, including the review of agency portfolios, the review of agency acquisition plans and requests, and implementation of statewide and interagency policies, standards and guidelines.
- Review and make recommendations on agencies' funding requests for technology projects and to monitor the progress of those projects after they receive funding.
- Collaborate with the ISB and agencies in the preparation of a statewide strategic technology plan and its related Washington State Digital Government plan.
- Prepare, with direction from the ISB, a biennial state performance report on information technology.

DIS AT A GLANCE

Daily hours of operation 24
Days per year that DIS operates customer systems 365
Number of customer organizations with customer service agreements 684

Telecommunications

Telephone lines provided 49,000
Long distance calls processed (per month)..... 2.1 million
Long distance minutes processed (per month) ..... 8.2 million
Conference call minutes processed (per month) 80,000
Conference calls / participants (per month) 1,100/7,300

Computer Operations

Raised floor in the DIS Data Center (square feet) 25,000
Mainframe online transactions (per month) ..... 92.1 million
Online data stored by DIS customers ..... 10 terabytes*
Tape data stored by DIS customers ..... 200 terabytes
Intergovernmental Network (IGN) traffic (per month) ..... 2 terabytes
State Government Network (SGN) traffic (per month) .....320 terabytes
Brokering business volume (dollars annually) ..... $43 million
Master contract purchases (dollars annually) ..... $150 million

Production

Driver's licenses processed through DIS systems (quarterly) 515,738
Vehicle registrations processed through DIS systems (quarterly) ..... 5 million
Law enforcement inquiries (drivers and vehicles) (quarterly) ..... 6.5 million

Access Washington™

Access Washington page views (per month) ..... 2 million
Ask George™ search queries (per month) 180,000

K-20 Educational Network

Number of education sites connected via K–20 Educational Network 460
Video conference usage (minutes per month) 5,200
K-20 Educational Network intranet traffic (per month) ..... 87 terabytes

Financial transactions

Electronic Fund Transfers (debits and credits) processed in the
DIS Data Center (per year)..... $ 9.9 billion
Value of warrants printed in the DIS Data Center (per year) ..... $ 7.6 billion
Total value of financial transactions processed in the
DIS Data Center (per year) ..... $17.5 billion

*Terabyte = one trillion characters

DIS SERVICES

DIS customers acquire information technology services from DIS on a discretionary basis. For this reason, customer business needs and priorities drive the technologies DIS provides. DIS is able to aggregate demand for hundreds of technology products and contracted services to achieve competitive volume pricing. Currently, DIS provides the following services:

- **Access Washington,** the Washington state Internet portal, provides public access to government information and services, including online transactions.
- **Application, Web Site and Server Hosting**, located in the DIS Data Center, provide secure, around-the-clock, cost-effective options to large and small organizations.
- **Business Continuity Solutions** ensure the backup, recovery and remote operation of critical processing systems in the event of a data center evacuation.
- **Brokering** of competitively priced software, desktop computers and cellular equipment from industry leading suppliers.
- **Conference Calling** helps organizations share ideas without moving people by using phone connectivity throughout the state, nation or around the world.
- **Digital Government Academy** brings technology and business leaders from multiple agencies together to solve shared business problems and quickly replicate a technology solution for use by the whole enterprise.
- **Enterprise Storage Services** provide managed disk and tape storage for mainframe and server environments.
- **Inside Washington™**, the statewide intranet portal, is designed for government-to-government and government-to-employee business over the statewide government intranet.
- **Master Contracts** offer a wide variety of competitively bid, proprietary technology services, including industry research, search engine components and web-based customer support.
- **Mainframe Computing Services** process 92.1 million online mainframe transactions each month in the DIS Data Center, one of the largest data centers in the Pacific Northwest.
- **Multimedia Services** produce interactive training, educational or public service programs and materials on CD-ROM or streamed over the Web.
- **Production Services** is the operations center for print and tape storage, computer output microfilm, automated job scheduling/recovery and report distribution.
- **Secure Access Washington™ and Transact Washington™** are secure gateways to transaction-based applications for authorized users. Digital certificates and userid/password combinations provide the credentials for user access to multiple services offered by many government agencies.
- **Video Production Services** provide professional, broadcast-quality programs and web casting services that are filmed in studio or in remote locations.
- **Voice Telecommunication Services** manage 49,000 local telephone lines and serve more than 150,000 state and local government employees in 500 public organizations with SCAN and SCAN *Plus* long distance services.
- **Web site development** includes concept development, graphic design and the efficient construction of effective Web sites.
- **Wide Area Network Services** represent Washington state's integrated physical network, connecting most state and local government organizations. Within that shared infrastructure, DIS supports four distinct governmental networks: the K-20 Educational Network, State Government Network (SGN), Intergovernmental Network (IGN) and the SCAN Long Distance Network.

DIS CUSTOMERS

The total number of DIS customers is expected to remain stable over the next biennium; however, DIS expects to see changes in the number and types of services chosen by customer organizations within the categories below. Currently, the DIS customer base includes:

129* school/educational service districts
116 state agencies
107 cities and towns
56 local public organizations
41 non-profit organizations
39 counties
37 higher education organizations
33 commissions and associations
31 public utilities
22 fire districts
17 ports
17 hospitals
17 tribal organizations
7 Capitol campus news media offices
9 libraries
6 local divisions of federal organizations

* Represents schools/educational service districts that have a customer service agreement (CSA) for services other than connection to the K-20 Educational Network.

Major customer systems supported by DIS

The **Department of Social and Health Services (DSHS)** operates eight major technology applications in DIS facilities that support DSHS programs and services, such as the Automated Client Eligibility System (ACES). ACES is generally recognized as the largest and most comprehensive system in Washington state government, administering over $59 million in monthly benefits for approximately 900,000 clients.

The **Department of Labor and Industries (L&I)** maintains industrial insurance accounts for more than 160,000 employers. The agency processes approximately 145,000 workers compensation claims through DIS systems each year, paying benefits for medical costs and lost wages with about 45,000 checks every month.

The **Employment Security Department** runs five mainframe-based applications at DIS:

- General Unemployment Insurance Development Effort (GUIDE) calculates eligibility, distributes benefits and produces reports for clients eligible for public assistance;
- Tax Information System (TAXIS) quantifies and manages the collection of unemployment insurance taxes from employers and tracks employer experience ratings for purposes of an annual tax rate assignment;
- Interstate Claims Network (ICON) is a federally-built system that checks unemployment claims across state boundaries;
- FARS, ESD's accounting system, supports the collection of employee time tracking and benefits, processes vendor/client payment through the Office of Financial Management and provides cost allocation and financial reports;
- WorkFirst helps welfare recipients back to work and is a federally mandated program (Welfare to Work) that provides services to food stamp clients, as well as supporting customers of the WorkFirst Employment Labor Exchange (WPLEX) program.

The **Department of Corrections** (DOC) uses its mainframe-based Offender Based Tracking System (OBTS) to track information on adult felony offenders during their time as inmates, parolees and probationers or otherwise under the department's supervision.

The **Department of Personnel** (DOP) is responsible for the operation of the state's personnel and payroll systems processed at DIS.

The **Department of Retirement Systems** serves current and retired state workers through several multi-level retirement plans. The current member database has more than 965,000 members. The state's Deferred Compensation Program contains another 63,375 sets of records and individual investment histories.

DIS processes and prints an average of $639 million in payment warrants each month for the **Office of the State Treasurer** (OST).

The **Department of Revenue** (DOR) relies on DIS firewalls to protect more than $300 million in monthly electronic tax filings from businesses in Washington. DIS support is used for several critical DOR tax collection applications including local tax accumulation and distribution, fish excise taxes, forest excise taxes and cigarette stamp stock tax.

MAJOR PARTNERS
DIS - as a neutral, trusted third party in areas requiring a significant degree of multi-agency state and local government collaboration - plays an important role in bringing together diverse communities of interest in order to leverage mission critical infrastructure. This enterprise approach eliminates redundancies and focuses on a shared, strategic approach to common vision and goals. DIS is involved in a number of major initiatives to facilitate this cost-effective approach to meeting business needs, including:

Justice Information Network (JIN)
The mission of the Justice Information Network (JIN) is to improve public safety by providing criminal justice practitioners with complete, timely and accurate information and to improve operating efficiency by facilitating the integration of disparate systems throughout the state. The JIN objectives:

- Maximize standardization of data and communications technology
- Improve workflow within the criminal justice system
- Provide complete, accurate and timely information to criminal justice agencies
- Maintain security and privacy rights respecting criminal justice information

State Interoperability Executive Committee (SIEC)
The SIEC is a permanent committee of the Information Services Board (ISB), whose mission is to ensure the state effectively manages its considerable investment in radio communications facilities and spectrum. DIS has worked closely with the committee to deliver the first two legislatively required deliverables – the inventory of state government-operated communications systems and the state interoperability interim plan.

Washington Geographic Information Council (WAGIC)
Members of WAGIC are recognized as national leaders in the use of Geographic Information Technology (GIT) to manage the environment, natural resources and public health and safety. Increasingly, GIT is valued by government for its ability to analyze and depict complex issues. A strategic, enterprise approach for the use of GIT ensures informed public policy and decision-making and reduces the likelihood of duplicated efforts that result in incompatible or conflicting datasets and inconsistent analytical results. WAGIC strategic objectives that focus on cross-governmental partnerships are fundamental to the successful management of environmental, transportation, public safety and other multi-jurisdictional challenges.

Vision
Empowering the public sector to reach its full potential

Mission
Transforming the public sector through technology leadership to make life better for the citizens of Washington

Core values
- We are committed to the highest standards of ethics and Integrity
- Innovation is our tool of choice for addressing change and meeting customer needs
- Our employees are our most valued assets and their well-being is crucial to our success
- We are customer driven and committed to providing world class customer service

STRATEGIC HIGHLIGHTS 2005-2007:

Objective 1: Ensure, secure and protect business continuity for government services
Because technology is imbedded in the function of today's public services, DIS will continue to invest in the networks, mainframes, servers, secure access tools and other infrastructure that keeps government functions up and running around-the-clock. It is critical that public services are readily available to those authorized to use them and protected from those who are not. DIS customer organizations are using their major IT systems to directly serve millions of citizens and thousands of businesses every day, so expectations are high.

Strategies:
- Ensure business continuity by investing in infrastructure capacity and resiliency
- Protect mission critical state business with continued investment in security for critical infrastructure
- Invest in continuous availability and web-readiness for computing systems
- Investigate geographically diversified computing alternatives to ensure business continuity
- Leverage public safety opportunities to attract federal funding for continued participation in cyber exercises, incident response and public safety

Objective 2: Continue digital government leadership through innovation
It is not just the deployment of e-services but a long-term commitment to digital government that is now built into government service delivery in Washington. Improvements to existing infrastructure and the adoption of advanced and new technologies are integral to sustaining this commitment.

Strategies:
- Continue to grow Public Key Infrastructure and the use of digital certificates
- Protect individual privacy in the information age
- Expand and leverage the benefits of the DIS Enterprise Active Directory
- Continue to evaluate wireless technology opportunities
- Position the network to support converging technologies

Objective 3: Balance stewardship and innovation with effective oversight practices

As the state evolves and advances its technology capabilities, the oversight activities, procedures and policies that guide Washington's IT investments must also keep pace with change. In the 2005-07 Biennium, DIS expects to see increased attention and focus on aging administrative systems as well as multi-agency projects with multiple funding sources. Agencies must investigate and consider new collaborative approaches to projects. Considerations include funding, risk mitigation, development and ongoing operations.

Strategies:

- Develop an oversight and policy environment that promotes rapid implementation of new technologies
- Provide assessment tools for identifying and replacing aging technology

Objective 4: Encourage and enable collaboration

When budgets tighten, an enterprise approach, which emphasizes centralization and the search for new efficiencies, comes to the forefront. Currently, there is a need for more interagency cooperation and multi-agency projects that can serve common business needs. DIS is involved in several cooperative initiatives – the work of the Enterprise Architecture Committee, Justice Information Network (JIN) and State Interoperability Executive Committee (SIEC). Strategic planning at DIS will continue to support these cross-jurisdictional, collaborative efforts.

Strategies:

- Encourage and promote the continued build out and use of shared infrastructure
- Create policies to support and enable cross-agency and cross-jurisdictional IT projects
- Help small agencies optimize their use of shared technology resources

Objective 5: Seek additional cost advantages for DIS customers

At the heart of the DIS mission – and directed by the agency's enabling legislation – is a responsibility to seek out and gain cost savings for its customers. DIS does this in several ways, including purchase aggregation, aggressive contract negotiations and periodic rate reductions.

Strategies:

- Continue to aggregate IT demand for price advantages
- Help DIS customers move ideas without moving people
- Implement strategies that increase customer awareness and understanding of DIS' cost effective business solutions

Objective 6: Continue sound, strategic business practices to improve efficiency and effectiveness

Sound, strategic business practices form a key component of the DIS mission and are the foundation of effective government. These business practices include first-class

customer service, an open employee and customer dialogue, effective administrative processes and use of technology to solve business issues. To continue to be effective, DIS must attract, develop and retain the best talent available and support DIS employees with a healthy work environment where staff have the tools and training needed to be successful. DIS continues to place a high value on innovation by recognizing employees who take and manage appropriate risk. Financial accountability remains a priority.

Strategies:

- Use research to support customer relations, communications and outreach
- Maintain cost recovery and financial accountability

Objective 7: Attract, develop and retain human resources for continuity

DIS faces many of the same challenges as other information technology organizations. The agency must keep up with rapid changes in the IT industry, while seeking to retain and develop a skilled workforce. DIS senior management recognizes that human resource development is critical to the short- and long-term success of an organization. Consequently, the agency makes training, employee development and succession planning an organizational priority.

Strategies:

- Take a proactive approach to risk mitigation
- Implement Washington Works
- Take a proactive approach to succession planning
- Improve the process and quality of information gathering and dissemination

Strengths

1. **Cabinet level Chief Information Officer (CIO)**: Washington's success deploying information technology is a direct result of collocating policy and services into a cabinet level agency under the leadership of a statewide CIO reporting directly to the governor.
2. **Funding model**: DIS operates like a private sector company. In general, revenues are the result of fees collected for services delivered. Capital purchases are financed through a revolving fund, and we operate under a profit and loss financial model.
3. **Service delivery**: All DIS services are discretionary. As a discretionary service provider, customer service and satisfaction are critical components of our sustainability and success.
4. **Vendor management**: DIS is a value-added reseller of private sector goods and services. A core competency is managing vendor relationships including acquisition, contracting, integration and delivery of products and services.
5. **Customer management**: As a state agency, DIS understands the business needs of state and local government. This understanding allows DIS to integrate private sector goods and services, and engineer solutions that best fit the business needs of state and local government.
6. **Shared market basket**: DIS aggregates the technical needs of each customer agency into leveraged purchases of private sector goods and services, maximizing the purchasing power of state and local government. All agencies, large and small, receive the financial benefit of shared products, services and infrastructure.
7. **"Switzerland:"** A core competency of DIS is the ability to bring together organizations with diverse missions and objectives, identifying common solutions for the benefit of all stakeholders. Examples include the Justice Information Network (JIN), the State Interoperability Executive Committee (SIEC) and AMBER Alert.
8. **Statewide technology infrastructure:** DIS' major responsibility is deploying and managing the critical statewide computing and telecommunications infrastructure necessary to support state government operations. DIS must continue to enhance the infrastructure to meet the evolving business needs of government.

Weaknesses

1. **Enterprise View**: The enabling legislation for DIS and the Information Services Board provides policy and oversight for Executive Branch agencies only. Collaboration on enterprise wide initiatives can be hindered by the natural separation between the Executive, Legislative and Judicial branches.
2. **DIS Success:** DIS maintains one of the largest and most complex network and computing environments in the Pacific Northwest. Our nationally recognized success masks the complexities and challenges of maintaining this critical infrastructure and associated technical issues.
3. **Shared infrastructures:** DIS' natural business model is to consolidate agency technology needs into large services offerings allowing economies of scale to all customers. While very successful, an unintended consequence is that independent decisions made by one agency can affect the cost of service to all other agencies.

Opportunities

1. **Difficult Budgetary Times** – Agencies become more motivated to collaborate on shared technical solutions during tight budgetary times. Organizations with

unlimited funding make their technology decisions differently than organizations with constrained funding.

2. **Enterprise Architecture** – Enterprise Architecture provides a more aggressive and predictive approach to managing the statewide computing and network infrastructure.
3. **IT Asset Management** – A number of technologies have evolved over the last decade from tailored "best of breed" solutions to generic commodity solutions.
   - **Desktop Computers** – As the desktop technology has evolved, the nature of desktop computing has changed from discrete tailored solutions to utility commodity solutions. This change to a commodity solution allows for more coordinated leasing strategies using periodic rollover methods for maintaining desktop computing infrastructure.
   - **E-mail** – Washington has evolved from many discrete email solutions located in each individual workgroup to a decentralized Microsoft Exchange infrastructure. Workload that today operates on 200 to 300 Exchange servers could easily operate on 20 centralized Exchange servers with integrated security products.

Threats

1. **Telecommunications Industry** – The telecommunications industry has been under constant pressure with continuing rounds of acquisitions, bankruptcies, and service volatility. We anticipate this changing landscape to continue into the future as the industry migrates to fewer successful corporations with sustainable business models and technologies.
2. **Homeland Security / Cyber Security** – The environment has changed significantly over the last four years with electronic threats to the critical state infrastructure becoming a greater concern. Greater attention to external threats, vulnerability analysis, mitigation strategies are necessary to maintain the continuity of government operations.
3. **Collective Bargaining Environment** – The major strength of DIS has been the dedication and efforts of the staff across a very wide spectrum of services and technologies. The majority of the staff supports services requiring continuous availability and round-the-clock attention to stability and performance. The Collective Bargaining Environment provides a significantly different relationship with staff that is not yet fully understood.
4. **"Good of the order" Enterprise Needs** - DIS is often called upon to satisfy "good of the order" needs or expectations, yet operates under a fee for service financial structure. Examples of "good of the order" enterprise needs are Access Washington, the Washington Computer Incident Response Center (WACIRC) and business continuity initiatives. With increasing scrutiny of agency budgets and spending, it is important that these needs are satisfied without financially burdening the core services that our customers depend on.

Upon review of the agency's 2005-2007 Strategic Plan, and based on known business issues facing the agency during the 2005 legislative session, DIS made a decision not to submit any agency-sponsored legislative proposals for the upcoming session.