Return on Investment (ROI) Program Funding Application

This template was built using the ITD ROI Submission Intranet application.
FINAL AUDIT REQUIRED: The Enterprise Quality Assurance Office of the Information Technology Department is required to perform post implementation outcome audits for all Pooled Technology funded projects and may perform audits on other projects.

This is an IOWAccess Fund Request. Amount of funding requested: $74,781.23

Section I: Proposal

Date: September 6, 2005
Agency Name: IA Ethics & Campaign Disclosure Board (IECDB)
Project Name: Personal Financial Disclosures
Agency Manager: Karen Hudson
Agency Manager Phone Number / E-Mail: 515-242-6274/Karen.Hudson@Iowa.gov
Executive Sponsor (Agency Director or Designee): Charlie Smithson

A. Project Summary: Describe the nature and use of the proposed project, including what is to be accomplished, how it will be accomplished, and what the costs and benefits will be.

IECDB is tasked to manage executive branch personal financial disclosure statements. Personal financial disclosure statements are currently filed on paper. Staff then audits and scans for viewing on the Board website. The project would create an electronic filing system providing an efficient way for the required personnel to file their reports, allow IECDB staff to monitor and audit the reports, handle the penalty process for eligible filings, and allow the public to view/print the information.

B. Strategic Plan: How does the proposed project fit into the strategic plan of the requesting agency?

Embracing technology to assist regulated community and the citizens of Iowa.

C. Current Technology: Provide a summary of the technology used by the current system. How does the proposed project impact the agency's technological direction?

Current forms are filed via paper.

D. Statutory or Other Requirements

Is this project or expenditure necessary for compliance with a Federal law, rule, or order?

No

☐   YES (If "Yes", cite the specific Federal law, rule or order, with a short explanation of how this project is impacted by it.)

Explanation:

Is this project or expenditure required by state law, rule or order?

☑ YES (If "YES", cite the specific state law, rule or order, with a short explanation of how this project is impacted by it.)
Explanation:

Iowa Code section 68B.35, 68B.3(2), and rules in 351 – Chapter 7.

Does this project or expenditure meet a health, safety or security requirement?
No

☐ YES (If "YES", explain.)
Explanation:

Is this project or expenditure necessary for compliance with an enterprise technology standard?

☑ YES (If "YES", cite the specific standard.)
Explanation:

Uniform Electronic Transactions Act in Iowa Code chapter 554D.

[This section to be scored by application evaluator.]
Evaluation (15 Points Maximum) If the answer to these criteria is "no," the point value is zero (0). Depending upon how directly a qualifying project or expenditure may relate to a particular requirement (federal mandate, state mandate, health-safety-security issue, or compliance with an enterprise technology standard), or satisfies more than one requirement (e.g. it is mandated by state and federal law and fulfills a health and safety mandate), 1-15 points awarded.

E. Impact on Iowa's Citizens

a. **Project Participants** - List the project participants (i.e. single agency, multiple agencies, State government enterprise, citizens, associations, or businesses, other levels of government, etc.) and provide commentary concerning the nature of participant involvement. Be sure to specify who and how many **direct** users the system will impact. Also specify whether the system will be of use to other interested parties: who they may be, how many people are estimated, and how they will use the system.

Participants are IECDB as the agency overseeing the project and ITE for development of the project.

The users would be the regulated community and the citizens of Iowa.

b. Service Improvements - Summarize the extent to which the project or expenditure improves service to Iowa citizens or within State government. Included would be such items as improving the quality of life, reducing the government hassle factor, providing enhanced services, improving work processes, etc.

This project is intended to promote ease in filing by the regulated community, improve agency auditing, as well as save money, time and resources.

c. Citizen Impact – Summarize how the project leads to a more informed citizenry, facilitates accountability, and encourages participatory democracy. If this is an extension of another project, what has been the adoption rate of Iowa's citizens or government employees with the preceding project?

The regulated community will be able to file online rather than obtaining paper forms from the IECDB office or printing out paper forms from the IECDB website. The public will have the ability to review the filed information in a more timely manner.

d. Public Health and/or Safety – Explain requirements or impact on the health and safety of the public.

N/A

F. Process Reengineering

Provide a pre-project or pre-expenditure (before implementation) description of the impacted system or process.   Be sure to include the procedures used to administer the impacted system or process and how citizens interact with the current system.

Response:

Personal financial disclosures are currently filed via paper. Staff then audits and scans for viewing on the Board website.

Provide a post-project or post-expenditure (after implementation) description of the impacted system or process. Be sure to include the procedures used to administer the impacted system or process and how citizens will interact with the proposed system. In particular, note if the project or expenditure makes use of information technology in reengineering traditional government processes.
Response:

Personal financial disclosures would be completed and filed online, which would reduce costs, increase efficiency and comply with regulatory standards, as well as convenience of access by citizens.

[This section to be scored by application evaluator.]

Evaluation (10 Points Maximum)

- Minimal use of information technology to reengineer government processes (0-3 points).

- Moderate use of information technology to reengineer government processes (4-6 points).

- Significant use of information technology to reengineer government processes (7-10).

G. Timeline

Provide a projected timeline for this project. Include such items as planning, database design, coding, implementation, testing, conversion, parallel installation, and date of final release. Also include the parties responsible for each item.

Activities	Duration (FTE Weeks)	Estimated Completion
Development/Coding	6	Feb 1, 2006
DAS ITE System Testing	3 weeks	March 1, 2006
Installation/turnover	2 weeks	March 15, 2006
Production Live	Milestone	March 30, 2006

[This section to be scored by application evaluator.]

Evaluation (10 Points Maximum)

- The timeline contains several problem areas (0-3 points).

- The timeline seems reasonable with few problem areas (4-6 points).

- The timeline seems reasonable with no problem areas (7-10).

H. Funding Requirements

On a fiscal year basis, enter the estimated cost by funding source: Be sure to include developmental costs and ongoing costs, such as those for hosting the site, maintenance, upgrades,

	FY06		FY07		FY08	
	Cost($)	% Total Cost	Cost($)	% Total Cost	Cost($)	% Total Cost
State General Fund	$0	0%	$0	0%	$0	0%
Pooled Tech. Fund /IowAccess Fund	$74,781.23	100%	$	0%	$	0%
Federal Funds	$0	0%	$0	0%	$0	0%
Local Gov. Funds	$0	0%	$0	0%	$0	0%
Grant or Private Funds	$0	0%	$0	0%	$0	0%
Other Funds (Specify)	$0	0%	$0	0%	$0	0%
Total Project Cost	$74,781.23	100%		0%		0%
Non-Pooled Tech. Total	$0	0%	$0	0%	$0	0%

[This section to be scored by application evaluator.]

<u>Evaluation</u> **(10 Points Maximum)**

- The funding request contains questionable items (0-3 points).

- The funding request seems reasonable with few questionable items (4-6 points).

- The funding request seems reasonable with no problem areas (7-10).

I. Scope

Is this project the first part of a future, larger project?

☐ YES (If "YES", explain.)   ☑ NO, it is a stand-alone project.
Explanation:

Is this project a continuation of a previously begun project?

No

☐ YES (If "YES", explain.)
Explanation:

<u>**Evaluation**</u> **(10 Points Maximum)**

- This is the first year of a multi-year project / expenditure or project / expenditure duration is one year (0-5 points)

- The project / expenditure is of a multi-year nature and each annual component produces a definable and stand-alone outcome, result or product (2-8 points).

- This is beyond the first year of a multi-year project / expenditure (6-10 points)

The last part of this criteria involves rating the extent to which a project or expenditure is at an advanced stage of implementation and termination of the project / expenditure would waste previously invested resources.

J. Source of Funds

On a fiscal year basis, how much of the total project cost ($ amount and %) would be <u>absorbed</u> by your agency from non-Pooled Technology and/or IOWAccess funds? If desired, provide additional comment / response below.

Response:

$74,781.23 – 100%

<u>**Evaluation**</u> **(5 Points Maximum)**

- 0% (0 points)

- 1%-12% (1 point)

- 13%-25% (2 points)

- 25%-38% (3 points)

- 39%-50% (4 points)

- Over 50% (5 points)

Section II: Financial Analysis

A. Project Budget Table

It is necessary to <u>estimate and assign</u> a useful life figure to <u>each</u> cost identified in the project budget. Useful life is the amount of time that project related equipment, products, or services are utilized before they are updated or replaced. In general, the useful life of hardware is three (3) years and the useful life of software is four (4) years. Depending upon the nature of the expense, the useful life for other project

costs will vary between one (1) and four (4) years. On an exception basis, the useful life of individual project elements or the project as a whole may exceed four (4) years. Additionally, the ROI calculation must include all <u>new</u> annual ongoing costs that are project related.

The Total Annual Prorated Cost (State Share) will be calculated based on the following equation:

$$\left[\left(\frac{Budget\ Amount}{Useful\ Life}\right) \times \%\ State\ Share\right] + \left(Annual\ Ongoing\ Cost \times \%\ State\ Share\right) = Annual\ Prorated\ Cost$$

Budget Line Items	Budget Amount (1st Year Cost)	Useful Life (Years)	% State Share	Annual Ongoing Cost (After 1st Year)	% State Share	Annual Prorated Cost
Agency Staff						
Software						
Hardware						
Training						
Facilities						
Professional Services						
ITE Services	$74,781.23		100%			
Supplies, Maint, etc.						
Other						
Totals	$74,781.23					

B. Spending plan

Explain how the funds will be allocated.

C. Tangible and/or Intangible Benefits

Respond to the following and transfer data to the ROI Financial Worksheet as necessary:

1. **Annual Pre-Project Cost** - This section should be completed only if state government operations costs are expected to be reduced as a result of project implementation. **Quantify actual state government direct and indirect costs** (personnel, support, equipment, etc.) associated with the activity, system or process <u>prior to </u>project implementation.
Describe Annual Pre-Project Cost:

Quantify Annual Pre-Project Cost:

	State Total
FTE Cost(salary plus benefits):	$0.00
Support Cost (i.e. office supplies, telephone, pagers, travel, etc.):	$0.00
Other Cost (expense items other than FTEs & support costs, i.e. indirect costs if applicable, etc.):	$0.00
Total Annual Pre-Project Cost:	$0.00

2. **Annual Post-Project Cost** - This section should be completed only if state government operations costs are expected to be reduced as a result of project implementation. **Quantify actual state government direct and indirect costs** (personnel, support, equipment, etc.) associated with the activity, system or process after project implementation.

Describe Annual Post-Project Cost:

Quantify Annual Post-Project Cost:

	State Total
FTE Cost(salary plus benefits):	$0.00
Support Cost (i.e. office supplies, telephone, pagers, travel, etc.):	$0.00
Other Cost (expense items other than FTEs & support costs, i.e. indirect costs if applicable, etc.):	$0.00
Total Annual Post-Project Cost:	$0.00

3. **Citizen Benefit** - Quantify the estimated annual value of the project to Iowa citizens. This includes the "hard cost" value of avoiding expenses ("hidden taxes") related to conducting business with State government. These expenses may be of a personal or business nature. They could be related to transportation, the time expended on the manual processing of governmental paperwork such as licenses or applications, taking time off work, mailing, or other similar expenses. As a "rule of thumb," use a value of $10 per hour for citizen time.

Describe savings justification:

Reduction in time completing and printing of forms and postage for mailing to IECDB.

Reduction in trips to IECDB office to view reports and compile information.

Transaction Savings

Number of annual online transactions:
Hours saved/transaction:
Number of Citizens affected:
Value of Citizen Hour
Total Transaction Savings:
Other Savings (Describe)
Total Savings:

4. **Opportunity Value/Risk or Loss Avoidance** - Quantify the estimated annual non-operations benefit to State government. This could include such items as qualifying for additional matching funds, avoiding the loss of matching funds, avoiding program penalties/sanctions or interest charges, avoiding risks to health/security/safety, avoiding the consequences of not complying with State or Federal laws, providing enhanced services, avoiding the consequences of not complying with enterprise technology standards, etc.
Response:

Provides enhanced services to both public and regulated community
Reduces staff time spent processing paper reports
Permits electronic option for regulated community
Enhances public's interaction with Iowa government

5.**Benefits Not Readily Quantifiable** - List and summarize the overall non-quantifiable benefits (i.e., IT innovation, unique system application, utilization of new technology, hidden taxes, improving the quality of life, reducing the government hassle factor, meeting a strategic goal, etc.).
Response:

Increased public disclosure
Reduces paper
Increases efficiency
Meets strategic/technologic goals

ROI Financial Worksheet	
A. Total Annual Pre-Project cost (State Share from Section II C1):	0
B. Total Annual Post-Project cost (State Share from Section II C2):	0
State Government Benefit (= A-B):	0
Annual Benefit Summary:	
State Government Benefit:	
Citizen Benefit:	
Opportunity Value or Risk/Loss Avoidance Benefit:	
C. Total Annual Project Benefit:	
D. Annual Prorated Cost (From Budget Table):	
Benefit / Cost Ratio: (C/D) =	
Return On Investment (ROI): ((C-D) / Requested Project Funds) * 100 =	

Appendix A. Auditable Outcome Measures

For each of the following categories, list the auditable metrics for success after implementation and identify how they will be measured.

1. Improved customer service

Measured in website hits and reduced calls from the public as well as more electronic filers. Fewer errors and delinquencies by lobbyists and lobbyist clients can be identified by comparing audit letters and imposed penalties on a yearly basis.

2. Citizen impact

Able to access information on the Internet versus driving to Des Moines/requesting paper copies. This can be measured by website hits; reduction in fees for FOI requests; number of faxes and mailings sent by Board.

3. Cost Savings

Increased efficiency for the agency measured by: reduction in Board postage/rinting; reduction in compliance measures; audits of lobbyists/lobbyist clients reports conducted in a quicker fashion (measured by percent of audits completed within a year).

4. Project reengineering

Current project reengineered for improved quality

5. Source of funds (Budget %)

If project is not approved: 7% of Boards total non-salary budget.

6. Tangible/Intangible benefits

1. Increased/unprecedented public disclosure
2. Increased efficiency
3. Benefits to lobbyists/lobbyist clients
4. Embraces technology
5. Less government paper