

Project Tracking No.: 10260

Return on Investment (ROI) Program Funding Application

This template was built using the ITE ROI Submission Intranet application.
FINAL AUDIT REQUIRED: The Enterprise Quality Assurance Office of the Information Technology Enterprise 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 Revolving Fund Request.

Amount of funding requested: Currently: Implementation Cost \$216,000

Anticipated total: \$339,000: **<\$19,900 (Scope Done)** + \$ 64,000 Proof-of Concept + \$216,000 Implementation Estimate.

Section I: Proposal

Date:	6/18/2008
Agency Name:	IDOM
Project Name:	DOM Local Gov Budgets & Reports
Agency Manager:	Jim Nervig
Agency Manager Phone Number / E-Mail:	515.242.5240
Executive Sponsor (Agency Director or Designee):	Dick Oshlo – 515.281.5201
IOWAccess Project Process Phase:	<input type="checkbox"/> Scope Analysis <input checked="" type="checkbox"/> Design <input type="checkbox"/> Implementation

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.

To establish a centralized database and application with Internet accessibility that would allow local government authorities to prepare and certify budgets and submit annual financial reports each year. The target is to provide functionality and features at least comparable to the existing Excel spreadsheets currently used. This architecture will eliminate the current process of submitting budget via email and writing of valuation data that can introduce errors and dropped data.

Importantly, the goal is also to make budget and annual financial report information available on-line to our citizens as soon as the data is reported by the local government authority and make county and other local government budget

and annual report information available to the general public for legal and other purposes, accessible at any time, day or night.

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

This project will provide the General Public and other interested parties to view local government budget and annual financial report information from any location with Internet access. Currently, this information is only available by contacting each government entity and requesting paper copies of budgets.

This project will significantly enhance openness in local government finances.

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? Are programming elements consistent with a Service Oriented Architecture (SOA) approach? Are programming elements consistent with existing enterprise standards?

The current system is two-fold: 1) a Customer-side customized Excel Workbook, and 2) a State-side Microsoft Windows-based application which accesses a Microsoft SQL SERVER Database.

The Excel workbook is modified each year to incorporate any statutory changes, and is then published on the IDOM WEBSITE to be downloaded by the users. Upon completion by the users the Workbook is sent via email to IDOM.

The State application is modified each year to incorporate the new Fiscal Year and any changes to the application as required by statute.

Upon receipt of the County-side Excel Workbooks, the State-side application is utilized to import the data from the Excel Workbooks to the SQL Server. The State application can then be utilized to verify and modify (as required) the imported data, and to develop reports as needed.

D. Statutory or Other Requirements

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

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:

Legislation passed during the 2007 Legislative session requires the Department of Management (DOM) to make County budget information by “electronic means.” This project will satisfy that requirement and expand it to other government budgets and annual financial reports.

Does this project or expenditure meet a health, safety or security requirement?

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:

[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 1. 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.

- All citizens of Iowa will be able to use the website to access budget and annual financial report information for local governments in Iowa.
- Local government officials will use the website site to prepare and submit their annual budgets and financial reports. This will include 99 counties, 100 agricultural extension districts, 107 county and city assessors, 45 county hospitals, 58 benefited fire districts, approximately 50 other local benefited districts and about 1,600 townships.
- The 99 County Auditors will use the website to review and certify local government budgets.

- The DOM will use the website to prepare and certify tax levies to County Auditors, perform analysis on local government financial data and provide information to others.
- Other State Agencies, including the Department of Human Services, the Legislative Services Agency, and the Auditor of State will use data provided by the website for analysis local government finances.
- Outside organizations, including Iowa State Association of Counties and the Iowa Farm Bureau will use data provided by the website for various analysis purposes.


2. 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.

- Provide citizens immediate internet access to financial information for any local government without having to contact each one individually.
- Provide local governments with a web-based budget application that doesn't require any additional software beyond a web browser and internet connection to use.
- All local government budgets will automatically be entered into a database without any further action by DOM staff.

3. 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?

- All citizens of Iowa will be able to use the website to access budget and annual financial report information for local governments in Iowa.

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

<p>[This section to be scored by application evaluator.] Evaluation (15 Points Maximum)</p> <ul style="list-style-type: none"> • Minimally directly impacts Iowa citizens (0-5 points). • Moderately directly impacts Iowa citizens (6-10 points). • Significantly directly impacts Iowa citizens (11-15 points). 	
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------

<p>[This section to be scored by application evaluator.] Evaluation (10 Points Maximum)</p>	
----------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------

- Minimally improves customer service (0-3 points).
- Moderately improves customer service (4-6 points).
- Significantly improves customer service (7-10 points).



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:

Currently the DOM prepares budget and annual report Excel Files and posts them to the DOM website for downloading. Once the local government has completed the budget, a Notice of Public hearing providing summary budget and tax information and the time and place of the required public hearing on the budget is published in local newspapers. At this time the budget detail is to be made available, at the offices of the local government, for citizens to review.

Following the budget public hearing and after the local government has adopted the budget, the Excel file is emailed to the DOM and two paper copies are given to the County Auditor. After the County Auditor reviews and certifies the budget, they mail one paper copy to DOM. County Budgets are loaded into a database by DOM and are reviewed for errors. The other budgets are reviewed manually by DOM and any necessary corrections made.

Once budgets are final, data is pulled from the county database for counties and from individual Excel budget files for other governments. The data is uploaded into an ITE mainframe application and tax levy certifications are generated and distributed to County Auditors.

County Annual reports are submitted via email and loaded into a database by DOM staff. The database is distributed via database to other interested parties, including the Department of Human Services, Legislative Service Agency and the Iowa Farm Bureau. Any database changes require the database to be reloaded.

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:

The new budget submission will simplify the submission process. The budget will be entered online, into a database created by this project. Once the budget hearing notice is done, the budget will be open for review by citizens and other

interested parties. Once the final budget is adopted, the County Auditor will be notified and will be able to review and certify the budget. When the County Auditor has certified the budget, the DOM will be notified. Once DOM has reviewed the budgets and made any necessary corrections, certified tax levies can be issued to County Auditors.

The final budget and annual financial reports will be available online for anyone to see.

[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 **start date**, planning, database design, coding, implementation, testing, conversion, parallel installation, and date of final release. Also include the parties responsible for each item.

Scope	Done		
Proof-Of-Concept (Implement Reports & Proof Budgets)	July	2008	ITE & DOM
Request Implementation funding	July	2008	DOM
Design / Implement Budgets	Dec	2008	ITE & DOM
Design / Implement Full reports	Mar	2009	ITE

[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.

	FY07		FY08		FY09	
	Cost(\$)	% Total Cost	Cost(\$)	% Total Cost	Cost(\$)	% Total Cost
State General Fund	\$0	0%	\$0	0%	\$0	0%
Pooled Tech. Fund /IOWAccess Fund	\$0	0%	\$216,000	0%	\$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	\$0	0%	\$216,000	0%	\$0	0%
Non-Pooled Tech. Total	\$0	0%	\$0	0%	\$0	0%

[This section to be scored by application evaluator.]

Evaluation (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:

Future plan to include city and school district budgets.

Is this project a continuation of a previously begun project?

YES (If "YES", explain.)

Explanation:

[This section to be scored by application evaluator.]

Evaluation (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 absorbed by your agency from non-Pooled Technology and/or IOWAccess funds? If desired, provide additional comment / response below.

Response:

Ongoing website maintenance will be absorbed by DOM.

[This section to be scored by application evaluator.]

Evaluation (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 estimate and assign a useful life figure to each 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 new annual ongoing costs that are project related.

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

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

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						
ITD Services	\$216,000	TBD	100	TBD		
Supplies, Maint, etc.						
Other						
Totals	\$216,000	TBD	100	TBD		

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 prior to project implementation.

Describe Annual Pre-Project Cost:
Not Applicable

Quantify Annual Pre-Project Cost:

Not Applicable

	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	\$0.00

costs if applicable, etc.):	
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.

Not Applicable

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.

No "hard cost" savings

Describe savings justification:

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:	

ROI Financial Worksheet	
A. Total Annual Pre-Project cost (State Share from Section II C1):	
B. Total Annual Post-Project cost (State Share from Section II C2):	
State Government Benefit (= A-B):	
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 =	

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:

Not Applicable

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:

These benefits are listed and summarized in Section I

[This section to be scored by application evaluator.]

Evaluation (15 Points Maximum)

- The financial analysis contains several questionable entries and provides minimal financial benefit to citizens (0-5 points).
- The financial analysis seems reasonable with few questionable entries and provides a moderate financial benefit to citizens (6-10 points).
- The financial analysis seems reasonable with no problem areas and provides maximum financial benefit to citizens (11-15).



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 **Not quantifiable**

This project improves the access of our citizen to local government annual reports and budgets. It also improves the process for county auditors to submit their required annual reports and budgets by making this an online process.

2. Citizen impact Not quantifiable

The benefits of this project to providing more timely and complete local government annual reports and budgets are significant but not readily measurable.

3. Cost Savings Not quantifiable

The cost saving are expected to be in the improved customer service and citizen accessibility improvements.

4. Project reengineering Not quantifiable

This project will provide a fully web based system for the submission, amendments and publication of the required report submitted by the counties annually.

5. Source of funds (Budget %) Not quantifiable

Development and implementation funding will be 100% from IOWAccess. Post implementation maintenance funding will be 100% from DOM.

6. Tangible/Intangible benefits Not quantifiable

The tangible and intangible benefits are not easily measured.