Government Efficiency and Accountability Review (GEAR)

GEAR20 Board Meeting
September 16th 2020

https://gear.Delaware.gov/
Agenda

1. Introductions / Roll call
2. Old Business
   • Review/approve minutes
   • 2020 Schedule
3. New business
4. Deep Dives
   1. Financial Services Delivery
   2. Judicial Branch
5. Open Topics discussion – Board
6. Public Comment
7. Adjourn
Introductions

Roll Call
Old Business

Review/Approve Minutes from Prior Board meeting

Final draft version sent to Board for review September 11th, 2020
New Business

2020 GEAR Board Schedule

Wednesday, January 15, 2020
10:00am to 12:00pm
Haslet Armory, Conference Room 219

Tuesday, March 17, 2020
9:00am to 11:00am
Buena Vista, Buck Library

Wednesday, May 20, 2020
8:00am to 10:00am
Haslet Armory, Conference Room 219

Wednesday, July 15, 2020
9:00am to 11:00am
Virtual Meeting on WebEx

Wednesday, September 16, 2020
10:00am to 12:00pm
Virtual Meeting on WebEx

Tuesday, November 17, 2020
8:00am to 10:00am
Buena Vista, Buck Library (TBD)

Calendar invitations have been sent to all Board members and Designees
New Business

**2020 GEAR Board Schedule and Deep Dives**

Wednesday, July 15, 2020

Wednesday, September 16, 2020

**Tuesday, November 17, 2020**
GEAR Annual Report
Deep Dives TBD
Location TBD

**Reported in 2020**
GEAR
Information Technology
Financial Services
Criminal Justice

**Pending**
DHSS & Healthcare
Education
GEAR P3 Task Force
Human Resources
New Business

• Welcome new Board members
  – Molly Magarik, Sec. DHSS
  – Jason Clarke, Acting CIO

• GEAR Team Update
  – GEAR P3 event with Governor, Awardees and Business Community to be scheduled in December
  – State Employee Recognition awards press release (see next page)

• DHR update
  – Centralization
  – First State Quality Improvement Fund (FSQIF)

• DTI Centralization Update

https://gear.Delaware.gov/
New Business

Thank you GEAR P3 Business Community Sponsors

Chip Rossi      Bank of America
Natalie Keefer
Joe Westcott    Capital One
Rod Ward        Corporate Services Company (CSC)
Scott Malfitano
Gary Stockbridge Delmarva Power
Nick Moriello   Highmark BCBS DE
Don Mell        JPMorgan Chase
Nick Lambrow    M&T Bank Delaware
Ernest Dianastasis The Precisionists, Inc.
Rodger Levenson WSFS

New Business

GEAR Field Team & Community of Practice

- Cross-agency
- Share and leverage continuous improvement ideas
- Members report on progress of projects in each agency
- Seeking to add new members team
- ~2 years of working together – now meeting weekly

Membership:
Clark, Charles (DOF), Leader
Trunfio, Larry (DHR)
Mohammed, Kieran (DHSS)
Skinner, Michele (DHSS)
Johnson, Martina (DNREC)
Calio, Brian P (DHSS)
Owens, Donna J. (Finance)
Sullivan, Bryan (OMB)
New Business

Process Modeling and Optimization

• GEAR implementing a standard for business process mapping
• Critical to helping understand the operations of an agency, department, or program
• Document current state, model process and resource optimizations
• Develop operation metrics to track improvements
• Engage organization to help make improvements
• Standard format and tool (ARIS) useable statewide
• Archived in the cloud therefore never lost
### New Business

- 44% of Cabinet Agencies participate in GEAR
- We will extend an invitation to all other Agencies in 2021
- Join the discussion – share what you’re doing to drive continuous improvement in your agency

<table>
<thead>
<tr>
<th>Department of Finance</th>
<th>Department of Agriculture</th>
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<tbody>
<tr>
<td>Office of Management and Budget</td>
<td>Department of Correction</td>
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<tr>
<td>Department of Health and Social Services</td>
<td>Delaware State Housing Authority</td>
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<td>Department of Human Resources</td>
<td>Department of Labor</td>
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<td>Department of Education</td>
<td>Delaware National Guard</td>
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<td>Department of Technology and Innovation</td>
<td>Department of Safety and Homeland Security</td>
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<td>Department of Natural Resources and Environmental Control</td>
<td>Department of Services for Children, Youth and Their Families</td>
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<td>Department of State</td>
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<td>Department of Transportation</td>
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GEAR Initiatives and Accomplishments

- Collaborative Teams - Financial Services, GEAR P3, EdGEAR, GEAR Field Team
- GEAR P3 Innovation and Efficiency Award
- One-Stop Business Registration System
- Judiciary e-Filing & Community Court Initiatives
- Education Data Standardization and Financial Transparency (SB 172)
- Facility Lease Cost Reductions and Restructurings
- Population Data Consistency/Efficiency (SB 7)
- Banking Architecture Restructuring and Debt Service Savings
- Integrated Revenue Administration System (IRAS)
- DHSS Strategic Plan Implementation
- Leveraging of Federal Funding Opportunities
- First State Quality Improvement Program
- Driving IT and HR Centralization
Deep Dive

Financial Services Delivery
Financial Services Delivery Team

Overview

• Seek opportunities to consolidate selected agency financial functions onto common statewide platforms

• Encourage agencies to identify opportunities for process improvement
  – Reduce financial process complexity
  – Eliminate bottlenecks slowing transactions
  – Reduce total cost of operations
  – Improve financial transparency

• Reinstitute performance budgeting and strategic planning with intent to use outcome data to make budget decisions
Financial Services Delivery Team Projects

- OMB/DFM/GSS Targeted Real Estate Lease Renegotiation
- OST Banking Architecture Redesign/Digital Government
- DOF/DOR Integrated Revenue Administration System (IRAS)
- OMB/BDP Delaware Governmental Accountability Act
- OMB/OSPC Improve Data Integration and Mapping
- OMB/OSPC Centralized Land Inventory Database
- OMB/OSPC Delaware Population Consortium Projections
- DOF/OMB/CGO/OST/AOA/JUD Financial Services Roundtable
- DOF/OMB Travel Per Diem
- DOF/OST Pcard
- AOA Ensure Effective Internal Control Systems
Targeted Real Estate Lease Renegotiation
Targeted Real Estate Lease Renegotiation

Overview

• The State of Delaware is engaged as tenant in a portfolio of 114 leases

• A comprehensive review of these leases, especially those set for expiration in 5 years will/has taken place. Goals include
  – Reduce costs
  – Add indoor air quality language
  – Improve working conditions, including carpet and paint refresh at regular intervals

• Additional leases (other than those expiring within 5 years) will be renegotiated in process
Targeted Real Estate Lease Renegotiation

Progress Made

• Negotiated leases for DHSS, DOL, DNREC, DOJ, OMB, AOC and Elections
• Current accomplishments
  – Negotiated leases range in term length from 5 to 20 years
    ▪ Hard Dollar Rent Savings include $27.9M, an average annual savings of $2.1M
    ▪ Soft Dollar Rent Savings are estimated at $5.6M including improvements such as paint, carpet, etc. An average annual soft improvement upgrade of $466k
• In Process
  – Negotiating 12 additional leases
    ▪ Hard Dollar Rent Savings are estimated at $5.1m ($735k annual savings)
    ▪ Soft Dollar Rent Savings are estimated at $1.9m ($178k annual savings)
Targeted Real Estate Lease Renegotiation

Next Steps

• Identify next leases for renegotiation or upgrade
• Create a database for leases

Challenges

• Individual agencies acting on their own without OMB/DFM knowledge
• The process flow currently in place requiring multiple agencies to act on lease opportunities
• COVID-19

GEAR Board

• Prevent agencies from initiating conversations with owners/landlords/property managers
Banking Architecture/Digital Government
Overview

- OST provides the State with transaction and cash management services ensuring sound fiscal stewardship over financial assets, systems, and processes.

- A comprehensive review of the statewide banking architecture identified opportunities for improvement, including:
  - Operational efficiency
  - Risk reduction
  - Improved customer service
  - Cost savings / Enhanced earnings

- Based on the results of the banking study, the CMPB approved amending the banking architecture and issuing a comprehensive banking services RFP and a separate local bank RFP. Phase three of this initiative is now under way with a separate digital government RFP set to launch in October 2020.
Banking Architecture/Digital Government

In Progress

• Executed banking services contract with JPMorgan Chase (JPMC), including for electronic collections, disbursements, check printing and lockbox services

• Finalizing transition of the Office of Unclaimed Property to JPMC this month. PHRST and the Division of Revenue scheduled to transition by end of the calendar year

• Transitioned DOL Unemployment Insurance and DHSS Child Support Services to new Stored Value Card Vendor, US Bank, in 2020 (DSCYF Foster Care to transition by end of year)

• Local Banking (over-the-counter) Agreement finalized with lead vendor, M & T Bank. TD, Citizens, and WSFS contracts are under negotiation and will be finalized in November

• Payment Card Industry Data Security Standards (PCI DSS) compliance efforts underway with DOS, DAG, and DTCC

• Digital government RFP under development with DTI for October 2020 launch
Banking Architecture/Digital Government

Next Steps

• Extend banking contracts with current providers into CY 21
• Complete transition of general banking services to JPMC by August 2021
• Finalize and launch digital government RFP – includes the four components of 1) user interface design, 2) payment gateways, 3) merchant processing, and 4) reconciliation/account analysis software
Banking Architecture/Digital Government

Challenges

• Complex and long-term statewide implementation requires additional OST resources with significant project management, technical, and banking experience

• Sustained participation of subject matter experts from State organizations is needed throughout the project lifecycle

• Improving banking behaviors and product usage may require training, education, and/or policy changes

• Expansion of Treasury’s role in the digital government space is warranted, yet will continue to place a demand on resources as we transition from the large-scale banking project to another large-scale initiative within a year

• Failure to meet PCI DSS standards annually could result in fines/penalties to state agencies from the credit card brands
GEAR Board Requests

• Create awareness and promote the benefits within your respective agencies
• Consider the impacts of the digital government initiative on your agency and plan accordingly (i.e. systems, staffing, processes, etc.)
• Identify agency resources to serve as subject matter experts and project liaisons
• Ensure all current and future accounts are opened in accordance with the Division of Accounting’s Budget and Accounting Policy Manual (BAM)
• Prevent agencies from entering into separate banking and merchant system agreements, as all contracts should be centralized within OST
• Please contact Daniel.Madrid@delaware.gov with any questions or concerns
IRAS
Integrated Revenue Administration System
IRAS - Integrated Revenue Admin System

- Replace DOR legacy infrastructure and (100+) systems with modern systems
- Improve security and provide better single view of the taxpayer
- Solution implemented in 3 major releases over 4 years
- 1,500 business and technical requirements to be implemented
- Oversight through clearly defined governance and project management processes
- Comprehensive software testing program
- Project kickoff occurred on July 15, 2019
- Currently in Release 1
IRAS – Current and Future States

Current State
- Cyber attacks difficult to stop with aging technology
- Legacy tax applications mean in poor data/systems integration
- Difficult to create accurate/consolidated reporting
- Specialized personnel needed to maintain outdated systems and languages
- Labor intensive to make changes driven by legislation
- Single view of the taxpayer for staff difficult – even harder to create a single view for customer

Future State
- More secure and safe
- Built specifically to support statewide revenue collection
- Single taxpayer view for customer and staff
- Easier integrated application to support
- Architected for performance and scalability
- Significant business workflow efficiency
- Modernized & user friendly experience
IRAS - In Progress

Process
• Currently in Release 1 Execution
• Continues to work remotely (27th full week) during the COVID-19 pandemic with no issues
• Project as a whole Amber status
• Interfaces, including Fairfax, JPMC, and One Stop are completing late and not yet delivered into Day-in-the-Life (DitL) testing
• Currently 91% through system testing.
• Completed joint system testing in August 2020.
• Completed end-to-end scenario testing August 2020.
• Model office testing (UAT) in progress until Nov 2020.
• Release 2 Planning

Timeline
• Release 0 – Project Planning and Initiation (July 15, 2019 to September 30, 2019)
• Release 1 – Business Licenses and Gross Receipts Tax (October 1, 2019 to November 2020)
• Release 2 – Personal Income Tax (October 1, 2020 to September 20, 2021)
• Release 3 – Corporate Income Tax (October 1, 2021 to September 30, 2022)
Detailed Release Scope - 3 Releases in 39 Months

**Release 1 - 2020**
- Business Related Taxes
  - Business licenses
  - Gross receipts
  - Commodities Tax
- Trust Fund Taxes
  - Withholding Tax
  - Use Tax on Leases of Tangible Personal Property
  - Realty Transfer Tax
  - Public Accommodation Tax
  - Public Utilities Tax
  - E-911 Surcharge
  - Manufactured Home Trust Fund Payments

**Release 2 - 2021**
- Income Taxes - Personal Income Tax
- Estate Tax

**Release 3 - 2022**
- Income Taxes
  - Pass-Through Entities - Partnerships
  - Pass-Through Entities - Fiduciary Income Tax - Estates and trusts
- Corporate income tax
  - Headquarters Management Corporation, in lieu of corporate income tax
  - Pass-Through Entities - S corporations
IRAS – Critical Success Factors

• Team Capacity
  – Balancing modernization project readiness work with regular operational responsibilities and work load

• Project Plan
  – Ensuring scope, timelines can be met with the resources allocated to the project

• Governance and Project Management
  – Ensuring a strong Governance and Project Management Office is properly implemented and actively measures and communicates project status and disposition in real time
Deep Dive

The Delaware Judicial Branch
Deep Dive

• E-Filing, Case Management, Document Management
  • Application Refresh
  • Vendor Selection
  • Impacts from COVID-19
Judicial Branch Deep Dive

E-Filing, Case Management and Document Management

Recap: Project Scope

• To implement a modern and unified E-Filing solution for the Delaware Courts in all Civil and Criminal jurisdictions
• Maximize opportunities to share data with State partners.
• Allow all system partners to file electronically – police, Probation and Parole, Department of Labor, Youth Rehabilitative Services – in a form that supports all relevant case management systems.
• Employ a modern and unified Case Management and Document Management solution for the Delaware Courts for both Civil and Criminal case types
  – Work with DELJIS to establish connections to criminal data and migrate away from the criminal CMS system (Mainframe)
  – Migrate Family Court from FAMIS (Mainframe)
  – Deploy new tools for reporting, public access, judicial operations, etc...
Civil eFiling, Case Management and Document Management – Current State

- **eFlex**
- **eFlex Clerk eFiling Manager**
- **Contexte Civil Case Management**
- **Document Management**
- **Mainframe**
- **Superior, Supreme, Chancery**
  - **File and ServeXpress**
  - **File and ServeDelaware**
- **CCP**
- **Family**
  - **FAMIS Civil Case Management**
- **JP**
- **Managed by Courts**
- **Hosted by Vendor**

**Public**

**Staff**
Civil eFiling, Case Management and Document Management – Future State

**EFSP:** eFiling Service Provider. A service used to file to the Court

**EFM:** eFiling Manager. A service used by the Court to manage and accept filings
Judicial Branch Deep Dive

Criminal Case Management – Current State

NO eFiling
NO Document Management
Judicial Branch Deep Dive

Criminal eFiling, Case Management and Document Management – Future State

**EFSP**: eFiling Service Provider. A service used to file to the Court

**EFM**: eFiling Manager. A service used by the Court to manage and accept filings
Judicial Branch Deep Dive

Benefits of This Approach

• Reduce Judicial Branch footprint on the Mainframe by migrating Family Court’s Civil Case Management System and the CMS Criminal Case Management System
• Eliminate hosting responsibilities for eFiling and Civil Case Management systems
  • Hardware refresh, licensing, patching, upgrades, security, PCI Compliance, Backups, COOP/DR planning
• Civil and Criminal data stored in standard formats making reporting faster and more consistent
  • Ability to use analytical tools across Courts to identify trends
• Common skills across Judicial Branch employees
  • While Jurisdiction changes, employees are more transferable learning common tools
• Greatly improved public access and filing capabilities for the public and partners
• Allows for centralized vendor management – single contract for multiple services
• Evaluate filing fees and establish a more consistent eFiling fee model
• Eliminate dependency on paper
Progress

• **Application Refresh**
  - Our existing systems need to be stabilized to support the 3-5-year effort
    - The System Integration Testing and User Acceptance Testing environments were built
    - System Integration Testing was completed by the Judicial Information Center
    - User Acceptance Testing is underway with the Courts (August 2020)

• **Vendor Selection – New E-Filing, Case Management and Document Management Solution**
  - We’ve completed our solicitation and received proposals from potential vendors (January 2020)
  - The courts established an Evaluation Committee to review proposals and make recommendations to the Presiding Judges on finalists
  - 4 Vendors were recommended by the Committee and confirmed by the Presiding Judges (Late February 2020)
    - NOTE: Evaluation Criteria featured on the next slide
## Evaluation Criteria

How did the Evaluation Committee select the Finalists

<table>
<thead>
<tr>
<th>Level of Risk: 20 Points</th>
<th>Transition Benefits: 10 Points</th>
<th>Financial Benefits: 30 Points</th>
<th>Features: 40 Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>- How big is the vendor?</td>
<td>- Are we already working with this vendor and will implementation be easier?</td>
<td>- What is the total cost of the solution?</td>
<td>- Does the solution meet the required features?</td>
</tr>
<tr>
<td>- How big is their market share?</td>
<td></td>
<td>- What are the annual fees?</td>
<td>- What additional features exist?</td>
</tr>
<tr>
<td>- How satisfied are their other clients?</td>
<td></td>
<td>- What is the cost to the public?</td>
<td>- How will this benefit the courts, public and partners?</td>
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</tbody>
</table>
Impacts of COVID-19

• General Operations
  • The Judicial Branch collaborated with Justice partners to create multidisciplinary committees on reopening
  • A 4-phase reopening plan was established
  • Multiple technology priorities
    • Courtroom Telecom/AV for Remote Proceedings
      • Navigating existing solutions such as Skype for Business and Videophones
      • Select a Conferencing Platform
        • Evaluate
        • Partner collaboration
        • Purchase
        • Security Standards
        • Establish Processes
        • Training
      • Establish Audio/Video solutions for critical Courtrooms
  • Remote Connectivity for Staff
    • Remote Access for their Accounts
    • Remote devices for those who don’t have their own
Judicial Branch Deep Dive

Impacts of COVID-19
Roll-out of Zoom Carts
Judicial Branch Deep Dive

Impacts of COVID-19
YouTube and CourtScribes

We established a Judicial Branch YouTube page
• The Oath of Office for Judge Rae-Mims and Judge Horton were both done virtually

We started a relationship with CourtScribes
• Focused on virtual courtroom managed through Zoom
• Provided support for webinars for Court Staff and the Bar
Judicial Branch Deep Dive

ZOOM – Solution Stats

- From March 16th, 2020 to September 11th, 2020
  - 3,444 Virtual Meetings
  - 725,978 Meeting Minutes
  - 17,118 Meeting Participants

The Judicial Branch established 105 Meeting Licenses and 4 Webinar Licenses across the Branch

Annual Meeting Trend - 2020
Impacts of COVID-19

• Application Refresh
  • Technical resources were divided to meet the priorities related to COVID-19
    • Limited overlap between resources working on COVID tasks and project resources
    • Maintained progress and moved through System Integration Testing, prepared environment for User Acceptance Testing and finished documentation of Court processes

• Vendor Selection
  • Vendor Demos Postponed – Moved to Virtual
    • As COVID unfolded, these were postponed, but were still intended to be in person
    • In July, it was decided that holding out for in-person demos could mean significant delays and virtual demos were scheduled with each of the vendors
    • Each vendor had two 4-hour sessions on back-to-back days starting the last week of July through the middle of August
Judicial Branch Deep Dive

Shining a Light on An Important Initiative

• During COVID-19 the Family Court had to establish an interim process for filing due to public access restrictions and lack of eFiling
• Because the Family Court does not have Document Management for their Case Management System, all their files are paper and therefore required someone on site to access them
• Criminal also lacks Document Management which reduced accessibility
• The public access terminals located within the Courthouse were the only way for the public to lookup criminal case information
• Staff working in the case management systems required remote access to the State Network where a hosted solution could be accessed from anywhere
Thank you for your time!

Ken Kelemen
Deputy State Court Administrator
Information Systems Manager

Kenneth.kelemen@Delaware.gov
302-325-8313
• Open Topics Discussion – Board

• Public Comment
Adjourn
Please direct any inquiries about the Delaware GEAR program to:

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