**Montana Department of Commerce**

**2014 Information Technology Strategic Plan**

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# 1. Executive Summary

This is the Information Technology (IT) Strategic Plan for the Montana Department of Commerce for 2014. This document represents the seventh such effort to plan the department's IT efforts under the guidance of the State IT Strategic Plan and as required by the Montana Information Technology Act of 2001.

The Montana Department of Commerce's mission is:

- "To enhance economic prosperity in Montana by working with our community partners to foster community led diversification of our economy; to maintain and improve our infrastructure, housing and facilities; and to promote and enhance Montana's national and international image."

In support of that mission the department's IT mission is:

- "To deliver timely and accurate IT services to our customers in a courteous and professional manner that supports the core business needs of the Department of Commerce and attached boards and commissions while striving to optimize existing technology and analyzing, planning, developing, and implementing new technology that will improve productivity and/or reduce operating costs."

The department is comprised of 9 service areas. They are: Business Resources Division (BRD), Montana Promotion Division (MPD), Community Development Division (CDD), Montana Facility Finance Authority (MFFA), Housing Division (HD), Board of Horse Racing (BoHR), Board of Investments (BOI), Montana Heritage Commission (MHC), and the Director's Office (DO).

Section 2 includes a description of Commerce' divisions and programs, our missions and business goals and objectives.

Section 3 provides a brief description of IT contributions and strategies.

Section 4 provides our IT principals. These principals are aligned and based upon the State's IT principals further described in the State's Strategic Plan.

Section 5 describes IT Governance within Commerce. We adhere to State policies across our divisions, but individual or business unit specific projects are considered, decided upon and funded by the individual boards or divisions. Decisions affecting all employees are sponsored through the Director's Office and vetted through the Division Administrators before final decisions are made.

Section 6 includes a description of agency fiscal information including, budgets expenditures and staffing. The Department of Commerce has a currently authorized fiscal year (FY) 2014 budget of approximately $175.862 million with FY 2014 expected IT expenditures of approximately $3.386 million (approximately 1.092% of the currently authorized FY 2014 budget). Total FY 2014 staffing for the department is 210.08 Full-Time Equivalents (FTE). Included in that number are 15.50 IT related FTE (approximately 7.378% of total department staff).

Section 7 summarizes the services provided by IT staff.

Section 8 briefly describes our IT Infrastructure, IT staffing and other resources we are using.

Section 9 summarizes risks associated to the IT function at Commerce. For the most part, Commerce has not identified any unique risks associated to our operation different than those identified for the State enterprise as a whole.

Sections 10 and 11 identify Commerce's IT Goals and department objectives or projects. The objectives are specific and measurable and are listed in Section 11. The objectives include activities that are underway or planned for the 2014-2015 biennium, those planned for the 2016-2017 biennium, and any that can be foreseen for the 2018-2019 biennium. The objectives are labeled by service area (example: BRD means the Business Resource Division). The objectives are presented alphabetically and the order does not imply a priority. Commerce does not have any projects of the size or nature to require the involvement in the EPP process.  Commerce has not revised its IT goals for the last three IT strategic planning cycles. We feel they are still appropriate to our operation and support the enterprise strategic plan.  Included with each objective is an estimated cost and timeframe when the objective is scheduled to be completed.

- **ITG1** - Provide and maintain information technology solutions that meet the unique business requirements of the department's customers and staff.
- **ITG2** - The department will enhance electronic government services to better serve our customers and realize efficiencies.
- **ITG3** - Secure department hardware, software, and data to prevent unauthorized access, alteration, or loss and ensure business continuity.
- **ITG4** - Provide staff the information technology skills and tools necessary to support the needs of our customers both inside and outside the department.

Section 12 summarizes Commerce's Security Program, the progress made and areas of focus for the future.  Our COOP planning efforts and status are described as well.

Finally, Section 13 addresses additional financial information, specifically costs related to the IT function, staff, and projects. This is an extension to Section 6 – where the Commerce departmental data is provided. Commerce does not have any IT Initiatives meeting the $500,000 threshold for the next biennium, nor does it have any IT Initiatives meeting the $100,000 and 25% of the agency IT budget threshold as defined in the plan instructions supplied by the Department of Administration, therefore there are no IT Initiative items for discussion in Sections 10 and 13.

By using the objectives and activities in this plan, the Department of Commerce expects to make significant progress toward accomplishing the goals set out in this document over the coming months and years.  Each one is an underpinning of our department IT efforts toward utilizing technology in accomplishing our department's mission.

# 2. Environment, Success, and Capabilities

The Department of Commerce strives to enhance the economic prosperity for all Montanans. The Department works with our customers (economic and community development organizations, businesses, communities, governmental entities, elected officials, and the public) to diversify and expand the state's economic base through business creation, expansion, and retention and improvement of our infrastructure, housing and facilities.

The Montana Department of Commerce is a successful revenue generator, driving our economy, creating cash for the state and jobs for our citizens. Economic development is what we do and who we are.

Commerce is the state agency with the responsibility for job creation, job retention and job expansion.

Commerce acts as an information broker for businesses and communities in the economic and community development areas.

- Maintain and improve basic community infrastructure.
- Provide financing for homeownership and rental assistance opportunities for Montana families.
- Provide direct technical assistance and training for Montana's entrepreneurs, businesses, and their employees in partnership with communities, counties, and local and regional development groups.
- Promote Montana as a place to visit, to locate business, and to film motion pictures, commercials, documentaries, and features.
- Finance Montana businesses that generate a positive financial and economic return for the state and its citizens.

The Department is composed of nine major divisions as follows:

Business Resources Division (BRD)
- Technical Assistance
  Small Business Development Center Bureau
  Trade and International Relations Bureau
- Information
  Census and Economic Information Center (CEIC)
  State Tribal Economic Development Commission
  Montana Finance Information Center
- Finance
  Board of Research & Commercialization Technology
  Regional Development Bureau

Montana Promotion Division (MPD)
- Tourism Marketing and Promotion
- Film Marketing and Promotion
- Sales and Constituent Services
- Industry Services and Operations

Community Development Division (CDD)
- Community Development Block Grant Program
- Community Technical Assistance Program
- Quality Schools Program
- Main Street Program
- Treasure State Endowment Program
- Coal Board
- Hard Rock Mining Impact Board
- HOME Program

Montana Facility Finance Authority (MFFA)

Housing Division (HD)
- Board of Housing
- Housing Assistance Bureau
- Section 8 – Project and Tenant Based

Board of Investments (BOI)

Board of Horse Racing (BoHR)

Montana Heritage Commission (MHC)

Director's Office (DO)
- Offices of Accounting and Budget; Legal Affairs, Human Resources, Information Technology, and Public Information
- Montana Council on Developmental Disabilities


The Department is authorized 2-15-18, MCA.

**Mission:**

The Department of Commerce through its employees, community partners, public outreach, and media contacts enhances economic prosperity in Montana; fosters community lead diversification and sustainability of a growing economy; maintains and improves our infrastructure, housing and facilities; and promotes and enhances Montana's positive national and international image.

"The Department of Commerce will enhance and sustain a healthy economy so Montana businesses, communities, and people can prosper."

**Goals and Objectives:**

- Work to improve the state's economy through business creation, expansion, retention, and diversification of the state's economic base.
- Provide direct technical assistance and training for Montana's entrepreneurs, businesses, and their employees in partnership with communities, counties, and local and regional development groups.

- Enhance the growth of the Montana economy through tourism development, promoting and protecting historic sites, and the marketing of Montana as a travel and filmmaking destination.
- Promote access to new markets, both foreign and domestic, for Montana goods and services.
- Provide financing for homeownership and rental assistance opportunities for Montana families.
- Develop and improve public infrastructure and housing opportunities for the state's citizens by providing grants and technical assistance to Montana communities and counties.
- Prudently manage the investments of state and local government funds.
- Provide fair and equal treatment of our fellow employees and our customers.

# 3. IT Contributions and Strategies

Commerce's Information Technology strategy is to support our business divisions in the accomplishment of their respective missions. This includes day to day operational support for management of the IT related resources, procurement, security, change/fix, and web resource coordination and development. We strive to provide the most cost effective solutions and timely, professional support to our client community.

Generally we try to use SaaS or cloud services. This allows us to minimize capital expenditures, and provide needed services faster.

# 4. IT Principles

IT principals govern the decisions and operations of the state's IT community. They provide touch-points and guidelines to ensure that correct decisions are being made; decisions that will provide the greatest value to Montana's citizens. The majority of Montana's IT principals have their roots in the Montana's Information Technology Act (MITA).

Montana's IT principals:

- Resources and funding will be allocated to the IT projects that contribute the greatest net value and benefit to Montana stakeholders.
- Un-warranted duplication will be minimized by sharing data, IT infrastructure, systems, applications and IT services.
- Montana will use shared inter-state systems to minimize IT expenditures, improve service delivery and accelerate service implementation.
- IT will be used to provide educational opportunities, create quality jobs, a favorable business climate, improve government, protect individual privacy and protect the privacy of IT information.
- IT resources will be used in an organized, deliberate and cost-effective manner.
- IT systems will provide delivery channels that allow citizens to determine when, where, and how they interact with state agencies.
- Mitigation of risks is a priority for protecting individual privacy and the privacy of IT systems information.

# 5. IT Governance

The state has established in law, by Executive Order and by Agency Executive Order, governance structures such as the Information Technology Board, the Statewide Interoperability Governance Board, the Electronic Government Advisory Council and the Information Technology Managers Council. The purpose of the governance structures is to ensure that the state's IT investments supporting the business needs of the agencies are done in a cost effective manner.

The state CIO and state agencies will work in a cooperative manner to strengthen these governance structures so they provide the framework for a deliberative approach to making IT investments that support the services provided to its citizens.

Within Commerce, decision making regarding the management of existing resources and new initiatives largely rests with the Division Administrator of the respective division. Information Technology staff support these efforts via ensuring compliance with state standards and operating procedures and provide or coordinate operational resources for completion of the work requirements.

# 6. IT Financial Management

This section includes a description of the agency's fiscal information including budgets, expenditures, funding and staffing.  The Department of Commerce is funded by appropriations provided in HB 2, Budget Amendments, and Statutory and Proprietary Appropriations.  The following table shows appropriations for the Department's nine divisions for the 2015 biennium *:

| Division Number | Division Name | FY 2014 | FY 2015 | 2015 Biennium |
|---|---|---|---|---|
| 51 | Business Resources Division | $ 22,877,557 | $ 21,091,903 | $ 43,969,460 |
| 52 | Montana Promotion Division | $ 23,003,381 | $ 25,123,411 | $ 48,126,792 |
| 60 | Community Development Division | $ 66,794,144 | $ 16,399,580 | $ 83,193,724 |
| 71 | Facilities Finance Authority | $ 579,441 | $ 577,562 | $ 1,157,003 |
| 74 | Housing Division | $ 51,762,269 | $ 51,147,403 | $ 102,909,672 |
| 75 | Board of Investments | $ 6,866,866 | $ 7,201,492 | $ 14,068,358 |
| 78 | Board of Horse Racing | $ 384,202 | $ 384,155 | $ 768,357 |
| 80 | Montana Heritage Commission | $ 1,221,951 | $ 1,247,680 | $ 2,469,631 |
| 81 | Director/Management Services | $ 2,372,642 | $ 2,438,085 | $ 4,810,727 |
| | | $ 175,862,453 | $ 125,611,271 | $ 301,473,724 |

* Does not include administrative appropriations

The Department's 2015 biennium operating plan for all nine divisions is shown in the following table *:

| | FY 2014 | FY 2015 | 2015 Biennium Total | 2015 Biennium % |
|---|---|---|---|---|
| FTE | 210.08 | 210.08 | 210.08 | 100.00% |
| | | | | |
| Personal Services | $ 15,480,170 | $ 15,819,605 | $ 31,299,775 | 10.38% |
| Operating | $ 33,666,381 | $ 33,945,212 | $ 67,611,593 | 22.43% |
| Equipment | $ 92,199 | $ 74,008 | $ 166,207 | 0.06% |
| Capital Outlay | $ 31,536 | $ 31,536 | $ 63,072 | 0.02% |
| Local Assistance | $ 5,721,918 | $ 6,246,437 | $ 11,968,355 | 3.97% |
| Grants | $ 76,026,269 | $ 25,200,857 | $ 101,227,126 | 33.58% |
| Benefits & Claims | $ 42,012,817 | $ 41,212,817 | $ 83,225,634 | 27.61% |
| Transfers | $ 1,488,000 | $ 1,488,000 | $ 2,976,000 | 0.99% |
| Debt Service | $ 1,343,162 | $ 1,592,800 | $ 2,935,962 | 0.97% |
| | | | | |
| Total Costs | $ 175,862,452 | $ 125,611,272 | $ 301,473,724 | 100.00% |
| | | | | |
| Funding | | | | |
| General Fund | $ 9,105,196 | $ 8,182,045 | $ 17,287,241 | 5.73% |
| State Special | $ 84,811,280 | $ 38,714,950 | $ 123,526,230 | 40.97% |
| Federal Special | $ 24,280,272 | $ 19,224,735 | $ 43,505,007 | 14.43% |
| Proprietary | $ 57,665,705 | $ 59,489,542 | $ 117,155,247 | 38.86% |
| | | | | |
| Total Funding | $ 175,862,453 | $ 125,611,272 | $ 301,473,725 | 100.00% |

* Does not include administrative appropriations

The Personal Services budget makes up 10.38% of the Department's 2015 biennium budget. The 2015 biennium operating budget is 22.43% of the agencies total budget and includes promotional expenditures incurred by the Montana promotion Division. The 2015 biennium Local Assistance budget (3.97%) represents statutorily mandated payments to regional tourism organizations. The agency's 2015 biennium Grants and Benefits and Claims budget is 61.19% of the agency's total budget. Grants include HB 11 TSEP grants, HB 15 Quality Schools grants, Coal Board grants, HOME program grants, and grants from CDBG, the Big Sky Trust Fund, Research and Commercialization, Indian Country Economic Development (ICED), Workforce Training Grant (WTG), and others. Benefits and Claims represent Section 8 Housing Assistance payments.

The Department's 2015 biennium budget is made up of 5.73% general fund, 79.83% state special revenue and proprietary funds, while the remaining 14.43% is made up of federal special revenue funds.

# 7. IT Services and Processes

Commerce's IT service strategy is to provide support to the divisions and programs with statutory missions or objectives. Commerce adopted a strategy of using commercially off the shelf (COTS)

solutions wherever possible, and with the continued growth of cloud and web based services (software as a service) additional solutions are available while minimizing the need for custom developed solutions. We continue to reduce our investment in mid-tier hardware and will continue to migrate to State Data Center services.  In some areas, our IT support staff is imbedded in the business units. Commerce often partners with other agencies to share resources to accomplish common IT projects. Where there may be a need for additional or more in depth skill sets, we look to SITSD or the vendor community to provide the needed services.

Services provided by the IT staff include:

- New employee orientation, training, on-board setup.
- Security planning and administration.
- IT equipment inventory management.
- Sensitive equipment inventory management.
- IT resource procurement support
- IT resource surplus/disposal.
- IT training support.
- Development and management of digital, web-based content and supporting infrastructure.
- Software asset management.
- Mobile device management.
- Application administration.
- Project and vendor management.
- Disaster Recovery planning.
- Produce GIS based analysis/information products
- GIS training and support

## 8.  IT Infrastructure, Staffing and Resources

### Infrastructure

Commerce largely relies upon numerous services provided by SITSD. These include communication services, data center hosting for our application and files services, imaging, and professional services. Commerce has over the last several years migrated from on premise servers to resources in the data center and have nearly completed our elimination of all on premise server equipment.

### Staffing

Commerce has approximately 15.5 IT FTE. The Director's Office manages the core IT staff of 4.5 FTE, who in turn co-ordinate closely with IT resources imbedded in and largely dedicated to the divisions they are attached to. For example the Montana Promotion Division has dedicated support staff and digital marketing personnel, Housing has support staff and Business Resources hosts our GIS resource. As needed, IT resources are shared among the divisions as issues arise and additional resources are required.

### Vendor Partners and Resources

Commerce, following the lead established by the State, has standardized on Microsoft for our desktop and server operating system software and Dell for our hardware. We have a significant investment in Apple equipment in our marketing areas. We use the Microsoft desktop products, and Oracle as well as SQL at the database level. Our CEIC area uses SAS, and ESRI GIS software. Key application vendors within the

Housing Division include Emphasys Software, Housing and Development Software and HAPPY software, and TrackIT from Numara as our agency IT service support product. Montana Promotions Division uses Axiom for technical development support as well as Mercury and Razorfish. Commerce consumes numerous services from the cloud, these include SalesForce.com, Citrix Goto Meeting and Sharefile, and Data Zoa.

## 9. Risks and Issues

| Primary Risk | Probability | Impact | Mitigation Strategy |
|---|---|---|---|
| Staff retirements | Medium | Medium | The agency will focus on cross training for key skill areas. Positions/skills rated as critical will have individual plans for skills transfer, replacement, documented procedures, etc. for mitigating the impact. |
| Security breach | Medium | High | Our agency has an active security program including, but not limited to, staff training and awareness, data encryption, and security policies. |
| Difficulty of hiring qualified technical staff | High | High | Increase pay for positions most affected by this issue. |

## 10. IT Goals and Objectives

### Goal Number 1: Provide unique information technology solutions

Provide and maintain information technology solutions that meet the unique business requirements of the department's customers and staff.

### Goal Number 2: Increase electronic government services

The department will enhance electronic government service to better serve our customers and realize efficiencies. Enhanced web services allow the agency to deliver its services more efficiently and increase customer satisfaction by providing more self-service options and quicker processing of requests. Reporting and tracking of information collected for business requirements will improve. Information can be shared by multiple programs to reduce duplication. The beneficiaries include the citizens of the State of Montana, department staff, and department customers.

### Goal Number 3: Secure department IT resources.

Secure department hardware, software, and data to prevent unauthorized access, alteration, or loss and ensure business continuity. Secure information systems benefit everyone by ensuring business continuity in the event of a disaster or attack

### Goal Number 4: Staff development and support tools.

Provide staff the skills and tools necessary to support the business needs of our customers both inside and outside the department. Improving the technical expertise of agency staff allows the agency to more effectively and efficiently serve our customers. The beneficiaries include the citizens of Montana, department staff, and department customers.

# 11.   IT Projects

Commerce does not have any IT related projects planned that meet the following criteria:

1. A budget of $500,000 or more, whether or not it is an EPP item. The $500,000 budget is the sum of all grants, current operating budget expenses, new budget allocations, special fees, and other sources of funds and includes costs associated with internal builds.
2. An IT initiative with a budget of $100,000 or more and also comprises 25% or more of the agency's IT budget, whether or not it is an EPP item.
3. An IT project or initiative that impacts other agencies or has the potential for an enterprise-wide impact.

With that noted, there are a number of smaller efforts planned for the upcoming biennium and nearer term planning horizon.

### Board of Investments (BOI) – Commercial Coal Tax Loan Program/INTERCAP Upgrade

BOI, with State Information Technology Services Division (SITSD) assistance, will evaluate the current Oracle database to determine whether or not an update is needed or if there is a need to replace this application with new software.

### Board of Investments (BOI) – Implement SITSD Backup Service

BOI plans to implement the use of SITSD's backup services for network storage already hosted at the data center.

### Business Resources Division (BRD) – Census and Economic Information Center (CEIC)

CEIC does not have plans for any new IT projects, just in-house enhancements of what is already in place.

Objectives:
- Adding more to our SQL query tool in terms of data and searchable geographies (school districts, metro, reservations)
- Updating and adding more projections information (Economic and Other Migration breakout)
- Adding the Reservation Economic Analysis Project (REAP) data to the new area
- Making use of improvements in ArcGIS Online (AGO) to enhance interactive maps.  Note ArcGIS Online will be a budget item to CEIC since we no longer will get a free subscription.
- Build industry tables using Data Zoa
- Expand our use of social media.

- Continue to look for APIs we can link to or data query tools we can embed in our site to enhance data access
- Look for further enhancements from existing subscriptions / software (Data Zoa, E-Remi, ArcGIS Online, SQL server, Visual Studio, High Charts, SAS, R) with the goals of:
  o Minimizing staff having to be involved in the website delivery of any information that has been released by another source. (This doesn't include answering data requests).
  o Keeping the entire website accessible, navigable, user-friendly, regularly updated, automated, and customer-centric
  o Continue to make sure the information (maps, data, etc.) on the website are easy to find and understand.
  o Providing informational links and products that support the other bureaus / areas of BRD as well as other Commerce divisions – particularly Housing and Community Development.
  o Making sure the site conforms to the Commerce and State branding requirements.

### Commerce (DOC) – Data Backup Analysis

Commerce's legacy backup equipment and methodology is due for replacement or update. Commerce has three remaining servers that will be moved to hosted virtual machines in the State Data Center. As a result, and when the Promotion Division Digital Assets Management project is completed, we will decommission our internal backup equipment.

### Commerce (DOC) – Digital Asset Management and Web Accessibility

More video and audio (digital) files are being incorporated into the Commerce web sites. Commerce wants to provide a user friendly interface for media files that is searchable and allows for better management through the storage of meta data, etc. Commerce may be able to use or extend the Digital Assets Management (DAM) solution currently being implemented in the Promotion Division. Additionally, video accessibility software would be helpful. Preliminarily, software appears to be available for this for approximately $1,500.00.

### Commerce (DOC) – Digital Forms

Commerce currently provides the public with access to electronic forms but is limited in the functionality of their use and would like a solution that would allow Commerce to :
1. Create dynamic forms with re-usable components that can be deployed on multiple platforms.
2. Provide ability to connect to databases so that form information can be imported into databases without being re-entered.
3. Provide the ability for digital signatures when standards for electronic signatures are defined.

### Commerce (DOC) – Electronic Records & Content Management

Commerce is an existing user of the Filenet imaging service from SITSD, and also uses a proprietary imaging solution within a Housing Division application. Commerce will continue to monitor and participate as requested in the enterprise Electronic Records Management and Content RFI/RFP that is being undertaken. If an alternative enterprise solution is implemented Commerce will adopt any new standard as costs are made known and funding is available. Commerce has identified two specific, yet

basic, electronic record processes that would be very beneficial to the efficiency of our operations. These functions may or may not be included in a larger scoped electronic records initiative, but will likely be useful to other agencies as well.

1. Paperless contract routing. Currently Commerce processes numerous contracts and similar documents that must be routed for review, correction and approval. This is performed via a manual, paper based process that is inefficient. The ability to route these materials for review, approval or correction via a digital/paperless work flow, that captures and controls the review process artifacts is desired. The current tracking system is in an old Access database which needs to be replaced.

2. Employee training records. Currently, employee training documentation is paper based – training information must be manually placed and stored in physical employee HR file folders. Additionally, items such as the annual conflict of interest forms must be prepared, returned, filed and tracking must be manually performed to know that everyone has returned the form. This need is common among all agencies and an enterprise solution is needed.

### Commerce (DOC) – DNN Implementation

DNN has been purchased by the state of Montana for web site content management.  Commerce will be migrating from Sharp Content to DNN.  This project will include the following tasks:

- Learn how to administer a DNN web site
- Create DNN skins for all  Commerce mt.gov domains
- Recreate current content in DNN or migrate from Sharp Content if possible.
- Configure security roles and groups and set up staff with access to DNN
- Train DNN content managers to update Commerce web sites using DNN

We anticipate needing approximately $5,000 for DNN modules and skin packages in FY 2014.

### Commerce (DOC) – Email Archive

Commerce plans to implement the Email Archive service for all employees and select resource mail boxes. This service will cost $31.06 annually per mail box, or $6,522.60 for the approximate employee count of 210 employees. This project will be started in FY 2014 and completed in FY 2015

### Commerce (DOC) – Commerce Intranet and Internet Redesign

A core team representing the divisions is working together to redesign the current web sites to be responsive as well as html 5 compliant.  The new templates will be developed using DNN and then applied across all Commerce mt.gov web sites.  These web sites will incorporate the state mt.gov template and be based upon a common look and feel.

### Commerce (DOC) – Mobile Device Management (MDM)

Commerce currently employs approximately 156 mobile devices, these include laptops, tablets and cell/smart phones. These include State owned devices and also employee owned (Bring Your Own Device – BYOD) primarily in the smart phone area. Commerce participates in the enterprise project to select and implement a Mobile Management solution, although due to the uncertainty in the costs for this service and its functional merit we have not determined if we will participate in its use.

## Commerce (DOC) – Network Printers

A ten year service life and average replacement cost of $4,000 per unit is used for network printer replacements. The following table projects by division the network printer replacements for FY2015-FY2019.

| | FY 2014 | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2019 |
|---|---|---|---|---|---|---|
| Dept. | | | | | | |
| BOI | (0) | 4,000(1) | 8,000(2) | 4,000 (1) | 4,000 (1) | (0) |
| BRD | (0) | 8,000(2) | 4,000(1) | 12,000(2)** | 4,000(1) | |
| CDD | (0) | (0) | 4,000(1) | (0) | 4,000(1) | 8,000(2) |
| MFFA | (0) | (0) | 4,000(1) | (0) | (0) | (0) |
| HD | (0) | 4,000(1) | 4,000(1) | (0) | (0) | (0) |
| MHC | | (0) | 4,000(1) | (0) | (0) | (0) |
| MPD | (0) | 4,000(1) | 4,000(1) | (0) | 4,000(1) | 4,000(1) |
| DO | (0) | (0) | (0) | 8,000(2) | (0) | (0) |

** - Extra Costs Associated to CEIC Plotter

## Commerce (DOC) – Network Storage

Commerce historically owned and operated our own network storage equipment. At the last replacement cycle, we moved to data storage services provided by SITSD. In doing so, funding earmarked for the purchase of replacement equipment has been reclassified to pay the storage costs through the FY2014-FY2015 biennium. Beginning in FY2016, each Commerce division will pay for the storage they use. The following table lists the projected costs for each division for FY2016 –FY2019 based upon usage and growth of the last three years. Costs assume the existing $.41/G rate currently used by SITSD. The Board of Investments is already purchasing the storage services separately.

| Space Storage Cost Projection | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Division Area | FY2016 Monthly Average Projection | FY2016 Annual Cost @ $.41/G | | FY2017 Annual Cost @ $.41/G | | FY2018 Annual Cost @ $.41/G | | FY2019 Annual Cost @ $.41/G |
| BRD | 410 | $2,017.20 | | $2,282.88 | | $2,548.56 | | $2,819.16 |
| CEIC | 316 | $1,554.72 | | $1,776.12 | | $1,992.60 | | $2,214.00 |
| GIS Shared | 93 | $457.56 | | $521.52 | | $590.40 | | $654.36 |
| **BRD Total** | 819 | 4029.48 | | $4,580.52 | | $5,131.56 | | $5,687.52 |
| CDD | 268 | $1,318.56 | | $1,505.52 | | $1,697.40 | | $1,889.28 |
| HD | 309 | $1,520.28 | | $1,697.40 | | $1,874.52 | | $2,051.64 |
| MHC | 92 | $452.64 | | $506.76 | | $560.88 | | $615.00 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| MPD | 503 | $2,474.76 | | $2,745.36 | | $3,015.96 | | $3,281.64 |
| DO | 255 | $1,254.60 | | $1,402.20 | | $1,549.80 | | $1,697.40 |
| S Drive | 145 | $713.40 | | $797.04 | | $880.68 | | $964.32 |
| **DO Total** | | $1,968.00 | | $2,199.24 | | $2,430.48 | | $2,661.72 |
| | | $11,763.72 | | $13,234.80 | | $14,710.80 | | $16,186.80 |

## *Commerce (DOC) – Server Replacements*

Commerce has 2 remaining servers due for replacement in FY2016. These servers are used in the support of the Commerce infrastructure and support processes. This work load will be migrated to SITSD virtual machines in the State data center.

## *Commerce (DOC) – Workstation Replacements*

Commerce adheres to the State's best practice recommendation of replacing workstations every five years, if funding is available. The following table projects by division the workstation replacements for FY2015-FY2019.

| | FY 2014 | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2019 |
|---|---|---|---|---|---|---|
| Division. | | | | | | |
| BOI | 16,800(14) | 3,000(2)** | 1,200(1) | 22,800 (19) | 19,200(16) | 4,500(3)** |
| BRD | 4,800(4) | 9,600(8) | 1,200(1) | 16,800(14) | 7,200(6) | 9,600(8) |
| CDD | 6,000(5) | 10,800(9) | 1,200(1) | 9,600(8) | 3,600(3) | (0) |
| MFFA | | | 1,200(1) | | 3,600(3) | |
| HD | 3,600(3) | 24,000(20) | 2,400(2) | 18,000(15) | 15,600(13) | 6,000(5) |
| MHC | 1,200(1) | (0) | (0) | 9,600(8) | 2,400(2) | 4,800(4) |
| MPD | 3,600(3) | 10,800(9) | 4,800(4) | 10,800(9) | 4,800(4) | 4,800(4) |
| DO | 3,600(3) | 2,400(2) | 1,200(1) | 8,400(7) | 9,600(8) | 2,400(2) |

** - BOI Laptop replacements

## *Montana Board of Housing (MBOH) –Evaluation of Software*

The Montana Board of Housing works with its software vendors to have modifications made to current software to remain in compliance with changing law and periodically evaluates new products.  This allows Montana Board of Housing to remain efficient in its business and provide clients with the tools and information required to accomplish their mission.

### Montana Board of Housing (MBOH) –Software Environment Migration

The Montana Board of Housing is in the process of moving from in-house hardware for their Emphasis application and database to a hosted VM in the data center.  This move will improve Disaster Recovery and COOP protocols, improves our security and saves costs.

### Montana Heritage Commission (MHC) – Web Site Redesign

The Montana Heritage Commission is in the process of redesigning the Virginia City, Nevada City and Reeder's Alley web sites. This redesign is incorporating a new membership portal. Discussions are underway to implement a shopping cart and mobile payments solution to aid in the Virginia City and Nevada City business operation and management of the Reeder's Alley properties.

### Promotion Division (MPD) – Customer Experience Management (CEM) Software

Currently MPD utilizes a Salesforce Customer Relationship Management (CRM) Software as a Service (SaaS) and is not integrated with our broadcast email campaign software (eROI) nor do we have an integrated solution for our social listening platform.  MPD is looking at a solution that can integrate email marketing and lead nurturing system into our current Salesforce configuration.  Additionally, a social media component will enable us to have a better view of our customers and their interests in order to better target them to increase interest to visit Montana.  Additionally the Post Office may be changing their postal requirements to include intelligent barcoding for Bound Printed Matter. Planned for FY2015-FY2016 with costs estimated at $150,000.

### Promotion Division (MPD) – Digital Asset Management Project

The Montana Office of Tourism proposes to implement a Digital Asset Management (DAM) System.  A DAM  system consists of management tasks and decisions surrounding the acquisition, annotation, cataloguing, storage, retrieval and distribution of digital assets. A digital asset is any form of content and/or media that is in a digital format and includes the right to use it. A digital file without the right to use it is not an asset. Digital assets are also smart assets because they have metadata (data that serves to provide context or additional information about other data i.e. photographer, date of photo, rights, location etc.) attached to them, something that a DAM provides. This project is presently underway. Planned for FY2014-FY2015, costs are estimated at $60,000.

### Promotion Division (MPD) – Digital Key Performance Indicator Dashboard

The Montana Office of Tourism plans to develop a digital key performance indicator (KPI) dashboard; so all marketing program performance data and analytics will be in one place for access and review. This dashboard will provide better clarity of our return on investments (ROI), while giving a holistic picture of how all marketing efforts are working together to drive visitation to the state of Montana. It will also serve to reduce the amount of internal staff time required to keep this information up to date. Planned for FY2015, costs are estimated at $50,000 - $100,000.

### Promotion Division (MPD) – Emerging Social Platforms

The Montana Office of Tourism plans to continue evaluating emerging social platforms. It is important that we are staying up to date on where the customer is talking about travel. We currently don't know

what social platforms will be around in the future, but we want to make sure we are thinking/planning ahead. This is planned to be a continuous evaluation into the foreseeable future.  Planned for FY2015-FY2016, costs are estimated at $20,000.

### Promotion Division (MPD) – MFO Creative Suite / Editing Software Updated

The Montana Film Office (MFO) staff is tasked with the creation, editing, and management of multiple creative projects that require the entire suite of Adobe products for professional level results. With multiple versions of software, outdated copies, and multiple hardware portals in use, files may be inaccessible, corrupted, or lost due to storage and experience limitations. MFO will obtain Adobe Creative Cloud licenses for all members of the MFO team and utilize the Adobe Creative Cloud storage system to ensure that all MFO (and contracted) projects are executed at professional levels with maximum efficiency. Planned for FY2016, costs are estimated at $2,500.

### Promotion Division (MPD) – MFO Editing Suite Update

MFO edits creates and manages large amounts of video data every year and requires the most up-to-date software and hardware to ensure compatibility with all marketing and production partners. The editing suite creates video pieces for multiple state agencies and executive branch offices for the promotion of Montana both commercially and economically. Additionally, the suite manages the MFO supported YouTube channels and provides access for all MPD staff to quality video editing and creation materials. A DROBO raid will be installed as well for redundancy and safe keeping of ongoing video assets needed for processing. Planned for FY16 with costs estimated at $20,000.

### Promotion Division (MPD) – MFO – Film Permit Client Interface

MFO will work with the sole source FilmApp, LLC to develop a web portal to process filming permits. Much like ReelScout for the location and Montana crew database, FilmApp offers a stand-alone web based tool that can be customized and integrated within the MFO website. Planned for FY2015,  costs are estimated at $7,500.

### Promotion Division (MPD) – Web Monitoring

The Montana Office of Tourism plans to acquire a Web Application Firewall that will continuously monitor our web applications, instantly detect and prevent threats, mitigate the risk of data breaches, and address compliance requirements. SITSD services and alternatives will be considered prior to a decision being made to move forward. Planned for FY2015,  costs are estimated at $7,500.

## 12.   Security and Business Continuity Programs

### Security Program

The Montana Department of Commerce is continuing to implement a department-wide (agency) information security management program compliant with §2-15-114, MCA and State Information Technology Services Division *Information Security Programs* policy with adoption of the National Institute of Standards and Technology (NIST) Special Publication 800 series as guides for establishing

appropriate security procedures. This is in alignment with the State's Information Technology Service's direction for an enterprise approach to protect sensitive and critical information being housed and shared on State and/or external/commercial information assets or systems.

As described in NIST SP 800-39, the agency has developed and adopted the Information Risk Management Strategy to guide the agency through information security lifecycle architecture with application of risk management. This structure provides a programmatic approach to reducing the level of risk to an acceptable level, while ensuring legal and regulatory mandates are met in accordance with MCA §2-15-114.

The agency's program has four components, which interact with each other in a continuous improvement cycle. They are as follows:

- Risk Frame – Establishes the context for making risk-based decisions.
- Risk Assessment – Addresses how the agency will assess risk within the context of the risk frame; identifying threats, harm, impact, vulnerabilities and likelihood of occurrence.
- Risk Response – Addresses how the agency responds to risk once the level of risk is determined based on the results of the risk assessment; e.g., avoid, mitigate, accept risk, share or transfer.
- Risk Monitoring – Addresses how the agency monitors risk over time; "Are we achieving desired outcomes?"

The agency's information security management program is challenged with limited resources; manpower and funding. While alternatives are reviewed and mitigation efforts are implemented, the level of acceptable risk is constantly challenged by the ever changing technology and associated risks from growing attacks and social structure changes.

During the last year, Commerce recognized the new set of minimum standards that were based upon the NIST-800-53 medium impact controls. A self-assessment of our compliance with these controls for our three primary applications within the Housing Division and the department's infrastructure was performed. The evaluation team recommended that the documentation for the application to operate and a formalization of risk assessments for all systems were the next logical next steps.

Although these next steps are still appropriate, Commerce was also in the process of implementing System Center Configuration Management (SCCM). During the last 18 months, the SCCM implementation was prioritized higher than the next steps identified in the self-assessment, because the same resources were needed for both, and, the SCCM implementation provided direct and measureable improvements in our security posture overall. As a result:

1) The SCCM implementation, along with the conversion to Windows 7 has allowed Commerce to eliminate the monthly, one week long, 'housekeeping' period. During the period, all employees are asked to perform some basic workstation maintenance chores and required that all employees have full administration rights to the workstation. Due to SCCM and Windows, this monthly one week of full administration rights has been eliminated. This has closed a huge hole in the security posture of the department.

2) Additionally, Commerce has a significant amount of Apple equipment that has been difficult to manage and required the end user to have administration rights. This situation has also been improved (not due to SCCM or Windows 7) so that now end users of the Apple equipment are not

allowed administrative rights and must work through the standard IT support structure for performing add/change/remove maintenance. This closes another large gap in our security posture.

We continue to plan to develop and rewrite various agency level security related policies or procedures to ensure compliance with existing state and federal guidelines which are constantly evolving as technology changes, but generally we are able to adopt State level policies without authoring our own.  A more comprehensive incident response plan will continue to be developed and specific security plans for the Housing Division applications and agency file services are our targeted priorities.

*Continuity of Operations (COOP)  Program*

Commerce presently has 29 individual COOP plans in varying stages of completion. On average, the plans are 67% complete in meeting the phase 1 planning objectives. Efforts are currently focused on the completion of the phase 1 requirements, so that the ranking process can occur. The phase two planning efforts will then be performed.

Commerce continues to participate with other agencies co-located at the 301 S Park location, and the Board of Investments with the other occupants of the Colonial location in the continued development of the Building Emergency Action Plan (BEAT). Additional training is planned for the upcoming biennium related to CPR, AED, and fire extinguisher training. Commerce also has a Safety Program and this committee continues to evolve our safety standards, processes and procedures.

# 13.  Planned IT Expenditures

The agencies IT budget and FTE for the 2015 biennium and beyond are shown in the following table; please note that the 2017 and 2019 biennia have been inflated by 2.50% annually.

| Expense Category | FY 2014 | FY 2015 | 2.50%<br>FY 2016 | 2.50%<br>FY 2017 | 2.50%<br>FY 2018 | 2.50%<br>FY 2019 |
|---|---|---|---|---|---|---|
| Personal Services | $1,194,954 | $1,224,828 | $1,255,449 | $1,286,835 | $1,319,006 | $1,351,981 |
| Operating Expenses * | $2,191,926 | $2,231,295 | $2,287,077 | $2,344,254 | $2,402,861 | $2,462,932 |
| Initiatives ** Replacement Equipment | - | - | $56,964 | $133,235 | $96,711 | $60,288 |
| Other Expenditures | - | - | - | - | - | - |
| **Totals:** | **$3,386,880** | **$3,456,123** | **$3,599,490** | **$3,764,324** | **$3,818,577** | **$3,875,201** |

The Department of Commerce has a 2015 biennium authorized budget of approximately $301.474 million with expected 2015 biennium IT expenditures of approximately $6.843 million; or 2.269%. The Department is currently authorized 210.08 Full-Time Equivalents (FTE). Included in that number are 15.50 related IT FTE (approximately 7.378% of total Department staff).

## 14.   Administrative Information

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