DEPARTMENT OF REVENUE

AGENCY INFORMATION TECHNOLOGY PLAN

2018

Table of Contents

A Message from the DOR CIO

We strive to continually build better relationships with our business partners in the Montana Department of Revenue (DOR). The Information Technology Office (ITO) provides services and support to the department enterprise. We help our business partners maximize performance and efficiency. We focus on our relationship with the business partners we serve. How do we do this? By continually asking ourselves two questions:

1. What do our DOR business partners value?
2. How can ITO impact business value?

Answering these questions fosters the enterprise view in defining IT service. Becoming organizational centric instead of IT centric is how to best satisfy those we support. We strive to improve delivery of services, and increase business satisfaction with IT. This approach will help us:

- Build strong relationships with business leaders
- Better understand the needs of the business
- Improve communication with the business
- Promote IT as a Business Partner

Our mission continues to be to deliver effective, reliable, secure information technology solutions, and to excel in customer service. We strive to exceed expectations by improving the department's ability to meet its tax administration, alcoholic beverage control and policy mandates, guaranteeing information security, enhancing employee performance, and ensuring Montana citizen satisfaction. We invest in our employees by stressing the importance of career advancement through a variety of opportunities, including technical, communication and professional development training. This brings value to the department. Through transparency, ITO provides the department metrics on the performance of our systems and personnel.

The Information Technology Office plays a critical role in the digital transformation of DOR and how it conducts its business. The department's reliance on IT by business units has fostered a necessary partnership between IT and business operations. Effectively positioning IT to support change has become vital to the department's success.

Tim Bottenfield

Chief Information Officer
17 July 2018

Mission, Goals, and Objectives

The Montana Department of Revenue's central purpose is to improve the quality of life for Montana citizens by excelling at public service and effective administration of the tax and alcoholic beverage laws of Montana. The DOR pursues this mission within a framework of core values that are rooted in the Montana Constitution. The DOR collects local and state revenue, the agency's primary product.

The department achieves integrated business goals through effective, efficient and quality technology solutions. The Information Technology Office has developed an agency IT plan for those solutions driven by recognition and understanding of the department's business needs. The IT plan aligns with the DOR goals with a commitment to continued improvement of the technology environment. All the initiatives presented in this plan ensure that DOR operates at the highest level of efficiency and provides Montana citizens the highest quality of service and value for their tax dollars.

Mission	Deliver effective, reliable, secure information technology solutions, and excel in customer service.

		DOR Goals Reference	State Strategic Plan Reference	Governor's Goals Reference
GOAL ONE	**Collaborate and integrate with business units by identifying and implementing appropriate, efficient and cost-effective technology solutions.**	Improvement	Cost-Effectiveness, State-of-the-Art	Efficient and Effective Government
Objective One	Expand and enhance electronic services and collaboration technologies to support tax administration and Montana's citizens.	Improvement, Collaboration	Secure, Shared, Cost-Effectiveness	Efficient and Effective Government
Objective Two	Reduce paper processing by increasing the use of electronic filing and payments.	Improvement	Cost-Effectiveness	Efficient and Effective Government
Objective Three	Continually improve, develop and deploy effective tools and training to empower an effective and efficient workforce.	Support, Improvement	Shared	Efficient and Effective Government
Objective Four	Stay current with IT and security standards to increase efficiencies and support compliance, security, fraud prevention and integrity of taxpayer information.	Support, Improvement, Preparedness	State-of-the-Art, Secure	Efficient and Effective Government
Objective Five	Support the development and implementation of customer relations management processes supporting taxpayer communications, internal	Improvement	Capacity	Efficient and Effective Government

	workflows and interactive distance learning/training.			
Objective Six	Provide technological support for continuous improvements to the liquor warehouse management and distribution processes.	Improvement	State-of-the-Art	Efficient and Effective Government
Objective Seven	Move toward self-management of applications and systems and stay current with service packs and upgrades.	Improvement	Cost-Effectiveness, Capability	Efficient and Effective Government

		DOR Goals Reference	State Strategic Plan Reference	Governor's Goals Reference
GOAL TWO	**Provide exemplary service and support to the department and citizens of Montana by delivering effective, reliable, and secure information technology solutions.**	Improvement	Capability	Efficient and Effective Government
Objective One	Collect and report performance metrics using data collected in help desk tools.	Improvement	Capability	Efficient and Effective Government
Objective Two	Be transparent by sharing survey results, internal controls and resources capacity reports with the IT Governance Steering Committee.	Improvement	Capability	Efficient and Effective Government
Objective Three	Provide value by connecting the right services, quality and costs to business processes, applying cost analysis to applications change processes, and measuring quality through cost/failure analysis.	Improvement	Capability	Efficient and Effective Government

		DOR Goals Reference	State Strategic Plan Reference	Governor's Goals Reference
GOAL THREE	**Recruit and retain a highly skilled IT workforce.**	Improvement	Capacity	Jobs
Objective One	Maintain career ladders detailing a structured sequence of job positions providing opportunities for employee career progression.	Improvement	Capacity	Jobs
Objective Two	Provide IT staff with continuous training to improve performance and to assist in attaining a required level of knowledge or skill.	Improvement	Capacity	Education

Objective Three	Prove competitive salaries by regularly assessing market rates and coordinating with department executives, human resources and financial management personnel.	Improvement	Capacity	Jobs
Objective Four	Supervisors continually assess, and keep executive management apprised of, employee engagement and retention within the agency.	Improvement	Capacity	Jobs
Objective Five	Create incentives to obtain and retain qualified employees.	Improvement	Capacity	Jobs

		DOR Goals Reference	State Strategic Plan Reference	Governor's Goals Reference
GOAL FOUR	**Ensure timely and orderly resumption of business operations with minimal or no interruption to time-sensitive services.**	Preparedness	Secure, Capacity, Capability	Efficient and Effective Government
Objective One	Develop and implement a business continuity and resumption plan.	Preparedness	Secure	Efficient and Effective Government
Objective Two	Ensure that tax payment processing and tax return custody services will function in the event of a disaster.	Preparedness	Capability	Efficient and Effective Government
Objective Three	Regularly perform disaster recovery drills using the State Data Centers in Helena and Miles City.	Preparedness	Secure	Efficient and Effective Government

DOR Goals and Objectives	https://ent-sp1.mt.gov/sites/bienrpt/Agency%20Information/Revenue/2018/5801-2019%20BIEN%20Final%20Goals%20and%20Objectives.pdf
SITSD Goals and Objectives	http://sitsd.mt.gov/About-Us/Mission-Vision-Goals
Governor's Goals and Objectives	http://governor.mt.gov/

Environment, Resources and Capabilities

Environment

Duties and Focus

The duty of the DOR is to administer revenue, property appraisal, and alcoholic beverage and tobacco laws as defined by state law. The Montana Constitution requires the state to classify, appraise and keep record of all property within the state, and Montana is one of two states that require their state revenue department to appraise all property within the state. This approach promotes equity in valuation throughout the state. In all other states, individual cities and counties appraise property within their boundaries. Montana law requires DOR to adjust and equalize the valuation of taxable property for a fair and equitable valuation of all taxable property among counties, classes of property and individual taxpayers.

DOR's primary focus, as directed by law, is collecting revenue. DOR collects income tax and revenue from other sources, depositing collections in both state special revenue funds and the state general fund. The Montana Legislature then appropriates the revenue to local government and other state agencies that use the revenue to fund public health, education, law enforcement, utilities, fire safety, roads, parks and other infrastructure and services that promote the quality of life for all Montanans. Without DOR, local governments would not be able to collect property tax revenue.

Contributions and Strategies

DOR ITO serves as the technological foundation for the department's business units. Through a secure and up-to-date computing environment, ITO contributes to the department's overall efficiency, ensuring confidentiality, integrity and availability of taxpayer data. In providing these services, the office enables DOR to meet its business objectives and mission to serve the citizens of Montana. ITO provides application development and support services for all revenue information systems, including systems administration services and desktop support to approximately 630 users. This is done from a central office in Helena to locations throughout the state. On-site visits or remote-access technologies provide services to users. ITO includes the Technical Operations Unit (TOU), the Quality Assurance Unit (QAU) and the Applications Services Unit (ASU).

Principles

IT principles govern DOR's information technology activities, decisions and service delivery operations. They provide touch points and guidelines to ensure proper decision making that will provide the greatest value to Montana's citizens and DOR's partners. Many of DOR's IT principles have their roots in the Montana Information Technology Act and the principles outlined in Montana's State Strategic Plan for IT. ITO is dedicated to delivering effective, reliable, secure information technology solutions and excelling in customer service.

Governance

DOR has developed a governance structure for its departmental IT planning, coordination, oversight and service delivery. Governance for departmental planning, coordination and oversight rests with

the DOR's Information Technology Governance Steering Committee (ITGSC). DOR ITGSC exists to ensure proper alignment of IT resources with department strategic objectives and goals by providing direction to the IT Office. The department's deputy director provides facilitation, an agenda and steers discussion toward sound decision making. Voting members include the director (ex officio), deputy director and four division administrators. Administrative support personnel assist with documentation and meeting materials. Staff from DOR Information Technology and Enterprise Planning and Analysis Offices report to the committee. Other department personnel provide information regarding operations, plans and impacts of decisions under consideration and assist voting members in addressing division impacts and benefits. Meetings occur monthly or as needed.

The department also participates in several advisory boards, committees and councils, which are valuable sources of information for decision making:

- Information Technology Board
- Information Technology Managers Advisory Council
- Project Management Office Advisory Group
- Network Managers Group
- Information Security Advisory Council
- Change Control Board

Financial Management

The DOR budget consists primarily of general fund appropriation and Alcoholic Beverage Control Division's proprietary funding. At publication of this plan, the department was working through the executive planning process and had not brought forward its requests. DOR continually monitors expenses in consideration of budgetary constraints and strives to operate at the highest level of efficiency to provide Montana citizens the highest quality of service and value for their tax dollars.

DOR has five divisions: Business and Income Taxes, Citizen Services and Resource Management, Alcoholic Beverage Control, Property Assessment, and the Director's Office. The Director's Office supports the agency's director and has seven work units: Executive Office, Legal Services, Tax Policy and Research, Office of Human Resources, Enterprise Planning and Analysis Office, Security Office, and Information Technology Office (ITO). The ITO, led by the Chief Information Officer, has three units; Technical Operations, Quality Assurance and Applications Services, employing thirty-one full time equivalents.

Security and Business Continuity Programs

DOR is responsible for a wide range of security that exceeds state requirements under Montana Code Annotated Title 15, and in accordance with the Internal Revenue Code (IRC) section 6103(d) of the Internal Revenue Service (IRS). In compliance with the IRS Publication 1075, the department must provide annual Safeguard reports to the IRS to document changes to the department's security programs or functions as those changes apply to section 6103(d) and the authority to receive, use and safeguard federal tax information. DOR works in conjunction with the Department of Administration (DOA) State Information Technology Services Division (SITSD) to ensure compliance with these federal regulations. SITSD is as obligated to comply as much as DOR due to the support services provided. Through the communications with the IRS Safeguards office, DOR and DOA/SITSD work to enhance security features and guidelines for systems to meet the National Institute of Standards and Technology requirements.

Due to the integrated nature of DOR with state and local governments, DOR joined with the Department of Administration Continuity Services for standardizing the agency's Continuity of Operations Capabilities. Use of the state's Living Disaster Recovery Planning System will provide the plans and structure to facilitate response and recovery capabilities to ensure the continued performance of the State Essential Functions of Government. This program involves two blocks of focus: the first is to complete the Business Continuity Plans involving two phases; and the second works on the specific business processes or activity plans such as Emergency Action Plans, Information System Contingency Plan, Communications Plans, Incident Management Plans, and more. This program is not a standalone process, in that information identified and recorded under this structure often exists in the Records Management Program, and associates with Information Security Management Program requirements. Integration of these three programs is critical to the confidentiality, integrity and availability of information, which is associated with each program.

Risks and Issues

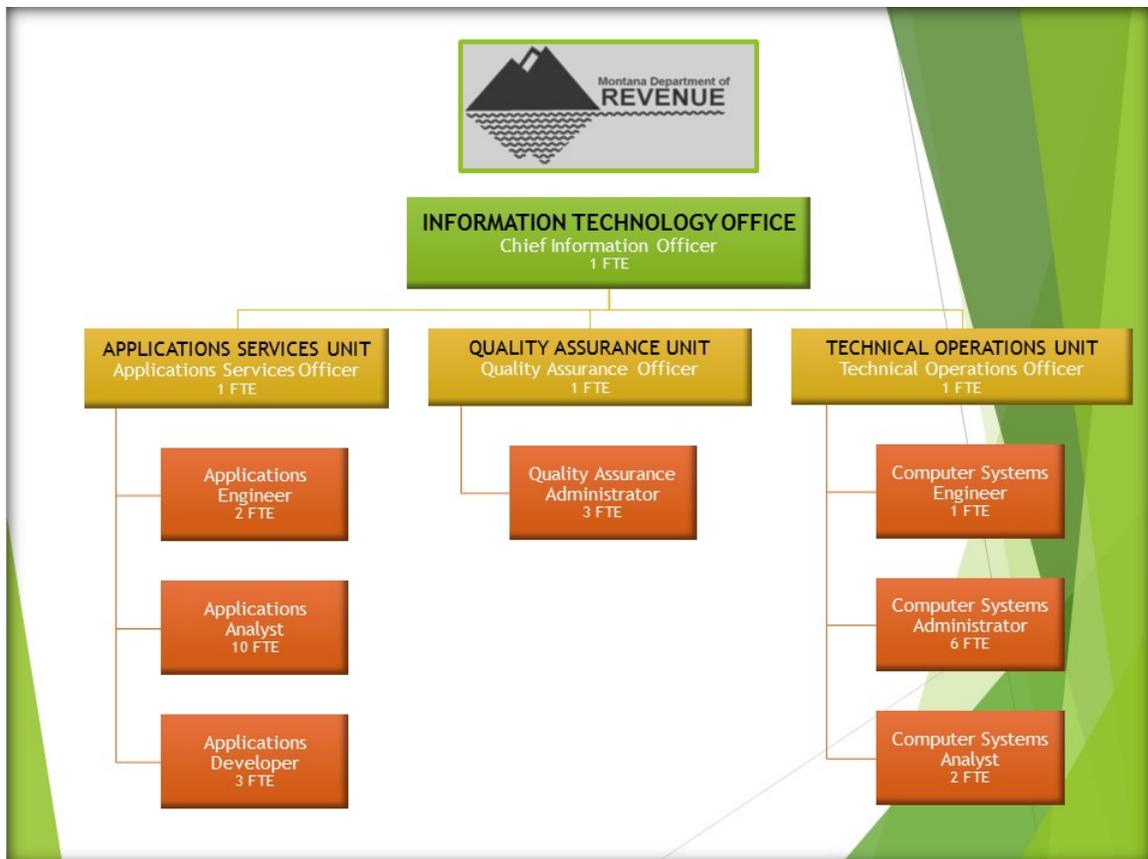| Primary Risk	Probability	Impact	Mitigation Strategy
Staff voluntary terminations	Medium	Medium	The agency will develop a succession planning program identifying staff eligible to retire and forecast an estimated retirement date and replacement plan when possible. Positions/skills rated as critical will have individual plans for skills transfer, replacement, documented procedures, etc., for mitigating the impact.
Security breach	Medium	High	The 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	Medium	Medium	Index salary range to 2016-2018 market rates for positions most affected by this issue in order to remain competitive for recruitment and retention.

Resources

Summary of Resources

Bureau / Unit Name	Number of FTE	Primary Function / Mission
Information Technology Office	1	The Chief Information Officer is responsible for the leadership, management, and strategic direction of information technology and computer systems that support the mission and goals of the department.
Applications Services Unit	16	Provides development, maintenance and support for departmental commercial off the shelf and customized software applications.
Technical Operations Unit	10	Provides project management, systems analysis, systems design, maintenance, technical assistance, and problem resolution for departmental computer hardware and software.
Quality Assurance Unit	4	Provides quality assurance management, development, testing and training for departmental software systems.

Organizational Chart

Capabilities

Summary of Systems and Applications

DOR maintains several major IT systems and a multitude of smaller applications and systems. These applications and systems are located in the State of Montana Data Centers in Helena and Miles City. Internal DOR staff provide comprehensive systems administration and support services.

Name	Description and Purpose
GenTax® Integrated Tax Processing System	GenTax® is a complete, integrated tax processing software package designed to support the multiple taxes our agency administers. It is a commercial off the shelf product that adapts to our diverse requirements through configuration and customization. Our agency is on version ten of the software. The system interfaces with SABHRS so that the state accounting system is updated with the same information that is contained in the department's integrated tax system. Vendor is Fast Enterprises, LLC. Associated Applications: Combined Application (DOJ/DOR), Tier -1 Gaming, TAP (TransAction Portal)
Orion® Software System	Orion® is a property tax valuation and assessment software package designed to support the department's administration of the property tax regulations the department oversees. It is a commercial off-the-shelf product that adapts to the department's diverse requirements through configuration and customization. Orion does not interface with SABHRS. Vendor is Tyler Technologies, Inc. Associated Applications: Field Mobile Application, Mass Job Scheduler, Apex Sketch, County Extract File Transfer, Data File Transfer, OASIS, Assessment Notices, Database Locks, Data Portal, Data portal service, Dart Tax Assistance Calculator, Guid Killer, Resize Image, Centrally Assessed GenTax (CAGT) to Orion QuickRef Converter, Auto-save Orion Value and Tax Downloads, PAD Built Applications (PAD Portal, API, Field Mobile Utility Management, Field Mobile Utilities, Final D)
Fairfax *Quick* Modules System	The Fairfax system allows for scanning and imaging of incoming paper documents. This saves DOR the cost of paper storage and retention. Data capture saves labor costs incurred through manually keyed data. Tax Types Managed: 33 tax types are scanned and imaged, while an additional 37 tax types are scanned, imaged and have data electronically lifted from the forms. Provides scanned images and data for business and income tax staff. Vendor is Fairfax Imaging, Inc. Related Functions/Associated Applications: IBML Scanners, Quick Enhance (scanning), Quick Key (Data Keying), Quick Review (scanning), QPurge, QJPEGPurge, File Validation Tool, Fairfax Token Watcher Service, US Bank File Transfer Service, Quick Web, Viking Data Entry (VDE)
County Collections	County Collections is a custom-built application designed to support the department's revenue sharing agreement with the counties whereby they submit monthly revenues collected and due to the state. There is one version of the application that supports all

	enhancements and changes. The system interfaces with SABHRS so that the state accounting system is updated with the same information that is contained in the county collections system.
eStop	eStop is a custom-built application designed to support the one-stop business licensing process. There is one version of the application that supports all enhancements and changes. The system interfaces with SABHRS so that the state accounting system is updated with the same information that is contained in the eStop system (Application, Public Portal, Scheduled Tasks)
Education Donation Portal	The Education Donation Portal is a custom-built application designed to support the education donation process. There is one version of the application that supports all enhancements and changes. The system interfaces with SABHRS so that the state accounting system is updated with the same information that is contained in the Education Donation Portal system.
Process Server API	The Process Server API is a custom-built application designed to support the debt recovery process. There is one version of the application that supports all enhancements and changes. The system interfaces with SABHRS so that the state accounting system is updated with the same information that is contained in the Process Server API.
Debt Recovery System	The Debt Recovery System is a custom-built application designed to support the debt recovery process. There is one version of the application that supports all enhancements and changes. The system interfaces with SABHRS so that the state accounting system is updated with the same information that is contained in the Debt Recovery system (Website, Service, Tasks)
Livestock Application	The Livestock application is a custom-built application designed to support the livestock reporting process. There is one version of the application that supports all enhancements and changes. Montana Interactive is responsible for system administration and support. The system interfaces with SABHRS so that the state accounting system is updated with the same information that is contained in the Livestock system.
Miscellaneous Applications	Miscellaneous applications maintained in the department supporting property, business and income tax administration functions: Data Fix Request, Inheritance Tax, Legislative Session Tracker, Liquor Scanner (Desktop, Scanner Only, SQL Database Overlay), SABHRS Warrant Service, SR Tracker, Tax Form Request, Abandoned Property, Corp Tax data (CTS), Pipeline, Performance Appraisal, Legal Referral, SABHRS Download Service, Universal System Benefit (USB), Tech Team Tools Tray, Performance Management, Web Applications (MyRevenue, Medical Marijuana Provider Tax, Livestock Application – MI created portal, AB26 Appeals process), SharePoint (SharePoint Reader, BEST), ProcessMaker (Authorization to Fill Process, Reclassification Request Process, Request for Pay Adjustment), SAS

Summary of Hardware

Total Number of Appliances	3

Physical Servers: Include physical servers that are used for virtualization. Do not include servers hosted by SITSD.

Total Number of Physical Servers	2

Virtualized Servers: Do not include servers hosted by SITSD.

Total Number of Virtualized Servers	0

Storage: SANs and NASs. Do not include storage hosted by SITSD.

Total Usable Storage Space	0

Devices: Currently in service including, but not limited to desktops, laptops, mobile devices, printers, cameras, etc.

Device Type	Quantity	Estimated Replacement Value
Desktops	519	$570,900
Laptops	200	$320,195
Mobile Devices (tablets, phones, etc.)	90	$115,922
Printers	229	$237,823
Cameras	179	$25,411
Barcode Scanners	10	$21,564
Document Scanners	144	$98,642
IBML Image Trac 6450 Scanners	2	$477,070
Projectors	21	$35,671

Projects

Summary of Potential Large Projects

Fairfax Scanning and Imaging Software Upgrade (Quick Modules 3.5 to 5.0)		
Citizens Services and Resources Management Division		
Project / Program purpose and objectives	Quick Modules 3.5 resides on Microsoft Windows Server 8 R2. These servers reach end of life support by Microsoft January 2020, necessitating server upgrades and a scanning and imaging software upgrade. This will enable the department to be in compliance with supported servers on the State network.	
IT Goal and Objective Reference	1.1, 1.2, 1.7	
Estimated start date	7/1/2019	
Estimated delivery date	1/1/2020	
Estimated cost	$500K-1M (vendor $250-500K, internal DOR $250-500K)	
HB 10 Request	Yes	
Funding source one	none	$0
Funding source two	none	$0
Funding source three	none	$0
Annual costs upon completion	$50-100K	
Status of the project as of March 31, 2018. Indicate % completed and status of funds expended.	0%, $0, unfunded as of this writing	

Contact Information

Department of Revenue Director / Administrator

Name	Mike Kadas, Director
Phone Number	406-444-1900
Email Address	mkadas@mt.gov
Mailing Address	State of Montana DOR, 125 N Roberts, Helena, MT 59604-5805

Information Technology Contact (CIO / IT Manager)

Name	Tim Bottenfield, CIO
Phone Number	406-444-4395
Email Address	tbottenfield@mt.gov
Mailing Address	State of Montana DOR, 125 N Roberts, Helena, MT 59604-5805

Information Security Manager

Name	Margaret Kauska, CISO
Phone Number	406-444-9535
Email Address	mkauska@mt.gov
Mailing Address	State of Montana DOR, 125 N Roberts, Helena, MT 59604-5805

Alternative accessible formats of this report will be provided upon request.
All publishing of this document was done electronically. 0 copies of this document were printed for a total cost of $0.