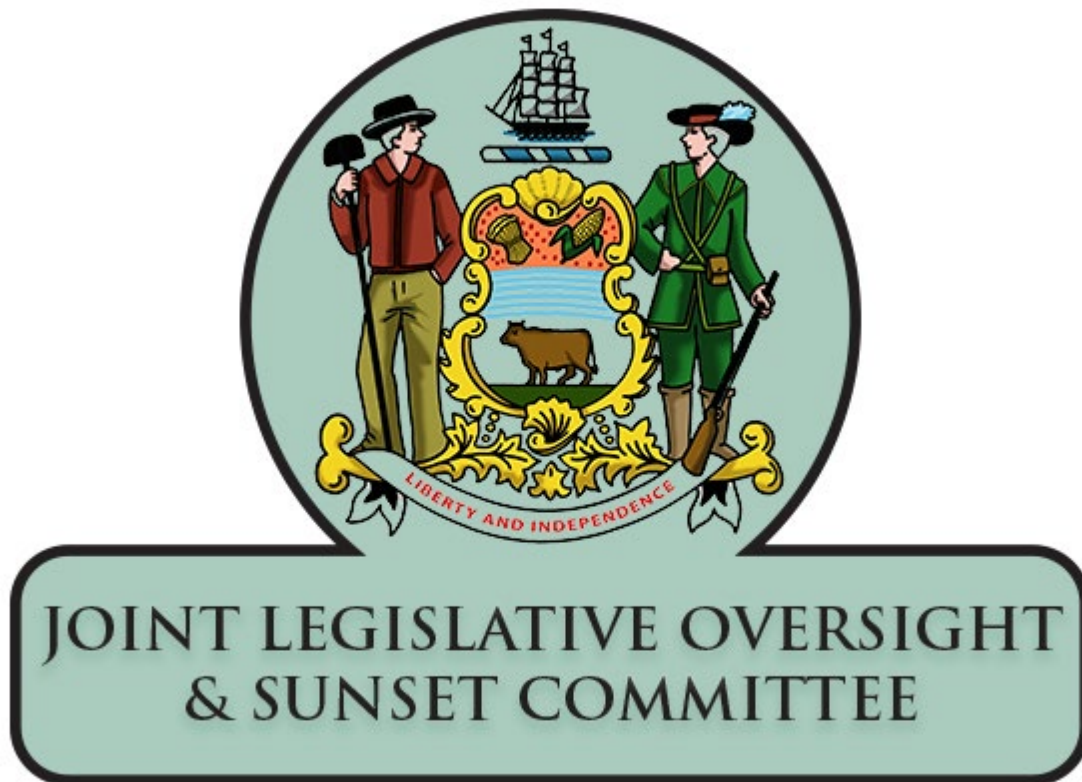


Staff Findings and Recommendations Report

Technology Investment Council

151st General Assembly, 2nd session



*Respectfully submitted to the
Joint Legislative Oversight and Sunset Committee
February 2022*

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Sunset Members:

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Senator Stephanie L. Hansen

Representative Kendra Johnson

Senator Sarah McBride

Senator Brian Pettyjohn

Senator Bryant L. Richardson

Representative Jeff N. Spiegelman

Representative Lyndon D. Yearick



Sunset@Delaware.gov

<https://legis.delaware.gov/Committee/Sunset>

Report Prepared by
Division of Research Staff:

Mark Brainard Jr.

Amanda McAtee

Joint Legislative Oversight and
Sunset Analysts

Holly Vaughn Wagner

Deputy Director
Legislative Attorney

Natalie White

Administrative Specialist

Elliot Gray

Legislative Fellow



411 Legislative Avenue
Dover, DE 19901
(302) 744-4114

[https://legis.delaware.gov/Offices/
DivisionOfResearch](https://legis.delaware.gov/Offices/DivisionOfResearch)

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The Joint Legislative Oversight & Sunset Committee (“JLOSC” or “Committee”) is a bipartisan 10-member legislative body which performs periodic legislative review of boards or commissions. The purpose of the oversight and sunset review is to decide genuine public need and if the entity is effectively performing. The Division of Research is a nonpartisan and confidential reference bureau for the General Assembly and supplies many services including staff support for JLOSC.

Special thanks: We appreciate the aid provided by Department of Technology and Information staff in conducting this review.

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ABOUT THIS REPORT

This is a staff findings and recommendations report (“staff report”) drafted by Division of Research staff on the sunset and oversight review (“review”) of the Technology Investment Council. This report has staff recommendations for JLOSC review and discussion. Recommendations are not final until discussed and adopted by JLOSC with an affirmative vote by 7 members.

The review’s purpose is to find the public need for the entity and whether the entity is effectively performing to meet the need. The goal of the review is to supply strength and support to entities that are supplying a State recognized need.

JLOSC performs its duties with support provided by the Division of Research’s dedicated and nonpartisan staff in the form of two JLOSC research analysts, a legislative attorney, legislative fellow, and administrative assistant. JLOSC staff completes a performance evaluation of the entity under review and gives a staff report to JLOSC which includes research, analysis, key findings, and recommendations. During the review process, the following is not assumed:

- There is a genuine public need for the entity under review.
- That the entity is satisfactorily and effectively meeting public need.

Rather, the entity under review has the burden of showing, through the statutory criteria for review included in their self-report and analyst requested supplemental documentation, that there is a genuine public need, and that the entity is meeting that need.

JLOSC selected the Technology Investment Council for review on March 25, 2021. During the review process the Technology Investment Council supplied information by completing a self-report which had a performance review questionnaire.¹

Division of Research staff compiled the following findings and recommendations after completion of a performance evaluation which included thorough research and analysis outlined in the Objectives, Scope, and Methodology section of this report. Division of Research staff used national auditing and evaluation standards while conducting the performance evaluation. Those standards require that we plan and perform the evaluation to obtain sufficient evidence to supply a reasonable basis for our findings and conclusions based on our evaluation objectives. We believe that the evidence obtained supplies a reasonable basis for our findings and conclusions based on our evaluation objectives. The Objectives, Scope, and Methodology section discusses the fieldwork procedures used while developing the findings and recommendations presented in this report.

The recommendations contained in this report are not final until adopted by JLOSC by affirmative vote of 7 members. Under §10213(a), Title 29, the Committee must first decide whether there is a genuine public need for an entity under review. To meet this requirement, the Committee may select to continue or terminate the entity under review. JLOSC meets publicly to review and

¹ Self-reports available on the Committee’s website, <https://legis.delaware.gov/Committee/Sunset>

discuss its staff's findings and recommendations, and the Committee is free to change, reject, or create brand new recommendations.

The JLOSC statute authorizes the Committee to recommend 1 or more of the following:

- Continuation of the entity as is.
- Termination of the entity.
- Termination of any program within the entity.
- Consolidation, merger, or transfer of the entity or the entity's functions to another entity.
- Termination of the entity unless certain conditions are met or modifications are made, by legislation or otherwise within a specified period.
- Budget appropriation limits for the entity.
- Legislation which the Committee considers necessary to carry out its decision to continue or terminate the entity.

The information contained in this report, along with the previously published self-report², which includes background information from the entity under review, help the Committee in conducting a review of the entity and meeting its statutory requirements under Chapter 102, Title 29. The "Staff Findings" section of this report has information to support the following staff recommendations.

Next Steps

After the release of this report, JLOSC will hold a public hearing in early 2022 for each entity under review to present to the Committee and accept public comment on the scope of the review.

The Committee will discuss all information received, including the findings and recommendations presented in this staff report. Recommendations become completed after review, discussion, and an affirmative vote of 7 JLOSC members. Committee members are not bound by recommendations presented by staff and are free to change, reject, or form new recommendations. Once JLOSC adopts recommendations, the review moves to the implementation phase which may include drafting legislation.

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² Self-report is accessible on the Committee's website, <https://legis.delaware.gov/Committee/Sunset>

STAFF RECOMMENDATIONS

Recommendation #1, Option 1 – Continue the Technology Investment Council
After review and analysis, JLOSC staff recommends option 1, continue the Technology Investment Council, subject to any further recommendations that JLOSC adopts.

Continue or Terminate (standard JLOSC recommendation).

Option 1: The Technology Investment Council shall continue, subject to any further recommendations that JLOSC adopts.

- OR -

Option 2: The Technology Investment Council is terminated, and the Committee will sponsor legislation to implement this recommendation.

Recommendation #2 – Statute Revisions

JLOSC should consider sponsoring a bill to apply technical corrections to the governing statute of the Technology Investment Council, Chapter 90C, Title 29, and using this review as a guide, update its duties and responsibilities.

JLOSC and staff from the Department of Technology and Information will work together to develop statutory revisions. JLOSC staff will engage stakeholders as necessary.

Recommendation #3 – Release from Review.

Release the Technology Investment Council from review upon enactment of legislation applying technical corrections and statute revisions listed under Recommendations 2.

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STAFF FINDINGS

Finding #1

In 2019, the Technology Investment Council’s governing statute was restructured to reflect the centralization of state information technology operations through the Department of Technology and Information. While this recent restructuring has limited the period of review, the Technology Investment Council is engaged and involved in topics concerning Delaware government’s information technology infrastructure, effectively performing their statutory duties as an advisory body.

In 2019, based on the recommendations of the Government Efficiency and Accountability Review (“GEAR”) Board, the 150th General Assembly passed Senate Bill 153, reconstituting the membership of the Technology Investment Council (“TIC” or “Council”) to ensure accurate representation from stakeholders across state government. Similarly, as information technology (“IT”) resources were centralized under the Department of Technology and Information (“DTI”), TIC’s statute under Title 29, Chapter 90C was updated to reflect current operations.

The new goals and objectives of the Council include:

- Assess, advise, and make recommendations on technology-related funding across Delaware’s state government.
 - Includes the statewide technology plan, used by the Governor and Director of the Office of Management and Budget (“OMB”) to prioritize funding for technology projects.
- Provide the statewide technology plan to the Governor and Director of OMG by October 1st of each year.
- Make recommendations regarding prioritization of funding for IT projects.
- Manage and review current projects to ensure compliance with budgetary parameters, competition in a timely manner, and termination of a project if necessary.
- Identify opportunities for private sector partnerships.
- Research emerging technology and innovation trends.

The current statute requires TIC to meet at least quarterly. However, since its reconstitution in August 2019, TIC held 4 meetings.³ The Council cancelled meetings scheduled for June 2, 2020, August 5, 2020, and November 12, 2020 due to the Covid-19 pandemic and the immediate need for new and expanded IT services statewide, including a large demand for remote access capabilities. Currently, TIC has noticed all 4 of its 2022 meetings on the state’s Public Meeting Calendar. JLOSC staff does not expect any non-Covid related issue preventing TIC from meeting this statutory obligation in 2022.

Finding #2

The goals and objectives of the Technology Investment Council are comparable to similar public bodies in other states.

Current operations of TIC mirror other states such as:

- Connecticut: [Information Technology Strategy and Investment Committee](#)
- Oregon: [Enterprise Information Services](#)
- Washington: [Technology Services Board](#)
- Virginia: [Information Technology Investment Management](#)

These states use similar boards to advance state IT operations across state agencies to make state government operations more efficient.

³ Review period: August 2019 – November 2021.

Finding #3

DTI submitted changes to the current governing statute that would further streamline operations and prevent redundancies.

Following a meeting with JLOSC staff, DTI submitted a memo expressing the desire to update the following language in TIC's governing statute:

- Remove the following language from current statute: "Adopt policies and procedures used to develop, review and annually update a statewide technology plan and provide it to the Governor and the Director of the Office of Management and Budget."⁴
- Remove the following language from current statute: "By October 1 of each year, the Council shall provide the Governor and the Director of the Office of Management and Budget with a statewide technology plan. The plan shall discuss the State's overall technology needs over a multi-year period and the potential budgetary implications of meeting those needs."⁵

Current standard operating procedures have an inclusive process of coordinating the review and recommendation of technology funding projects with state agencies. This occurs through the established Business Case and Budget processes.⁶

The DTI Strategic Plan is a five-year guide helping to making policy decisions that improve operations and efficiency across state government.⁷ The development of this strategic plan is a collaborative effort between DTI, state agencies, and a subcommittee of GEAR, specifically focusing on IT efficiency. Six of the 9 members of TIC are also on the GEAR Board, which releases an annual report updating the progress in these policy areas.

JLOSC staff agrees the above duties in TIC's statute are redundant and effectively performed by DTI and GEAR, the latter of which has significant membership overlap with TIC.

Finding #4

This review observed no issues with FOIA compliance.

TIC is a public body as defined by the Freedom of Information Act ("FOIA").⁸ During the course of this review, JLOSC staff reviewed the last 4 meetings and checked for FOIA compliance on meeting notice, agendas, and minutes. Using FOIA open meeting requirements⁹ the *FOIA Scorecard* below notes the following FOIA compliance items:

- Every meeting must be open to the public, except for valid exception under FOIA.
 - Executive session closed to the public for FOIA named purposes.
- Public notice of regular meetings posted at least 7 days in advance of the meeting.
 - Includes agenda if determined.
 - Posted within 6 hours in advance of the meeting with reason for posting delay included.

⁴ 29 Del. C. § 9014C.

⁵ 29 Del. C. § 9014C.

⁶ DTI's Business Case information and request application: <https://dti.delaware.gov/state-agencies-portal/it-business-cases/>.

⁷ Delaware IT Strategic Plan 2020-2025: <https://webfiles.dti.delaware.gov/pdfs/strategicplan/Delaware-Statewide-IT-Strategic-Plan.pdf>.

⁸ 29 Del. C. § 10002.

⁹ 29 Del. C. § 10004.

- Posted in public location accessible to the public, including electronic posting on designated State of Delaware website.¹⁰
 - Includes date, time, and place of meeting.
 - Indicates intent to hold executive session (if applicable).
- Agenda is subject to change, changes may include:
 - Added items, including executive session.
 - Deletion of items, including executive session.
- Minutes recorded and made available for public inspection and copying as a public record. Minutes must include the following:
 - Record of members present.
 - Record by individual members of each vote taken and action agreed on.
- Final minutes posted within 5 working days of final approval.
 - Draft minutes posted within 20 working days of meeting conclusion for public bodies who meet 4 or fewer times per year.

FOIA Scorecard for January 2019 – January 2022	
Total Meetings Held	4
Properly Noticed Meetings	4
Properly Posted Agendas	4
Properly Posted Draft Meeting Minutes	2
Properly Posted Final Meeting Minutes	4
Missing Agendas	0
Missing Minutes	0
Minutes Contain Required Information	4
Agendas Contain Required Information	4
Number of Executive Sessions	1

JLOSC staff reviewed Delaware’s Public Meeting Calendar for all meetings held by TIC during a 3-year review period (January 2019 – January 2022). The Public Meeting Calendar keeps a record of all administrative actions for a meeting date including announcement creation date and posting dates for agendas and minutes. During the review period, TIC properly noticed 4 out of 4 public meetings held. All meeting announcements included agendas with the needed FOIA information. The Council held 1 executive session at the November 2, 2021 meeting, which was properly noticed on the meeting’s agenda.

All meeting announcements included minutes, both in draft and final forms, following approval. FOIA requires TIC to post draft minutes since it meets 4 or less times per year. The Council posted all 4 sets of draft minutes properly and posted 2 sets of final minutes late, more than 5 working days after approval. All meeting minutes included the FOIA required information.

JLOSC analysts do not anticipate FOIA compliance issues to be an ongoing concern and feel this review will supply the necessary reminders for ongoing compliance.

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¹⁰ Designated website is the Public Meeting Calendar: <https://publicmeetings.delaware.gov>

Finding #5

Membership includes representation from each branch of Delaware’s government serving by virtue of position.

According to statute, the Technology Investment Council consists of 9 members:¹¹

- The Chief Information Officer, who serves as the Chair.
- The Chief Justice of the Supreme Court.
- The Controller General.
- The Secretary of Finance.
- The Director of the Office of Management and Budget
- 4 Cabinet level members appointed by the Governor, currently:
 - Secretary of State.
 - Secretary of the Department of Health and Social Services.
 - Secretary of the Delaware Department of Transportation.
 - Secretary of Safety and Homeland Security.

While attendance and quorum issues were not seen over the limited period of review, JLOSC staff recommends clarifying quorum requirements in TIC’s governing statute so any vacancies do not affect quorum.

Finding #6

The limited feedback received from public outreach survey suggests confusion surrounding the purpose of the Technology Investment Council.

JLOSC staff conducted a public outreach survey from August 9 – September 30, 2021 and received 4 responses for the Technology Investment Council. One of the written responses included concerns about the inadequate quality of internet options in Sussex County and the problems residents have finding reliable and affordable internet. This may show a general confusion among the public about the purpose of the Council. TIC focuses on the state government’s IT infrastructure as opposed to the general public’s accessibility to services. JLOSC staff recommends adding more information to TIC’s website to help educate the public on the purpose and goals of TIC.

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¹¹ 29 Del. C. § 9011C.

OBJECTIVE, SCOPE, AND METHODOLOGY

Objective

A performance evaluation conducted as required under JLOSC statute and based on the following criteria¹²:

1. If the agency is a licensing agency, the extent to which the agency has permitted qualified applicants to be licensed.
2. The extent to which the agency has served the public interests.
3. The extent to which the agency has recommended statutory changes, and whether those changes directly benefit the public or whether those changes primarily benefit the agency or other entities and are of only indirect benefit to the public.
4. Review the implementation of recommendations contained in the final reports presented to the General Assembly and the Governor during previous legislative sessions.

Scope

This review covers a 5-year performance period except where noted.

JLOSC Statutory Review Criteria #1

If the agency is a licensing agency, the extent to which the agency has allowed qualified applicants to be licensed.

Methodology for JLOSC Statutory Review Criteria #1

The Technology Investment Council is not a licensing agency. Statutory criteria #1 is not applicable to this review.

JLOSC Statutory Review Criteria #2

The extent to which the agency has served the public interests.

Methodology for JLOSC Statutory Review Criteria #2

The State of Delaware restructured the Technology Investment Council to serve the Department of Technology and Information in an advisory capacity to assess, advise, and make recommendations on technology-related funding. As described in the fieldwork section of this report, this review explored the 3 main duties and responsibilities listed in statute¹³:

1. Assess, advise, and make recommendations on technology-related funding across Delaware's state government, including project prioritization.
2. Provide the statewide technology plan to the Governor and Director of OMG by October 1st of each year.
3. Manage and review current projects to ensure compliance with budgetary parameters, competition in a timely manner, and termination of a project if necessary.

¹² 29 Del. C. § 10209.

¹³ 29 Del. C. § 9014C.

JLOSC Statutory Review Criteria #3

The extent to which the agency has recommended statutory changes, and whether those changes directly benefit the public or primarily benefit the agency or other entities and are of only indirect benefit to the public.

Methodology for JLOSC Statutory Review Criteria #3

This review took a closer look at recommendations provided by Technology Investment Council in its completed self-report. JLOSC staff explored information relevant to these recommendations as described in the fieldwork listed in this section. For quick reference, DTI supplied the following recommendations in the memo submitted to JLOSC staff:

1. Remove the following duties from the current statute: “Adopt policies and procedures used to develop, review and annually update a statewide technology plan and provide it to the Governor and the Director of the Office of Management and Budget” and “By October 1 of each year, the Council shall provide the Governor and the Director of the Office of Management and Budget with a statewide technology plan. The plan shall discuss the State’s overall technology needs over a multi-year period and the potential budgetary implications of meeting those needs.”

JLOSC Statutory Review Criteria #4

Review the implementation of recommendations contained in the final reports presented to the General Assembly and the Governor during earlier legislative sessions.

Methodology for JLOSC Statutory Review Criteria #4

This is the first JLOSC review of the Technology Investment Council, statutory criteria #4 is not applicable to this review.

Review Fieldwork Completed

- Reviewed all information supplied by Technology Investment Council and DTI staff.
 - Self-report.
 - Council motions and decisions.
 - Organizational chart.
 - Past 3 years of meeting minutes and agendas.
 - Memorandum on the Delaware Information Technology Strategic Plan.
- All available public documents such as annual reports, Council’s website, relevant Government Efficiency and Accountability Review (“GEAR”) Board documents, and available news articles.
- Current statute and proposed revisions.
- Council’s overall performance as it relates to current statute.
- Council’s compliance with Freedom of Information Act (“FOIA”).
 - Public meeting calendar: Council meeting notices, agendas, minutes.
- Council member size, quorum trends, and composition.
- Council member training opportunities.
- Surveyed the public to gather opinions and experiences with Council.
- Held two virtual public input sessions to collect added public comment on review.
- Held virtual meeting with DTI staff to discuss review.

Review Background

This is the first review of the Technology Investment Council by JLOSC. This review began in April of 2021. Entity's support staff completed and returned a self-report in August of 2021. JLOSC staff conducted research and drafted this findings and recommendations report.

Background Research Synopsis

The Technology Investment Council ("TIC") was first established in 2002 to assess, advise, and make recommendations on technology-related state funding and on establishment of a statewide technology plan. Additionally, TIC monitored state technology projects, enforced best practices, and oversaw the centralization of enterprise information technology in Delaware.


Senate Bill 153 (150th General Assembly) revised Title 29, Chapter 90C of the Delaware Code and reconstituted TIC in 2019, calling for TIC to take on a strategic oversight and governance/policy role, for the purpose of accomplishing centralization of enterprise information technology centralization in Delaware.

TIC consists of 9 members, 5 serving by virtue of position with 4 Cabinet Secretaries appointed by the Governor. Members are not subject to term limits. Statute mandates TIC to meet at least quarterly.

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MEMORANDUM

TO: Mark Brainard, Jr., Joint Legislative Oversight & Sunset Committee Analyst
Amanda McAtee, Joint Legislative Oversight & Sunset Committee Analyst

FROM: Jason Clarke, Chief Information Officer 

DATE: February 8, 2022

SUBJECT: **Recommended Changes to the Technology Investment Council (TIC)**

Thank you for sharing the draft Findings and Recommendations Report. We do not have any additional comments or corrections for submission.

We look forward to meeting with Joint Legislative Oversight and Sunset Committee on Tuesday, March 1. If you have any questions or concerns, please do not hesitate to reach out to me at (302) 739-9500 or Jason.Clarke@Delaware.gov.

TITLE 29

State Government

Departments of Government

CHAPTER 90C. Department of Technology and Information

§ 9013C. Technology Investment Council.

(a) There is hereby established a Technology Investment Council hereinafter referred to as the "Council". The Council shall consist of 9 members as follows:

- (1) The Chief Information Officer, who shall serve as Chair of the Council;
- (2) The Chief Justice of the Supreme Court;
- (3) The Controller General;
- (4) The Secretary of Finance;
- (5) The Director of the Office of Management and Budget;
- (6) 4 Cabinet level members appointed by the Governor.

(b) Members serving by virtue of position may appoint their deputy or equivalent position to serve in their stead and at their pleasure.

(c) The Council shall meet at least quarterly.

(d) The Council may establish subcommittees as necessary to carry out business, responsibilities or assigned projects. Noncommittee members may participate in subcommittee meetings and work. The subcommittee members may reach out for assistance as needed to accomplish the assigned project.

73 Del. Laws, c. 217, § 1; 74 Del. Laws, c. 128, § 11; 77 Del. Laws, c. 105, §§ 2, 3; 82 Del. Laws, c. 185, § 1;

§ 9014C. Duties of the Technology Investment Council.

The duties of the Council are as follows:

- (1) Adopt policies and procedures used to develop, review and annually update a statewide technology plan and provide it to the Governor and the Director of the Office of Management and Budget.
- (2) By October 1 of each year, the Council shall provide the Governor and the Director of the Office of Management and Budget with a statewide technology plan. The plan shall discuss the State's overall technology needs over a multi-year period and the potential budgetary implications of meeting those needs.
- (3) By November 15 of each year, the Council shall make recommendations to the Director of the Office of Management and Budget regarding the funding of technology for the coming fiscal year. Prior to making its recommendations to the Director of the Office of Management and Budget, the Council shall confer with the Director of the Office of Management and Budget regarding the demands placed upon the state budget by nontechnology funding needs.
- (4) Forward funding recommendations made pursuant to paragraph (3) of this section to the Governor in their entirety.

(5) Enforce active project management, review the progress of current projects to determine if they are on budget and have met their project milestones, and when necessary, recommend the termination of projects.

(6) [Repealed.]

(7) Identify opportunities to leverage expertise in strategically important areas of information technology by partnering with private sector entities. Such opportunities shall be clearly set forth in the statewide technology plan called for in paragraph (2) of this section.

73 Del. Laws, c. 217, § 1; 74 Del. Laws, c. 12, § 2; 74 Del. Laws, c. 127, § 1; 74 Del. Laws, c. 128, § 11; 75 Del. Laws, c. 88, § 21(13); 82 Del. Laws, c. 185, § 1;

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SPONSOR: Sen. Poore & Rep. Griffith
Rep. Seigfried

DELAWARE STATE SENATE
150th GENERAL ASSEMBLY

SENATE BILL NO. 153
AS AMENDED BY
SENATE AMENDMENT NO. 1

AN ACT TO AMEND TITLE 29 OF THE DELAWARE CODE RELATING TO THE DEPARTMENT OF TECHNOLOGY AND INFORMATION TO ESTABLISH A STATEWIDE SHARED TECHNOLOGY SERVICES MODEL TO FACILITATE DIGITAL GOVERNMENT FOR CITIZENS, INCREASE EFFICIENCY, AND CONTROL SECURITY RISKS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend Chapter 90C, Title 29 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows and by redesignating accordingly:

§ 9001C Intent and purpose.

The General Assembly finds and declares that the way it manages information technology will play a strong role in determining the future success of the State. Information technology resources in state government are valuable strategic assets belonging to the citizens of Delaware and must be managed accordingly. The development and implementation of a single, common, statewide technology direction is fundamental to every aspect of state government including strengthening economic development, expanding education opportunities and providing the most efficient delivery of services to the citizens of Delaware. ~~The General Assembly further finds and declares that the creation of a new Department will best support the State in this endeavor to unify its technology strategy while identifying those solutions which will best improve service delivery to the citizens of Delaware.~~ The General Assembly further finds and declares there is a critical role of information and information systems in the provision of life, health, safety, and other crucial services to the citizens of the State of Delaware and there is a need to mitigate the risk posed to these services due to ever-evolving cybersecurity threats.

§ 9002C Establishment of the Department of Technology and Information.

A Department of Technology and Information is established ~~to replace the Office of Information Services~~ within the Executive Department, and shall have the powers, duties and functions vested in the Department by this chapter.

§ 9003C Definitions.

For the purposes of this chapter:

(1) "Agency" or "state agency" includes every board, department, bureau, commission, person or group of persons or other authority created and now existing or hereafter to be created to execute, supervise, control or administer

governmental functions under the laws of this State or to perform such other duties as may be prescribed or to whom any moneys are appropriated under any budget appropriation act or supplemental appropriation act or any other act which authorizes and requires any department to collect or use any taxes, fees, licenses, permits or other receipts for services or otherwise for the performance of any function of or related to or supported in whole or in part by the laws of this State, or created to administer any laws providing for the collection of taxes, fees, permits, licenses or other forms of receipts from any sources whatsoever for the use of the State or any agency of the State. "Agency" or "state agency" does not include the legislative and judicial branches of state government, any non-Executive branch agencies of the government, or any university, or local education agencies.

~~(1)~~ (2) "CIO" means Chief Information Officer of the State.

~~(2)~~ (3) "Council" means Technology Investment Council.

~~(3)~~ (4) "Department" means the Department of Technology and Information.

~~(4)~~ (5) "State" means State of Delaware.

~~(5)~~ (6) "Technology" means computing and telecommunications systems, their supporting infrastructure and interconnectivity used to acquire, transport, process, analyze, store and disseminate information or data electronically. The term "technology" includes systems and equipment associated with e-government and Internet initiatives. the following resources and initiatives used to acquire, transport, process, analyze, store and disseminate information or data electronically:

a. Data centers, infrastructure, hardware, technology project management, telecommunications and networking, software applications, service desk, information security, data management, and database administration; and

b. Digital government and online initiatives.

§ 9004C General powers, duties and functions of the Department.

The Department, with the approval of the CIO, may enter into contracts with private entities to perform any of its enumerated duties that can be more efficiently performed in such manner. In addition, the Department of Technology and Information shall have the following powers, duties and functions:

(2) ~~Implement~~ Create, implement, and enforce statewide and ~~interagency~~ agency technology solutions, policies, standards and guidelines, including as recommended by the Technology Investment Council on an ongoing basis and the CIO, ~~including, but not limited to, statewide technology and information architectures, statewide information technology plans, development life cycle methodologies, transport facilities, communications protocols, data and information sharing~~

considerations, the technique of obtaining grants involving the State's informational resources and the overall coordination of information technology efforts undertaken by and between the various State agencies;

~~(4)~~ Provide technical support and assistance to maintain control programs for computer operations, program development, telecommunications network operation and data base management;

~~(5)~~ (4) Evaluate the performance of technology systems and equipment;

(6) (5) Provide analytical and programming support to maintain and upgrade existing technology systems, applications and programs;

(7) (6) Provide facilities management of certain informational technology facilities; ~~including certain office support informational centers;~~

~~(8)~~ Make studies of (7) Research all facets of data/voice/image processing, word processing, computer and computer related telecommunications, voice and radio telecommunications in state government, and technology systems that may have been or will be installed or are proposed to be installed, and all matters pertaining thereto, including: (a) potential technology solutions of or with private entities; and (b) review of systems and equipment installed or to be installed or of changes or additions in or to equipment in any ~~or all~~ of the various state agencies, regardless of size or of the method or source of funding;

~~(9)~~ (8) Responsibility for the development and coordination of Develop and coordinate new technology based management or productivity improvement programs, along with the responsibility to initiatives and establish statewide information systems and technology priorities for purposes of budgetary funding reviews by the Director of the Office of Management and Budget;

~~(10)~~ (9) Promote cooperation between the several all state agencies, departments and institutions in order that work may be done by one agency for another agency and equipment and/or technical personnel in one agency may be made available to another agency, and promote such improvements as may be necessary in joint or cooperative data processing technology operations. The Chief Information Officer is authorized to purchase, lease or rent data processing technology and related equipment in the name of the Department of Technology and Information and to operate the equipment in providing services to ~~1 or more~~ any or all state agencies departments and institutions. When, in the opinion of the Chief Information Officer, better and more efficient data processing technology services can be performed, the Department may enter into lease or purchase agreements in the acquiring or the use of any data processing technology equipment and use such equipment in a ~~consolidated or cooperative program~~ centralized statewide approach. When the Department acts as a ~~cooperative or consolidated data processing operating agency in a centralized statewide approach~~, the cost of the operation shall be prorated among the state agencies utilizing the data processing benefiting from those services provided thereby.

The Chief Information Officer shall decide on the number of data processing centers, including the size of each, and shall be empowered to pick the site or sites for the centers and the controlling agency. Any consolidated or cooperative plan approved by the Chief Information Officer shall be given effect;

~~(11) Any consolidated or cooperative plan approved by the Chief Information Officer shall be given effect. The Technology Investment Council shall adjudicate disputes in all matters pertaining to the division of cost of data processing operations among the several all state agencies, and shall resolve differences with respect to data sharing and access privileges among and between using/owning agencies.~~

(10) The Department of Technology and Information shall maintain as a paramount consideration the successful internal organization and duties of ~~the several~~ all state agencies so that efficiency existing in the agencies shall not be adversely affected or impaired by the decisions that are made;

~~(12)~~ (11) Provide consulting services to ~~client~~ all agencies including, but not limited to, information technology planning, program budget planning for information technology initiatives, expertise in systems development life cycle methods, and access to technical information on emerging technologies;

~~(13)~~ (12) Provide staff support to the Technology Investment Council;

~~(14)~~ (13) Perform policies and procedures as directed by the CIO; ~~and~~

~~(15)~~ (14) Develop an acceptable use policy for e-mail communications for every state executive branch agency;
~~§ 9005C Communications powers, duties and functions.~~

~~(a) To provide for the development of an efficient and reliable communications system for joint use by departments, agencies and subdivisions of state government and effect maximum practical consolidation and joint use of existing and future communications facilities technology, equipment and services owned or used by the State and generally to obtain maximum practical economies by centralized coordination and budgetary control of all communications technology functions and activities of state government, the Department of Technology and Information shall:~~

~~(1) Approve and authorize all state government communications activities in accordance with this subchapter. The management control of and accountability for the use and operation of communications activities shall be a function of the using agency subject to the policies and intent of this subchapter. Expenditure of any funds, regardless of source, for unauthorized communications activities of any kind, by any agency, for any reason, or for communications activities not in compliance with the policies and intent of this subchapter shall be a violation of law punishable under the applicable statutes or regulations;~~

~~(2)~~ (15) Develop, coordinate, publish and administer a comprehensive state communications technology plan which shall provide for the ~~maximum practical consolidation~~ centralization and joint use of existing and future communications systems, ~~facilities~~ technology, equipment and services by state government agencies;

~~(3)~~ (16) Develop, coordinate, publish and administer standards, policies and procedures for identifying, justifying and documenting communications technology requirements of state government agencies;

(17) Establish and promulgate standards, policies, guidelines and procedures concerning the development, implementation, acquisition, and use of the State's technology assets;

~~(4)~~ Develop, coordinate, publish and administer policies and procedures for the use of communications facilities and services by state government;

~~(5)~~ (18) Design, procure, install and maintain or, if appropriate, contract for the design, installation and maintenance of ~~communications systems,~~ facilities technology, equipment, and services for state government agencies in accordance with the determinations directed by this subchapter;

~~(6)~~ Apply for, receive and hold, or, if appropriate, assist agencies in applying for, receiving and holding such authorizations, licenses, permits and allocations of channels and frequencies as are necessary to carry out the purpose of this subchapter;

~~(7)~~ (19) Perform periodic audits of the ~~communications facilities~~ technology and activities of state agencies to ensure compliance with the policy and intent of this subchapter, and other applicable laws and regulations; ~~and~~

~~(8)~~ Perform such other duties in connection with the communications activities of the state government as may be directed by the Governor, or the General Assembly, or as may be required by existing or future state or federal statute.

~~(9)~~ (20) Develop, coordinate, publish and administer policies and procedures for the submission of a communications statewide technology budget, which shall include all requirements of state government agencies, including identification of ~~detailed~~ business requirements by agency;

~~(10)~~ (21) Require that all state government agencies having communications specific technology requirements related to business needs shall cooperate with and assist in the preparation of the communications statewide technology budget; ~~and~~

~~(11)~~ Provide for emergency or unplanned communications requirements by presenting a detailed program item in a supplemental budget request. Justification for the budget request shall be the responsibility of the agency having such emergency or unplanned requirements.

~~(b)~~ In addition to those communications powers, duties and function enumerated above, the Department shall:

~~(1)~~ Cause a statewide telecommunications plan to be created, implemented and maintained;

~~(2) Monitor and control the execution of said plan;~~

~~(3) Review and approve all agency plans, and shall advise the Chief Information Officer and the Director of the Office of Management and Budget regarding budget requests and acquisitions, involving any telecommunications resources and activities;~~

~~(4) Report on status to the Technology Investment Council, as is required;~~

~~(5) Provide technical assistance and consultation to state agencies with regard to meeting agency for telecommunications goods and services;~~

~~(6) Coordinate telecommunications plans and activities with related statewide information technology functions;~~
and

~~(7) Establish and promulgate standards, policies, guidelines and procedures concerning the development, implementation, acquisition and use of the State's communications facilities and assets;~~

(22) Establish and coordinate a mechanism for a prorated chargeback process that aligns with the state's annual budget process with the approval of the Director of the Office of Management and Budget and Controller General. The chargeback rate will cover all centralized technology services statewide;

(23) Assign an agency "technology coordinator" to each state agency. It is the intent of this subsection that such technology coordinators will act as the primary points of contact for appropriate communications between the Department and the state agencies, the State General Assembly, the State Judiciary, the State Department of Elections, the State Board of Education, the Office of the State Public Defender, the State Attorney General, the State Treasurer, the Auditor of Accounts, other elective offices, and the school districts; and

(24) Perform such other duties in connection with the technology activities of the state government as may be directed by the Governor, or the General Assembly, or as may be required by existing or future state or federal statute.

§ 9006C § 9005C Requirements for agency technology projects.

(a) Within guidelines established by the Department of Technology and Information, no new technology project may be initiated by any ~~department or~~ agency unless covered by a formal project plan approved by the Department ~~or~~ and agency head. Such plan will be in the form prescribed by the Chief Information Officer, but shall include in any case:

(2) Total cost of system development and conversion effort including, but not limited to, systems analysis and programming costs, process reengineering, establishment of master files, testing, documentation, special equipment costs and all other costs, including full overhead;

(5) Source of funding of the work, including ongoing costs and staffing resources;

(9) ~~Whether or not work is within scope of projects or initiatives envisioned when the current fiscal year budget was approved.~~ End user and staff training as needed.

(b) No project is to be undertaken which is beyond the scope of work funded by the General Fund or a special fund. This paragraph applies to all ~~telecommunications or computer or computer-related systems development~~ technology performed by the Department of Technology and Information, ~~a department or agency itself~~ an agency, or an outside contractor, and also applies to new technology programs or systems purchased or otherwise acquired and placed in use.

(c) All projects are to be ~~signed~~ authorized by the Chief Information Officer and the concerned ~~department or~~ agency head, or their designees, before work is begun, except such relatively minor feasibility work required to prepare the project. ~~Copies of all projects are to be provided to the Controller General and the Director of the Office of Management and Budget, who shall ensure that the Department of Technology and Information is included in reviews of agency information systems and technology tactical plans and technology budget requests. Within constraints established by the Director of the Office of Management and Budget and the Controller General, the Department of Technology and~~

~~Information will provide an analysis of the technical feasibility, consistent with statewide technology strategy, and completeness and reasonableness of projected costs to develop and operate all agency projects submitted through the annual budget process. In support of all projects executed between the Department of Technology and Information and the concerned department or agency, the Department of Technology and Information shall provide or maintain staff support to the benefiting department or agency at the projected level of effort until the project work has been accomplished.~~

~~§ 9007C~~ § 9006C Chief Information Officer.

(a) The Administrator of the Department shall be the State's ~~Chief Information Officer~~ CIO. The CIO shall be appointed by the Governor, with the advice and consent of the Senate, shall serve at the pleasure of the Governor, and receive a salary to be determined by the Governor and specified in the annual Operating Budget.

~~§ 9008C~~ § 9007C Powers, duties and functions of the CIO.

The following shall be the responsibilities and functions of the CIO:

(14) Coordinate the activities of the Department of Technology and Information with those of other ~~State departments and~~ state agencies concerned with the services provided; and

~~§ 9009C~~ § 9008C Budgeting and financing.

The Chief Information Officer, in compliance with ~~§ 9008C(13)~~ 9007C(13) of this title, in cooperation with the internal program managers and office administrators, shall prepare a proposed budget for the operation of the Department of Technology and Information to be submitted for the consideration of the Director of the Office of Management and

Budget, the Governor and the General Assembly. The Department of Technology and Information shall be operated within the limitation of the annual appropriation and any other funds appropriated by the General Assembly.

§ 9009C State Information Security Requirements

The Department of Technology and Information shall have the power to:

(1) Develop and implement a comprehensive information security program that applies personnel, process, and technology controls to protect the State's data, systems, and infrastructure, within the State's computing environment and on partner systems. All systems that connect to the State network shall comply with the State Information Security Program;

(2) Identify and address information security risks to each State agency, to third-party providers, and to key supply chain partners, including an assessment of the extent to which information resources, processes, or technologies are vulnerable to unauthorized access or harm, including the extent to which the entity's electronically stored information is vulnerable to unauthorized access, use, disclosure, disruption, modification, or destruction, and direct risk mitigation strategies, methods, and procedures to reduce those risks;

(3) Establish a central Security Operations Center (SOC) to direct statewide cyber defense and cyber threat mitigation. The SOC responsibilities shall include generating, collecting and analyzing security activity information to effectively identify and respond to cyber-attacks against the State;

(4) Implement technical compliance to State-owned technology as required by law. The Department may also implement technical compliance to State-owned technology that is recommended by private industry standards. The Department shall have the full cooperation of state agencies in identifying compliance requirements or industry standards; and

(5) Temporarily disrupt the exposure of an information system or information technology infrastructure that is owned, leased, outsourced, or shared by one or more state agencies in order to isolate the source of, or stop the spread of, an information security breach or other similar information security incident.

§ 9010C Exemptions from the merit system.

(b) The CIO, with the advice of the Secretary of the Department of Human Resources, shall create a compensation plan. Implementation of said plan shall be contingent upon approval by the Director of the Office of Management and Budget and Controller General. Any proposed compensation plan within the Department of Technology and Information should be unique to information technology employees working at the Department and consider all factors including areas requiring specialized skill sets and other elements of providing a comprehensive technology service organization, ~~consistent with the recommendations of the Information Services Task Force.~~ Such a plan may include

competency-based pay, pay-for-performance and other components necessary to recruit and retain highly qualified information technology professionals to the State.

~~§ 9011C Transitional provisions.~~

~~Repealed by 77 Del. Laws, c. 105, § 1, effective July 6, 2009.;~~

~~§ 9012C Information coordination.~~

~~To assist the Technology Investment Council in fulfilling its duties, each state agency shall name an individual to act as that agency's "information resource manager" or "coordinator." It is the intent of this section that such coordinators will act as the primary points of contact for appropriate communications between the Technology Investment Council and the agency. It is further intended that the State General Assembly, the State Judiciary, the State Department of Elections, the State Board of Education, the Office of the State Public Defender, the State Attorney General and other elective offices similarly assign such a coordinator.~~

~~§ 9013C § 9011C Technology Investment Council.~~

(a) There is hereby established a Technology Investment Council hereinafter referred to as the "Council". The Council shall consist of 9 members as follows: ~~appointed by the Governor, as follows:~~

- ~~(1) The Chief Information Officer, who shall serve as Chair of the Council;~~
- ~~(2) The Chief Justice of the Supreme Court;~~
- ~~(3) The Controller General;~~
- ~~(4) The Secretary of ~~Education~~Finance;~~
- ~~(5) The Director of the Office of Management ~~or~~ and Budget; ~~and~~~~
- ~~(6) 4 Cabinet level members appointed by the Governor.~~
- ~~(6) Five members selected to serve at the discretion of the Governor.~~

~~(b) Designees may be recommended by members of the Council and shall be approved by the Governor. Members serving by virtue of position may appoint their deputy or equivalent position to serve in their stead and at their pleasure.~~

~~(c) The Council may establish sub-committees as necessary to carry out business, responsibilities or assigned projects. Non-Committee members may participate in sub-committee meetings and work. The sub-committee members may reach out for assistance as needed to accomplish the assigned project.~~

~~§ 9014C § 9012C Duties of the Technology Investment Council.~~

The duties of the Council are as follows:

(2) ~~By October 1, 2001, and each~~ By October 1 thereafter of each year, the Council shall provide the Governor and the Director of the Office of Management and Budget with a statewide technology plan. The plan shall discuss the State's overall technology needs over a multi-year period and the potential budgetary implications of meeting those needs.

~~(6) Develop minimum technical standards, guidelines, and architectures as required for state technology projects.~~

~~(7)~~ (6) Identify opportunities to leverage expertise in strategically important areas of information technology by partnering with private sector entities. Such opportunities shall be clearly set forth in the statewide technology plan called for in paragraph (2) of this section.

~~§ 9015C~~ § 9013C Misnomer of Department.

~~§ 9016C~~ § 9014C Supremacy.

§ 9015C State Agency Technology Procurement and Management

(a) The Department shall establish statewide technology standards for use in the procurement process. Further, if the Department has entered into a statewide contract for technology services or resources, then that contract is mandatory use for state agencies.

(b) The Department of Technology and Information shall have the full cooperation of state agencies in developing and implementing the sharing of data and information throughout the Executive Branch.

(c) The Department of Technology and Information shall enter into and develop service level agreements necessary to ensure that the state agencies have full access to secure, reliable, and efficient technology services.

§ 9016C Reallocation of Technology Personnel and Equipment from Executive Branch Agencies

(a) All employees in Executive Branch Agencies who are currently engaged in the exercise and performance of the powers, duties, and functions, as defined in this title and who are determined by the CIO to be necessary for the exercise and performance of the powers, duties, and functions as defined in this title are hereby reallocated to the Department. In addition, all Executive Branch Agency employees who are determined by the CIO to have been engaged in providing necessary administrative, technical, or other support functions as defined in this title are hereby reallocated to the Department. In order to facilitate this reallocation, all Executive Branch Agencies shall work in cooperation with the CIO, the Secretary of the Department of Human Resources, and the Director of the Office of Management and Budget to develop a detailed plan of implementation to reallocate and centralize all agency employees referenced in this Section to the Department. This plan shall include but not be limited to any budgetary, operational, and regulatory changes necessary to implement such a centralization as well as service level agreements with state agencies to ensure continued operations.

(b) All technology equipment in Executive Branch Agencies that is currently engaged in the exercise and performance of the powers, duties, and functions, as defined in this title and that is determined by the CIO to be necessary


for the exercise and performance of the powers, duties, and functions as defined in this title are hereby reallocated to the Department. In order to facilitate this reallocation, all Executive Branch Agencies shall work in cooperation with the CIO and the Director of the Office of Management and Budget to develop a detailed plan of implementation to reallocate and centralize all Executive Branch Agencies equipment referenced in this Section to the Department. This plan shall include but not be limited to any budgetary, operational, and regulatory changes necessary to implement such a centralization as well as service level agreements with state agencies to ensure continued operations.

Section 2. § 9016C of this Act expires 3 years after its enactment into law, unless otherwise provided by a subsequent act of the General Assembly.



MEMORANDUM

TO: Mark Brainard, Jr., Joint Legislative Oversight & Sunset Committee Analyst
Amanda McAtee, Joint Legislative Oversight & Sunset Committee Analyst

FROM: Jason Clarke, Chief Information Officer 

DATE: December 20, 2021

SUBJECT: **Recommended Changes to the Technology Investment Council (TIC)**

Thank you for meeting with us to discuss the roles and responsibilities of TIC and how we can work together to make it more effective. We appreciate you providing us the opportunity to provide additional feedback. In re-examining the current statute ([29 Del. C. §9014C](#)), we do feel that there are some redundancies with other State boards/committees and efficiencies could be made to improve the focus of the Council. Specifically, we recommend removing two duties (items 1 and 2) currently listed in the statute related to adopting policies and procedures used to develop an annual technology plan and the creation of that plan. These duties are redundant with other State efforts already in place and do not reflect the advisory role of the Council.

TIC is an advisory board comprised of nine Cabinet members and does not receive Federal or State funding, provide direct financial oversight, or issue formal decisions related to technology funds. Additionally, the Council does not have dedicated support staff; administrative functions are performed by Delaware Department of Technology and Information (DTI) staff made available through the Office of the Chief Information Officer (CIO). Standard operations are already inclusive of coordination with State agencies through the established Business Case and Budget processes to review and make technology funding recommendations. DTI also collaborates with partners in the development of the [Delaware Information Technology Strategic Plan](#), a five-year guide that helps to drive policy decisions that improve efficiency and outcomes.

Six of the nine TIC members also sit on the Government Efficiency and Accountability Review (GEAR) Board, including the Chief Justice, Director of the Office of Management and Budget, Secretary of Finance, Secretary of the Department of Health and Social Services, the Controller General and the CIO. Additionally, GEAR has a subcommittee

specifically dedicated to IT efficiency and releases an annual report detailing the progress in this focus area.

We request that the Joint Legislative Oversight and Sunset Committee consider supporting the removal of these administrative duties as they are already performed by DTI and GEAR.

Thank you again for taking the time to assist us with improving TIC. If you have any questions or concerns, or would like to discuss this further, please do not hesitate to reach out to me at (302) 739-9500 or Jason.Clarke@Delaware.gov.



**STATE OF DELAWARE
GOVERNMENT EFFICIENCY AND ACCOUNTABILITY REVIEW BOARD**

**2018 ANNUAL REPORT
EXECUTIVE SUMMARY**

Executive Order #4, signed by Governor John Carney on February 16, 2017, established the Government Efficiency and Accountability Review (GEAR) Board to develop recommendations for increasing efficiency and effectiveness across State government, improve the strategic planning process, improve the use of metrics in resource allocation decisions, and develop continuous improvement practices.

GEAR is a long-term initiative. The GEAR Board has met eleven times since its formation. The Board has established seven critical focus areas, identified team leadership and members, completed written charters identifying process and program optimization opportunities, and initiated work on projects to take advantage of these opportunities.

The Executive Order directs the GEAR Board to issue a report to the Governor in December of each year. The 2018 GEAR Annual Report contains recommendations that may be included in the Governor's Recommended Budget and policy priorities for Fiscal Year 2020. What follows is an Executive Summary of key recommendations requiring support from the executive and/or legislative branches:

I. SYSTEMIC RECOMMENDATIONS TO SUPPORT GEAR

- Initiate Continuous Quality Improvement Training and Development – The Board recommends reinstating funding for the First State Quality Improvement Fund (FSQIF) (29 Del. C. § 6071) with a new focus on building the capacity and sustainability of GEAR and other continuous quality improvement initiatives. This funding would support the creation of cadre of trained practitioners throughout State government with skills in project management, change management, and business process improvement to lead and implement initiatives that improve the efficiency and effectiveness of government processes and programs statewide. The FSQIF was created in 1996. Epilogue language was adopted in 2009 that suspended funding of the program. New Epilogue language is needed to reinstate this program. Full restoration of funding of \$150,000 would support training for at least 20 state employees annually.
- Create a GEAR Expert team -- There are numerous opportunities to improve process efficiency and reduce costs, enhance the quality of services delivered and replace or terminate ineffective processes and services. These opportunities remain unaddressed primarily due to a lack of personnel with continuous improvement (CI) expertise, particularly in smaller State agencies. Recommend the formation of a GEAR Expert Team (a.k.a. "SWAT" team) of expert practitioners, organized under a project management office structure, whose purpose is to design and execute process and service quality improvement programs statewide. Recommend forming the team from employees, regardless of agency of origin, with demonstrated CI expertise and project management/program leadership experience.

II. CRIMINAL JUSTICE

- Support Reforms to the Criminal Code -- Work has been ongoing since 2014 with the General Assembly's Criminal Justice Improvement Committee (CJIC) to adopt best practices to eliminate redundancies, inconsistencies, and disproportionality that have arisen in two generations since Delaware adopted a criminal code. SB 209 and SB 210 were introduced, but not passed, as a starting point in the 149th General Assembly. Continuing adjustments have been made to these bills to address concerns of various interested parties and State

agencies and to include criminal bills that were passed in Fiscal Year 2018. Updated bills are anticipated to be introduced in the 150th General Assembly pending further discussions with key constituencies and the newly-elected Attorney General.

- Review Problem-Solving Courts -- Problem-solving courts began in 1997 and have been managed since that time without consistent or uniform review, metrics, or criteria. Family Court released its “Report on the Family Court Adjudicated Drug Court Program” in October 2018. Based on concerns regarding the program, the Family Court paused referrals to this problem-solving court in 2016. After reviewing current juvenile justice programs and the backgrounds of youth who were previously included in the program, the report concluded that there have been no gaps in services for the Juvenile Drug Treatment Court (JDTC) target population, nor have there been any identifiable negative impacts in terms of public safety or rehabilitation of delinquent youth. Given the pause in referrals and the lack of negative impacts, there is support for repeal of the Juvenile Drug Court Statute (10 *Del. C.* §1012).

III. EDUCATION

- Identify Strategies to Improve Cost Savings, Efficiencies and Equity within the Public Education System -- House Concurrent Resolution 39 (HCR 39) sponsored the School District Consolidation Task Force. Upon completion of its work, the General Assembly enacted HCR 94 recommending that the GEAR Board act upon recommendations made by the School District Consolidation Task Force. Specifically, HCR 94 endorsed the creation of formal committees composed of the responsible procurement officials for school districts to be tasked with analyzing any and all opportunities to reduce expenses and create organizational incentives that will result in measurable and significant savings within the current district system to be redirected to programs in schools throughout the State. The GEAR Board recommends supporting the creation of an education/K12-specific GEAR program. The objective is to introduce an appropriately scaled GEAR-like structure, organization, and set of processes under the leadership of the school districts (a.k.a. “EdGEAR”). To ensure the program’s success, accountability and ownership for the program should reside with Superintendents and/or District Business Managers, in partnership with the Department of Education, and with support from State agencies as required.

IV. FINANCIAL SERVICES

- Reintroduce Strategic Planning and Performance Budgeting Processes – Executive Order 4 tasked GEAR with recommending changes to the Delaware Governmental Accountability Act (“DGAA”) (see 29 *Del. C.* §105) to “better drive strategic planning, help develop meaningful performance metrics, foster more effective monitoring of performance and allocation of scarce resources as part of the budget process, and promote continuous improvement programs throughout State government.” In collaboration with GEAR, the Office of Budget and Management (OMB) and the Controller General’s Office (CGO) drafted legislation specifying that the State’s annual budget process be part of a performance management system that utilizes performance metrics when evaluating existing and proposed programs during the annual budget process. The proposed legislation would require full review of agency strategic plans, metrics and performance at least once every four years and allow OMB and CGO to group agencies into policy areas for the purpose of staggering reviews and evaluating cross-agency performance and planning opportunities. Legislation was sponsored by members of the Joint Finance Committee and introduced as SB 263 in the 149th General Assembly. The bill passed the Senate and was reported out of the House Appropriations Committee but was not voted upon in the waning hours of the 149th General Assembly due to other considerations. The GEAR Board recommends that the bill be reintroduced and passed in the 150th General Assembly and signed by the Governor. Full implementation of the revised Act would come with the Fiscal Year 2022 budget process.
- Implement a Comprehensive Review of the State’s Banking Structure -- Under the direction of the Office of the State Treasurer (OST) and in collaboration with the Cash Management Policy Board (CMPB) a comprehensive assessment of the State’s banking architecture was undertaken by PFM Asset Management LLC (PFM). PFM concluded that the State could conduct its banking business in a more efficient and effective manner thereby

realizing significant cost savings through the restructuring of its existing contracts. A comprehensive Request for Proposal (RFP) was issued in June of 2018, and responses were received in August of 2018. The evaluation process is nearly complete and, subject to approval by the CMPB and final contract negotiations, significant net savings opportunities are expected depending upon the level of banking services utilized. Upon award, OST will begin collaborating with the selected vendor(s) to define a detailed project plan documenting the transition of all in-scope services to the new vendor(s). Planning activities are expected to continue through the remainder of Fiscal Year 2019, with implementation scheduled to begin in Fiscal Year 2020. OST is requesting resources in its Fiscal Year 2020 budget request with experience managing large-scale banking projects to ensure State agencies receive the appropriate level of operational support, while ensuring sufficient resources are dedicated to a seamless and timely transition of these critical banking services to new providers.

- Review Office Space Leases – OMB’s Division of Facilities Management (DFM) oversees a portfolio of 117 leased properties covering 1.56 million square feet with total annual costs of \$27 million. Seventy-eight such leases expire in the next five years. DFM issued an RFP and has retained a real estate vendor to assist DFM in renegotiating existing leases, identifying alternative owned or leased locations, and identifying existing State-owned space opportunities that could be more efficiently utilized. While this project is in its early stages, the Department of Health and Social Services (DHSS) and the Department of Finance (DOF) have already identified savings of \$130,000 and \$75,000 respectively through relocating staff from leased space to State-owned space.
- Leverage Use of Delaware Population Consortium Projections across All Agencies -- The Delaware Population Consortium (DPC) was formed in 1975, with the goal of “providing a continuing forum for debate and discussion of matters relating to state and local population growth.” DPC is currently an informal organization with representation from State agencies, local jurisdictions, counties, and metropolitan planning organizations. DPC forecasts are widely used by many, but not all, State agencies and are only mandated to be used by county governments. The Office of State Planning and Coordination (OSPC) in collaboration with GEAR and others drafted legislation to define the DPC in the Delaware Code and require use of DPC projections by all counties, municipalities, school districts and State agencies while allowing the use of US Census population estimates when current year population estimates are required. Legislation was introduced as SB 219 and passed the Senate but was not acted upon by the House in the waning hours of the 149th General Assembly due to other considerations. The GEAR Board recommends that the bill be reintroduced and enacted by the 150th General Assembly and signed by the Governor.
- Leverage FirstMap for Data Sharing -- FirstMap is the State’s enterprise Geographic Information System, but it lacks a consistent management structure and is not used by all State agencies (who often purchase their own data). Delaware should establish a formal management structure for FirstMap and require all agencies to use FirstMap for shared geospatial data. A subcommittee of the Delaware Geographic Data Committee has determined that an independent survey looking at current practices, the efficacy of these practices and ways to improve management and coordination of all geospatial data and mapping efforts needs to be completed. The Delaware Department of Transportation (DelDOT) has volunteered to fund this study, using a contractual mechanism already in place with the University of Delaware Institute for Public Administration (UD/IPA). Findings from the study, which is expected to take 6-8 months to complete, will suggest resources needed to support these coordination/management efforts and may request an executive order for cooperation among agencies.
- Establish a State Land Inventory -- Currently, State agencies maintain multiple disparate databases of State-owned land, leased land, easements, etc. leading to multiple instances of conflicting information. As a result, the State lacks a clear and complete understanding of its real property holdings. A central database will enable more efficient management of the State’s real property portfolio, the identification of possible shared uses, and better tracking for facility siting and maintenance. OSPC anticipates contracting with UD/IPA to survey each of the State agencies involved in real property acquisition and leasing to determine their procedures. After agreements are reached and a path forward is determined, the OSPC will initiate a Business Case with DTI to

develop a centralized database to serve the needs of all agencies. The GEAR Board will review OSPC's findings and make further recommendations once the costs and benefits of such a system are understood.

V. HEALTH AND SOCIAL SERVICES

- Establish Health Care Spending and Quality Benchmarks – State spending on health care accounts for more than 30% of the State's budget. The rate of growth of spending is twice the State's revenue growth resulting in the crowding out of needed investments in schools, communities, and infrastructure. In 2017, HJR 7 authorized DHSS to establish a health care spending benchmark linked to growth in the overall economy. Establishing benchmarks for health care spending and quality is wholly consistent with the objectives of GEAR. The GEAR Board supports the recommendations made by DHSS to Governor Carney that formed the basis for the recent issuance of Executive Order 25 to establish health care spending and quality benchmarks.
- Identify and Implement Overhead Cost Savings and Leverage Federal Funding – DHSS is in the process of comprehensively reviewing its cost structure and has identified numerous opportunities to reduce overhead in order to free up resources to meet its core mission. As outlined in the attached report, DHSS is reducing its fleet, consolidating staff in State-owned facilities, identifying opportunities to reduce overtime and lost time, reducing energy consumption, and cutting back on unnecessary mailings and postage. DHSS has also created a cost-allocation unit that in Fiscal Year 2018 identified and drew down an additional \$2.2 million in federal funding toward staff salaries.
- Increase Fees to Offset Costs of Service Delivery – DHSS collects more than 75 different fees associated with costs of service delivery such as licensing of health care facilities. Most have not been reviewed in more than a decade and many no longer support the administrative costs associated with delivering these services. The General Assembly authorized DHSS to conduct a comprehensive review of these fees in the Fiscal Year 2019 Budget Act (see Section 184 of SB 235) that DHSS has completed. The GEAR Board recommends approval of DHSS' request for approximately \$900,000 in fee increases as part of its Fiscal Year 2020 budget request.

VI. HUMAN RESOURCES

- Implement and Integrate Human Resource Systems and Technology – Governor Carney signed HB 4 that reorganized State government by creating the Department of Human Resources (DHR) to ensure best practices are used when developing a high quality, diverse workforce and to provide human resource (HR) services in the more effective, efficient and consistent manner. DHR has identified several system and information technology infrastructure needs to be funded over multiple years including: 1) a Centralized Onboarding system to ensure full engagement of new hires, and consistency in the onboarding process; 2) a One Stop HR Case Management System to manage the entire lifecycle of HR requests, complaints, and cases that would create an efficient process enabling users to record, track, investigate, manage and communicate solutions and HR outcomes; and 3) an Electronic Personnel File System to enable comprehensive management of, and quick access to, State employees' employment records while eliminating paper files and forms to reduce costs of supplies, space, equipment, and labor related to maintaining paper files.
- Address Recommendations of the Total Compensation Study Consistent with Funding Availability – DHR has been conducting a Total Compensation Study for merit/merit comparable system employees as authorized in the Fiscal Year 2019 Budget Act (see Section 8(a)(5) of SB 235). The purpose of this study is to ensure the ability of the State to compete for a high quality, diverse workforce while ensuring consistent, fair, and predictable total compensation for State workers. The study will focus on hard-to-fill positions, collective bargaining negotiations and equity based on labor market data, gender and race. Support from the Governor and General Assembly will be needed to implement its recommendations.

VII. INFORMATION TECHNOLOGY

- Drive Information Technology (IT) Centralization -- In late 2017, the Department of Technology and Information (DTI) engaged the consulting firm Excipio to perform extensive analyses of Delaware government's current state of IT. Among the many report findings, Excipio estimated that Delaware could save \$11 million annually by centralizing State IT support using a DTI-brokered shared services model. DTI is now working with Excipio to execute several IT centralization projects including the review of all State IT contracts to identify cost savings and risk reduction opportunities, and the institution of a new procurement model for PC purchases. These IT assessment findings will be used to develop a new, shared services model to be presented to the Governor. In order to implement the shared services model, legislative updates will be needed to DTI's enabling statute (29 *Del. C.* Ch. 90c). Vital to the success of IT centralization efforts are 1) authorizing DTI to leverage a full chargeback model, 2) continuing to reassign IT staff from individual agencies to DTI and 3) reconstituting the Technology Investment Council to provide a more appropriate governance structure. A strategy that includes guaranteed return of a percentage of any captured savings to the Shared IT Services entity for continued improvement will be needed for this model to be self-sustaining.

VIII. PUBLIC PRIVATE PARTNERSHIPS (P3)

- Establish the Public-Private Partnership (P3) Innovation and Efficiency Award -- The GEAR program, DHR, and the Delaware business community represented by the GEAR P3 team, have collaborated to create an award in the form of a direct monetary incentive to recognize individuals or groups of State employees who demonstrate successful implementations of innovative, continuous improvement projects. This Award will address several of the Governor's GEAR strategies including: 1) developing ideas to improve the efficiency and effectiveness of government processes and programs statewide; 2) rewarding State employees that drive potential cost savings resulting from shared services which span State agencies; 3) identifying and showcasing quality improvement initiatives currently existing within State government; and 4) sharing best practices across State government. The Award will be incorporated into the existing Governor's Team Excellence Award process. Significantly, the program will be jointly funded by the private sector and the State of Delaware. This joint investment affirms the commitment of the private sector to supporting innovation and efficiency in our public sector, and enjoys support among key members of the Delaware Business Roundtable and the Delaware State Chamber of Commerce. Initial funding is available for awards in Fiscal Year 2019 and additional funding will be requested for the Fiscal Year 2020 budget.