



Department of Administrative Services

Mike DeWine, Governor
Jon Husted, Lt. Governor

Matt Damschroder, Director

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Good afternoon Chairman Fraizer, Vice Chair Hall, Ranking Member Lightbody and members of the House Technology and Innovation Committee. My name is Matt Damschroder, and I am the director of the Ohio Department of Administrative Services. Thank you for inviting me here today talk about the state's most recent technology and innovation projects.

First, allow me to commend Speaker Cupp and Minority Leader Sykes on the establishment of this committee. Technology and innovation are essential topics not only for state government, but also for the broader economy and our society as well. I wish you success in your endeavors as a committee during this General Assembly and look forward to working with you on matters related to state government technology.

DAS is a central service agency – providing services for state agencies, boards, and commissions. Those services include human resources – such as timekeeping, hiring, benefits, training, and diversity; general services – such as facilities management, fleet, risk management, real estate, and procurement; and information technology which you have asked me to talk about today.

The DAS Office of Information Technology, or OIT, delivers statewide information technology and telecommunication services to state government agencies, boards and commissions, as well as policy and standards development, lifecycle investment planning and privacy and security management. As a division of DAS, OIT is managed by my assistant director and state chief information officer, Ervan Rodgers, who will speak shortly.

Services offered by OIT include traditional data center services – mainframe, server, storage, and network and telecommunications – as well as enterprise shared services (the unique applications that support our agencies) and technology platforms that operate those systems. As a central services agency, we focus on hardware infrastructure and applications that serve the enterprise as a whole or more than one agency. Consider the Ohio Business Gateway for business filings; eLicense for professional license application and renewal; the InnovateOhio Platform for data analytics, user experience and identity access management; OAKS, the State's enterprise resource planning system that support human resources and financial management; MARCS, the Multi-Agency Radio Communication Systems for interoperable communications for first responders; Ohio Benefits for integrated eligibility for Medicaid and JFS; Service Now for incident management; Ohio|Buys, our procurement solution; and the Ohio Geographically Referenced Information Program (OGRIP).

Not too long ago state agencies, boards and commissions managed their own technology infrastructure. Imagine 19 different email systems, multiple mainframes, and thousands of servers in various locations across state government. Over the past 10 years OIT has worked with the agencies to centralize our infrastructure, and the management of it, to optimize usage of the State's data center – the State of Ohio Computer Center. In a moment, Ervan will address Governor DeWine's Executive Order 2019-15D that required

the remaining stand-alone agencies to consolidate their infrastructure into the SOCC and complete this initiative.

While DAS houses enterprise IT, each state agency has its own IT organization with an agency CIO or IT Administrator focused on the agency's day-to-day needs and supporting agency-specific applications.

We work with the agencies to help them manage their IT portfolio. We help them identify opportunities for new shared services, selecting platforms, or the appropriate contract vehicles to use. By working with agency partners, we try to determine if there is an opportunity to build or acquire for the benefit of multiple agencies or uses or to issue Requests for Proposals that would provide opportunities to achieve great economies of scale while allowing agencies to configure to their own requirements.

Another important activity for DAS over the last biennium is the ongoing support of Lt. Governor Husted's InnovateOhio initiative. Current InnovateOhio technology-related activities include partnering with BroadbandOhio at the Development Services Agency to develop a statewide broadband strategy to improve access to high-speed internet in urban and rural communities and improving information and data sharing techniques across agencies, boards, and commissions. Improving the customer experience for both the Bureau of Motor Vehicles and Ohio Means Jobs is a priority of the administration being led by InnovateOhio. The highly successful "Get In Line, Online" BMV reservation application is one example.

Finally, because it is budget season, a note about how OIT is funded. As you know, there are essentially three methods of funding an agency like DAS – general revenue funds, rated service, or debt. Debt for IT capital projects are usually short-term Certificates of Participation, or COPS, authorized by the General Assembly. COPS are used to acquire capital assets, like hardware, or to fund the build of applications, like the Ohio Business Gateway. Once an application is built, it enters the run phase which is – understandably and appropriately – not eligible for debt backing. The expense of that service must be paid for using GRF or fees charged to other agencies for the service. As a central-service agency, more than 3 quarters of DAS's revenue – Human Resources, General Services, and OIT – comes from rated services provided to our agency partners on a fee-for-service basis. This rated service model has two primary benefits: 1) it levels agency expenditure expectations across fiscal years allowing them to budget steady amounts with marginal increases over time instead of trying to anticipate periodic spikes for IT services or equipment, and 2) rated services allow for the state to maximize the use of federal funds that support various agencies because a rated service is a part of the administrative overhead in which the federal government agrees to participate at the state level. Because of this rated service approach, the overall impact to general revenue funds for IT investment and administration is minimized. I'm pleased to report that the OBM approved rate has been flat or has declined for 54 of 62 year-over-year OIT rated services.

And with that Mr. Chairman, I'd like to turn the podium over to Ervan Rodgers for a few comments before we entertain questions from you and the other members of the Committee.