

Iowa General Assembly

2009 Committee Briefings

Legislative Services Agency – Legal Services Division

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STATE GOVERNMENT REORGANIZATION COMMISSION

Meeting Dates: December 10, 2009 | October 5, 2009 | September 9, 2009

Purpose. This compilation of briefings on legislative interim committee meetings and other meetings and topics of interest to the lowa General Assembly, written by the Legal Services Division staff of the nonpartisan Legislative Services Agency, describes committee activities or topics. The briefings were originally distributed in the lowa Legislative Interim Calendar and Briefing. Official minutes, reports, and other detailed information concerning the committee or topic addressed by a briefing can be obtained from the committee's Internet page listed above, from the lowa General Assembly's Internet page at http://www.legis.state.ia.us/index.html, or from the agency connected with the meeting or topic described.

STATE GOVERNMENT REORGANIZATION COMMISSION

December 10, 2009

Co-chairperson: Senator Staci Appel

Co-chairperson: Representative Mary Mascher

The State Government Reorganization Commission held the second of two meetings on December 10, 2009. At the meeting, the Commission discussed a set of proposed recommendations. The recommendations included such topics as E-government (electronic government), consolidated purchasing, government efficiencies, span of control, and the creation and elimination of certain governmental entities. The recommendations considered are posted on the Commission's Internet site. The Commission adopted the recommendations as a whole and agreed to forward the recommendations to the Senate and House State Government standing committees for consideration.

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STATE GOVERNMENT REORGANIZATION COMMISSION—JOINT APPROPRIATIONS SUBCOMMITTEE ON HEALTH AND HUMAN SERVICES (HHS)

October 5, 2009

Subcommittee Co-chairperson: Senator Jack Hatch

Subcommittee Co-chairperson: Representative Lisa Heddens

Background. The co-chairpersons of the State Government Reorganization Commission, Senator Staci Appel and Representative Mary Mascher, requested that members of the joint appropriations subcommittees meet or otherwise engage in a process to consider whether there is duplication among the boards and commissions under the purview of the subcommittee and to consider other opportunities available for achieving potential cost savings or promoting efficiency. The HHS Subcommittee held a telephone conference meeting.

Boards and Commissions. Mr. Jess Benson, Fiscal Services Division, Legislative Services Agency, reviewed a listing of 71 statutorily authorized boards and commissions in these four departments addressed by the subcommittee: 52 at the Department of Public Health (DPH), 17 at the Department of Human Services (DHS), and one each for the Department on Aging and the Department of Veterans Affairs. Many of the boards are funded through retained fees from regulated professions while others are funded through state or federal funding or both fees and government funding. The subcommittee co-chairpersons proposed classifying each board as either a policy or advocacy board for purposes of considering whether the functions of the advocacy boards could be incorporated into a related policy board and the advocacy board eliminated.

Reform Updates. Updates were provided on reform efforts under way.

1

- MHI Task Force. Former state representative and subcommittee co-chairperson, Mr. Ro Foege, explained the process undertaken by the task force in considering the potential effects of closing one of the four state mental health institutes (MHIs) and consolidating those services among the remaining MHIs.
- **Department of Public Health (DPH).** Ms. Kathy Stone, Division Administrator, DPH, explained the department's process to improve efficiencies among the units that address addictions—substance abuse, gambling, and tobacco. The areas of focus are training and workforce development, surveys and external evaluations, working with service contractors, and data systems and other infrastructure.
- **Department of Human Services (DHS).** DHS Director Charles Krogmeier described an internal review under way to restructure DHS that is tentatively scheduled to be presented to the Council on Human Services in November. In addition, he noted that a staff group is working on a comprehensive mental health plan and DHS is staffing the MHI task force and participating in the workgroup on mental health and developmental disabilities facilitated by legislative staff.

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Meeting Monitor: John Pollak, Legal Services, (515) 281-3818.

Subcommittee Internet Page: http://www3.legis.state.ia.us/ga/committee.do?id=37&ga=83

STATE GOVERNMENT REORGANIZATION COMMISSION

September 9, 2009

Co-chairperson: Senator Staci Appel

Co-chairperson: Representative Mary Mascher

Department of Management and Consultant. Mr. Dick Oshlo, Interim Director, Department of Management (DOM), explained the selection process for the consultant hired by the department and the Governor's Office for purposes of leading an efficiency review. The consultant, Public Works, LLC, represented by Mr. Eric Schnurer, President, provided testimony regarding the previous work conducted by Public Works in almost half of the states in the United States. Mr. Schnurer discussed the work of Public Works in the states of New Mexico, West Virginia, and Colorado. Mr. Schnurer stated that while many consultants focus on addressing massive budget cuts, Public Works generally tries to focus on addressing many small inefficiencies which result in recurring savings equivalent to 2 percent of the General Fund.

Lean Efforts. Ms. Teresa Hay McMahon, DOM, described the lean processes (a business management strategy) being used by state agencies to find and implement internal efficiencies. The Lean tools include Kaizan, value stream mapping, design for lean sigma, and 5S. Ms. McMahon discussed how lean tools began being used in the executive branch and how the DOM became the lead agency to provide such services to state agencies. Over 110 lean events have been completed. DOM has one full-time lean facilitator and four state agencies are developing the internal capacity to support and lead lean events.

Department of Administrative Services. Mr. Ray Walton, Director, Department of Administrative Services (DAS), provided information regarding the utility services, marketplace services, and leadership services provided to the executive branch agencies by DAS.

Executive Branch Information Technology. Ms. Lorrie Tritch, Information Technology Enterprise, DAS, reviewed the various governance structures for information technology in the executive branch and initiatives undertaken through those governance structures including software volume purchasing and the standardization of computer models. The current information technology (IT) structure is a federated/decentralized model with a central IT entity which provides marketplace services on a fee for services basis and allows state agencies to either purchase services or find other means to receive the service.

Ms. Tritch provided information regarding the number of different email systems in the executive branch, the number of different BlackBerry systems used by the executive branch, the number of different storage systems and data backup systems in the executive branch, and the number of servers on the Capitol complex and around the state. Ms. Tritch stated that IT centralization has become an industry best practice. Ms. Tritch suggested the following:

- Expanding the role of the Technology Governance Board to include audit and compliance responsibilities, and
 placing authority with a single state chief information officer to lead IT enterprise efforts.
- Establishing a governance body of IT experts to establish and enforce standards and oversee fiscal IT resources and to be responsible for contract management and service level agreements within the executive branch as well as with vendors.
- Reducing the number of data centers and server farms and reducing the number of email systems from 23 to 1.

Executive Branch Purchasing. Ms. Debbie O'Leary, General Services Enterprise, DAS, testified regarding DAS

procurement and bidding processes. DAS currently purchases goods on behalf of 41 agencies that the remaining agencies have independent purchasing power and that some agencies may make independent purchases of certain lesser amounts. DAS has created 721 master contracts for state agencies. For purposes of strengthening the procurement process in the state, Ms. O'Leary recommended a review of independent purchasing power, mandating the use of selective DAS procurement contracts, standardizing the products purchased by state agencies, requiring generally used services to be purchased through DAS procurement, requiring annual training for procurement officers, and making contracts available to local governments.

Microsoft. Mr. Colin Nurse, Chief Technology Officer, Microsoft, testified regarding issues related to the consolidation of IT in states. He discussed IT consolidation best practices and benefits. Mr. Nurse discussed the possibility of governments utilizing "cloud computing services" (a computer resource approach which utilizes the Internet to provide software and other resources) also known as "software as a service." Mr. Nurse suggested that while cloud computing may make sense in some circumstances, there will always be a place for on-premises services. Mr. Nurse identified issues that should be considered prior to a governmental entity engaging in cloud computing.

Google. Mr. Tom Howe, Regional Sales Manager, Google, and Mr. Chris Russell, Google, Data Center, Council Bluffs, provided information regarding the services provided by Google and Google's resources. They identified the issues facing government IT as a demand for increased transparency, slowing spending on IT, a demand for reduced energy consumption, and the changing nature of end users. They testified regarding the advantages of cloud computing. As storage capacity demands increase, the cost advantages of cloud computing increase. Cloud computing can lead to reduced IT costs and reduced IT complexity. Cloud computing does not require hardware or software to be maintained and that it is more reliable and secure than on-premises services. Washington, D.C., city government is making a change to cloud computing and the city provides a case study for how cloud computing can be used in government.

Next Meeting. The next meeting of the commission will be held on December 10, 2009, in Room 103 of the State Capitol.

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