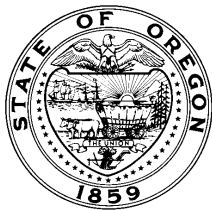


Oregon IT Expenditure Report

2013-15 Legislatively Approved Budget

As of the 2014 Legislative Session



Legislative Fiscal Office

July 2014

Oregon IT Expenditure Report
2013-15 Legislatively Approved Budget
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Preface

The state of Oregon relies heavily on its Information Technology (IT) Workforce, and the IT related hardware, software, and services in which the state invests to automate business processes, innovate, and provide better access to information and more efficient and effective services to employees, business partners, and the public.

Each biennium, agencies within Oregon's Executive, Judicial, and Legislative branches expend between \$900 million and \$1.2 billion on Information Technology-related staff, hardware, software, professional services, and ongoing hosting, maintenance, and support services. On average, this level of investment amounts to between ~1.4% and 1.9% of the state's total funds budget (~\$62.651 billion for the 2013-15 biennium following actions taken during the 2014 legislative session). Further, it is estimated that between 75% and 85% of these expenditures are directed toward maintaining and supporting the state's legacy information systems and existing computing environments, which leaves only a small percentage of investment available for innovation and system modernization.

To plan for the future, the state of Oregon should endeavor to understand its current rate of IT investment at a detailed level and on an ongoing basis thereafter. To that end, this 2013-15 Oregon IT Expenditure Report is one of the first in a series of periodic reports the Oregon Legislative Fiscal Office (LFO) plans to publish on the state's IT operating environment. Future reports will focus on state IT expenditures, projects, workforce, and contracts and will be published within the IT Information section on the LFO Publications web page:

<https://www.oregonlegislature.gov/lfo/Pages/Publications.aspx>

Summary

The following report provides a high level summary of Oregon's Information Technology (IT) Expenditures authorized within the 2013-15 Legislatively Approved Budget as of the close of the 2014 Legislative session. This report includes Executive Branch, Judicial Branch, and Legislative Branch information, but does not contain Oregon University System, Oregon Health and Science University, Oregon State Lottery, or IT Personnel related cost information. Excluding items like general administrative costs and bond-related debt service, seven of the Oregon Budget Information Tracking System's (ORBITS) accounts and a set of IT-related State Government Service Charges comprise the best available budgetary record of Oregon state agencies' biennial investment in Information Technology and Information Resources.

2013-15 Budgeted IT-related Expenditures – as of 2014 Legislative Session

Information Technology – related Expenditures	Statewide
Services and Supplies	13-15 (LAB)¹
4200 – Telecommunications	\$ 80,784,459
4250 – Data Processing	\$ 81,743,493
4315 – IT Professional Services	\$208,430,962
4715 – IT Expendable Property	\$ 90,904,677
Services and Supplies Subtotal	\$ 461,863,591
Capital Outlay	Statewide
	13-15 (LAB)¹
5150 – Telecommunications Equipment	\$ 11,498,200
5550 – Data Processing – Software	\$ 11,821,050
5600 – Data Processing – Hardware	\$ 20,769,388
Capital Outlay Subtotal	\$ 44,088,638
State Government Service Charges	Statewide
	13-15 (LAB)²
Budgeted Expenditures for State Data Center Services	\$ 98,976,258
Total IT-related budgeted expenditures	\$604,928,487

Note: The seven ORBITS accounts reflect Executive Branch, Legislative Branch, and Judicial Branch information but do not contain Oregon University System, Oregon Health & Science University, or State Lottery information. IT Personnel related cost information is also not included, although a conservative estimate places these budgeted expenditures in the \$300 - \$350 million range based on historical averages.

1 - Legislatively Approved Budget (LAB) including Emergency Board actions through the 2014 Legislative Session

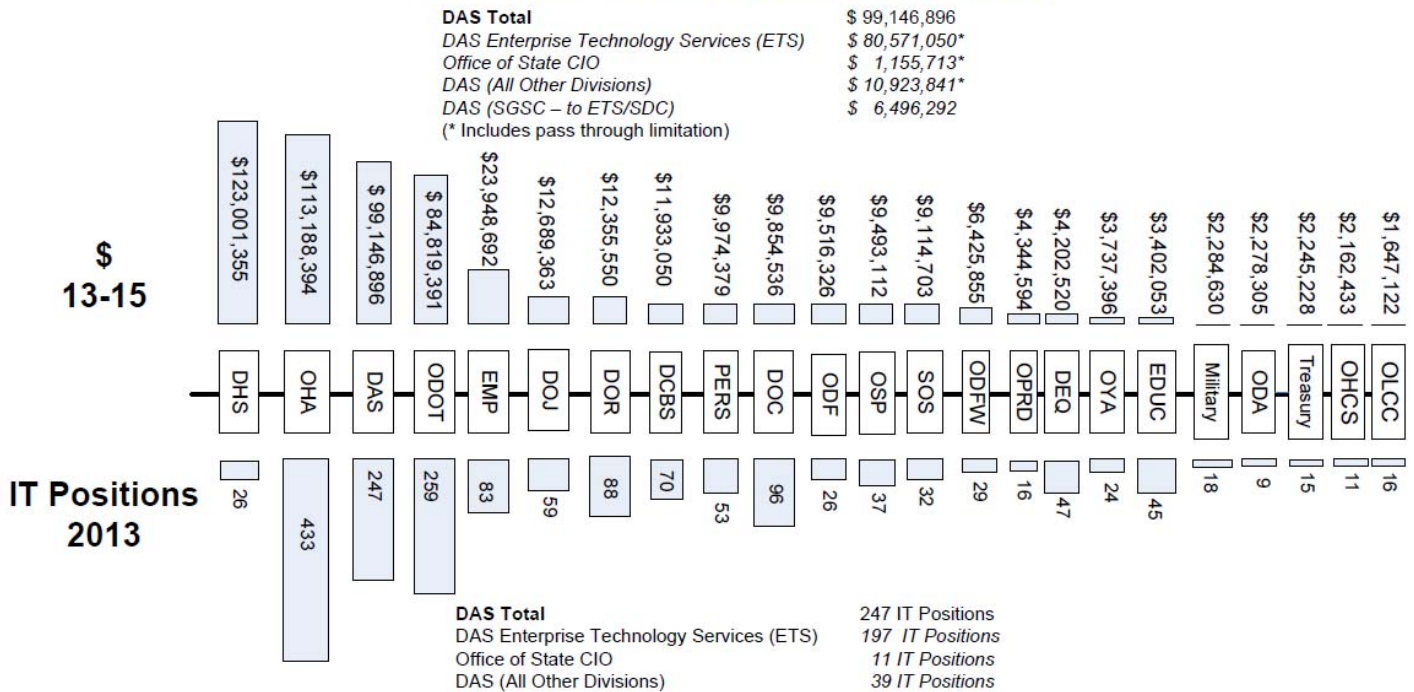
2 – State Government Service Charges – 2013-15 budgeted expenditures related to services to be provided to the State Data Center's eleven (11) primary customers as of the July 1, 2013 Legislatively Adopted Budget.

IT Expenditure and Workforce Data (Overview Graphic)

The graphic below provides a summary view of the distribution of budgeted IT-related Expenditures and Positions across the twenty-three (23) Executive Branch state agencies with more than \$1 million in budgeted IT related expenditures for the 2013-15 biennium. **Note:** This graphic does not include estimated IT Personnel related costs.

IT Expenditures across seven (7) primary account categories & State Government Service Charges related to the ETS - State Data Center Legislatively Approved Budget as of the 2014 Legislative Session

(Does not include IT Personnel related expenditures)



Includes Information Systems Specialist (ISS) and IT designated Principal Executive Manager positions

FTE counts include Vacancies as of June 30, 2013

IT Expenditure Data

The pages that follow provide a more detailed breakdown of Oregon IT Expenditure data by:

- Agency
- Agencies w/ budgeted IT expenditures >\$1 million
- Agencies with State Data Center (SDC) related State Government Service Charges
- Program Area, and
- Fund Type

**Table 1: 2013-15 Exec. Branch IT Expenditures by Agency –
Highest to Lowest Budgeted Expenditures (as of 2014 Legislative Session)
\$573,922,677 in budgeted IT Expenditures across 68 Executive Branch Agencies**

Program Area	Agency #	Agency	Total Budgeted Expenditures	IT-Related Expenditures	SDC-related SGSC	Totals	% of Total Budgeted Expenditures
Human Services	10000	Human Services, Dept. of	\$ 9,289,765,059	\$ 95,472,483	\$ 27,528,872	\$ 123,001,355	1.32%
Human Services	44300	Oregon Health Authority	\$ 16,508,610,216	\$ 113,188,394	\$ -	\$ 113,188,394	0.69%
Administration	10700	Administrative Svcs, Dept of	\$ 1,049,838,193	\$ 92,650,604	\$ 6,496,292	\$ 99,146,896	9.44%
Transportation	73000	Transportation, Oregon Dept of	\$ 4,368,081,494	\$ 46,419,377	\$ 38,400,014	\$ 84,819,391	1.94%
Economic & Community Development	47100	Employment Dept	\$ 2,195,626,407	\$ 14,662,364	\$ 9,286,328	\$ 23,948,692	1.09%
Public Safety	13700	Justice, Dept of	\$ 496,150,361	\$ 12,689,363	\$ -	\$ 12,689,363	2.56%
Administration	15000	Revenue, Dept of	\$ 230,843,872	\$ 8,523,412	\$ 3,832,138	\$ 12,355,550	5.35%
Consumer & Business Services	44000	Consumer and Business Svcs, Dept of	\$ 420,888,230	\$ 8,775,788	\$ 3,157,262	\$ 11,933,050	2.84%
Administration	45900	Public Employees Retirement System, Oregon	\$ 9,366,028,980	\$ 9,974,379	\$ -	\$ 9,974,379	0.11%
Public Safety	29100	Corrections, Dept of	\$ 1,496,852,709	\$ 5,927,882	\$ 3,926,654	\$ 9,854,536	0.66%
Natural Resources	62900	Forestry, Dept of	\$ 480,439,397	\$ 7,173,082	\$ 2,343,244	\$ 9,516,326	1.98%
Public Safety	25700	Police, Dept of State	\$ 350,494,937	\$ 7,207,086	\$ 2,286,026	\$ 9,493,112	2.71%
Administration	16500	Secretary of State	\$ 63,974,833	\$ 9,114,703	\$ -	\$ 9,114,703	14.25%
Natural Resources	63500	Fish & Wildlife, Oregon Dept of	\$ 342,773,682	\$ 6,425,855	\$ -	\$ 6,425,855	1.87%
Natural Resources	63400	Parks & Recreation Dept	\$ 212,484,210	\$ 4,344,594	\$ -	\$ 4,344,594	2.04%
Natural Resources	34000	Environmental Quality, Dept of	\$ 332,997,305	\$ 4,202,520	\$ -	\$ 4,202,520	1.26%
Public Safety	41500	Oregon Youth Authority	\$ 329,896,688	\$ 3,737,396	\$ -	\$ 3,737,396	1.13%
Education	58100	Education, Dept of	\$ 2,080,859,738	\$ 3,402,053	\$ -	\$ 3,402,053	0.16%
Public Safety	24800	Military Dept, Oregon	\$ 422,996,616	\$ 2,284,630	\$ -	\$ 2,284,630	0.54%
Natural Resources	60300	Agriculture, Oregon Dept of	\$ 96,843,420	\$ 2,278,305	\$ -	\$ 2,278,305	2.35%
Administration	17000	Treasury, Oregon State	\$ 46,683,387	\$ 2,245,228	\$ -	\$ 2,245,228	4.81%
Economic & Community Development	91400	Housing & Community Svcs Dept	\$ 970,174,953	\$ 869,175	\$ 1,293,258	\$ 2,162,433	0.22%
Administration	84500	Oregon Liquor Control Comm	\$ 151,875,699	\$ 1,647,122	\$ -	\$ 1,647,122	1.08%
Economic & Community Development	27400	Veterans' Affairs, Oregon Dept of	\$ 395,525,849	\$ 448,132	\$ 426,170	\$ 874,302	0.22%
Public Safety	25900	Public Safety Standards & Training, Dept of	\$ 45,715,857	\$ 847,826	\$ -	\$ 847,826	1.85%
Economic & Community Development	12300	Oregon Business Development Department	\$ 464,795,843	\$ 751,265	\$ -	\$ 751,265	0.16%
Natural Resources	14100	Lands, Dept of State	\$ 43,679,299	\$ 723,704	\$ -	\$ 723,704	1.66%
Consumer & Business Services	91500	Construction Contractors Board	\$ 16,287,732	\$ 712,866	\$ -	\$ 712,866	4.38%
Natural Resources	66000	Land Conservation & Development, Dept of	\$ 19,641,417	\$ 656,038	\$ -	\$ 656,038	3.34%
Consumer & Business Services	86000	Public Utility Commission	\$ 122,646,943	\$ 588,739	\$ -	\$ 588,739	0.48%
Natural Resources	33000	Energy, Dept of	\$ 231,651,621	\$ 579,041	\$ -	\$ 579,041	0.25%
Education	58600	Community Colleges & Workforce Development	\$ 749,612,657	\$ 535,374	\$ -	\$ 535,374	0.07%
Administration	12100	Governor, Office of the	\$ 17,688,716	\$ 529,785	\$ -	\$ 529,785	3.00%
Natural Resources	25000	Marine Board, Oregon State	\$ 33,664,852	\$ 495,241	\$ -	\$ 495,241	1.47%
Natural Resources	69000	Water Resources Dept	\$ 63,870,640	\$ 450,702	\$ -	\$ 450,702	0.71%
Consumer & Business Services	84700	Oregon Medical Board	\$ 10,729,843	\$ 325,718	\$ -	\$ 325,718	3.04%
Education	57500	Student Access Comm, Oregon	\$ 138,526,470	\$ 315,462	\$ -	\$ 315,462	0.23%
Consumer & Business Services	83900	Labor & Industries, Bureau of	\$ 25,280,684	\$ 296,211	\$ -	\$ 296,211	1.17%
Consumer & Business Services	91900	Real Estate Agency	\$ 7,277,657	\$ 287,085	\$ -	\$ 287,085	3.94%
Administration	19900	Oregon Government Ethics Commission	\$ 1,976,802	\$ 268,548	\$ -	\$ 268,548	13.58%
Human Services	58500	Blind Commission	\$ 15,945,302	\$ 256,434	\$ -	\$ 256,434	1.61%
Administration	54300	State Library	\$ 6,918,747	\$ 225,574	\$ -	\$ 225,574	3.26%
Public Safety	21300	Criminal Justice Comm, Oregon	\$ 31,494,044	\$ 201,972	\$ -	\$ 201,972	0.64%
Natural Resources	69100	Watershed Enhancement Board, Oregon	\$ 92,896,589	\$ 201,338	\$ -	\$ 201,338	0.22%
Consumer & Business Services	83100	Oregon Health Licensing Agency	\$ 3,882,241	\$ 198,342	\$ -	\$ 198,342	5.11%
Consumer & Business Services	85500	Pharmacy, Board of	\$ 5,957,609	\$ 192,311	\$ -	\$ 192,311	3.23%
Consumer & Business Services	85100	Nursing, Board of	\$ 14,493,701	\$ 191,132	\$ -	\$ 191,132	1.32%
Human Services	11400	Long Term Care Ombudsman	\$ 4,488,201	\$ 162,758	\$ -	\$ 162,758	3.63%
Transportation	10900	Aviation, Dept of	\$ 11,076,033	\$ 155,481	\$ -	\$ 155,481	1.40%
Natural Resources	63200	Geology & Mineral Industries, Dept of	\$ 14,967,003	\$ 150,252	\$ -	\$ 150,252	1.00%
Consumer & Business Services	83300	Health Related Licensing Boards	\$ 4,636,625	\$ 133,856	\$ -	\$ 133,856	2.89%
Consumer & Business Services	12000	Accountancy, Board of	\$ 2,104,122	\$ 116,148	\$ -	\$ 116,148	5.52%
Human Services	39900	Psychiatric Security Review Board	\$ 2,483,025	\$ 98,942	\$ -	\$ 98,942	3.98%
Consumer & Business Services	83400	Oregon Board of Dentistry	\$ 2,606,916	\$ 84,754	\$ -	\$ 84,754	3.25%
Administration	11500	Employment Relations Board	\$ 4,201,304	\$ 83,589	\$ -	\$ 83,589	1.99%
Administration	86200	Racing Commission, Oregon	\$ 5,905,502	\$ 62,396	\$ -	\$ 62,396	1.06%
Education	58400	Teacher Standards & Practices Commission	\$ 5,039,014	\$ 58,671	\$ -	\$ 58,671	1.16%
Education	52400	Oregon Education Investment Board	\$ 21,008,299	\$ 58,083	\$ -	\$ 58,083	0.28%
Education	52500	Higher Education Coordinating Commission	\$ 5,208,405	\$ 56,731	\$ -	\$ 56,731	1.09%
Consumer & Business Services	11900	Tax Practitioners, State Board of	\$ 1,183,845	\$ 55,484	\$ -	\$ 55,484	4.69%
Consumer & Business Services	10800	Licensed Prof Counselors and Therapists, Board of	\$ 1,128,319	\$ 51,212	\$ -	\$ 51,212	4.54%
Consumer & Business Services	12400	Licensed Social Workers, Board of	\$ 1,395,325	\$ 33,768	\$ -	\$ 33,768	2.42%
Consumer & Business Services	81100	Chiropractic Examiners, State Board of	\$ 1,480,033	\$ 32,421	\$ -	\$ 32,421	2.19%
Public Safety	25500	Parole & Post Prison Supervision, State Board of	\$ 4,200,256	\$ 21,027	\$ -	\$ 21,027	0.50%
Consumer & Business Services	12200	Psychologist Examiners, State Board of	\$ 1,038,215	\$ 20,453	\$ -	\$ 20,453	1.97%
Natural Resources	66200	Land Use Board of Appeals	\$ 1,661,159	\$ 7,741	\$ -	\$ 7,741	0.47%
Administration	13100	Oregon Advocacy Commissions Office	\$ 466,485	\$ 7,680	\$ -	\$ 7,680	1.65%
Natural Resources	35000	Columbia River Gorge Comm	\$ 896,000	\$ 337	\$ -	\$ 337	0.04%
Executive Branch Total			\$ 53,962,515,587	\$ 474,946,419	\$ 98,976,258	\$ 573,922,677	1.06%

Analysis

As the summaries on page 4 and 5 indicate, Oregon has budgeted ~\$605 million for IT-related expenditures in seven primary budget categories and IT-related state government service charges for the 2013-15 biennium. When an estimated \$300-\$350 million in IT-related personnel costs are added, 2013-15 budgeted IT expenditures climb to between ~\$900 – \$950 million, or ~1.6%-1.7% of the total funds budget (~\$54.829 billion, not including the Oregon University System, Oregon Health and Science University, the State School Fund and Other K-12 Grants, and the Oregon State Lottery).

Table 1 and the summaries on pages 4 and 5 that precede it provide information on the distribution of \$573,922,677 in budgeted IT Expenditures across 68 Executive Branch Agencies (as of the close of the 2014 legislative session). This amounts to ~1% of the Executive Branch portion of the total funds budget of ~\$53.962 billion. As the summaries indicate, only 23 of the 68 Executive Branch state agencies listed have budgeted IT-expenditures that exceed \$1 million. Further, the vast majority (just over 73%) of all budgeted IT-expenditures within the Executive Branch are associated with four state agencies – the Oregon Departments of Administrative Services*, Human Services, Transportation, and the Oregon Health Authority.

Although there is a significant level of aggregation of Executive Branch IT-related expenditures within just a few agencies, at the Enterprise or macro-level that aggregation as a percentage of total budgeted expenditures for the agencies is not proportional to agency size or, seemingly, any other factor (e.g., program area, primary funding type, use of the State Data Center, etc.). There also appears to be a distinct lack of uniformity or consistency in the size of IT-related expenditures in pure dollar terms and as a percentage of total budgeted expenditures within each of these 68 agencies. The current IT operating environment can be characterized as one driven by individual agency circumstances, choices, and priorities.

* Notes

- Table 1 includes Executive Branch data but does not include any IT personnel related cost information. A conservative estimate places these budgeted expenditures in the \$300 - \$350 million range based on historical averages. The IT related percentage of total budgeted expenditures would rise from 1.06% to between 1.6% and 1.7% if an IT personnel-related cost estimate in that range were included.
- The IT-related expenditures for the Oregon Department of Administrative Services (DAS) are skewed. DAS is an Enterprise/Statewide IT Service provider to all state agencies and provides direct IT services to the Governor's Office and Teachers Standards and Practices Commission (TSPC).

Table 2: 2013-15 Exec. Branch IT Expenditures by Agency – as of 2014 Legislative Session
 23 Executive Branch agencies with budgeted IT expenditures > \$1 Million (~98% of total)

Program Area	Agency #	Agency	IT-Related Expenditures	SDC-related SGSC	Totals
Human Services	10000	Human Services, Dept. of	\$ 95,472,483	\$ 27,528,872	\$ 123,001,355
Human Services	44300	Oregon Health Authority	\$ 113,188,394		\$ 113,188,394
Administration	10700	Administrative Svcs, Dept of	\$ 92,650,604	\$ 6,496,292	\$ 99,146,896
Transportation	73000	Transportation, Oregon Dept of	\$ 46,419,377	\$ 38,400,014	\$ 84,819,391
Economic & Community Development	47100	Employment Dept	\$ 14,662,364	\$ 9,286,328	\$ 23,948,692
Public Safety	13700	Justice, Dept of	\$ 12,689,363		\$ 12,689,363
Administration	15000	Revenue, Dept of	\$ 8,523,412	\$ 3,832,138	\$ 12,355,550
Consumer & Business Services	44000	Consumer and Business Svcs, Dept of	\$ 8,775,788	\$ 3,157,262	\$ 11,933,050
Administration	45900	Public Employees Retirement System, Oregon	\$ 9,974,379		\$ 9,974,379
Public Safety	29100	Corrections, Dept of	\$ 5,927,882	\$ 3,926,654	\$ 9,854,536
Natural Resources	62900	Forestry, Dept of	\$ 7,173,082	\$ 2,343,244	\$ 9,516,326
Public Safety	25700	Police, Dept of State	\$ 7,207,086	\$ 2,286,026	\$ 9,493,112
Administration	16500	Secretary of State	\$ 9,114,703		\$ 9,114,703
Natural Resources	63500	Fish & Wildlife, Oregon Dept of	\$ 6,425,855		\$ 6,425,855
Natural Resources	63400	Parks & Recreation Dept	\$ 4,344,594		\$ 4,344,594
Natural Resources	34000	Environmental Quality, Dept of	\$ 4,202,520		\$ 4,202,520
Public Safety	41500	Oregon Youth Authority	\$ 3,737,396		\$ 3,737,396
Education	58100	Education, Dept of	\$ 3,402,053		\$ 3,402,053
Public Safety	24800	Military Dept, Oregon	\$ 2,284,630		\$ 2,284,630
Natural Resources	60300	Agriculture, Oregon Dept of	\$ 2,278,305		\$ 2,278,305
Administration	17000	Treasury, Oregon State	\$ 2,245,228		\$ 2,245,228
Economic & Community Development	91400	Housing & Community Svcs Dept	\$ 869,175	\$ 1,293,258	\$ 2,162,433
Administration	84500	Oregon Liquor Control Comm	\$ 1,647,122		\$ 1,647,122
23 Agencies with > \$1 M in Budgeted IT Expenditures			\$ 463,215,795	\$ 98,550,088	\$ 561,765,883
Executive Branch Totals			\$ 474,946,419	\$ 98,976,258	\$ 573,922,677
% of Executive Branch Totals			98%	99.6%	98%

Table 3: Exec. Branch Agencies w/State Data Center (SDC)-related State Government Service Charges

2013-15 Enterprise Technology Service Printed Pricelist State Government Service Charge									
Agency #	Agency Name	Storage	Telecom	Mainframe	Midrange	Distributed	Other	Total Costs Originally Projected	Final LAB
10000	Human Services	3,642,871	12,765,412	6,670,229	2,876,334	6,371,622	1,210,697	33,537,165	27,528,872
73000	Transportation	5,550,502	13,248,228	15,429,858	0	5,464,364	1,113,570	40,806,522	38,400,014
44000	Consumer and Business Services	454,377	1,485,270	13,135	0	2,470,257	88,388	4,511,427	3,157,262
15000	Revenue	770,205	1,710,713	5,187	1,133,692	1,286,096	184,007	5,089,900	3,832,138
47100	Employment	809,657	5,473,435	2,346,891	1,552,777	1,448,408	522,951	12,154,119	9,286,328
25700	State Police	247,345	1,436,218	18,355	0	909,793	87,797	2,699,508	2,286,026
62900	Forestry	340,532	1,194,242	21,324		1,080,888	212,512	2,849,498	2,343,244
91400	Housing & Community Services	165,695	257,277	16,144	661,529	180,545	27,351	1,308,541	1,293,258
27400	Veterans Affairs	128,132	200,296	2,681	70,065	127,588	39,838	568,600	426,170
29100	Corrections	555,308	3,496,628	26,833	767,598	1,460,153	430,108	6,736,628	3,926,654
10700	Administrative Services	1,753,336	2,393,331	1,331,014	263,356	1,485,188	794,494	8,020,719	6,496,292
Total		14,417,960	43,661,050	25,881,651	7,325,351	22,284,902	4,711,713	118,282,627	98,976,258

Source for Printed Pricelist:
http://www.oregon.gov/DAS/CFO/budgetkickoffmeetings/march2012/2013-15_pricelist_master_csl_arb.pdf

Source for Final LAB (click on prior price lists in the opening paragraph then select 2013/15)
<http://dasapp.oregon.gov/pricelist/>

Analysis

Table 2 provides information on the distribution of Executive Branch IT-related expenditures by agency for the 23 Executive Branch agencies with budgeted IT expenditures greater than \$1 million (as of the close of the 2014 legislative session). Table 3 provides information on the distribution of IT-related State Government Service Charges across the eleven primary State Data Center customer agencies.

As Table 2 shows, these 23 agencies account for 98% of all IT-related expenditures within the Executive Branch.* That means that 45 of 68 Executive Branch agencies highlighted within Table 1 on page 6 account for ~ 2% or \$12,156,794 of the \$573,922,677 in total budgeted IT Expenditures.

*** Notes**

- Tables 2 and 3 include Executive Branch data but do not include any IT personnel related cost information. A conservative estimate places these budgeted expenditures in the \$300 - \$350 million range based on historical averages. Assuming the same percentage breakdown (98%), these 23 agencies would account for between ~\$294 - \$343 million of those IT-personnel related costs.
- The IT-related expenditures for the Oregon Department of Administrative Services (DAS) are skewed. DAS is an Enterprise/Statewide IT Service provider to all state agencies and provides direct IT services to the Governor's Office and Teachers Standards and Practices (TSPC).

**Table 4: Summary - 2013-15 Exec. Branch IT Expenditures by Program Area
(as of 2014 Legislative Session)**

	IT-Related Expenditures	SDC-related SGSC	Totals
Education Program Area IT Expenditures	\$ 4,426,374	\$ -	\$ 4,426,374
Total 2013-15 Budgeted Executive Branch IT Expenditures as of 2014 Session	\$ 474,946,419	\$ 98,976,258	\$ 573,922,677
% of Total Exec. Branch	1%	0%	1%
Human Services Program Area IT Expenditures	\$ 209,179,011	\$ 27,528,872	\$ 236,707,883
Total 2013-15 Budgeted Executive Branch IT Expenditures as of 2014 Session	\$ 474,946,419	\$ 98,976,258	\$ 573,922,677
% of Total Exec. Branch	44%	28%	41%
Public Safety Program Area IT Expenditures	\$ 32,917,182	\$ 6,212,680	\$ 39,129,862
Total 2013-15 Budgeted Executive Branch IT Expenditures as of 2014 Session	\$ 474,946,419	\$ 98,976,258	\$ 573,922,677
% of Total Exec. Branch	7%	6%	7%
Econ & Community Development Program Area IT Expenditures	\$ 16,730,936	\$ 11,005,756	\$ 27,736,692
Total 2013-15 Budgeted Executive Branch IT Expenditures as of 2014 Session	\$ 474,946,419	\$ 98,976,258	\$ 573,922,677
% of Total Exec. Branch	4%	11%	5%
Natural Resources Program Area IT Expenditures	\$ 27,688,750	\$ 2,343,244	\$ 30,031,994
Total 2013-15 Budgeted Executive Branch IT Expenditures as of 2014 Session	\$ 474,946,419	\$ 98,976,258	\$ 573,922,677
% of Total Exec. Branch	6%	2%	5%
Transportation Program Area IT Expenditures	\$ 46,574,858	\$ 38,400,014	\$ 84,974,872
Total 2013-15 Budgeted Executive Branch IT Expenditures as of 2014 Session	\$ 474,946,419	\$ 98,976,258	\$ 573,922,677
% of Total Exec. Branch	10%	39%	15%
Consumer & Business Services Program Area IT Expenditures	\$ 12,096,288	\$ 3,157,262	\$ 15,253,550
Total 2013-15 Budgeted Executive Branch IT Expenditures as of 2014 Session	\$ 474,946,419	\$ 98,976,258	\$ 573,922,677
% of Total Exec. Branch	3%	3%	3%
Administration Program Area IT Expenditures	\$ 125,333,020	\$ 10,328,430	\$ 135,661,450
Total 2013-15 Budgeted Executive Branch IT Expenditures as of 2014 Session	\$ 474,946,419	\$ 98,976,258	\$ 573,922,677
% of Total Exec. Branch	26%	10%	24%

**Table 5: Detail - 2013-15 Oregon IT Expenditure Data by Program Area
(as of 2014 Legislative Session)**

Program Area	Agency #	Agency	Total Budgeted Expenditures	IT-Related Expenditures	SDC-related SGSC	Totals	% of Total Budgeted Expenditures
Education	52400	Oregon Education Investment Board	\$ 21,008,299	\$ 58,083	\$ -	\$ 58,083	0.28%
Education	52500	Higher Education Coordinating Commission	\$ 5,208,405	\$ 56,731	\$ -	\$ 56,731	1.09%
Education	57500	Student Access Comm, Oregon	\$ 138,526,470	\$ 315,462	\$ -	\$ 315,462	0.23%
Education	58100	Education, Dept of	\$ 2,080,859,738	\$ 3,402,053	\$ -	\$ 3,402,053	0.16%
Education	58400	Teacher Standards & Practices Commission	\$ 5,039,014	\$ 58,671	\$ -	\$ 58,671	1.16%
Education	58600	Community Colleges & Workforce Development	\$ 749,612,657	\$ 535,374	\$ -	\$ 535,374	0.07%
Education Program Area Subtotal			\$ 3,000,254,583	\$ 4,426,374	\$ -	\$ 4,426,374	0.15%
Human Services	10000	Human Services, Dept. of	\$ 9,289,765,059	\$ 95,472,483	\$ 27,528,872	\$ 123,001,355	1.32%
Human Services	11400	Long Term Care Ombudsman	\$ 4,488,201	\$ 162,758	\$ -	\$ 162,758	3.63%
Human Services	39900	Psychiatric Security Review Board	\$ 2,483,025	\$ 98,942	\$ -	\$ 98,942	3.98%
Human Services	44300	Oregon Health Authority	\$ 16,508,610,216	\$ 113,188,394	\$ -	\$ 113,188,394	0.69%
Human Services	58500	Blind Commission	\$ 15,945,302	\$ 256,434	\$ -	\$ 256,434	1.61%
Human Services Program Area Subtotal			\$ 25,821,291,803	\$ 209,179,011	\$ 27,528,872	\$ 236,707,883	0.92%
Public Safety	13700	Justice, Dept of	\$ 496,150,361	\$ 12,689,363	\$ -	\$ 12,689,363	2.56%
Public Safety	21300	Criminal Justice Comm, Oregon	\$ 31,494,044	\$ 201,972	\$ -	\$ 201,972	0.64%
Public Safety	24800	Military Dept, Oregon	\$ 422,996,616	\$ 2,284,630	\$ -	\$ 2,284,630	0.54%
Public Safety	25500	Parole & Post Prison Supervision, State Board of	\$ 4,200,256	\$ 21,027	\$ -	\$ 21,027	0.50%
Public Safety	25700	Police, Dept of State	\$ 350,494,937	\$ 7,207,086	\$ 2,286,026	\$ 9,493,112	2.71%
Public Safety	25900	Public Safety Standards & Training, Dept of	\$ 45,715,857	\$ 847,826	\$ -	\$ 847,826	1.85%
Public Safety	29100	Corrections, Dept of	\$ 1,496,852,709	\$ 5,927,882	\$ 3,926,654	\$ 9,854,536	0.66%
Public Safety	41500	Oregon Youth Authority	\$ 329,896,688	\$ 3,737,396	\$ -	\$ 3,737,396	1.13%
Public Safety Program Area Subtotal			\$ 3,177,801,468	\$ 32,917,182	\$ 6,212,680	\$ 39,129,862	1.23%
Economic & Community Development	12300	Oregon Business Development Department	\$ 484,795,843	\$ 751,265	\$ -	\$ 751,265	0.16%
Economic & Community Development	27400	Veterans' Affairs, Oregon Dept of	\$ 395,525,849	\$ 448,132	\$ 426,170	\$ 874,302	0.22%
Economic & Community Development	47100	Employment Dept	\$ 2,195,626,407	\$ 14,662,364	\$ 9,286,328	\$ 23,948,692	1.09%
Economic & Community Development	91400	Housing & Community Svcs Dept	\$ 970,174,953	\$ 869,175	\$ 1,293,258	\$ 2,162,433	0.22%
Economic & Community Development Program Area Subtotal			\$ 4,026,123,052	\$ 16,730,936	\$ 11,005,756	\$ 27,736,692	0.69%
Natural Resources	14100	Lands, Dept of State	\$ 43,679,299	\$ 723,704	\$ -	\$ 723,704	1.66%
Natural Resources	25000	Marine Board, Oregon State	\$ 33,664,852	\$ 495,241	\$ -	\$ 495,241	1.47%
Natural Resources	33000	Energy, Dept of	\$ 231,651,621	\$ 579,041	\$ -	\$ 579,041	0.25%
Natural Resources	34000	Environmental Quality, Dept of	\$ 332,997,305	\$ 4,202,520	\$ -	\$ 4,202,520	1.26%
Natural Resources	35000	Columbia River Gorge Comm	\$ 896,000	\$ 337	\$ -	\$ 337	0.04%
Natural Resources	60300	Agriculture, Oregon Dept of	\$ 96,843,420	\$ 2,278,305	\$ -	\$ 2,278,305	2.35%
Natural Resources	62900	Forestry, Dept of	\$ 480,439,397	\$ 7,173,082	\$ 2,343,244	\$ 9,516,326	1.98%
Natural Resources	63200	Geology & Mineral Industries, Dept of	\$ 14,967,003	\$ 150,252	\$ -	\$ 150,252	1.00%
Natural Resources	63400	Parks & Recreation Dept	\$ 212,484,210	\$ 4,344,594	\$ -	\$ 4,344,594	2.04%
Natural Resources	63500	Fish & Wildlife, Oregon Dept of	\$ 342,773,682	\$ 6,425,855	\$ -	\$ 6,425,855	1.87%
Natural Resources	66000	Land Conservation & Development, Dept of	\$ 19,641,417	\$ 656,038	\$ -	\$ 656,038	3.34%
Natural Resources	66200	Land Use Board of Appeals	\$ 1,661,159	\$ 7,741	\$ -	\$ 7,741	0.47%
Natural Resources	69000	Water Resources Dept	\$ 63,870,640	\$ 450,702	\$ -	\$ 450,702	0.71%
Natural Resources	69100	Watershed Enhancement Board, Oregon	\$ 92,896,589	\$ 201,338	\$ -	\$ 201,338	0.22%
Natural Resources Program Area Subtotal			\$ 1,968,466,594	\$ 27,688,750	\$ 2,343,244	\$ 30,031,994	1.53%
Transportation	10900	Aviation, Dept of	\$ 11,076,033	\$ 155,481	\$ -	\$ 155,481	1.40%
Transportation	73000	Transportation, Oregon Dept of	\$ 4,368,081,494	\$ 46,419,377	\$ 38,400,014	\$ 84,819,391	1.94%
Transportation Program Area Subtotal			\$ 4,379,157,527	\$ 46,574,858	\$ 38,400,014	\$ 84,974,872	1.94%
Consumer & Business Services	10800	Licensed Prof Counselors and Therapists, Board of	\$ 1,128,319	\$ 51,212	\$ -	\$ 51,212	4.54%
Consumer & Business Services	11900	Tax Practitioners, State Board of	\$ 1,183,845	\$ 55,484	\$ -	\$ 55,484	4.69%
Consumer & Business Services	12000	Accountancy, Board of	\$ 2,104,122	\$ 116,148	\$ -	\$ 116,148	5.52%
Consumer & Business Services	12200	Psychologist Examiners, State Board of	\$ 1,038,215	\$ 20,453	\$ -	\$ 20,453	1.97%
Consumer & Business Services	12400	Licensed Social Workers, Board of	\$ 1,395,325	\$ 33,768	\$ -	\$ 33,768	2.42%
Consumer & Business Services	44000	Consumer and Business Svcs, Dept of	\$ 420,888,230	\$ 8,775,788	\$ 3,157,262	\$ 11,933,050	2.84%
Consumer & Business Services	81100	Chiropractic Examiners, State Board of	\$ 1,480,033	\$ 32,421	\$ -	\$ 32,421	2.19%
Consumer & Business Services	83100	Oregon Health Licensing Agency	\$ 3,882,241	\$ 198,342	\$ -	\$ 198,342	5.11%
Consumer & Business Services	83300	Health Related Licensing Boards	\$ 4,636,625	\$ 133,856	\$ -	\$ 133,856	2.89%
Consumer & Business Services	83400	Oregon Board of Dentistry	\$ 2,606,916	\$ 84,754	\$ -	\$ 84,754	3.25%
Consumer & Business Services	83900	Labor & Industries, Bureau of	\$ 25,280,684	\$ 296,211	\$ -	\$ 296,211	1.17%
Consumer & Business Services	84700	Oregon Medical Board	\$ 10,729,843	\$ 325,718	\$ -	\$ 325,718	3.04%
Consumer & Business Services	85100	Nursing, Board of	\$ 14,493,701	\$ 191,132	\$ -	\$ 191,132	1.32%
Consumer & Business Services	85500	Pharmacy, Board of	\$ 5,957,609	\$ 192,311	\$ -	\$ 192,311	3.23%
Consumer & Business Services	86000	Public Utility Commission	\$ 122,646,943	\$ 588,739	\$ -	\$ 588,739	0.48%
Consumer & Business Services	91500	Construction Contractors Board	\$ 16,287,732	\$ 712,866	\$ -	\$ 712,866	4.38%
Consumer & Business Services	91900	Real Estate Agency	\$ 7,277,657	\$ 287,085	\$ -	\$ 287,085	3.94%
Consumer & Business Services Program Area Subtotal			\$ 643,018,040	\$ 12,096,288	\$ 3,157,262	\$ 15,253,550	2.37%
Administration	10700	Administrative Svcs, Dept of	\$ 1,049,838,193	\$ 92,650,604	\$ 6,496,292	\$ 99,146,896	9.44%
Administration	11500	Employment Relations Board	\$ 4,201,304	\$ 83,589	\$ -	\$ 83,589	1.99%
Administration	12100	Governor, Office of the	\$ 17,688,716	\$ 529,785	\$ -	\$ 529,785	3.00%
Administration	13100	Oregon Advocacy Commissions Office	\$ 466,485	\$ 7,680	\$ -	\$ 7,680	1.65%
Administration	15000	Revenue, Dept of	\$ 230,843,872	\$ 8,523,412	\$ 3,832,138	\$ 12,355,550	5.35%
Administration	16500	Secretary of State	\$ 63,974,833	\$ 9,114,703	\$ -	\$ 9,114,703	14.25%
Administration	17000	Treasury, Oregon State	\$ 46,683,387	\$ 2,245,228	\$ -	\$ 2,245,228	4.81%
Administration	19900	Oregon Government Ethics Commission	\$ 1,976,802	\$ 268,548	\$ -	\$ 268,548	13.58%
Administration	45900	Public Employees Retirement System, Oregon	\$ 9,366,028,980	\$ 9,974,379	\$ -	\$ 9,974,379	0.11%
Administration	54300	State Library	\$ 6,918,747	\$ 225,574	\$ -	\$ 225,574	3.26%
Administration	84500	Oregon Liquor Control Comm	\$ 151,875,699	\$ 1,647,122	\$ -	\$ 1,647,122	1.08%
Administration	86200	Racing Commission, Oregon	\$ 5,905,502	\$ 62,396	\$ -	\$ 62,396	1.06%
Administration Program Area Subtotal			\$ 10,946,402,520	\$ 125,333,020	\$ 10,328,430	\$ 135,661,450	1.24%
Executive Branch Total			\$ 53,962,515,587	\$ 474,946,419	\$ 98,976,258	\$ 573,922,677	1.06%
Legislative Branch	14200	Legislative Counsel Committee	\$ 12,685,053	\$ 256,094	\$ -	\$ 256,094	2.02%
Legislative Branch	14400	Legislative Revenue Officer	\$ 2,796,123	\$ 33,122	\$ -	\$ 33,122	1.18%
Legislative Branch	14500	Legislative Fiscal Officer	\$ 7,076,125	\$ 57,820	\$ -	\$ 57,820	0.82%
Legislative Branch	15500	Legislative Assembly	\$ 42,483,810	\$ 282,177	\$ -	\$ 282,177	0.66%
Legislative Branch	15600	Legislative Administration Committee	\$ 73,246,958	\$ 2,445,492	\$ -	\$ 2,445,492	3.34%
Legislative Branch	42500	Indian Svcs, Comm on	\$ 495,353	\$ 5,661	\$ -	\$ 5,661	1.14%
Legislative Branch Total			\$ 138,783,422	\$ 3,080,366	\$ -	\$ 3,080,366	2.22%
Judicial Branch	17500	Judicial Fitness and Disability, Comm on	\$ 206,651	\$ 4,176	\$ -	\$ 4,176	2.02%
Judicial Branch	19800	Judicial Dept	\$ 473,526,120	\$ 27,667,579	\$ -	\$ 27,667,579	5.84%
Judicial Branch	40400	Public Defense Svcs Comm	\$ 254,158,951	\$ 253,689	\$ -	\$ 253,689	0.10%
Judicial Branch Total			\$ 727,891,722	\$ 27,925,444	\$ -	\$ 27,925,444	3.84%
Executive, Legislative, & Judicial Branch Total			\$ 54,829,190,731	\$ 505,952,229	\$ 98,976,258	\$ 604,928,487	1.10%

Analysis

Tables 4 provides summary-level information on the distribution of 2013-15 Oregon IT Expenditure Data across the Executive Branch within eight program areas (as of the close of the 2014 legislative session): Administration; Consumer and Business Services; Economic and Community Development; Education; Human Services; Natural Resources; Public Safety; and Transportation.

Table 5 provides detailed information on the distribution of IT-related expenditures for the Executive Branch (across the eight program areas) and includes information on distribution of IT-related expenditures for agencies within the Legislative and Judicial branches as well.

As Table 4 shows, approximately sixty-five percent (~65%) of budgeted IT-related expenditures across the Executive Branch reside within two program areas: Human Services and Administration. Forty-one (41%) of all IT-related expenditures within the Executive Branch are budgeted within the Human Services program area alone.

Tables 4 and 5 show a significant level of aggregation of budgeted IT expenditures in just a few program areas. However, at the Enterprise or macro-level that aggregation is, generally speaking, not proportional to program area size. Further, Table 5 data depicts a complete lack of uniformity or consistency in the amount of budgeted IT-related expenditures both in terms of dollars and in the IT-related percentage of total budgeted expenditures within each of the eight program areas by individual agencies or in composite. As program level IT expenditure/investment plans do not exist, the current program area IT operating environments can be characterized as being driven by individual agency circumstances, choices, and priorities.

* Notes

- Tables 4 and 5 do not include IT personnel related cost information.
- The IT – related percentage of total budgeted expenditures for the Department of Administrative Services (DAS) and within the Administration Program Area are skewed as DAS is an Enterprise/Statewide IT Service provider to all state agencies and provides local area network, desktop, and email support services to the Office of the Governor and to other agencies outside the Administration program area.

2013-15 Oregon IT Expenditure Data by Fund Type – as of 2014 Legislative Session

Expenditure Category	2013-15 LAB
Telecommunications (S&S) - Account #4200	
General Fund	\$20,132,989
Lottery Funds	\$1,031,917
Other Funds	\$45,273,640
Federal Funds	\$14,345,913
SUBTOTAL	\$80,784,459
Data Processing (S&S) - Account #4250	
General Fund	\$12,754,995
Lottery Funds	\$875,069
Other Funds	\$61,928,005
Federal Funds	\$6,185,424
SUBTOTAL	\$81,743,493
IT Professional Services (S&S) - Account #4315	
General Fund	\$23,591,493
Lottery Funds	\$150,278
Other Funds	\$102,720,080
Federal Funds	\$81,969,111
SUBTOTAL	\$208,430,962
IT Expendable Property (S&S) - Account #4715	
General Fund	\$9,990,257
Lottery Funds	\$296,644
Other Funds	\$32,486,401
Federal Funds	\$48,131,375
SUBTOTAL	\$90,904,677
Telecommunications Equipment - Account #5150	
General Fund	\$422,967
Other Funds	\$10,204,853
Federal Funds	\$870,380
SUBTOTAL	\$11,498,200
Data Processing (Software) - Account #5550	
General Fund	\$316,131
Other Funds	\$11,056,664
Federal Funds	\$448,255
SUBTOTAL	\$11,821,050
Data Processing (Hardware) - Account #5600	
General Fund	\$2,699,766
Lottery Funds	\$34,610
Other Funds	\$17,401,798
Federal Funds	\$633,214
SUBTOTAL	\$20,769,388
TOTAL EXPENDITURES	\$505,952,229

IT-related Expenditure Summary by Fund Type	
General Fund	\$ 69,908,598
Lottery Funds	\$ 2,388,518
Other Funds	\$ 281,071,441
Federal Funds	\$ 152,583,672
Totals	\$ 505,952,229

Analysis: Approximately 41%, or \$208,420,962,* of budgeted IT related expenditures are being utilized for IT Professional Services (i.e., contracting). Typically, agency activities funded by General Fund (GF) and Lottery Fund (LF) dollars receive a closer level of scrutiny and attention than activities funded by other funding types. Within the Information Technology domain, this practice should change as the vast majority (~ 86% - \$433,655,113*) of all budgeted IT-related expenditures are funded through Other Funds (OF) and Federal Funds (FF). * Note: Totals do not include IT-related State Government Service Charges or IT-related personnel costs.