

CENTER FOR DIGITAL GOVERNMENT

COUNTY OF FAIRFAX, VIRGINIA

Proclamation

BE IT RESOLVED

CENTER FOR DIGITAL GOVERNMENT

Paul W. Taylor | Chief Strategy Officer

CENTER FOR DIGITAL GOVERNMENT

Ripped from the Headlines

AP Associated Press

Cash-Strapped States Resort to Odd Taxes
By MICHAEL GORMLEY - 3 hours ago

ALBANY, N.Y. (AP) — It's the perfect tax: Government exacts a big payment without ... to fend off lobbyists or wage a political fight. And in most cases, the taxpayer doesn't ... have a say.

seattlepi.com

Monday, January 28, 2008
Last updated 12:36 a.m. PT

Reality will bite state budget
Gregoire, lawmakers plan for bleak revenue forecast

By CHRIS MCGANN
P-1 CAPITOL CORRESPONDENT

OLYMPIA -- Gov. Chris Gregoire and leading Democrats in the House and Senate have reached one early agreement in this year's budget negotiations: It's time for a reality check.

Anticipating a bleak revenue forecast, they've agreed to start looking for places to trim the \$33 billion budget they passed last year. They say they want to have their priorities in order in case the slowing economy forces them to find efficiencies or even cut programs altogether.

sacbee.com

MEMBER CENTER: Sign In Register Now PressClub

State budget gap now \$14 billion
By Kevin Yamamura - kyamamura@sacbee.com
Published 5:57 pm PST Tuesday, December 11, 2007

Print | E-Mail | Comments (12) | Digg it | delicious

Gov. Arnold Schwarzenegger's finance officials are projecting a California budget deficit of roughly \$14 billion, significantly larger than the \$9.8 billion gap previously forecast by a state budget analyst, according to two sources who spoke to the governor.

The growing estimate increases pressure on Schwarzenegger and lawmakers to cut state spending and consider tax increases to close the budget hole. Schwarzenegger last month ordered all departments to prepare spending plans 10 percent below than what they had anticipated, and GOP lawmakers are calling for immediate midyear cuts in spending.



THESE TRUTHS

CENTER FOR
DIGITAL
GOVERNMENT

WE KNOW THAT INVESTING IN MODERNIZATION ENTAILS RISK BUT THAT FAILURE TO INVEST PUTS PUBLIC INSTITUTIONS AT GREATER RISK OF IRRELEVANCE.

WE KNOW THAT THE RISKS AND COSTS OF ACTING ALONE CAN BE REDUCED OR ELIMINATED BY PARTNERING WITH OTHERS IN PUBLIC, PRIVATE AND CIVIL SECTORS THAT HAVE CORE COMPETENCIES THAT COMPLEMENT OUR OWN.

WE KNOW THAT CONTEMPORARY DIGITAL, NETWORKED TECHNOLOGIES MAKE EVER MORE ROBUST AND RESPONSIVE PARTNERSHIPS POSSIBLE, AND, FURTHERMORE, WE KNOW THAT THESE TECHNOLOGIES ARE ABLE TO CHANGE THE COST STRUCTURE OF DELIVERING SERVICES.

THESE TRUTHS

CENTER FOR
DIGITAL
GOVERNMENT

WE KNOW THAT INFORMATION TECHNOLOGY CANNOT AND SHOULD NOT COMPETE WITH COPS, KIDS AND CRIMINALS FOR SCARCE PUBLIC FINANCES THROUGH THE GENERAL FUND.

WE KNOW THAT INFORMATION TECHNOLOGY IS UNIQUE AMONG THE TOOLS AND STRATEGIES AVAILABLE TO GOVERNMENT IN THAT IT CAN CONTRIBUTE TO ITS OWN FUNDING.

AND FINALLY, WE KNOW THAT WE CANNOT BE CERTAIN ABOUT HOW COMMUNITIES WILL LOOK IN FUTURE YEARS. BUT WISE POLICY DECISIONS, COUPLED WITH AN UNDERSTANDING OF THE (STILL LATENT) TRANSFORMATIONAL POTENTIAL OF TECHNOLOGY ON PUBLIC PROCESSES, WE CAN APPLY SHARP TOOLS TO THE TRANSFORMATION RATHER THAN THE BLUNT INSTRUMENTS OF EXTERNALITIES.

Calling the Question

CENTER FOR
DIGITAL
GOVERNMENT

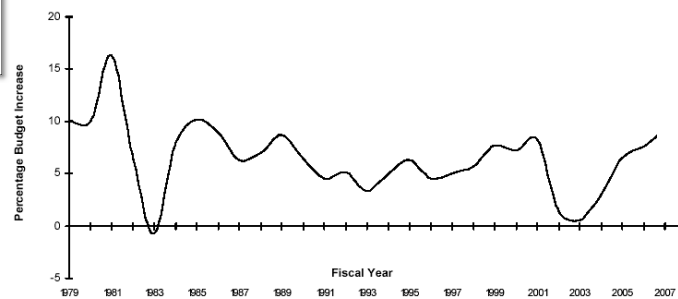
- Have you received the memo?
- How does it look?
- What are you going to do about it?
- Do I have the authority to do things differently?

NASBO Projection

CENTER FOR
DIGITAL
GOVERNMENT



Annual Percentage Budget Increases, Fiscal 1979 to Fiscal 2008



The Early Returns

CENTER FOR
DIGITAL
GOVERNMENT



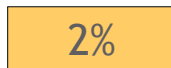
“At least twenty-five states, including several of the nation’s largest, face budget shortfalls in fiscal year 2009. Of these 25 states, 17 have already made specific estimates; the combined deficits of these 17 states are expected to total at least \$31 billion for fiscal 2009 – which begins July 2008 in most states.

Another 3 states expect budget problems in fiscal year 2010, although some of those gaps may occur earlier than expected.”

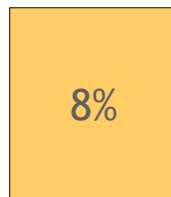
The DNA of Modernization

CENTER FOR
DIGITAL
GOVERNMENT

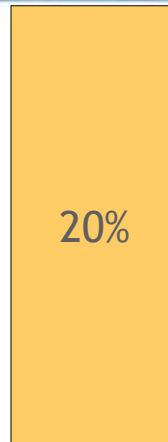
The multiplier effect of IT and process modernization when done together



IT Modernization
Alone



Improving
Management
Practices *Alone*



Done Together

Source: McKinsey, 2005

How Many Times?

CENTER FOR DIGITAL GOVERNMENT

Optimizing Resources

Kinds of Solutions

	1	2	3	5	50	500	5000	?
1								
2								
3								
5								
50								
1 Ea Agency								
1 Ea Bureau								
?								

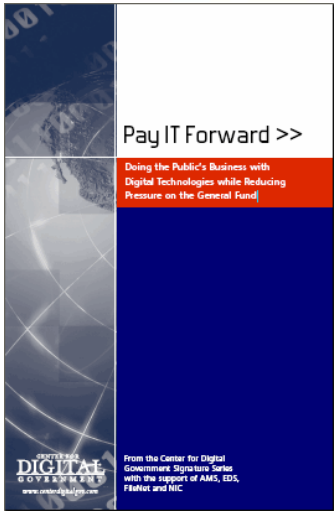
↑ Optimization

Number of Instances or Deployments of the Solutions

1/29/2008 Proprietary content of CDG. Use only with permission. 11


We Have Been Here Before

CENTER FOR DIGITAL GOVERNMENT



From the Center for Digital Government Signature Series with the support of AMS, EDS, Fidelity and IBC.

- >> Gain Sharing: Tax and Revenue
- >> Bonds & Loans
- >> Self-Funded



- What government must **STOP**
- What government must **START**
- What government must **DO**

Four for Our Times



✓ The Costco effect and commodity computing configurations: *Standard IT hardware/software configurations to support sourcing strategies*



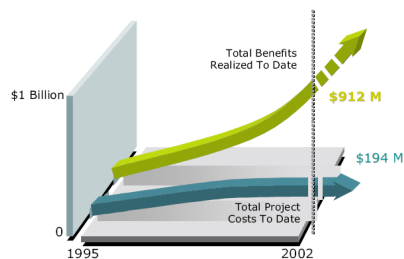
✓ New applications that pay for themselves: *Benefits-based funding or gain share in paying for new applications*



✓ Self-sustaining IT venture investments and infrastructure bonds: *Investment funds for capitalizing initial development, paid back through an internal gain share model and the use of "infrastructure" bonds to support IT development.*

✓ Collaborative Platforms: *Shared services, shared savings, FTE rationalization*

Benefit Funded



Collaborative Platforms





Quick links

- MyBuildingPermit
- MyParksAndRecreation
- NWMaps
- NWProperty
- Shared Procurement

- YouTube
- Google Maps
- Flickr
- twitter
- Social Networking (Facebook, myspace, Ning, Nexo, Twango)
- Microsoft component-based Citizen Service Platform
- Salesforce.com G2G AppExchange
- Cities of King County WA eCityGov.net
- North Central Texas Council of Governments iCommunities
- New York Digital Towpath
- Newport News Open eGov

King of Parking Tickets



Enterprise Services

The ITC Department, through its Enterprise Services Division, has provided parking citation processing services since the early 1980's using an in-house developed mainframe computer system known as the "Parking Ticket System" (PTS). The Enterprise Services Division supports the billing and collection of City of Inglewood parking citations and provides services to 80 public agencies. The Enterprise Services Division has been a profit center for the City by collecting the citations issued by the City's enforcement staff and providing this service to outside public agencies. The PTS operation has been a profitable endeavor for the City, and it has made significant contributions toward the recovery of City overhead by providing funds that reduced the overall cost of ITC to the General Fund.

- Keep your head
- Cross Train Your Staff
- Provide a Shared Service

Green - both kinds



1/29/2008

Proprietary content of CDG. Use only with permission.

17

Energy Best Practices in Data Centers

A Contrarian Consensus

As a matter of first principles, the greenest data center is the one that you don't build; the greenest server or storage device is the one that you don't buy; and the greenest watt of electricity is the one that you don't use.

Planning the Work, Working the Plan

Fewer than half of organizations monitor the energy consumption of their data centers.¹⁴ Co-location of data centers in dual-use buildings often makes it difficult to meter IT energy consumption separately. As a first step, uninterrupted power supply (UPS) systems can act as a surrogate in monitoring power consumption by mission critical gear. What is a data center operator to do?

Draw on best practices

- Assess and plan.
- Consolidate and ladder refreshes with energy efficient replacement servers.

Get Dense

- If you must own, share.
- If you must operate your own, consolidate, modularize, virtualize and rethink floor space.
- If you go after your servers, go after storage too.

Data centers were the original shared service where multiple public entities could avoid duplicate investments in raised floor space, uninterrupted power supply (UPS) and environmental. Looking ahead, systems will consume available power supply much faster than floor space, and the cost of power is more volatile than real estate.

In one manufacturer's assessment of what it characterizes as a typical data center, 15 percent was consumed by storage,¹⁵ 26 percent by computing servers and fully 59 percent was consumed by cooling.¹⁶

How do you help this guy?



51/49

The screenshot shows a website with a blue header. The main title is "Contact Data" in large, bold, brown letters. To the right of the title is the logo for the "CENTER FOR DIGITAL GOVERNMENT". Below the header is a navigation bar with "GOVERNMENT TECHNOLOGY" on the left and a search bar on the right. The main content area features a large banner for "GTC SOUTHWEST" with the text "WHERE 21ST-CENTURY GOVERNMENT MEETS 21ST-CENTURY IT INSIDE THE LABS" and "CONVENTION CENTER AUGUST 28-31 | JUNE 28-30, 2008". A blue button below the banner contains the URL "www.govtech.com/events". Below the banner is a section titled "GOVERNMENT" with the tagline "The Internet Home of Public Affairs". The main content area is divided into three columns. The left column is titled "Out of the Lab and into the Streets" and features a video player with a play button and a "Watch Now" button. The middle column is titled "Recent News" and lists several news items with dates and titles. The right column is titled "About" and contains a small image of a person and some text. At the bottom of the page, there is a large blue button with the URL "www.pwt.net".

Paul W. Taylor
Chief Strategy Officer
Center for Digital Government
Folsom, CA

pwtaylor@erepublic.com

Whitepaper downloads:
www.centerdigitalgov.com
(Registration required)

Presentation downloads:
www.govtech.com/events
(A week to 10 days)

www.pwt.net
(On February 1)