



2014 ANNUAL REPORT

Our Mission

The Office of Information Technology's (OIT) mission is to facilitate the cost-effective administration of IT operations within the Executive Branch by: establishing an enterprise architecture based upon meaningful standards; maintaining a secure, reliable and cost-efficient IT infrastructure; maximizing opportunities for data sharing and integration; supporting the development and appropriate oversight of agency IT projects; and expanding e-Government applications to improve service to citizens and businesses.

As part of the Governor's transparency and performance budgeting initiatives, OIT identified four core mission areas that highlight its key responsibilities. These are:

- 1.** Supporting Agency and Enterprise Applications and IT Systems
- 2.** Maintaining a Secure Shared IT Infrastructure
- 3.** Supporting State and Local Emergency Telecommunications Services
- 4.** IT Governance, Planning and Control

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Message from the Chief Information Officer

We live in an era when millions of people interact with New Jersey State Government primarily – or often exclusively – through the Internet and related technology.

While our always-connected era brings unprecedented opportunities for efficiency and capability in government, it also puts enormous pressure on State IT professionals to step up their game, especially when it comes to reliability and responsiveness to user demands for unfettered, real-time access to government services.

In this context, it is easy to understand why demand for Office of Information Technology (OIT) support grew rapidly in Fiscal 2014, as it has for many years. Fiscal realities required that OIT meet this expanding need for IT capability and reliability largely by getting more value from existing resources.

As always, the team at OIT rose to the challenge. Just as it kept critical capabilities operating during and after Super Storm Sandy, OIT staff worked tirelessly to ensure that the first New Jersey Super Bowl was remembered for the excitement of the game and not for security breaches, failed computers, or problems with telephone or power systems. OIT staff helped to create websites and other technological capabilities that were invaluable not just to fans and other visitors, but to the workers and volunteers who helped make the historic event a success.

OIT's strong alliances with State agencies as well as with federal and local government officials and private sector leaders are critical not just during crises like Sandy or global events such as the Super Bowl, but every day as OIT collaborates with all key personnel to ensure that State resources provide the results that New Jersey taxpayers require. Joint successes showed that interagency collaboration is not just a goal for OIT – it's a primary mission of our agency.

Since 2012, the CIO Collaboration Council has provided a venue where IT personnel from across State government can come to discuss the increasing complexities and challenges of their jobs. The Project Management User Group, initiated in 2013, has become a training ground for all State professionals seeking mastery of best practices in the disciplined oversight of IT projects. The 2014 Annual Digital Summit gave local government professionals access to information about leading-edge technology that some could get almost nowhere else. Additionally, OIT continued to partner with critically important companies such as PSE&G to build out and maintain the infrastructure needed to handle continued growth in State demand for technology.

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Recognizing that a more efficient procurement process was necessary to meet project deadlines and get the right goods and services where needed, OIT collaborated on procurement contracts and practices designed to make it easier for agencies to buy and vendors to sell. These measures included a streamlined approval process, and education about the procedures for taking advantage of “software as a service” offerings.

At the same time, OIT improved its own delivery of capability to client agencies, as evidenced in the creation of the agency’s first service catalog. This document provides an introductory list of the services that OIT can provide as well as details about how agencies can take advantage of them.

OIT’s focus on security efforts grew in both scope and priority. OIT put new security controls in place that crossed agency boundaries, updated and expanded statewide policies to reflect the growing sophistication of cyber-threats, and increased legal and regulatory requirements for data protection. As part of security efforts, OIT provided safeguards and guidance that made it easier and safer for employees to use their personal mobile devices for State work.

OIT worked closely with other agencies and the Governor’s Office to update a proposal for federal grant money for an innovative statewide public safety broadband initiative. OIT staff also provided radios and support that allowed multiple law enforcement agencies to communicate during the Super Bowl. Similar provision of equipment and support during joint operations that crossed city and county lines demonstrated how OIT’s contribution to the State’s interoperability capability plays key roles in achieving positive outcomes for first responders and law enforcement.

OIT has spent the last year hardening the State’s key data centers by replacing worn-out and outdated equipment, upgrading power capacity and installing new emergency generators and other backup equipment. This upgrade replaced some equipment and infrastructure that hadn’t been modernized since the 1980s. In addition, OIT spearheaded the implementation of the State’s first enterprise-wide electronic messaging system. This effort will increase efficiencies in multiple ways while providing some agencies with first-time access to state-of-the-industry collaboration and communications programs.

Together these efforts were and are designed to prepare New Jersey to adapt safely and smoothly to an ever-changing world of technological advancement and capability. Speaking on behalf of OIT, I wish to thank all our client partners, agency IT professionals and especially the OIT team for their continued insights, collaboration and support as we prepare for New Jersey’s expanding technology future.

Sincerely,
E. Steven Emanuel
State CIO/CTO

Supporting Agency and Enterprise Applications and IT Systems:

Prisoner Re-Entry

The Recidivism Data Mart, developed by OIT, is a key component of Governor Christie's initiative that is used to help ex-convicts obtain support they need to re-enter society. This year, OIT added several critical programs, assessments and offense history capabilities to the production environment, allowing criminal justice agencies to be more analytical in their studies of recidivism. Data can be readily extracted and transformed into a format that non-technical staff can easily utilize. These reports provide increased visibility and help a myriad of agencies ranging from state police, corrections, juvenile and parole systems to address a wide range of recidivism issues.

Creative Services Helps Department of Health Communicate Better

OIT's Creative Services Unit helped the Department of Health advance two major communications initiatives. Creative Services produced and filmed two 15-minute videos illustrating the steps and processes for inspecting homes for sources of lead poisoning. Multimedia staff edited scripts and directed and filmed the videos, which Health staff presented at the Central New Jersey Lead Coalition conference. Edited versions are available on Health's website. OIT also worked with Health to create a new website called Healthy New Jersey. The site is the online component to Healthy NJ 2020, a program designed to improve the health of all State residents within the coming decade. OIT

was instrumental in creating templates that enabled automated data input for the site. OIT also played a key role in redesigning the Department of Health's primary website.

Efficient and Accurate Delivery of Information About Pay and Benefits

Rules governing benefits, payrolls and pensions for government employees and retirees have changed frequently in recent years. OIT has been in the forefront of helping communicate these changes to all stakeholders, including taxpayers, government managers and labor groups. This year, OIT assisted in posting new salary tables into the Personnel Management Information System (PMIS). Each of the State's bargaining units had its own, unique labor agreements, increasing the complexity of the project. OIT staff also modified the Pension Loan web application to ensure compliance with new, federal Internal Revenue Service formulas. The changes included new language on the Member Benefits Online System that warns prospective borrowers about the tax effects of making certain loan choices. OIT worked with Pensions staff to coordinate related changes to advisories on the Integrated Voice Response system. OIT also assisted in making the changes needed after new legislation that required State workers to receive their pay either through direct deposit or via cards that deliver compensation through automated teller machines. As part of this program, OIT enrolled approximately 2,000 state employees in the Bank of America-run CashPay Card Program in 2014.

Supporting Agency and Enterprise Applications and IT Systems (continued)

On Behalf of Vulnerable Children

OIT worked with Department of Children and Families to upgrade NJSpirit, a case management and financial system designed to support the daily work of agency caseworkers and supervisors. The new release included numerous improvements. NJSpirit supports trust accounts managed by the Division of Children's System of Care, which sets up accounts for children who are in out-of-home placements. The system also maintains Child Support Payments and Government Benefit Payments such as federal Social Security Administration and Supplemental Security Income payments that the State receives on behalf of these children. NJSpirit also computes the allowable amount for reimbursement to the State for cost of care. The Department of Children and Families receives child support payments for more than 11,000 accounts.



Adopting a Proven Solution for Property Management

The Department of Property Management and Construction replaced its legacy system for tracking State leases. OIT helped DPMC buy and install an industry-standard, integrated system for managing real estate portfolios. This proven, off-the-shelf system, which is hosted by OIT, went in to service in May 2014, replacing the old Lease Management Information System and the associated Subsidiary Account Management System.

Keeping the Lines of Communication Open

OIT worked with the Board of Public Utilities to implement a web-based eligibility database for low-income individuals who qualify for subsidies that reduce their cost of telephone services. The Lifeline telephone program includes a database that allows telecommunications carriers to verify customer eligibility based on participation in state and federal programs for low-income residents. The database uses information from Department of Human Services divisions including the Division of Family Development, Division of Medicaid and Health Services, and the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program. The Lifeline database will assist in detecting waste, fraud, and abuse in the Federal Universal Service Fund.

Maintaining a Secure Shared IT Infrastructure:

Guarding Against Security Threats

When software makers no longer support a product, computers using that product often pose unacceptable security risks to networks and systems. That's why OIT spent two years helping agencies prepare for Microsoft's plan to eliminate support for the outdated Windows XP system on April 8, 2014. OIT led the way in ensuring that State systems were protected by arranging extended support and working with Microsoft to eliminate all remaining XP systems from State networks. This effort included negotiating an enterprise contract that both ensured that the State got the most favorable financial terms and ensured that all parts of the Executive Branch had the means to access needed support. OIT continues to manage the contract and work with agencies on removal of XP systems from State networks.

Upgrading Mainframe Systems Generates Cost Savings

OIT retired the Virtual Machine (VM) operating system on the IBM mainframes. The State realized a savings of more than \$600,000 in annual maintenance costs because of the change. The last key functionality on the VM system was the Department of Transportation's Automated Construction Estimate System (ACES), which supports construction project management and billing. OIT's systems and development teams continue the work needed to provide ACES users with access to the data entry and reporting capabilities previously available under VM.

Modernizing and Hardening Outdated Data Centers

To meet or surpass agency processing and storage needs, OIT is updating its three data centers – the HUB, River Road (Building 15), and Hamilton (OARS). Known as the Data Center Resiliency Project, this multi-phased upgrade will address critical infrastructure needs at each data center. OIT completed Phase One of the project, which involved a thorough assessment to determine which areas needed improvement and enhancement. This led to several projects. At the HUB, OIT coordinated the installation of two, temporary Uninterruptible Power Supply (UPS) systems and a 2-megawatt generator. OIT is now coordinating the design of a more-permanent solution. At Building 15, OIT worked with contractors to replace two UPS units. The State also plans to replace four backup power generators. At Hamilton, OIT and its contractors installed a temporary system after a fire damaged a UPS unit. OIT is working with agencies and vendors on a permanent replacement. Other work at Hamilton included changing the raised floor layout for better hot/cold aisle management. As part of Phase One, OIT also assumed responsibility for data center facility equipment that was under the oversight of the State Police. The goal is to have one agency responsible for the maintenance and equipment at State data centers. Phase Two will involve setting up remote access to data center equipment in order to streamline diagnostics and monitor activities. Phase Three will focus on improving fire alarm and suppression systems. During all phases, the State will make security upgrades. These upgrades, combined with a heightened emphasis on day-to-day system maintenance, will improve reliability and set the stage for expansion of State IT capability.

Supporting State and Local Emergency Telecommunications Services

Super Support for New Jersey's Super Bowl

For OIT staffers, February 2, 2014, was about more than eating chips and guacamole. OIT staff worked for months in advance to make sure Super Bowl XLVIII came off without a technological hitch. OIT employees staffed multiple facilities during the week and throughout the weekend – including the Public Safety Compound at the Meadowlands, the Woodbridge Traffic Management Center, and main data centers. More than 70 OIT employees from the Security, Network, Voice Services and Enterprise Hosting units made themselves available on an as-needed basis for a week to ensure trouble-free network communications. Staff constantly monitored system availability and cyber activities. NFL Films tapped OIT's Creative Services Multi-Media Unit for video footage of sites throughout the state that have historic value and tourism appeal. Staff provided more than 50 hours of footage that was later edited into two short segments and aired on television during the big game. At the request of the State Police, Creative Services Web Publishing also created a website that provided information about security measures and alerts.

Letting Public Safety Personnel Communicate Freely

Public safety personnel across the State continued to make use of OIT's powerful P-25 radio communications capability. Equipment based on the P-25 communications standard allows public safety personnel to talk to each other regardless of the systems and protocols used by their particular agencies. OIT's P-25 equipment was indispensable during the Super Bowl, which involved personnel from multiple State, local and Federal agencies. The success of an investigation centered in Cape May County came in no small part because of P-25 capability supplied by OIT staff. OIT programmed and loaned P-25 equipment to the Cape May Prosecutor's Office, for the purposes of setting up a command center that could be used by the State, Federal and local personnel participating in the effort. The scope of the investigation rapidly expanded beyond Cape May County, and OIT provided the Cumberland County Prosecutor's Office, DEA, FBI and Homeland Security officers with P-25 capability. OIT staff also added secure transmission capabilities in Cumberland County.



IT Governance, Planning and Control

A Menu of Services

OIT completed a cost allocation project designed to ensure that agencies are assessed fairly for the work provided by OIT staff. The project also resulted in a new Service Catalog that provides an extensive list of many of the services that OIT can provide to agencies and what costs for those services will entail. The catalog also details how agencies can best take advantage of OIT's offerings.

Tactical Planning

OIT's Project Management Office (PMO) completed its Fiscal Year 2015 (FY15) Tactical Plan exercise for the Executive Branch. This initiative generated an updated collection of data about agency projects. Agencies reviewed their project information, identified projects that will continue into Fiscal 2015, and provided a brief status update for each initiative. The PMO reviewed the responses and provided guidance on completing required processes such as System Architecture Reviews (SARs). The next steps include ensuring that agency tactical plans align to individual agency strategic plans as well as identifying potential gaps in project planning.

Negotiating Cost Savings

OIT is saving taxpayer money by negotiating software maintenance contracts on behalf of multiple agencies rather than individually. OIT's Program Management Office (PMO) is leading this initiative. A recent success: the PMO negotiated the State's maintenance renewal for Websense Internet monitoring and protection software which resulted in a savings of more than \$70,000. The PMO will continue to seek out more opportunities to negotiate such discounts.



Recognition

New Jersey IT Gets Highest Ranking in 6 Years.

The Center for Digital Government, a national research and advisory institute focused on technology policy in state and local government, named New Jersey as one of the top five states for Information Technology leadership. The Center gives this recognition to states that show the greatest capacity and effectiveness in using technology to adapt quickly and effectively to the needs of citizens. Recognition of New Jersey's technological leadership came as the State also received its highest ranking in six years in the Center's Digital States Survey, the most comprehensive and widely referenced evaluation of the technology capabilities of the states. New Jersey's ranking reflects it is a state that is "trending up" and has leaders who "use modernization to change entrenched practices," the Survey staff wrote. The improved ranking, announced in August, came because each of the governor's major "initiatives in some way relied on technology," the Survey evaluators wrote. Among other initiatives, the Survey cited the administration's rapid application of technology in the efforts to speed recovery from Super Storm Sandy, its creation of a system to help prevent ex-convicts from returning to prison, a facial recognition application that ferrets out criminals who create false identities, and the administration's successful effort to leverage federal funds to develop a high-speed wireless pilot project for law enforcement, firefighters, medical personnel and other first responders.

Efforts at Data Governance Heralded

The Government Management Information Sciences organization presented New Jersey's Office of Information Technology for its role in creating the "Big Data Alliance," a partnership of major State public and private universities and State government that will work on the best ways to handle the vast quantities of data needed to function in the modern world. OIT worked with the Economic Development Authority and the Legislature in the creation and passage of Assembly Bill 2218, designating the Big Data Alliance as the State's "advanced cyber infrastructure consortium." Eight universities including Princeton and Rutgers are part of the Alliance. GMIS also gave its Best Practices Award to the New Jersey Data Governance Office, part of the office of Chief Information Officer, which is headed by E. Steven Emanuel. The award recognizes "trailblazers and risk takers who find innovative, exciting and sometimes genius ways of delivering citizen services."

Future

First Statewide, Executive Branch Email System

OIT, in collaboration with the Treasurer's Office, has begun implementing NJDeliver[®] the first single messaging platform serving the entire Executive Branch. The electronic communications system (e.g. email, instant messaging, etc.) is designed to create the most capable and efficient inter-agency communications system ever deployed by the State. Disparate and obsolete email systems have added to maintenance costs and complexity at the same time they hampered the effectiveness of communications both within State government and with the public. An enterprise level messaging platform will aid collaboration and productivity while adding powerful capabilities for many agencies. NJDeliver[®] has all of the advantages of Microsoft Office's Outlook 2010 email system such as a universal calendaring system, a global address book, and an online collaboration tool. Sixteen Executive Branch agencies are scheduled to migrate to the NJDeliver[®] platform in calendar year 2014. OIT is also upgrading the voicemail systems of 22,000 State government users.

Modernizing Taxation

The State is preparing to modernize the Division of Taxation's TaxNet system. OIT worked with Taxation and the Division of Revenue and Enterprise Services to develop a list of specifications and requirements for the new system. The modernization is designed to provide greater adaptability and flexibility for incorporating program and legislative changes; improve case selection for audits and collection actions; integrate support systems, including Premier Business Services; and add and/or enhance web-enabled services for public use. The project team readied a Request for Proposals that the State expects to release in Fiscal 2015.

Installing a Better System for State Procurement

The Division of Purchase and Property took the first steps toward introducing NJSTART, a fully web-based e-procurement solution and the first new procurement system for DPP in 25 years. OIT has assisted with the purchase and integration of the new system. NJSTART is the acronym for "State of the Art Requisition Technology." It is designed to offer vendors an online "one-stop shop" from RFP notification to contract payment. NJSTART will provide a document repository so that vendors will not have to repeatedly provide the same information every time they compete for a contract. The vendor portal at www.NJSTART.gov opened for registration on May 1, 2014. Full implementation is expected early in 2015.

Future (continued)

New Jersey Initiates National Effort to Speed Cloud Services Procurement

The Center for Digital Government, responding to a request for information that originated with New Jersey's Treasurer, released a report in September 2014 on Best Practices for Cloud Procurements. New Jersey's Chief Information Officer worked with the Center to bring together public and private IT leaders to discuss best practices for IT procurement. New Jersey IT and procurement professionals, like their counterparts in other states and in local and federal jurisdictions, face daunting obstacles that prevent timely procurements of Cloud-based services, hampering efforts to improve service quality, capability and efficiency. The 79-page report provides an end-to-end review of the types of services in the marketplace, makes foundational recommendations, and lists standards aimed at responsibly speeding up Cloud service procurements. The report takes a look at contract terms and conditions, which have been among the biggest stumbling blocks to effective procurements. At the urging of the Treasurer, New Jersey took the lead in this effort in January when a summit convened in Trenton at the Office of Information Technology. It included government leaders and commercial IT providers from across the nation. Two additional meetings ensued that resulted in the Center for Digital Government's creation and release of the report.

Enhancing State Transparency

OIT is preparing to upgrade the software used by the public to interface with the Governor's transparency site. The new solution will use a proven, powerful search system used by cities, the federal government, other nations and 11 other states including New York and Connecticut. Building on the already award-

winning success of YourMoney.NJ.gov, the new capability leverages the Cloud, platform and social technologies to deliver improved ability to access and sort information. The system will provide the public with better tools for finding and using data, and agencies with more capability to make additional data available. The user interface will allow citizens to generate and save their own charts, maps, summaries and other views based upon the core datasets. The system will allow easier posting of data responding to open records requests, reducing the cost and time needed to meet these requests.

Meeting the Demand for Health Care

The Federal Affordable Care Act and State efforts at improving the efficiency of Medicaid programs prompted significant changes in computing systems. OIT converted an application so the Department of Human Services could use it to determine federal benefits and eligibility for health insurance through the national marketplace. High usage led to 270,000 residents getting health insurance through the program, and further growth is expected that will require OIT monitoring and assistance. Separately, a federally approved waiver allowed the State to consolidate Medicaid recipients into one program that relies more heavily on managed care. OIT staff worked on the enhanced Managed Long Term Care Support System to help make this change. More than 11,000 Medicaid recipients have since been deemed eligible for the program. OIT is preparing to handle further changes as State requirements for health care systems evolve.

FY2014 Budget Summary

Salaries & Fringe	27,576,000
Materials and Supplies	207,000
Services Other than personal	19,255,000
Maintenance and Fixed Charges	31,000
Additions, Improvements, and Equipment	6,148,000
Other Resources (Receipts)	64,896,000
Total Operating Budget	\$118,113,000
E-911	
Statewide 9-1-1 Emergency Telephone System	12,372,000
Office of Emergency Telecommunications Services	900,000
E-911 Total	\$13,272,000
OIT Total	\$131,385,000
OIT Indirect Cost Recoveries	5,500,000
OIT Grand Total	\$136,885,000
Total Direct State Services Funding (State Approp.)	\$66,489,000