

Colorado Statewide Internet Portal Authority
Annual Legislative Report
to the Joint Technology Committee
November 1, 2014

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INTRODUCTION

The Statewide Internet Portal Authority (SIPA) is pleased to provide this report to the Joint Technology Committee of the Colorado General Assembly. C.R.S. § 24-37.7-113.5, requires SIPA to submit an annual report to the Joint Technology Committee that sets forth a complete and detailed operating and financial statement each fiscal year. The report must also include any recommendations regarding additional legislation or other action that might be necessary to carry out the purposes of SIPA.

SIPA was created in 2004 by the Colorado General Assembly with a mandate to provide efficient and effective e-Government services for eligible governmental entities (EGEs) and residents through the use of modern business practices and innovative technology solutions.

SIPA is governed by a 15-member Board of Directors comprised of elected officials, government stakeholders, and private citizens. Four members of the board must be legislators, and 2013 legislation requires that, as legislative vacancies occur on the board, new legislative appointments to the board must be members of the Joint Technology Committee. Currently, three members of SIPA's board are also members of the Joint Technology Committee.

SIPA serves as the oversight body of the Colorado.gov portal, which is the gateway to Colorado government and is intended to be Colorado's single most comprehensive delivery channel for e-Government services.

SIPA, through its partnerships with governments across Colorado, is well positioned to engage in conversations that lead to more online services being available to the residents, businesses, and visitors of Colorado. SIPA will continue to offer innovative services and solutions whereby costs can be controlled and services increased. Governments can create and maintain a web presence at no cost, accept electronic payments without needing to procure a PCI-compliant system of their own, deploy mobile applications, and much more-- by using solutions provided through SIPA.

Online services allowing Coloradans to complete tasks such as renewing driver's licenses, vehicle registrations, and pet licenses are available today. New businesses can register for a sales and unemployment tax number using the Colorado Business Express online registration system (www.colorado.gov/coloradobusinessexpress).

SIPA will continue working with eligible governmental entities (EGEs) to offer creative solutions that take advantage of new technologies and meet the fiscal challenges of today.

Using the services provided by SIPA, governments across Colorado save or avoid approximately \$6 million in costs each year. SIPA continues to look for innovative ways to provide new services while continuing to improve the services it offers.



MISSION

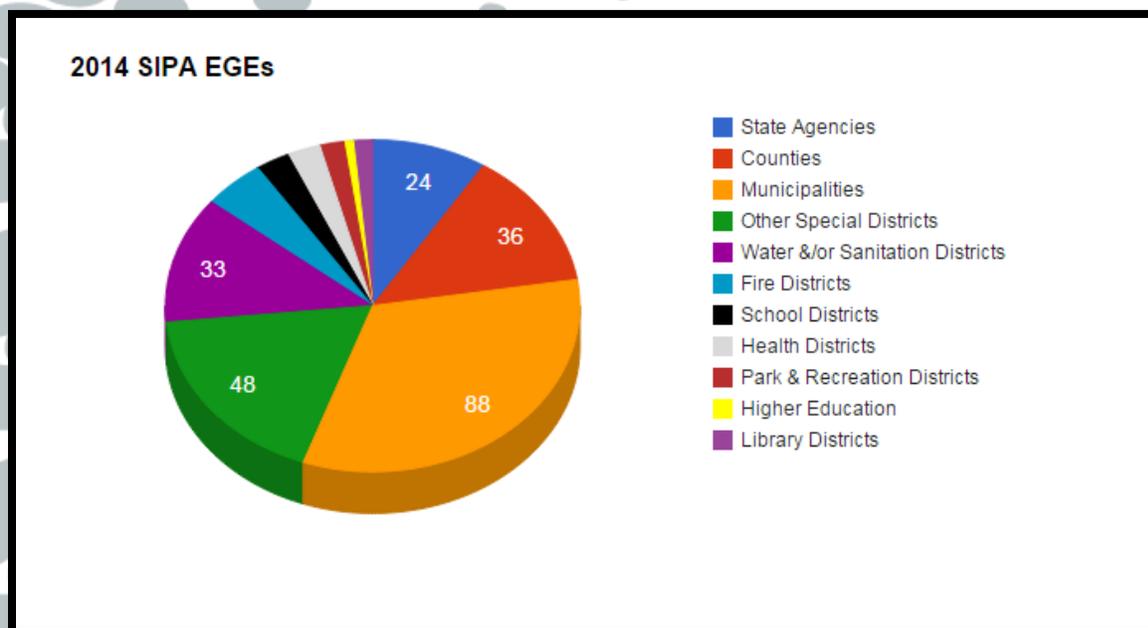
The mission of the Statewide Internet Portal Authority is to provide efficient and effective services for citizens through the use of modern business practices and innovative technology solutions.

VISION

The vision of the Statewide Internet Portal Authority is to transform Colorado government service delivery through the use of technology, allowing a single point of contact for members of the public to access state and local government information, products, and services.

EGEs SERVED

SIPA is a quasi-governmental organization that serves other governmental entities throughout Colorado. Eligible governmental entities (EGEs) are generally State Agencies, County and Municipal Governments, School Districts, and many other special purpose authorities. As of November 2014, SIPA has agreements in place with 293 governments or subdivisions, including 24 State Agencies, 36 Counties, 88 Municipalities, 33 Water and/or Sanitation Districts, 2 Higher Education Institutions, and 7 School Districts. The numbers in the figure sum to slightly fewer than the total as it controls for those organizations that have multiple agreements in place.



While many of SIPA's initial customers were State Agencies predominately located in the Greater Denver Metropolitan region, SIPA now serves governments across the entire state of Colorado.



2014 SIPA CUSTOMERS

State Agencies



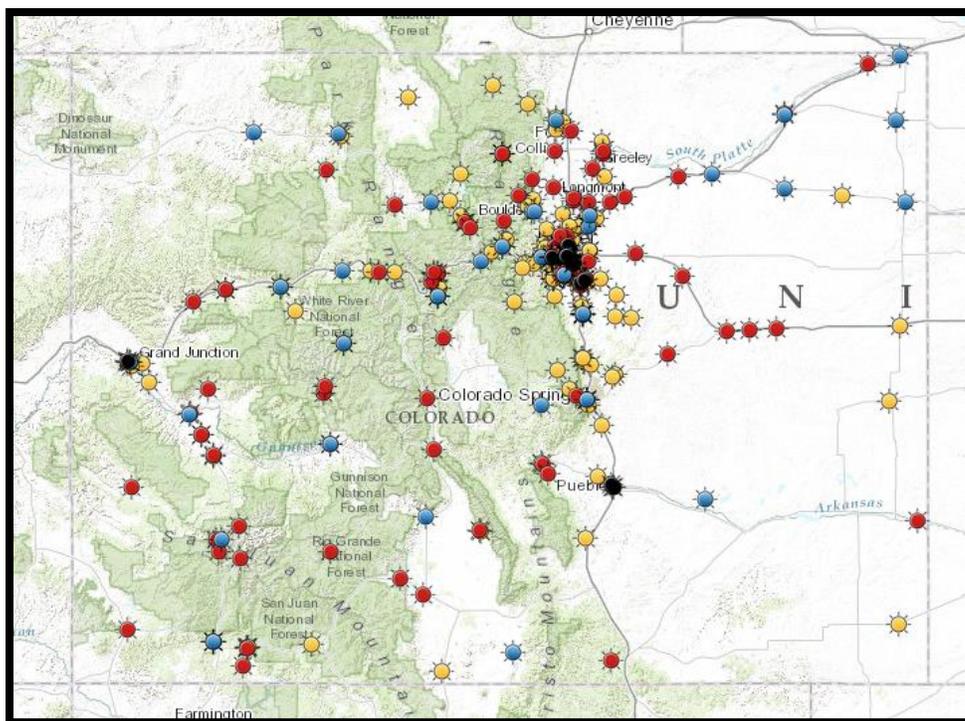
Counties



Cities and Towns



Other Local Governments



SERVICES

SIPA and its partners offer many services to the eligible governmental entities of Colorado and the members of the public that interact with these services. These services fall within five major groupings which are described below.

- **Websites** - SIPA provides website creation to EGEs and has more than 250 websites in production today. These websites allow members of the public to gather valuable information regarding governmental services 24 hours a day 7 days a week from their home, office, or mobile devices. Almost every website that SIPA creates for a governmental entity has a cost of at least \$11,500 that is absorbed by SIPA and its partners. ***This represents a savings of approximately \$2,875,000 for entities using this service.***

Colorado.gov
Linking businesses & citizens to government



This year SIPA has been simultaneously helping EGEs launch new websites while beginning to migrate more than 200 hosted websites from a legacy Oracle-based solution to a new state-of-the-art platform built on Drupal. More information on the platform and migration can be found at: www.colorado.gov/goingpacific





COLORADO

Department of Personnel & Administration

- Home
- I Want To
- Job Seeker
- Employee
- Business
- Local Government
- Citizen
- About Us



Welcome!

DPA's mission is to provide quality services that enhance State government success. Our vision is to be the leader in [service excellence](#). Learn more [about us](#).
Read our [strategic plan](#).

Welcome to DPA's new website!

DPA is excited to share our new website with you. We hope you find it useful and easy to navigate. Please share your feedback with us at DPA_Comments@state.co.us.

SIPA is also responsible for overseeing the State of Colorado's Internet portal, www.colorado.gov, which serves as the single and most comprehensive delivery channel for e-Government services available in Colorado. The portal links to state government's websites and connects members of the public to the e-Government service they are seeking. Colorado.gov receives approximately 2.5 million visitors each year looking for information related to government services.

- **Custom Applications** - SIPA maintains a process to assist EGEs in developing custom applications that provide improved services to the citizens of Colorado. EGEs have partnered with SIPA to develop more than 200 applications since SIPA was created. These applications include the Sex Offender Registry, Driver's License Renewal, Child Care Directories, Change of Address, Colorado Cold Case, and many more.



SIPA Makes it Simple!



The majority of these applications utilize a public-private partnership and are not funded by taxpayer dollars. Instead they are financed through a portal administration fee, whereby the direct beneficiary of the service pays a small amount to support the service.

- **Electronic Payment Processing** - Integrated within Colorado.gov, SIPA provides a convenient and efficient way for members of the public to pay for services they receive online or over-the-counter by allowing EGEs to accept credit cards and electronic checks. This process follows the Payment Card Industry (PCI) Data Security Standards (DSS). If the state agencies and local governments (more than 100 entities leverage this service) using SIPA's services were to stand a similar service up, it would carry costs of at least \$3.7 million related to PCI compliance alone. In FY 2014 there were more than 25 million transactions completed using SIPA's payment engine. This payment processing system is used in 59 of Colorado's 64 counties.



- **Cloud-Based Software Solutions** - SIPA continues to have partnerships which allow EGEs to acquire a variety of productivity tools at competitive prices.



These services are offered using an on-demand pricing model allowing EGEs to pay only for what they are using. These solutions include:

- **Salesforce** - Salesforce.com software allows state and local governments to collaborate openly and seamlessly through a state-of-the-art cloud-based solution, which provides all parties with the tools to satisfy their needs with desired convenience. Through Salesforce.com, governments are able to connect, engage, and create social



communities. Partner communities are developed in order to increase employee productivity and cooperation. Citizen communities are developed to engage with the public across any device or social channel. More than 15 governments across Colorado have built numerous custom applications using the Salesforce platform.

- **DocuSign** - DocuSign is a complete digital transaction management platform that includes payment integration, work flows, audit trails, and electronic signatures to facilitate accurate and secure transactions. With documents playing such a crucial role in business, DocuSign accelerates this often manual, paper-based process by helping organizations complete documents from start to finish online. DocuSign was added as a service at the end of Fiscal Year 2013-2014. So far, only one County has adopted this versatile platform.
- **Google Apps for Government** - Google Apps offers a state-of-the-art email and calendar system that provides 50x the storage of a typical inbox and dramatically lowers the total cost of ownership. In addition, Google Apps includes a full suite of modern productivity tools, such as built-in voice and video chat, document collaboration, and internal video sharing, to make the 21st century government workforce more productive. More than 38 EGEs take advantage of this service and have deployed more than 44,000 accounts to their employees.
- **Mobile Pulse** - Six EGEs are using Mobile Pulse to support wireless contract negotiations, by testing carrier performance through end users, providing the governments with a report of key performance indicators.
- **Perceptive Software** - Two state agencies have adopted Perceptive Software as their content management solution. Perceptive software offers a wide range of content management software technologies including, business process management, enterprise content management, intelligent data capture, enterprise and federated search, and integration technology. These tools improve financial performance, reduce risk, and ensure flexibility.
- **Grant Program** - SIPA is about to start the fifth year of its Micro-Grant Program. Last year, SIPA received more than 80 applications for grant funds. Each year SIPA awards approximately 20 grants and \$100,000 to help governments put more consumer-facing services online. In Fiscal Year 2013-2014, half of the grant recipients received awards to help them review and improve their cyber security practices. Since the grant program inception in 2010, SIPA has awarded 88 grants totaling \$402,809 across the State of Colorado.



2013 Grant Winners



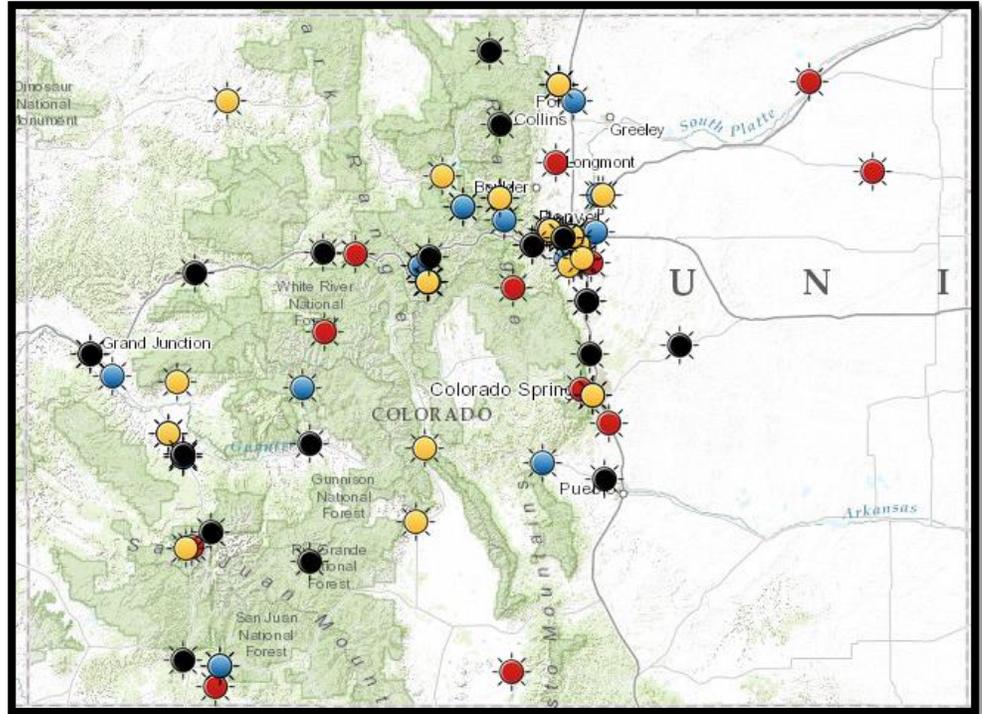
2012 Grant Winners



2011 Grant Winners



2010 Grant Winners



FINANCIAL INFORMATION

SIPA is self-funded and does not receive any General Fund appropriation from the Colorado General Assembly. SIPA receives funding through its partnerships, the sale of licenses, and time and material consulting. To remain a viable and functioning organization, SIPA must offer products and services that are in demand by the EGEs and that they elect to use.

An overview of SIPA's financial operation is presented below.

SIPA Profit & Loss Statement Fiscal Year 2013-2014 – Unaudited	
	Jul 13 - Jun 14
SIPA Employees	4.5
SIPA Customers (EGE Agreements)	293
Websites Hosted	250
Income	
Colorado Interactive – websites, payment processing	\$1,542,166.50
EGE Revenue – professional services	\$3,850,517.61
SaaS Revenue – software licenses	\$3,679,209.87
Other	\$1,600.28
Total Revenue	\$9,073,494.26
Expenses	
Personnel, Travel, Training	\$524,342.79
Insurance, Equipment, Lease, Phones, Office Supplies, Bookkeeping, Audit, Legal, Consulting, Depreciation	\$434,516.68
Total Office Operations	\$958,859.47
Grant Program, Customer Events & Functions	\$288,006.04
Website Licenses and other services	\$21,040.40
SaaS Licenses	\$3,413,229.43
EGE Engagements	\$3,829,468.37
Total Cost of Services	\$7,551,744.24
Total Expense	\$8,510,603.71
Net Income	\$562,890.55



C.R.S. § 24-37.7-106 requires SIPA to report the total amount of charges or fees imposed by each state agency for accessing electronic information, products, and services through the statewide internet portal and the total amount of receipts and revenue derived by SIPA from those transactions. Both of these reporting requirements are for the preceding fiscal year, which for this reporting period is Fiscal Year 2013-2014.

Charges - The table on the next page provides information related to the charges imposed by state agencies as a result of laws, rules, or regulations and includes the list of available state agency services, the number of transactions completed, and the total amount of charges associated with the transactions.

In Fiscal Year 2013-2014 the applications created through SIPA on behalf of state agencies completed 25,715,555 transactions, collecting a total of \$13,459,111 in credit card processing and portal administration fees to operate and maintain the system. It is important to note that the users of these services have many alternatives available and are not typically required to use them, but elect to because of their availability and ease of use.

Receipts & Revenues - The actual revenue (unaudited) SIPA received for FY 2013-2014 related to the transaction services provided to state agencies totals \$648,585.



Financial Transactions Processed on Behalf of State Agencies			
Service (Alphabetical)	Agency	Transactions	Funds 2014
AG-Cashier Payment Portal	Agriculture	891	\$4,876
Board of Assessment Appeals	DOLA	42	\$408
CDHE Assessment & Transcript Request	CDHE	182	\$503
CDLE Boiler Inspections	CDLE	443	\$1,224
Colorado BIDS (phased out June 2014)	DPA	4,186	\$6,986
Colorado Business Express	Revenue/CDLE	9,809	\$16,637
County DMV PayPort	Revenue	661,055	\$3,600,834
DCJ Class Registrations	CDPS	524	\$1,310
DORA Electrical & Plumbing	DORA	9,755	\$52,758
DORA HOA Registrations	DORA	2,641	\$5,372
DORA Professional Licensing	DORA	222,743	\$990,480
DORA Surplus Lines Tax	DORA	205	\$205
DORA Walk-ins	DORA	5,217	\$15,645
DPA CSS	DPA	19,392	\$56,851
DPA HR	DPA	422	\$2,938
Driver Matching	Revenue	5,355	\$323
Driver Record Monitoring	Revenue	281,860	\$1,355,907
Educator License Payments	CDE	38,642	\$91,623
Gambling Intercept - Child Support	Revenue	585	\$5,490
Measurement Device Licensing	Agriculture	195	\$1,341
Motor Vehicle Title and Lien Records	Revenue	15,953,767	\$507,820
Motor Vehicle Interlock Service	Revenue	14,811	\$592,440
Motor Vehicle Verification Service	CBI	15,217	\$75,985
Non-Profit Annual Report Filings	DOLA	2,033	\$6,013
Online Driver License Renewals	Revenue	140,929	\$174,442
Online Sales Tax Processing	Revenue	334,530	\$1,039,812
Online Vehicle Registrations	Revenue	680,407	\$2,212,442
Over-the-counter Driver License Renewals	Revenue	53,547	\$67,256
Ports of Entry	Revenue	9,689	\$79,581
Private Applicators Exam Request	Agriculture	558	\$730
Private Applicators Licensing	Agriculture	334	\$738
Search And Rescue Cards	DOLA	2,984	\$3,622
State Court Payments	Judicial	1,767,425	\$2,252,194
Storage Tank Registrations	CDLE	480	\$1,799
Utility Payments	DORA	829	\$547
Youthful Driver Monitoring	Revenue	5,473,871	\$231,979
	Total	25,715,555	\$13,459,111



RECOMMENDED LEGISLATION

As previously noted, C.R.S. § 24-37.7-113.5, requires that SIPA's report to the Joint Technology Committee include any recommendations regarding additional legislation that might be necessary to carry out the purposes of SIPA.

SIPA recommends two changes to SIPA's statutes to clarify and improve SIPA's reporting to the General Assembly.

- **Harmonize sections 24-37.7-106(4)(b) and 24-37.7-113.5:**

In 2013 the legislature enacted new section 24-37.7-113.5, which requires an annual report to the Joint Technology Committee. However, it did not repeal or amend section 24-37.7-106(4)(b), which requires annual financial reporting to the Joint Budget Committee, the Business, Labor, and Technology Committee of the Senate and the Business Affairs and Labor Committee of the House of Representatives. Therefore, SIPA recommends legislation that moves the requirements of section 24-37.7-106(4)(b) into section 24-37.7-113.5, so that all reporting is to the Joint Technology Committee.

Here are the applicable statutes:

§ 24-37.7-106. Fees and charges - no modification - new services – reporting. (4) (b) On or before November 1, 2010, and on or before November 1 of each year thereafter, the board shall report to the business, labor, and technology committee of the senate and the business affairs and labor committee of the house of representatives, or any successor committees, and to the joint budget committee on:

(I) The total amount of charges or fees imposed by each state agency for accessing electronic information, products, and services through the statewide internet portal made in the preceding fiscal year; and

(II) The total amount of receipts and revenue derived by the authority from the transactions described in subparagraph (I) of this paragraph (b) for the preceding fiscal year.

§ 24-37.7-113.5. Annual report. On or before November 1, 2013, and on November 1 of each year thereafter, the authority shall submit a report that sets forth a complete and detailed operating and financial statement of the authority during such fiscal year. The report must also include any recommendations regarding additional legislation or other action that may be necessary to carry out the purposes of the authority.

- **Change the reporting date:**

SIPA recommends that the date of reporting be changed from November 1 to January 1 so that SIPA can use audited financial statements for the creation of the required financial updates.

