

**Florida Board of Governors
General Office, 2017-2018 Budget Request**

| | 2016-17 Board Budget | Additional Resources | 2017-18 Board Request |
|---|----------------------------|-------------------------|-----------------------------|
| 1 Salary & Benefits-GR | \$5,631,851 | | \$5,631,851 |
| 2 Salary & Benefits-Trust Fund | \$764,518 | | \$764,518 |
| Staff Retention - GR | | \$92,000 | \$92,000 |
| 4 Positions - GR | | \$442,000 | \$442,000 |
| 3 Total | \$6,396,369 | \$534,000 | \$6,396,369 |
| 4 | | | |
| 5 Other Personal Services-GR | \$51,310 | | \$51,310 |
| 6 Other Personal Services-Trust Fund | \$20,785 | | \$20,785 |
| 7 Total | \$72,095 | | \$72,095 |
| 8 | | | |
| 9 Expenses-GR* | \$715,329 | | \$715,329 |
| 10 Expenses-Trust Fund | \$206,799 | | \$206,799 |
| 11 Expenses associated with new positions | | \$40,884 | \$40,884 |
| 12 Total | \$922,128 | \$40,884 | \$963,012 |
| 13 | | | |
| 14 Operating Capital Outlay-GR | \$11,782 | | \$11,782 |
| 15 Operating Capital Outlay-Trust Fund | \$5,950 | | \$5,950 |
| 16 Total | \$17,732 | \$0 | \$17,732 |
| 17 | | | |
| 18 Contracted Services-GR | \$240,127 | | \$240,127 |
| 19 Contracted Services-Trust Fund | \$23,000 | | \$23,000 |
| 20 Business Continuity - GR | | \$517,954 | \$517,954 |
| 21 Total | \$263,127 | \$517,954 | \$781,081 |
| 22 | | | |
| 23 Tnsfr to DMS for HR Services-GR | \$17,351 | | \$17,351 |
| 24 Tnsfr to DMS for HR Services-Trust Fund | \$4,385 | | \$4,385 |
| HR Services for 4 positions | | \$1,356 | \$1,356 |
| 25 Total | \$21,736 | \$1,356 | \$23,092 |
| 26 | | | |
| 27 Tnsfr to DMS for Risk Mgmt Insurance-GR | \$11,937 | | \$11,937 |
| 28 | | | |
| 29 NW** Regional Data Center-GR | \$123,516 | | \$123,516 |
| 30 Security/IT Infrastructure | | \$66,480 | \$66,480 |
| 31 Total | \$123,516 | \$66,480 | \$189,996 |
| 32 | | | |
| 33 Total Board Office Budget-GR | \$6,803,203 | \$1,160,674 | \$7,963,877 |
| 34 Total Board Office Budget-Trust Fund | \$1,025,437 | | \$1,025,437 |
| 35 Total | \$7,828,640 | \$1,160,674 | \$8,989,314 |
| 36 | | | |
| 37 <i>\$ Change from 2016-17 Budget</i> | | | \$1,160,674 |
| 38 <i>% Change from 2016-17 Budget</i> | | | 14.8% |
| 39 | | | |
| 40 <i>Authorized Positions</i> | 63 | 0 | 63 |
| 41 <i>Increase(Decrease) in Positions</i> | 0 | 4 | 4 |
| 42 Total | 63 | 4 | 67 |

43 *GR - General Revenue

44 **NW - Northwest

Florida Board of Governors' General Office
Legislative Budget Request - \$1.2 M
Information Resource Management (IRM) Needs

The Florida Board of Governors General Office is the smallest governing board¹ of the top 10 states in the country. Yet, Florida is known throughout the nation for its robust data collection and analysis. As the Board moves forward overseeing its constitutional and statutory responsibilities, the Office of Information Resource Management (IRM) needs have drastically increased.

Challenges:

- Replacement and retention cost for qualified IT staff has far outstripped our current personnel compensation levels. IRM experienced a 40% turnover rate within the last three years and refilling a position can take six months or longer. This is primarily due to the lower than average pay scale (10-12 percent below other state agency averages). IRM has continually hired level 1 or 2 technical staff into level 3 or 4 technical positions at the lowest salary level possible, trained new staff to manage the higher level of responsibility, and had the staff recruited by other agencies and universities.
- The Board faces an ever increasing risk of information security failures due to the current escalating risk from cyber intrusions worldwide. No security positions were provided for the Board upon its reconstitution.
- The very nature of the Board's information gathering and data usage has also drastically changed since the formation of the Board. The bulk of the research data being collected by IRM is now being used for accountability considerations. Performance funding alone currently has half of a billion dollars associated with the metrics populated by data collected and processed by IRM. To ensure the validity of this data, IRM needs to staff a quality control unit.

Proposed Solutions

- Retain existing technical staff by having salaries comparable to the State's average technical salary levels. Distribution of rate will be based upon performance;
- Add 4 FTE positions to ensure quality control and prevent cyber security threats;
- Implement critical cyber security IT projects; and
- Implement critical business continuity IT projects.

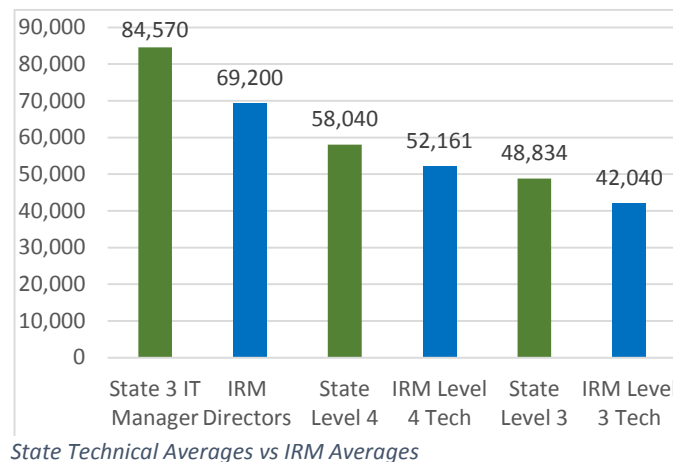
¹ The Board General Office has 63 positions. The largest of the top 10 is California with 570 positions and the closest to Florida is Ohio with 75 positions.

2017-18 Florida Board of Governors' IRM Budget Request

| Category | Type | Recurring | Nonrecurring | Total |
|-------------------|-------------------------------|------------------|------------------|--------------------|
| Salary & Benefits | Technician Retention | \$92,000 | \$0 | \$92,000 |
| | Quality Control - 2 positions | \$221,000 | \$0 | \$221,000 |
| | IT Security - 2 positions | \$221,000 | \$0 | \$221,000 |
| Expenses | 4 positions | \$24,700 | \$16,184 | \$40,884 |
| Contracted Svcs | Business Continuity | \$60,000 | \$457,954 | \$517,954 |
| NWRDC | Security/IT Infrastructure | \$66,480 | \$0 | \$66,480 |
| HR Svcs | 4 positions | \$1,356 | \$0 | \$1,356 |
| Total | | \$686,536 | \$474,138 | \$1,160,674 |

1. Technician Retention - \$92,000

Existing technician salaries are 10 to 12 percent below comparable positions in other state agencies. Although we are unable to compete with the private sector or universities, losing technicians to other agencies can be addressed by having comparable compensation. Turnover in the IRM unit has greatly outpaced turnover in other Board offices. This is primarily due to lower than average compensation.



2. Quality Control - 2 Positions - \$221,000 and \$20,442 in Expenses

Creation of a Quality Assurance (QA) unit consisting of a QA director, a QA Analyst, and a Project Management Professional (PMP²). IRM needs two new positions and additional resources for an existing lower level position to create this unit.

Prior to performance-based funding (PBF), the lion's share of IRM's collected data was used for quantitative research and reporting. IRM's longitudinal research data error rates were well within statistically acceptable ranges for this purpose. The advent of PBF has created a higher demand for data quality. Traditionally, the IRM data administration staff performed both data administration and quality assurance. However, these functions were previously spread across 14 dedicated staff. The introduction of new technologies and moving from a

² The Board office is currently out of compliance with the Agency for State Technologies (AST) recent project management compliance regulation due to lack of staffing in this critical area.

shared IBM mainframe required IRM to reassign 40% of data administrative staff to other critical functional areas. For example, the prior data system did not use a relational database. The move to a relational database required IRM to reclassify a data administration position for database administration.

In accordance with the State's 2017-18 legislative budget instructions, \$10,221 per position is allocated for position expenses.

3. Security - 2 Positions - \$221,000 and \$20,442 in Expenses.

The Board office does not have an Information Security Officer or Access Management Technician. Current heightened cybersecurity trends have placed the Board at risk for a security breach or other types of security failures. IRM has hired an entry-level technician and has been developing this staff member to fulfill some of these needs; however, business continuity needs such as disaster recovery and data backup support have consumed all of the staff member's time. IRM also lacks training resources to assist this individual in obtaining IT security credentials. Managing access in an ever-growing environment is currently a challenge for IRM. Also, IRM has not been able to implement multiple security projects due to the lack of staff. Outsourcing projects is viable, but cost prohibitive. Currently, the state data center does not offer access management as a service. As a comparison, the Department of Education (DOE) has 7 full-time staff overseeing IT security with an annual outsourcing budget of \$1.5 million. All of the Board's sensitive data systems are outside of the DOE data system. DOE does provide security monitoring for our external servers, but responding to any alerts is the responsibility of IRM staff. IRM is currently working with DOE to increase these monitoring services.

These two positions will allow the Board to hire an Information Security Officer and Access Management Technician to minimize the risk of information security breaches. The majority of IRM's data collections are personally identifiable information which include social security numbers. Our collection system is also not integrated with the universities security systems which creates a security management issue that leaves the Board vulnerable to loss. The proliferation of cloud based software-as-a-service (Boardbooks, Board's Web Mobile App, etc.) also creates a management and security risk that were not present prior to the acquisition of these services in 2014.

In accordance with the State's 2017-18 legislative budget instructions, \$10,221 per position is allocated for position expenses.

4. Business Continuity - \$517,954 (\$60,000 recurring)

Business Processing and Continuity - In 2011, IRM had limited disaster recovery or backup processes in place for its enterprise systems at Northwest Regional Data Center. Although IRM has continually added support in these areas, the current level of disaster recovery and backup is not consistent with current industry standards. This continually puts the Board at risk for data loss and disruption of business operations.

IRM has identified several cybersecurity related projects needed to better limit the Board's risk (details can be provided upon request).

5. Northwest Regional Data Center (NWRDC) IT Services - \$66,480

To support the business and security IT projects, IRM is requesting an increase in the Northwest Regional Data Center budget. The projects mentioned above will require ongoing support. Also, the State is moving all agencies into a consolidated data center service model. This model requires recurring annual funding as opposed to the capitalization model we have been operating under. IRM has been transferring ownership of all of its hardware to NWRDC and anticipates to be fully divested within the next three years. This situation needs to be addressed with annual budgeting reviews and possible increases in the data processing budget.

6. Transfer to DMS for HR Services - \$1,356

In accordance with the State's 2017-18 legislative budget instructions, \$339 per position is allocated for PeopleFirst Human Resource Services.