

Report on Texas.gov

The *Report on Texas.gov* addresses Sections 2054.260 and 2054.055 of the Texas Government Code (TGC), which require the Texas Department of Information Resources (DIR) to report on the status, progress, benefits, and efficiency gains of the state electronic Internet portal, Texas.gov. The report identifies any significant issues regarding contract performance and provides a financial summary of Texas.gov, including project costs and revenues.

The report is presented in the following sections:

- Background
- Progress
- Benefits and Efficiency Gains
- Financial Summary

Background

Texas.gov is the official website for the State of Texas, and has operated through a self-funded, public-private partnership since 2000. Texas.gov provides portal and payment services for Texas state agencies and eligible local governmental entities, enabling them to cost-effectively conduct business with their customers.

DIR provides contract management, strategic and operational oversight, enterprise-level coordination, and advocacy. The private partner provides all other aspects of program management, such as operational management, security management, a 24x7 help desk and service desk coverage, application development, and marketing.

Texas.gov offers more than 1,000 online services for more than 100 publicly funded customers. Since its inception, Texas.gov has processed over 175 million financial transactions. Examples of services include the following:

- Web-enabled payment processing (integrated with the state's uniform statewide accounting system)
- Driver license renewals and authorized driver record access
- Vehicle registration renewals and specialty license plates
- Professional and occupational licenses
- Vital records (birth, death, and marriage certificates)
- Online procurement of goods and services (TxSmartBuy)
- Online filing of court documents (eFiling)
- State licenses and permits
- Fee and fine payments

These capabilities were developed at no cost to the state and transform how the state conducts online business with its citizens. The Texas Legislature, through TGC 2054.111, authorized a small fee for each transaction to recoup the cost of developing, operating, and supporting these services. A percentage of this transaction revenue is contributed to the state's general revenue fund. For FY 2012, Texas.gov is estimated to add over \$31 million to this fund.

Progress

The ongoing mission of Texas.gov is to provide portal and payment services for Texas state agencies and other governmental entities to effectively conduct business with their customers. To accomplish this mission, Texas.gov offers a common infrastructure, development framework, project management practices, governance, payment processing, and communications, which allow agencies to provide a convenient, constituent-focused interface to agency business. Additionally, Texas.gov revenues allow the Texas.gov partnership to invest in new projects that may be approved and prioritized through the appropriate governance boards that oversee Texas.gov operations.

The Texas.gov program has made significant progress in meeting and improving core capabilities of the program and fulfilling its mission. For this reporting period, the specific areas of progress include the following:

- State Share of Revenue
- Security
- Mobility
- Speed to Market
- Accessibility
- New Services
- Governance
- National Recognition of Excellence

State Share of Revenue

The Texas.gov Master Agreement with the state's private partner, effective January 1, 2010, provided an increase in the percentage of revenue received by the state. In 2011, the state share was 39 percent of total revenue. In FY 2012, the state share contribution increased to 40 percent of Texas.gov total revenue. Under the previous contract, the greatest annual amount of state share was \$15.6 million; while the new contract is estimated to bring in over \$31 million in FY 2012. This represents a 99 percent increase in annual state revenue share.

Security

All Texas.gov services and products maintain compliance with all applicable state, federal, and industry confidentiality, security, and privacy laws, rules, regulations, methods, policies, standards, and guidelines in accordance with documented processes.

One core service offering of the Texas.gov program, the payment engine, which allows credit cards to be accepted online, moved to the Payment Card Industry's Data Security Standards (PCI-DSS) compliance in 2010. This compliance is met through building and maintaining a secure network, protecting cardholder data, maintaining a vulnerability management program,

implementing strong access control measures, regularly monitoring and testing networks, and maintaining an information security policy. Credit card companies require annual certification of compliance with PCI-DSS standards. This significant investment of money, time, and technical resources is absorbed in large part by the private partner, freeing state agencies and other Texas.gov customers from a significant expense while enhancing trust among citizens who transact through Texas.gov.

Mobility

With increasing use of mobile devices by citizens, the Texas.gov portal has been enabled for mobile use. When a mobile device such as a smartphone or tablet loads m.texas.gov or www.texas.gov, the portal is displayed in a single column for easy navigation, with large, descriptive icons that are easy to tap. The content is presented in a simple and straightforward manner. Most transactions that can be completed through the portal are conveniently available on mobile devices, as well.

Also, the Texas.gov mobile application is available for download to an iPhone or Android. The application provides the locations of government offices with maps and directions, a way to share input for improving Texas.gov, and a platform for asking questions and sharing information about Texas state and local government.



Figure 1 Texas.gov Mobile Application— Drive, Contact, Pay and Work

Many of the services offered on the mobile site, such as Driver License Renewal and Fund for Veterans Assistance donations, also feature mobile-friendly best practices giving Texans a seamless transition from the government portal to a government transaction.

Speed to Market

Texas.gov has focused much of its development efforts toward developing products and reusable components that enable Texas.gov to implement small-scale projects at a fraction of the time and expense of regular custom work. This allows the Texas.gov program to expand its online services portfolio and deliver more online services than the traditional custom development model would allow.

The Texas.gov program has developed a suite of configurable products, branded “TxPay,” for the most common government transaction types—utility payments, ticket pay, fee/fine, licensing, etc. The TxPay product line delivers increased speed to market for many online payment needs of Texas government entities. These new services can be implemented through simplified configuration settings rather than custom applications developments.

TxPay products are PCI-compliant, use a rich-function web interface, and offer a basic mobile version for core functions.

Accessibility

The Texas.gov website is compliant with state and federal accessibility standards. During the rebranding of the state portal in May 2010, the state's private partner developed a template for new applications that is optimized for the many facets of accessibility, including the following:

- **Usability** – important, clickable items are in the same locations and higher on each page
- **Plain language** – action-oriented phrases facilitate scanning
- **Compatibility** – accommodates all popular operating systems and Internet browsers
- **Simple navigation** – progress bar displays list of steps to complete a transaction with the current step highlighted

New Services

Since 2010, 28 business cases have been approved by the Texas.gov Project Review Board. The board compares project costs and risks to project benefits and potential to generate revenue for the state and the Texas.gov program. This business case review process has yielded the development of the following new applications:

- Concealed Handgun Licenses
- Vehicle Inspection Stations
- Commissary Transactions
- Capitol Access
- Public Information Requests
- Web Analytics Portal
- TxPay Ticket Pay (piloted with the City of Houston)
- TxPay Utility Pay (piloted with the City of Mesquite)
- Android and iPhone mobile applications
- Driver License Reinstatement
- Fund for Veterans Assistance
- TxNET – a website-hosting platform currently hosting the state Emergency Portal and the Texas Veterans Portal
- Large Application Use Cases

Governance

The Texas.gov governance model supports DIR's oversight authority of Texas.gov and provides ongoing opportunities for customer involvement in program governance. The governance model includes the following groups:

- Project Review Board
- Change Control Board
- Customer Advisory Council
- Architectural Standards Board
- Veterans Portal Advisory Council
- Online Licensing Steering Committee
- Payment Engine Users Group
- Third-Party Application Council
- Executive Steering Committee

DIR works with the governance bodies and the state's private partner to make collaborative decisions regarding strategic direction and project prioritization.

This governance framework also supports a communication and decision-making platform that fosters agility and transparency in addressing complex technology decisions with multiple stakeholder needs and perspectives. For example, the Veterans Portal Advisory Council was formed in 2010 to establish and provide ongoing guidance for the Texas Veterans Portal, a central website that was requested by state leadership to meet the needs of multiple organizations that serve Texas veterans.

Today, the Texas.gov biennial governance refresh, required by the Master Agreement, is nearing completion. This governance refresh offers an opportunity to improve an already effective Texas.gov governance model. Specific changes in the governance model will be made to achieve the following objectives of the governance refresh:

- Continue to increase customer involvement in Texas.gov governance
- Eliminate redundancy and streamline processes
- Continuously improve the public/private partnership

National Recognition of Excellence

Texas.gov has been recognized nationally as a leading government website and has received over a dozen national awards, including the following:

- 2012 Center for Digital Government and Technology Portal Modernization Award
- 2012 ClearMark Center for Plain Language Award
- 2011 5th Place Best of the Web
- 2011 Gold Screen Award of Excellence
- 2011 Best of Texas Best Application Serving the Public
- 2011 ClearMark Center for Plain Language Award

Benefits and Efficiency Gains

The Texas.gov program solves a wide range of agency technology needs in ways that benefit government entities and citizens.

Benefits for State Agencies – Support for existing Texas.gov applications and services

Texas.gov offers applications and services to 56 state agencies. Ongoing development, maintenance, and support of these projects continue to be an important focus for Texas.gov. Texas.gov provides a 24x7 help desk for Texas.gov-hosted applications and services, allowing constituents to conduct business with the state at their convenience without requiring after-hours support from government staff.

Some of the applications deployed through Texas.gov are major, custom development efforts that require considerable resources and years of effort. Examples of these projects include Vital Statistics Application (described below), TxSmartBuy, eFiling, and the new DPSDirect. Many other Texas.gov applications have been deployed in past years that continue to offer sustained benefits to the customer agencies and citizens. Because of Texas.gov's transaction-based, self-

funded model, most of these valuable services are provided with limited capital and resource investments by the agencies.

The following case study illustrates how Texas.gov partnerships successfully address a complex technology challenge at no cost to the state.

CASE STUDY: VITAL STATISTICS IMAGING PROJECT – 2005–2011

The Vital Statistics Imaging Project at the Department of State Health Services alleviated processing delays and reduced the cost of manual management of the state’s repository of paper- and film-based vital records, e.g., birth, death, and marriage certificates. The project provides electronic imaging, indexing, and retrieval of vital records dating from the early 1900s. It successfully brought online over *34 million* paper and film records and reduced the average waiting time for citizens receiving a birth or death certificate from two weeks to 20 minutes.

Paper records up to a century old and of varying formats, inks, printing styles, and organizational systems used during the past several decades of vital records management had to be scanned manually to prevent damage to these critical records. All were successfully transformed into a single, standard electronic record format that can be easily retrieved using the fully accessible and bilingual service of Texas.gov. The fact that these fragile records are no longer handled manually has allowed them to be historically preserved while addressing critical record retention and disaster recovery issues.

These applications were transitioned to state use and operations for the ongoing imaging and indexing of records as they are filed. Because the project was funded by the Texas.gov public-private partnership, the state did not have to invest a single dollar to get the online vital records and processing applications it now owns and operates.

Benefits for Citizens

Citizens are increasingly finding the benefits of conducting their State of Texas business transactions through Texas.gov, as the following yearly growth rates for several high-volume online services indicate:

- Driver License Eligibility and Reinstatement – 70%
- Concealed Handgun Licensing – 30%
- Driver License Renewal – 24%
- Vehicle Registration Renewal – 15%
- Hunting and Fishing Licenses – 12%
- Licensee Driver Records – 9%
- Insurance License Renewal – 7%
- Online Vital Records – 5%

Citizen awareness has been increased by marketing efforts made by the Texas.gov program that are seldom available to government entities. The transaction rate growth described above was partly due to the successful marketing campaign by the Texas.gov private partner. In FY 2012, the Texas.gov marketing campaign focused on driver-related services, which contributed

20 percent to the increase in transactions since 2011. Overall, customer satisfaction is consistently over 90 percent and “word-of mouth” promotion continues to be significant.

The following case study illustrates how Texas.gov partnerships successfully address citizen challenges at no cost to the state.

CASE STUDY: VETERANS PORTAL

The Texas.gov Veterans Portal provides a single gateway to services and benefits provided to Texas veterans and active military. This website, available in English and Spanish and accessible to people with disabilities, allows veterans, their families, survivors, and caregivers around the world to

- Download eligibility and application forms
- Locate community resources
- Find answers to frequently asked questions about veteran programs and services

The Veterans Portal was redesigned and launched in November 2010. The portal is a collaborative effort between multiple state agencies and commissions:

- 2-1-1 (Texas Health and Human Services Commission)
- Office of the Governor
- Texas Army National Guard (Camp Mabry)
- Texas Department of Information Resources
- Texas Veterans Commission
- Texas Veterans Land Board (Texas General Land Office)
- Texas Workforce Commission
- TexVET (Texas A&M Health Science Center)

In May 2011, Texas.gov also launched an application allowing citizens to make online donations to the Texas Veterans Commission Fund for Veterans’ Assistance.

To formalize the necessary stakeholder collaboration, the Veterans Portal Advisory Council was formed to discuss issues concerning the purpose and content of the Texas Veterans Portal. The council brings the “veteran’s point of view” to the project, providing guidance on content and usability. The wide representation of the collaborative membership ensures resources are brought to the governance table from many valuable perspectives.

Benefits to the State

The mission of Texas.gov is to provide portal and payment services for Texas state agencies and other governmental entities so that they can conduct business with their customers. Texas.gov offers a common infrastructure for online service delivery and payment processing, which enables state agencies to move their business applications online quickly in a secure, accessible, mobility-enabled environment. This allows their customers to conduct state business wherever and whenever they want.

Texas.gov processes more than 2.2 million transactions averaging around \$390 million each month. Since its beginning in 2001, Texas.gov has had almost 210 million site visits and processed over 175 million financial transactions.

Increased adoption and national awards are indicators of the success of the Texas.gov program. Additionally, Texas.gov revenues allow the Texas.gov partnership to continue to invest in new projects that create or upgrade services for government entities. These new or improved services, guided by the governance of the Texas.gov program, simultaneously increase convenience for citizens and the ongoing contributions to state's general revenue fund as discussed below.

Significant Issues Regarding Contract Performance

There are no significant issues regarding contract performance for this biennium.

Financial Summary

Texas.gov continues to provide significant revenue to the state's general revenue fund. Agencies, local governments, and citizens have processed over \$25 billion through Texas.gov through June 2012. By the end of June 2012, the total amount of cumulative revenue deposited to the state's general revenue fund exceeded \$125 million. The following table shows the state revenue share for the most recent four-year period.

Texas.gov State Revenue Share, FY 2009–2012

FY 2009	FY 2010	FY 2011	FY 2012
\$16,253,082	\$18,807,580	\$22,736,572	\$32,792,060

Note: FY 2010 consists of data through December 2009 from the Texas Electronic Framework Agreement (TEFA) and the remaining portion of FY 2010 is from the TexasOnline 2.0 Master Agreement. Source: Texas NICUSA LLC.

The following table (next page) shows the unaudited Texas.gov Statement of Operations for FY 2012. The statement details the revenue and expenditures associated with the TexasOnline Master Agreement as well as projects included in the Master Work Order. The consolidated amount represents the revenue and expenditures for all Texas.gov projects.

Texas.gov Statement of Operations, FY 2012

Item	Master Agreement	Master Work Order	Consolidated
REVENUE			
Transaction Revenue	\$36,454,442	\$39,980,959	\$76,435,401
Service Revenue	\$5,838,514	\$13,645,851	\$19,484,365
Total Revenue	\$42,292,956	\$53,626,810	\$95,919,766
Revenue Budget through 8/31/2012	\$42,256,406	\$48,891,406	\$91,147,812
Revenue Over (Under) Budget	\$36,550	\$4,735,404	\$4,771,954
EXPENDITURES			
Operations Costs	\$9,595,319	\$13,678,419	\$23,273,738
Variable Cost	\$11,449,028	\$10,424,516	\$21,873,544
State 40%/20% Revenue Participation	\$12,944,818	\$10,393,351	\$23,338,169
Depreciation	\$209,375	\$3,088,094	\$3,297,469
Bad Debt Expense	\$0	\$1,902	\$1,902
Loss on Discontinued Projects	\$0	\$2,363,826	\$2,363,826
Total Expenditures	\$34,198,540	\$39,950,108	\$74,148,648
Expenditure Budget through 8/31/2012	\$37,378,281	\$36,953,260	\$74,331,541
Expenditure Over (Under) Budget	(\$3,179,741)	\$2,996,848)	(\$182,893)
Net Cumulative Recovered (Unrecovered)	N/A	\$23,017,918	\$23,017,918
Investment in Operations	\$8,094,416	\$13,676,702	\$21,771,118
Favorable (Unfavorable) Net Variance	\$3,216,292	\$1,738,556	\$4,954,848

Source: Texas NICUSA LLC.