ENTERPRISE
information services

Forging the Path Towards Digital Transformation

A Progress Report on Legacy System Modernization in Oregon

DECEMBER 2024

Contents

Introduction

In January 2023, Governor Kotek issued Agency Expectations to serve as guideposts for enhancing customer service across Oregon. These expectations aim to strengthen agency operations, strategic planning, and workforce development. A key focus is for agencies' Executive and IT leadership to collaborate with their policy area Assistant State CIO in "Managing Information Technology Progress." This involves developing business-aligned IT strategic plans that operationalize the agency's vision, values, and strategic priorities, ensuring alignment with state-level enterprise objectives.

This initiative aligns with the Enterprise Information Services (EIS) Strategic Framework 2023-2026, which continues Oregon's digital transformation by focusing on people, processes, and technologies. The framework outlines six strategic objectives:

- Deliver Service Excellence
- Enhance Project Transparency and Accountability
- Advance Statewide Cloud Strategy and Brokerage Services
- Improve Oregon's Data Governance
- Strengthen Oregon's Cybersecurity Posture
- Modernize Legacy Systems

Achieving the Governor's vision for modernizing state IT systems and improving service delivery relies heavily on the people leading the effort. Central to this are the six Assistant State CIOs, who provide leadership within each policy area.[1]

- *Administration and Business Services,* Cindy Burger
- *Education,* Dan Miller
- *Healthy People,* Travis Miller
- *Natural Resources,* Faheem Quadri[2]
- *Public Safety,* Scott Emry
- *Transportation and Economic Development,* Cecily Warren

The ASCIOs collaborate closely with agency leadership and IT leaders to ensure IT strategies align with organizational goals and future priorities. They consistently engage in these efforts to support the agencies' digital transformation.

The ASCIOs regularly:

- Advise agency IT and business leadership on best practices

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[1] SB 5502 (2019) Budget Report – *"Package 805, Assistant State CIO Positions. This package increases Other Funds expenditure limitation by $1,240,296 and establishes six permanent full-time Assistant State CIO positions (3.78 FTE) to work on coordination and approval of Executive Branch information technology modernization plans. The positions are phased in over the course of the 2019-21 biennium with two starting October 1, 2019, two starting April 1, 2020, and the final two positions starting October 1, 2020."*
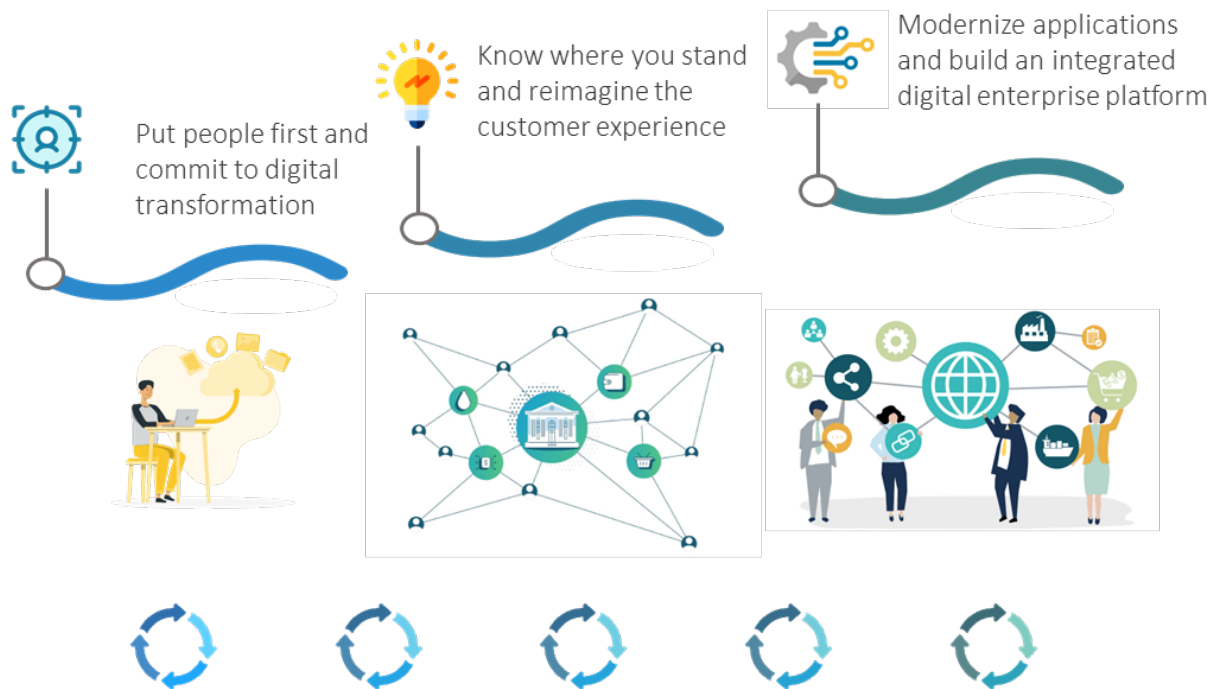
[2] Changes in Personnel Assignments – *Gary Johnson departure occurred in late September of 2024 with Dan Miller transitioning to Education, and Natural Resources re-assigned to Faheem Quadri as of December 1st, 2024.*

- Navigate government processes to support IT needs
- Develop assessment tools and templates
- Publish Modernization and IT Governance guides
- Organize IT Strategic Plan development training and companion guides
- Promote alignment between agency and enterprise initiatives

This report provides a comprehensive status update on the ongoing initiatives, highlighting the progress made in key activities and deliverables. It also serves as a foundation for the development of Modernization Action Plans (MAPs), offering insights into specific ASCIO engagements and an overview of the current portfolio of modernization initiatives.

This document underscores the commitment to advancing Oregon's digital transformation. The Enterprise Information Services (EIS) team is proud to contribute this update, recognizing its importance in fostering transparency, accountability, and strategic alignment as Oregon moves toward a digitally empowered future.

Figure 1. Digital Transformation Journey

Put people first and commit to digital transformation

Know where you stand and reimagine the customer experience

Modernize applications and build an integrated digital enterprise platform

- Plan at the enterprise level and develop long-term goals, while remaining focused on near-term tactical actions
- Embrace agile practices, empowered teams, and incremental delivery—generating quick wins and building momentum

The Modernization Imperative

As defined in the *EIS 2020-23 Strategic Framework – version 1.0*[3], and reinforced in the 2023-26 Strategic Framework, ASCIOs will work towards the following objective and goal.

Figure 2. EIS Strategic Framework
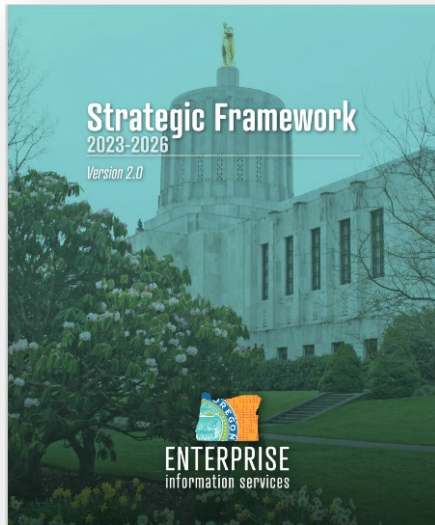
OBJECTIVE:

Mature Legacy System Modernization Strategy
As IT systems are modernized, there is opportunity to fundamentally transform the service delivery mechanisms and improve the customer experience, as well as enhance the methods available for delivering these services. There is a broad and diverse customer base with varying levels of technology availability and skills. As such, Oregon services should be presented for consumption with many different methods and with a customer experience that is intuitive, effective, and satisfying.

GOAL 1.
Ensure policy-area and agency modernization plans align with enterprise strategies, architecture, and emerging IT standards.

Strategy 1: Encourage agencies to strengthen their IT Governance through adoption and maturity of related best practices.

Strategy 2: Support agency development of multi-year IT Strategic Plans that align with EIS' IT architecture vision, guiding principles, and standards.

Strategy 3: Position agency derived Modernization Action Plans to provide a roadmap demonstrating how projects will achieve program or modernization goals and outcomes that deliver continuous business value.

To support these strategies, ASCIOs are responsible for developing common definitions, templates, assessment tools, and repeatable processes. They also guide agencies in creating business-driven IT Strategic Plans and maturing their IT governance. Additionally, ASCIOs focus on building trusted relationships with agency partners and promoting the values central to Oregon's modernization vision, which emphasizes people, processes, and technology.

In collaboration with agency leadership and IT teams, ASCIOs assist agencies in developing plans and roadmaps related to:

- IT Governance
- IT Strategic Plans

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[3] Terrence Woods, "Strategic Framework 2023-2026, version 1.0" (State of Oregon: Enterprise Information Services (EIS), n.d.).

- Service Delivery Transformation
- Alignment with enterprise initiatives, including the EIS Framework, security, cloud, and data strategies
- Business Process Improvement

While some agencies have already made significant progress in their modernization efforts, ASCIOs are actively supporting those that are just beginning their journey.

EIS Modernization Vision and Principles

Modernization is often defined as:

> "*A phased, incremental approach to improving the application portfolio, driven either by the demand for new digital functions or the need to simplify and reduce risk.*"

However, this narrow view tends to reinforce an IT-centric perspective of modernization.[4] True modernization goes beyond identifying and replacing discrete legacy systems or digitizing and automating existing business processes. It is a comprehensive opportunity to fundamentally transform service delivery.

Modernization is more than just planning, assessment, or application migration. It represents a cultural shift, a new way of doing business, and a means to ensure alignment between business and IT leadership. In essence, modernization is not merely an IT initiative; it is a chance to reimagine how the state delivers essential services to the people of Oregon.

The modernization vision and principles outlined below support the objectives in the Governor's Action Plan for IT, as well as the EIS Strategic Frameworks for 2020-23 and 2023-26. These principles emphasize the integration of people, processes, and technology and align agency modernization efforts with a shared vision for digital transformation.

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[4] Don Scheibenreif, Kristin Moyer, and Peter Aykens, "Four Definitions Make a Digital Business Strategy Business More Effective" (Gartner, May 11, 2018).

Figure 3. Modernization Guiding Principles

Modernization Vision for Oregon – *"Optimizing essential services that the people of Oregon rely on through resilient, adaptive, secure and citizen-centered digital transformation."*
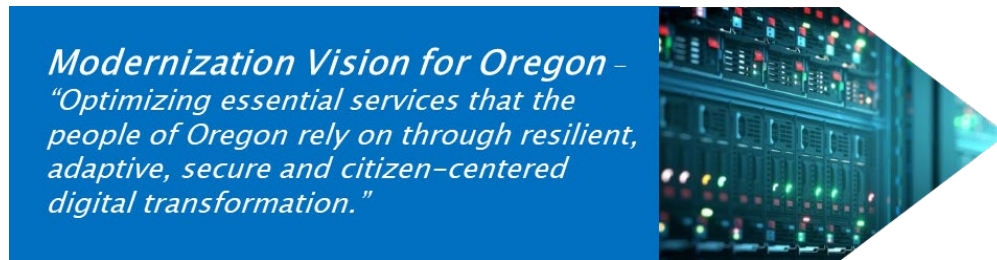
- *Put People First.* Successful modernization starts and ends with people—the experience of people who rely on the essential services provided by the state of Oregon, the ability of state employees to effectively provide those services, and the ability of agency leadership to drive digital transformation.

- *Aligned and Enabled.* Alignment with the EIS Vision for accessible, reliable and secure IT systems and between agency business and IT leadership will enable agencies to fulfill their mission and strategic objectives, while continuing to deliver the core services that the people of Oregon rely on.

- *Data- and Privacy-Informed.* Modernization provides a unique opportunity to leverage data as a strategic asset across systems and programs, govern and manage that data throughout its lifecycle, enable data-driven decision-making and transparency by default, and critically evaluate whether the collection and storage of sensitive personal information is truly necessary.

- *Secure by Design.* Secure by design embraces secure coding practices and the seamless integration of security policy and controls into the fabric of the IT system itself through the provisioning of cloud environments with embedded risk assessments and security governance.

- *Agile and Continuous Improvement.* Digital transformation requires sustained investment in our people, the formation of empowered teams and embrace of agile practices, and a culture of continuous improvement encompassing people, processes and technology.

As ASCIOs, worked with agencies on IT modernization planning, various tools and resources were developed to support the creation of business-aligned plans. Below is an example set of deliverables designed to assist agencies:

- *IT Governance Guide:* A comprehensive guide for establishing IT governance within agencies, including templates for IT governance policies and business-led IT governance committees.

- *Unified Application Inventory Tracking and Dashboard:* A mission-critical application inventory tracker that helps agencies assess their current state and supports enterprise planning. This common tool unifies the collection and tracking of technical asset data.

- *IT Strategic Plan Template and Guide:* A guide for developing business-aligned IT strategic plans, outlining the essential components of a complete IT strategic plan.

- *IT Strategic Plan Facilitation Guide:* A facilitation guide, including meeting agendas and activities, designed to enable agencies to independently develop their IT strategic plans.

- *Modernization Plan Workbook:* A step-by-step tool that links agency goals to key performance measures tracked by the legislature through planned strategic technology investments. It is adaptable to the size and complexity of the organization.

- *Request for Proposal (RFP) Template for IT Strategic Planning:* A template RFP that agencies can use to procure professional services for developing long-term, business-driven IT strategic plans.

Agency IT Governance

Effective IT governance, along with mature project and portfolio management, ensures the responsible stewardship of IT resources and allows agencies to prioritize investment decisions based on business alignment, cost, return on investment, and risk. [5]

ASCIOs have collaborated with agencies within their policy areas to implement IT governance practices. This includes assessing the appropriate governance structure based on each agency's business needs and size. For smaller agencies, boards, or commissions, the ASCIOs may recommend leveraging existing leadership teams, commissions, or boards to serve governance functions, rather than creating new bodies due to resource limitations. In contrast, larger and mid-sized agencies are encouraged to establish formal IT governance structures, supported by a signed charter and an agency-wide policy directive.

Recognizing that agencies are at different stages of IT governance maturity, the ASCIOs are defining the core attributes required for formal governance, including:

- *Purpose:* The IT Governance Committee ensures the effective and efficient use of technology to enable the agency to achieve its strategic goals while managing risks. The committee is accountable for ensuring that technology investments deliver business value and that the expected benefits of new IT investments are realized.

- *Roles and Responsibilities:* The IT Governance Committee oversees all IT investment decisions and guides the agency's overall strategic direction in technology and business capability.

- *Best Practices:* Agencies are encouraged to adopt industry-standard governance principles and conduct governance maturity assessments.

The ASCIOs continue to partner with agency executive leadership to reinforce the importance and demonstrate the value of IT governance. As this collaboration deepens, ASCIOs support the development of governance charters and committees, refine governance processes, and assist

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[5] Terrence Woods, "Strategic Framework 2020-2023, version 1.0" (State of Oregon: Enterprise Information Services (EIS), n.d.).

agencies in prioritizing projects that maximize the effective use of resources, aligning with both agency business needs and strategic plans.

2024 Key Focus Areas [6]

Primary Topics of Engagement

Although ASCIOs collaborate with agencies that have diverse cultures and missions, several common themes have emerged throughout this reporting period, offering valuable insights into factors influencing state information technology. Engagement with state agencies covers a wide range of critical topics focused on aligning agency IT initiatives with enterprise-level strategies. Below is an expanded overview of these key areas of engagement:

1. *Establishing and Maintaining Executive and Stakeholder Relationships*
   Building and sustaining strong relationships with agency executives, stakeholders, and IT leadership is a key area of focus. Effective engagement with these groups ensures alignment between IT initiatives and organizational goals, fosters collaboration, and builds trust. Regular communication and relationship-building help facilitate strategic discussions, decision-making, and successful project implementations.

2. *IT Governance*
   Agencies received guidance in establishing or maturing their IT governance frameworks to promote accountability, transparency, and effective decision-making in technology investments. This includes working with agencies to formalize governance structures, implement policies, and ensure that IT investments are aligned with business priorities. Governance frameworks support agencies in balancing risk, cost, and return on investment while ensuring regulatory compliance.

3. *Modernization Planning and Project Implementations*
   Agencies received comprehensive support in developing long-term modernization plans, detailing the necessary steps to upgrade and enhance their technology infrastructure. This includes the provision of tools, templates, and best practices to guide both the planning and execution phases of modernization projects. Continuous engagement ensures that agencies have access to the resources and expertise required to effectively implement these plans, monitor progress, and achieve their modernization objectives.

   Additionally, agencies were guided through the initiation of modernization projects with a focus on project planning, execution, and governance. These efforts ensure that modernization initiatives are business-driven, aimed at improving service delivery, and aligned with both agency and enterprise-wide goals. Support is provided in securing necessary resources, managing risks, and ensuring that these projects deliver measurable value to both the agency and the public.

4. *IT Strategic Planning Development*
   Agencies were assisted in developing comprehensive IT strategic plans that align with their business goals and enterprise-level IT frameworks. These strategic plans serve as roadmaps for future technology investments, modernization efforts, and service improvements. Engagement ensures that plans are actionable, business-driven, and

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[6] Agencies are listed based on assignment to the respective Assistant State Chief Information Officers

provide a clear path toward achieving the agency's objectives while supporting enterprise priorities.

5. *Agency Executive and Chief Information Officer Turnover and Recruiting*
   Agencies were supported in managing the challenges associated with executive and CIO turnover. This includes helping agencies navigate leadership transitions, recruiting qualified IT leaders, and ensuring continuity in the execution of IT strategies. Engagement focused on maintaining momentum during periods of transition and ensuring that new leaders were fully briefed on agency and enterprise initiatives.

6. *Agency Mission Critical Application Portfolio/Inventory*
   Engagement included the ongoing process of agencies maintaining comprehensive application portfolio or inventory, ensuring they have clear visibility into their software assets. This inventory is a vital tool for assessing the current technology landscape, identifying opportunities for optimization, and planning modernization efforts. Agencies are encouraged to routinely update and assess their portfolios to ensure alignment with their long-term IT goals and overall business strategy.

7. *IT Investment Guidance*
   Guidance was provided to agencies in the development of their IT budgets to align with IT strategic plans, ensuring that their financial plans are consistent with both agency and enterprise objectives. This includes assisting agencies in developing formal prioritization criteria for IT investments and making the case for IT expenditures that will drive long-term value and support critical modernization and transformation projects.

8. *Monitoring Critical Agency Projects with High Priority and Visibility*
   Ongoing engagement was provided to monitor high-priority projects with significant visibility. This includes ensuring that these projects remain on track, addressing challenges as they arise, and providing regular updates to key stakeholders. The goal is to ensure that critical projects are successfully delivered on time and within budget, while meeting the strategic needs of the agency and the state.

9. *Enterprise Alignment*
   A central focus of engagement is ensuring agency IT initiatives align with the broader enterprise goals outlined by the state. This includes aligning agency strategies with statewide initiatives related to cloud computing, cybersecurity, and data governance. The goal is to ensure agency-specific IT investments and policies are consistent with the state's vision of a unified, secure, and scalable IT infrastructure. Agencies are engaged in aligning their IT strategies with several key enterprise-wide initiatives, including:

   - *Cloud Strategy:* Helping agencies adopt and implement cloud technologies that improve scalability, reduce costs, and enhance service delivery. Guidance is provided on cloud migration, security, and long-term cloud management strategies.

   - *Oregon Data Strategy:* Supporting agencies in aligning with the state's data strategy, which includes best practices for data management, governance, and analytics. The

goal is to improve data sharing, decision-making, and transparency across state agencies.

- *Security and Network Modernization:* Ensuring agencies are equipped with the tools and knowledge to modernize their security frameworks and network infrastructure. This includes implementing robust cybersecurity measures to protect sensitive data and maintain compliance with regulatory standards.

These engagements are essential to aligning agency IT efforts with the broader goals of the state, driving innovation, improving service delivery, and ensuring the effective use of resources.

Governor's Agency Expectations[7]

Managing IT Performance

In January 2023, Governor Kotek issued a letter to state agencies outlining 11 key expectations for the operation of Oregon's state government. One of the expectations emphasized the importance of Managing Information Technology (IT) Performance, instructing agencies to develop and maintain IT strategic plans that are business-driven and aligned with the overall enterprise. These plans are designed to support their agency's mission and strategic priorities.

The objective is for agency IT, program, and executive leadership to work together in crafting IT strategic plans that reflect the agency's vision, values, and strategic priorities while operationalizing its modernization roadmap.

To support this effort, the State CIO, in collaboration with the Assistant State CIOs (ASCIOs), held IT Strategic Planning Workshops for agency IT leaders, many of whom had little to no prior experience in developing strategic plans. As a result, 44 Executive Branch agencies successfully produced business-aligned IT Strategic Plans, which were required to be reviewed and approved by the State CIO by the Governor's set deadline of December 31, 2023.

The process of formalizing these plans provided valuable insights, leading to adjustments in expectations to better meet the needs of the enterprise in early 2024. Key changes include:

1. *Alignment of IT and Agency Strategic Plans:* Agencies are expected to align updates to their IT Strategic Plan with updates to their overall Agency Strategic Plan. The first update is due by June 1, 2025, and will coincide with the Agency's Strategic Plan refreshes thereafter.

2. *Integration for Smaller Agencies:* Organizations with fewer than 50 full-time employees (FTE) will need to incorporate IT strategies directly into their agency strategic plans June 1, 2025. Assistant State CIOs will provide support to agencies during this process.

3. *Annual Progress Reporting:* Agencies are required to publish an Annual Progress Report on their IT Strategic Plan by June 1, 2025.

These measures aim to ensure that IT planning remains integrated with overall agency goals, fostering stronger alignment, accountability, and progress across state government.

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[7] Governor Kotek Agency Expectations - *https://www.oregon.gov/das/Docs/Oregon_Agency_Expectations_Governor_Letter*

Agency Reporting – *Annual Progress Report*

With agency IT strategic plans now in place, the focus shifts to maintaining and executing the plan effectively. To ensure accountability and transparency, agencies are required to prepare a formal *Annual Progress Report* detailing the following key components of their IT Strategic Plan:

- **Executive Summary:** A concise overview of the progress made toward achieving the goals outlined in the strategic plan.

- **Strategic Objectives:** A summary of each strategic objective, along with updates on the progress made in advancing these objectives.

- **Metrics and Targets:** A report on the performance outcomes used to measure progress, including current performance metrics and any observed trends.

- **Initiatives:** A detailed description of the projects or initiatives undertaken to support the strategic objectives, with updates on the status of each, challenges encountered, and solutions implemented.

- **Resource Allocation:** A breakdown of the resources allocated to support the plan, including budget, personnel, and technology.

- **Risks and Mitigation Strategies:** An identification of risks that could affect the achievement of strategic objectives, accompanied by the mitigation strategies in place to address them.

- **Next Steps:** Insights into the upcoming steps to advance toward strategic objectives, including any necessary adjustments to the plan based on current performance and evolving conditions.

- **Conclusion:** A summary of overall progress, highlighting key achievements as well as areas that require further improvement.

This report is intended to ensure that agencies remain aligned with their strategic objectives, while also providing a clear roadmap for ongoing improvements.

Continuous Improvement – *2024 IT Strategic Planning Workshops*

The State CIO continued to sponsor educational opportunities aimed at agency CIOs and IT strategic planners at no cost to the agencies. These sessions focused on addressing areas for improvement identified in the State CIO's approval letters for agency IT strategic plans. Key topics of the curriculum included:

- **Strategic Alignment through Goal Cascade:** Ensuring agency IT goals are aligned with broader organizational objectives.
- **Creating Goal Measurements with Impact:** Developing meaningful metrics to measure the success of IT strategies.
- **Investment Prioritization Framework:** Establishing a framework for prioritizing IT investments based on strategic value.
- **Value Delivery and Demonstration:** Highlighting how IT initiatives deliver tangible value to the organization.

- **IT Strategy Refresh and Communication Plan:** Keeping IT strategies up-to-date and effectively communicating them to stakeholders.
- **IT Strategy on a Page:** Simplifying the IT strategy into a concise, actionable overview.

These targeted educational efforts were designed to help agencies improve their strategic IT planning and execution.

Agency Strategic Planning – *Improving Access*

As agencies completed their IT strategic plans and State CIO approval letters were distributed, the ASCIOs led the initiative to make strategic plan materials easily accessible to both internal and external stakeholders by publishing them on the state's Transparency Portal[8] which makes it easy for users to quickly locate what they need.

State agencies posted strategic plans on their respective web portals, and they were cross-linked to the Transparency Portal. This approach promotes greater transparency, accountability, and public trust. It also enhances public engagement in governmental processes, helping Oregonians stay informed about their government's goals, strategies, and performance, and ultimately supporting improved governance.
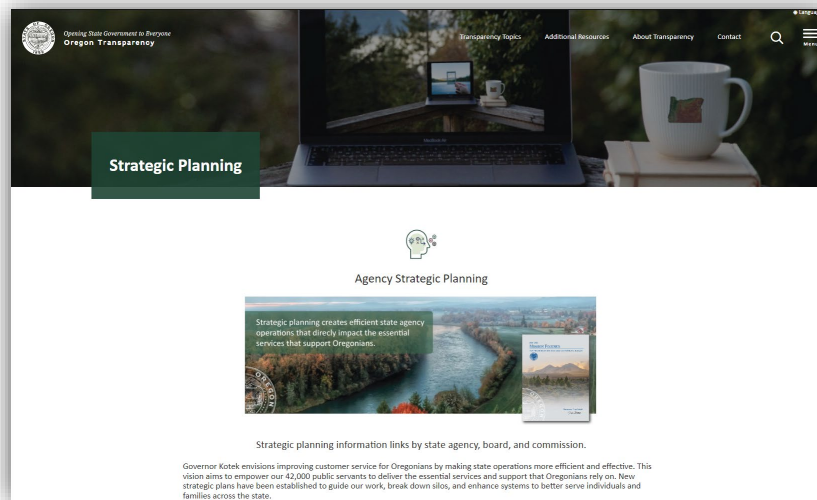

Figure 4. Oregon Transparency Portal – Strategic Planning

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[8] Oregon State Transparency Portal - *https://www.oregon.gov/transparency/Pages/strategic-planning*

Next Steps

In the upcoming year, Assistant State Chief Information Officers (CIOs) will focus on several critical areas to progress agency modernization efforts. These initiatives target to improve accessibility, streamline processes, and ensure that agency services meet the evolving needs across the state.

- **IT Strategy Maturation:** Collaboratively aligning IT strategies with the objectives and desired outcomes of each agency's business partners, ensuring that key applications are identified and leveraged to deliver substantial value and support the achievement of shared goals.

- **Advancing Small Agencies:** Provide consulting services to support Boards and Commissions with fewer than 50 full-time exempt employees in developing comprehensive IT strategic plans, with a focus on strengthening foundational IT capabilities and optimizing core business systems.

- **IT Modernization:** Expanding beyond traditional IT strategic planning to actively initiate and drive modernization efforts, focusing on updating and enhancing systems and processes to better align with evolving technological advancements, as well as supporting diversity and useability.

- **Institutionalizing Governance:** Focus on strengthening IT governance practices by enhancing executive involvement and engagement, ensuring that decision-making processes are more aligned with organizational goals and supported by leadership at all levels.

- **Agile and Incremental Delivery:** Partner with business leaders to strategically transition project investments toward agile and incremental delivery methods, enabling faster system implementation, streamlining workflows to enhance constituent services, and fostering collaborative partnerships to drive impactful and measurable results.

- **Enterprise Alignment:** Advise and consult agencies on adaptive and modular modernization strategies, working to develop cloud and platform standards in collaboration with Data Center Services and Strategy & Design teams.

- **AI and Data Innovation:** Partner with agencies to responsibly harness AI and data innovation creating human-centered, equitable, and effective solutions. Efforts focus on establishing robust and flexible governance frameworks, upskilling existing staff, and employing an adaptive approach of piloting, scaling and adopting innovative practices.

Administrative and Business Services
Cindy Burger, Assistant State Chief Information Officer

The Administrative and Business Services policy area includes statewide elected officials, commissions, boards, and state agencies. This policy area provides policy direction and core services throughout state government, including:

- *Guiding state operations and ensuring accountability of public officials and state agencies.*
- *Providing central support services for state agencies.*
- *Managing elections and tax collection activities.*
- *Managing retirement benefits for public employees.*
- *Working to increase diversity and eliminate barriers to equity in governance.*
- *Managing the state's financial investments.*
- *Protecting consumers and workers while supporting a positive business climate.*

Agencies

- Bureau of Labor and Industry (BOLI)
- Department of Administrative Services (DAS)
- Department of Business and Consumer Services (DCBS)
- Department of Revenue (DOR)
- Office of the Governor (GOV)
- Public Employees Retirement System (PERS)

Semi-Independent

- Oregon State Lottery (OSL)
- State Treasurer (OST)
- Secretary of State (SOS)

Boards and Commissions

- State Board of Accountancy (SBOA)
- Construction Contractors Board (CCB)
- Employment Relations Board (ERB)
- Oregon Advocacy Commissions Office (OACO)
- Oregon Board of Tax Practitioners (OBTP)
- Office of Public Records Advocate (PRA)

Semi-Independent

- Appraiser Certification and Licensure Board (ACLB)
- Oregon State Board of Architect Examiners (OSBAE)
- Citizens' Initiative Review Commission

Administrative and Business Services Report Summary

Notable Activities, Significant Accomplishments, and Progress

- **Development of IT Strategic Plans:** Collaborated closely with various agencies to design and refine their IT Strategic Plans, ensuring alignment with organizational goals and state-wide technology priorities.

- **Support for Large-Scale Modernization Efforts:** Aided agencies undertaking significant modernization initiatives, helping to streamline processes, adopt new technologies, and enhance overall service delivery.

- **Leadership Recruitment:** Supported the recruitment process for critical leadership positions, including Chief Information Officers (CIOs) and Modernization Directors, to strengthen agency capabilities and leadership.

- **Modernization Planning and Advisory Support:** Actively engaged with agency leadership to advise on modernization strategies, focusing on critical areas such as IT Governance, resource allocation, and comprehensive planning to drive transformational change.

- **Data Center Transitions:** Assisted agencies in transitioning to the state's data center, improving infrastructure reliability, security, and operational efficiency.

- **IT Organizational Structure Guidance:** Provided recommendations to agencies on optimizing their IT organizational structures to enhance efficiency, collaboration, and alignment with strategic goals.

- **Monitoring High-Profile Projects:** Engaged and provided guidance for high-visibility agency projects to ensure successful execution, mitigate risks, and achieve desired outcomes.

Risks, Issues, Challenges for 2025

- **Staff Turnover, Recruitment, and Hiring Challenges:** The frequent turnover of agency IT staff, combined with the complexities of recruiting and hiring qualified personnel, remains a significant challenge for ensuring continuity and expertise within agencies.

- **Resource Needs for Small Agencies:** Smaller agencies face a critical need for project management (PM) and business analysis (BA) resources to successfully support and execute technology initiatives.

- **Agile Methodology Adoption:** Software vendors are increasingly adopting agile methodologies to implement projects, which rely heavily on quick and effective decision-making processes. However, many agencies struggle with delays due to lengthy approval procedures or a lack of empowered decision-makers, which can negatively impact project timelines and outcomes.

- **Active IT Engagement in Business-Led Projects:** It is essential to ensure that IT teams are actively engaged in projects driven by business objectives. Effective collaboration between business and IT is vital to achieving successful project outcomes.

- **Shortage of Skilled Project Managers:** The lack of experienced project managers to lead complex modernization initiatives poses a significant challenge. This shortage affects the ability to effectively plan, execute, and oversee transformational projects.

- **Extended Procurement Timelines:** The lengthy processes required to procure goods and services often lead to delays in project execution. Streamlining procurement procedures is critical to maintaining momentum in modernization efforts.

- **Workload Balancing:** Agencies face challenges in balancing competing priorities, including maintenance and operations, enterprise-level initiatives, agency-specific projects, compliance with new legislation, and ongoing modernization planning.

- **Promoting Cultural Change:** There is a pressing need to shift organizational culture away from a reliance on internally created systems toward embracing innovative and externally developed solutions.

Education
Dan Miller (Interim), Assistant State Chief Information Officer[9]

The value we place on education continues to be a marker of who we are as Oregonians. It is fundamental to transforming the lives of every Oregonian and breaking the cycle of intergenerational poverty.

Agencies

- Oregon Department of Education (ODE)
- Higher Education Coordinating Commission (HECC)
- Department of Early Learning and Care (DELC)
- State Library of Oregon (SLO)

Boards and Commissions

- Teacher Standards and Practices Commission (TSPC)

Education Report Summary

Notable Activities, Significant Accomplishments, and Progress

- **LEARN:** Collaborated with the Higher Education Coordinating Commission to advance their modernization project by enhancing IT governance practices and improving decision-making processes within the agency, ensuring more effective project execution and alignment with strategic objectives.

- **Agency Development.** The initiation of IT implementation projects for the newly established Department of Early Learning and Care (DELC) agency, aimed at establishing and enhancing the agency's technological infrastructure to support its operations and objectives.

- **Fostering Diversity, Equity, and Inclusion (DEI):** Actively promoting diversity, equity, and inclusion through initiatives designed to enhance accessibility and support multi-lingual capabilities within systems, ensuring that all individuals, regardless of background or language, have equitable access to services and resources.

- **Organizational Change.** Collaborating in the recruitment and strategic placement of key resources within agencies, playing a crucial role in driving and supporting the modernization efforts to enhance organizational capabilities and achieve strategic objectives.

- **Educational Data:** Completion of data inventories within agencies, with a focus on areas such as policy development, data management, granting processes, and licensing,

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[9] Changes in Personnel Assignments – *Gary Johnson departure occurred in late September of 2024 with Dan Miller transitioning to Education, and Natural Resources re-assigned to Faheem Quadri as of December 1st, 2024.*

ensuring a comprehensive approach to data organization and utilization within the education sector.

Risks, Issues, Challenges for 2025

- **Transition to Services:** Promoting a cultural shift that moves away from an exclusive focus on internally developed systems, encouraging a broader perspective that embraces external services and solutions to enhance operational efficiency and flexibility.

- **Upskilling:** Enhancing the skills and expertise necessary for developing comprehensive technical specifications and effectively managing the contracting process, ensuring a more proficient and efficient approach to project execution.

- **Resource Planning:** Strategically allocating resources to effectively address critical IT needs while ensuring that educational outcomes remain a top priority, balancing operational requirements with the continued success and growth of educational initiatives.

Healthy People
Travis Miller, Assistant State Chief Information Officer

The Healthy People policy area seeks to protect and promote the health and safety of all Oregonians. The agencies within this policy area regulate health-related professions, provide funding for services and programs including physical health, mental health and addiction treatment, public health programs, employment and family support services that promote self-sufficiency and economic stability, child protective services for abused or neglected children, and long-term care services for Oregon's seniors and people with physical, intellectual, and developmental disabilities.

Agencies

- Long Term Care Ombudsman (LTCO)
- Mental Health Regulatory Agency (MHRA)
- Oregon Department of Human Services (ODHS)
- Oregon Health Authority (OHA)

Semi–Independent

- Oregon Board of Massage Therapists (OBMT)
- Oregon Board of Optometry (OBO)
- Oregon Patient Safety Commission (OPSC)
- Oregon Physical Therapy Licensing Board (OBPT)

Boards and Commissions

- Board of Licensed Social Workers (BLSW)
- Board of Speech-Language Pathology & Audiology (BSPA)
- Oregon Board of Chiropractic Examiners (OBCE)
- Oregon Board of Dentistry (OBD)
- Oregon Board of Medical Imaging (OBMI)
- Oregon Board of Naturopathic Medicine (OBNM)
- Oregon Board of Pharmacy (OBOP)
- Oregon Commission for the Blind (OCB)
- Oregon Medical Board (OMB)
- Oregon Mortuary and Cemetery Board (OMCB)
- Oregon State Board of Nursing (OSBN)
- Occupational Therapy Licensing Board (OTLB)
- Oregon Veterinary Medical Examining Board (OVMEB)
- Psychiatric Security Review Board (PSRB)

Healthy People Report Summary

Notable Activities, Significant Accomplishments, and Progress

- ONE CX – A Generational Leap in Customer Experience (CX) and Engagement. Oregon transformed service delivery for over 1.5 million residents through initiatives like redesigned notices, SMS alerts, automated mail processing, and a mobile app, all built on the ONE System.

  - *Redesigned Notices:* Human-centered design reduced notice length by 25%, improved readability to a 6th-grade level, and achieved 70% customer satisfaction during testing.
  - *Online Portal Assistants:* Chatbots handled nearly 100 use cases with 24/7 support, fulfilling 70% of requests and boosting satisfaction by 27%.
  - *SMS Alerts:* Opt-in reminders for 360,000 households improved appointment attendance by 1.5x and on-time renewals by 1.7x.
  - *Returned Mail Automation:* Streamlined processing increased capacity by 60% and updated hundreds of addresses for timely delivery.
  - *Mobile App:* Thousands downloaded the app for benefit management, with features like document uploads, status tracking, and real-time notifications.

  These initiatives transform Oregon's service delivery through digital innovation and customer-centric design, earning honors such as the ISM "Best Use of Technology Award" and the 2024 State CIO Awards.

- ODHS | OHA Joint Governance Board. Established in September 2023, the Joint Governance Board (JGB) provides strategic direction for ODHS and OHA initiatives, aligning them with health equity goals, the governor's priorities, labor contracts, legislation, and federal and state objectives.

- ODHS | OHA IT Infrastructure Modernization. During the 2023-25 biennium, ODHS advanced the ONE Cloud migration, planned the MMIS cloud transition, and proposed a mainframe modernization strategy, starting with a new benefits payment system.

Risks, Issues, Challenges for 2025

- ODHS | OHA Portfolio Challenges. Over the past year, several projects faced challenges with scope, schedule, and budget, driven by poor vendor management, ineffective project governance, outdated requirements, and extended timelines, often leading to EIS hold memos or project resolution action plans.

- Occupational Licensing Vendor Performance. Occupational licensing boards face persistent vendor challenges, including unmet requirements, poor issue resolution, fee errors, and high staff turnover. These issues, along with failed migrations and delays, undermine trust and hinder transitions to modern platforms, impeding digital transformation and modernization goals.

- Shortage of Skilled Project Managers, Business Analysts, and Change Management Expertise. The scarcity of experienced project managers, business analysis support, and

effective change management undermines modernization efforts, leading to poor scope definition, risk mitigation, stakeholder coordination, and end-user adoption, delaying projects and impeding organizational goals.

- Agile Delivery Challenges. Limited agile experience, weak product ownership, organizational rigidity, and misaligned teams hinder agile adoption, slowing value delivery, impeding collaboration, and reducing the capacity to meet evolving business needs.

Natural Resources
Faheem Quadri, Assistant State Chief Information Officer[10]

Oregon offers a wealth of natural resources that sustain people, animals, agriculture, fish and wildlife habitats, and our economy. The Natural Resources policy area encompasses the work of 20 natural resource agencies, boards, and commissions across more than 30 programs. These agencies manage Oregon's air, water, land, and wildlife resources to support a healthy environment that provides for present and future generations.

Agencies

- Department of Environmental Quality (DEQ)
- Department of Land Conservation and Development (DLCD)
- Oregon Department of Agriculture (ODA)
- Oregon Department of Energy (ODOE)
- Department of Geology and Mineral Industries (DOGAMI)
- Department of State Lands (DSL)
- Land Use Board of Appeals (LUBA)
- Oregon Department of Forestry (ODF)
- Oregon Department of Fish and Wildlife (ODFW)
- Oregon Parks and Recreation Department (OPRD)
- Water Resources Department (WRD)

Boards and Commissions

- Columbia River Gorge Commission (CRGC)
- Oregon State Marine Board (OSMB)
- Oregon Watershed Enhancement Board (OWEB)
- Public Utility Commission (PUC)

Semi-Independent

- Oregon State Examiners for Engineering and Land Surveying (OSBEELS)
- Oregon State Board of Geologist Examiners (OSBGE)
- Oregon State Landscape Architects Board (OSLAB)
- State Landscape Contractors Board (LCB)
- Oregon Wine Board (OWB)

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[10] Changes in Personnel Assignments – *Gary Johnson departure occurred in late September of 2024 with Dan Miller transitioning to Education, and Natural Resources re-assigned to Faheem Quadri as of December 1st, 2024.*

Natural Resources Report Summary

Notable Activities, Significant Accomplishments, and Progress

- Leadership Turnover. Particularly in the Chief Information Officer (CIO) roles, had an impact on strategic planning initiatives, the development of IT governance practices, and overall organizational stability. Notably, five agencies within the sector experienced changes in CIO leadership between 2023 and 2024, further exacerbating these challenges.

- Agency Modernization. Several large-scale modernization investments within the Natural Resources sector are advancing through the planning and implementation phases. These key initiatives enhance user experience, service delivery, and operational efficiency across multiple agencies:

  - Parks and Recreation Department: Modernization of the *Reservations System* to replace the existing reservation system and planning the *Agency Modernization Plan (AMP)* to improve the user experience, service delivery, and data management.

  - Land Use Board of Appeals: Planning the *Case Management System* upgrade through the implementation of a new System.

  - Department of Geology and Minerals Industry: Strategizing modernization of the *ePermitting System*.

  - Department of Agriculture: Preparing agency planning for the *One ODA* modernization initiative.

  - Department of State Lands: Transforming of the *Land Administration System* to improve customer service, increase efficiency, and enable data confidence and true agency integration.

  - Department of Environmental Quality: Enhancing the *Core System Replacement* through the implementation of a Your DEQ Online (YDO) system support scalable permitting, certification, and licensing.

  - Oregon State Board of Examines for Engineering & Land Surveying: Modernization of the *Licensing System* through an agency wide transformation of business process and its core licensing and regulation system.

- Governance Maturity. The ongoing development of IT Governance Committees (ITGC) within natural resource agencies demonstrates progress in the maturation of IT governance practices across the sector.

Risks, Issues, Challenges for 2025

- Viable Governance: Chief Information Officers (CIOs) and IT leaders are often excluded from strategic discussions at the agency level, with the IT function operating beneath the

Business Services division rather than being integrated at the executive leadership team level, limiting its influence and alignment with overall organizational goals.

- **Funding Restrictions.** Other Funds, or self-funded, agencies often face challenges in securing sufficient funding for IT initiatives due to the limitations on increasing fees and licensure rates, which restrict their ability to generate the necessary revenue to support these projects.

- **Financial Accountability.** The lack of visibility into the IT budget for the Chief Information Officer (CIO) leads to inefficiencies in managing technical renewals and a limited understanding of the agency's planned IT investments, hindering effective financial oversight and strategic decision-making.

- **Leadership Development.** Chief Information Officer (CIO) turnover is compounded by an insufficient level of succession planning for IT-specific roles, creating potential gaps in leadership and continuity within the organization's technology strategy and operations.

Public Safety
Scott Emry, Assistant State Chief Information Officer

Agencies within the Public Safety policy area serve a critical role in safeguarding the residents of Oregon by protecting their lives, property, and natural resources. Their responsibilities are diverse and far-reaching, including maintaining a well-trained militia, providing top-tier law enforcement services, prosecuting criminal offenses with integrity, and managing the incarceration of both juvenile and adult offenders. Additionally, they set rigorous standards for police and fire training, ensuring the highest levels of professionalism in public safety.

Beyond these core duties, these agencies also pursue broader goals, such as offering legal representation to state agencies and promoting consumer protection initiatives. Through these efforts, they contribute to a safer, more secure environment while actively advancing the well-being of the community.

Agencies

- Department of Corrections (DOC)
- Department of Justice (DOJ)
- Department of Public Safety Standards & Training (DPSST)
- Oregon Department of Emergency Management (ODEM)
- Oregon Military Department (OMD)
- Oregon State Fire Marshal (OSFM)
- Oregon State Police (OSP)
- Oregon Youth Authority (OYA)

Boards and Commissions

- Board of Parole Post-Prison Supervision (BOPPPS)
- Criminal Justice Commission (CJC)
- Oregon Government Ethics Commission (OGEC)
- Oregon Liquor and Cannabis Commission (OLCC)
- Oregon Racing Commission (ORC)

Semi-Independent

- Oregon Corrections Enterprise (OCE)
- Oregon Public Defense Services (OPDS)[11]

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[11] Oregon Public Defense Services by way of Senate Bill 337 is transitioning to the Executive Branch

Public Safety Report Summary

Notable Activities, Significant Accomplishments, and Progress

- **Agency Modernization.** Several large-scale modernization investments within the Public Safety sector have progressed from the planning phase into active implementation. These key initiatives include:

    - **Oregon Liquor and Cannabis Commission:** Modernization of the *Distilled Spirits Supply Chain* through the implementation of a new Warehouse Management System.

    - **Oregon State Police:** Introduction of a Computer-Aided Dispatch (CAD) system to improve coordination between *Telecommunicators and Troopers*.

    - **Department of Corrections:** Implementation of an *Electronic Health Records* system to streamline medical records management.

    - **Department of Justice:** Replacement of multiple legal systems with a comprehensive suite of *Legal Tools* to enhance legal operations.

- **Expansion of Public Safety.** Transition of the *Oregon Public Defense Commission* from the Judicial Branch to the Executive Branch as mandated by Senate Bill 5532, representing a significant organizational restructuring.

- **Governance Maturity.** The ongoing development of IT Governance Committees (ITGC) within public safety agencies demonstrates progress in the maturation of IT governance practices across the sector.

- **Leadership Turnover.** The Public Safety sector experienced significant leadership turnover, with more than 90% of CIOs changing between 2023 and 2024, impacting strategic planning, IT governance, and organizational stability.

These developments highlight both the challenges and progress in modernizing public safety IT infrastructure and governance.

Risks, Issues, Challenges for 2025

- **Technical Skills:** The shortage of skilled Project Managers, Business Analysts, and other essential resources, particularly for smaller boards and commissions, is hindering the effective management and execution of modernization efforts and project initiatives.

- **Architecture Planning:** Many agency projects are impeded by a lack of comprehensive technical architectural planning, leading to decisions that overlook long-term consequences and result in inefficiencies and increased costs.

- **Project Procurement:** Extended procurement lead times for technical contracts, driven by the complexities and delays in the current contract development process, are impacting the timely initiation and completion of agency mission critical IT projects.

- **Transitioning to the Cloud:** Agencies face challenges in adopting cloud-based systems and services due to knowledge gaps, limiting their ability to fully leverage cloud technologies for enhanced operational efficiency and innovation.

Transportation and Economic Development
Cecily Warren, Assistant State Chief Information Officer

The Transportation policy area includes two agencies: the Department of Transportation and the Department of Aviation. Every region of Oregon relies on transportation to assure economic growth and improve Oregon's quality of life. Quality airports, roads, bridges, and highways help keep Oregon's economy strong.

Agencies in the Economic and Community Development policy area aid Oregonians by partnering with and investing in communities and businesses throughout the state. Economic development activities include job creation, placement, retention services, business recruitment and assistance, and workforce assistance and training.

Agencies in this program area administer housing and infrastructure financing programs and provide technical assistance to individuals, businesses, and communities. Oregon's vision is to support a diverse, dynamic, and sustainable economy as well as vibrant communities throughout the state that drives job creation and prosperity for all. State government agencies partner with the private sector, local governments, and non-profits to grow a vibrant and innovative economy based on Oregon values.

Agencies

- Oregon Department of Transportation (ODOT)
- Oregon Employment Department (OED)
- Oregon Business Development Department (OBDD) operating as "Business Oregon"
- Oregon Department of Veterans' Affairs (ODVA)
- Oregon Housing and Community Services (OHCS)

Boards and Commissions

- Oregon Real Estate Agency (OREA)
- Oregon Department of Aviation (ODAV)

Semi–Independent

- Oregon Tourism Commission – aka Travel Oregon
- Oregon Travel Information Council (TIC)

Transportation and Economic Development Report Summary

Notable Activities, Significant Accomplishments, and Progress

- **Strategic Planning for Mainframe Support:** Developed strategies for the future support and optimization of mainframe systems, ensuring their reliability and alignment with modern IT practices.

- **IT Operations Advisory:** Advised agencies on critical aspects of IT operations, including governance frameworks, industry standards, workforce planning, and budget management. This guidance ensures that IT operations are efficient, well-structured, and sustainable.

- **Guidance for High-Profile Projects:** Monitored and guided the progress of high-priority and high-profile agency projects, ensuring adherence to timelines, budgets, and quality standards while mitigating potential risks.

- **Support for Governance Development:** Assisted CIOs and PMO managers in the creation and refinement of governance structures within their agencies, fostering accountability, transparency, and effective decision-making in IT initiatives.

- **Enterprise Alignment Efforts:** Focused on aligning agency operations with enterprise-wide initiatives, particularly in areas such as security, project oversight, and shared enterprise services, to promote consistency and collaboration across the state.

- **Advancing Data Maturity Initiatives:** Initiated efforts to improve data maturity within agencies, enhancing their ability to manage, analyze, and utilize data effectively for informed decision-making and improved service delivery.

- **Managing Artificial Intelligence (AI) in Agencies:** Agencies are grappling with the challenges of adopting and managing AI technologies. This includes ensuring proper governance, ethical usage, and alignment with business objectives while addressing concerns around security and transparency.

Risks, Issues, Challenges for 2025

- **Resource Challenges:** Agencies are facing significant resource constraints and hiring challenges. Budget projections for the 2025–2027 biennium will likely maintain or further reduce IT staffing levels

- **Engagement in SaaS Implementation:** Ensuring IT teams are fully engaged in projects implementing Software-as-a-Service (SaaS) solutions is essential. Agencies must plan for the internal IT support required post-implementation to maintain system functionality and address long-term operation.

- **Lengthy Procurement Processes:** The extended time required for procuring goods and services delays project execution and impacts the timely implementation of critical initiatives. Streamlining procurement processes is essential to address this bottleneck.

- **Support for Small to Mid-Sized Agencies:** Small to mid-sized agencies often lack sufficient IT, project management (PM), and business analysis (BA) resources to adequately support their business programs. Additional resource allocation is necessary to bridge this gap and ensure program success.

Appendix A. Active Projects by Policy Area and Agency

Information on active information technology projects under Enterprise Information Services (EIS) oversight is available online through the following links:

[All Active Projects by Policy Area and Agency Dashboard](#)

[Open Data - Enterprise Information Services IT Project Portfolio](#)

Please note that projects not yet assigned an oversight level are not included in these listings. The data presented on the website and dashboard is based on information entered by agencies into the state's Project Portfolio Management tool. Budget figures reflect agency-reported data and may not be available for all projects, particularly those still in the planning phase.