Commonwealth of Kentucky

STEVEN L. BESHEAR, GOVERNOR

INNOVATION IN GOVERNMENT:

THE KENTUCKY BUSINESS ONE STOP PORTAL ASSESSMENT

Kentucky One Stop
BUSINESS PORTAL

This assessment explains the vision, principles, and proposed implementation strategy for the creation and development of the Kentucky Business One Stop (KyBOS) Portal as prescribed by Senate Bill 8 during the 2011 General Assembly.

December 30, 2011

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A. Acknowledgements

This assessment and the first phases of the Kentucky Business One Stop Portal (KyBOS) project could not have been completed without diligent, hard work by many individuals, groups, and organizations. In Appendix A are the specific groups charged with carrying out specific duties and tasks in order to establish the Kentucky Business One Stop Portal and to complete this assessment.

B. Foreword

The Commonwealth of Kentucky, like many other states, faces continued economic stress and has reduced the state budget ten times in four years as a result. At that same time, the number of citizens relying on the services government provides continues to grow significantly. These difficult circumstances contribute to the need for state government to adapt and explore new ways of doing business, embracing **INNOVATION** and using it to improve our existing organizations and services.

Innovation challenges organizations to think more creatively; to create new cultures of cooperation and collaboration among state government agencies, the private sector, and our constituents; and to embrace new technologies. When Senate Bill 8, the establishment of the Kentucky Business One Stop (KyBOS) Portal, passed the 2011 General Assembly, we saw it as a chance to explore how innovation can improve the services government provides by testing all three of the above principles. As stated in the legislation, the goal of the KyBOS Portal is to serve as a single, unified entry point for business owners and their delegates. To meet these expectations, state government agencies have undertaken a comprehensive examination of current practices and developed forward thinking ideas laced with innovative and creative strategies. Throughout this process, we were careful not to lose sight of fiscal realities, understanding there may be considerable limitations in upcoming years.

…we are only in the beginning phases of this project, we have already simplified and streamlined the initial registration process for new businesses with the Secretary of State's office and with the Department of Revenue.

New business owners often find compliance with government agency requirements to be complex, ambiguous, and confusing. Economic development and entrepreneurial support from the government are critical to our economic success; facilitating the creation and expansion of businesses ensures that our economy continues to grow and provides greater opportunities and prosperity for Kentuckians. The vision behind the development and implementation of KyBOS is to provide faster, friendlier, more reliable, and cost effective services to businesses, allowing them to spend less time interacting with government agencies and more time conducting their business. Though we are only in the beginning phases of this project, we have already simplified and streamlined the initial registration process for new businesses with the Secretary of State's office and with the Department of Revenue. This alone has reduced the amount of time a business must spend registering with the Department of Revenue by up to 75%.

The Advisory Committee finds three principal reasons to move forward with the establishment and implementation of a robust Kentucky Business One Stop Portal:

1. **To establish a way for businesses to better and more easily interact with state government;**
2. **To create a more effective and efficient state government; and**
3. **To better target future economic development efforts.**

The development of the KyBOS Portal has created a unique opportunity for state government and the business community to engage in true innovation and planning in a collaborative manner. The launch of the KyBOS website, the examination of current practices, envisioning the future of the KyBOS Portal project, and the delivery of this assessment illustrates the willingness of all state
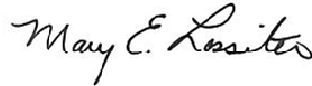
agencies to collaborate. It also highlights a partnership between the business community and state government to find a mutually beneficial solution.

The Advisory Committee respectfully submits this assessment and the recommendations found within it as the plan for creating, operating, and managing the KyBOS Portal. These recommendations emanate from the shared benefits of providing assistance in the creation of and continuing support for business in Kentucky.

This assessment is only the beginning, but we feel strongly that it outlines a clear path forward for this project. We believe the assessment is an innovative and ambitious plan to develop and implement a true Kentucky Business One Stop. The development of this assessment clearly demonstrates state government can and will work together to make the Commonwealth a better environment for businesses. After all, our businesses drive the economic engine that keeps our economy growing and provides the quality of life our citizens deserve.

Elaine Walker
Secretary of State

Mary Lassiter
Secretary of the Governor's Executive Cabinet

C. Executive Summary of Assessment

The Kentucky Business One Stop (KyBOS) Portal Assessment is a result of Senate Bill 8 of the 2011 Regular Session, the cooperation of many state government agencies, and the ongoing support of the business community. The KyBOS assessment outlines a plan for streamlining the process a business must go through to plan, start, operate, expand, or move a business in the Commonwealth. It also addresses the technological improvements that state government needs to make to ensure security, accuracy of data, and ease of use for businesses.

This assessment provides the background of the mandate, the research methods, and the Kentucky Business One Stop Advisory Committee's recommendations to create, implement, and maintain the KyBOS Portal.

The Commonwealth recognizes the growing complexities of state government and the effect these complexities have on the ability for our citizens to start, operate, and expand their businesses, as well as the ability for state government to maintain accurate, consistent, and up-to-date records. The success of these business owners and entrepreneurs is critical to the economic health of our state. Business owners are currently forced to interact with multiple agencies from all over the Commonwealth for a variety of reasons, causing confusion and undue stress, redundant collection of data, and inconsistent records. In order to ease the burden on businesses and to ensure that state government is operating at the highest level of efficiency possible, Cabinets and their agencies from across state government have come together in an unprecedented level of collaboration to develop a recommended solution for the Kentucky Business One Stop Portal. This Portal will serve as a single, unified entry point for business owners and their delegates into state government.

…to ease the burden on businesses and to ensure that state government is operating at the highest level of efficiency possible, Cabinets and their agencies from across state government have come together in an unprecedented level of collaboration to develop a recommended solution for the Kentucky Business One Stop Portal.

Over the last eight months, participants at all levels of government have researched current practices, policies, statutes, regulations, and interactions with businesses to determine opportunities for efficiencies. Of the 2,005 documented interactions between state government entities and businesses, the Commonwealth identified 63 opportunities to date to streamline interactions with businesses, reduce paperwork, and share information with other agencies to prevent businesses from duplicating work.

On October 17, 2011, the Advisory Committee launched ***onestop.ky.gov***, the KyBOS website, which allows for a streamlined electronic registration process for new businesses with the Secretary of State and the Department of Revenue. This meets the requirements set forth in Senate Bill 8 more than a year ahead of the deadline. It also establishes Kentucky as one of only twelve states with a functional Business One Stop website. As of December 12, 2011, just two months after the site was launched, more than 1,600 businesses have registered with and been approved by the Secretary of State (See Appendix I: Website Usage Statistics). A review of other states' business services websites indicates that Kentucky now has one of the best and most comprehensive One Stop websites in the country. Over 1,000 of those businesses continued to register with the Department of Revenue through the website. This accomplishment, alone, has reduced the time it takes to

process a new registration with both the Secretary of State's office and the Department of Revenue by as much as 75%.

Onestop.ky.gov also provides a host of information and assistance for prospective business owners and existing businesses on planning, opening, operating, expanding, and moving businesses in Kentucky. The website offers five "wizards" (interactive web tools) to help the user determine his/her readiness to open a business, to write a business plan, to determine the most appropriate business structure, to understand occupational licenses and permits required by state and federal government, and to find local government resources.

*...the Advisory Committee launched **onestop.ky.gov**, the KyBOS website, which allows for a streamlined electronic registration process for new businesses...just two months after the site was launched, more than 1,600 businesses have registered...*

To further combat redundancies, inefficiencies, and the burden businesses feel when complying with state laws and regulations, the Advisory Committee recommends modifying and enhancing an existing identity management system to track user accounts and information submitted by the end users. A robust identity management system will allow users to enter information once, and then return to KyBOS to track and update information, to submit forms, and to pay fees and taxes. This will eliminate the need for users to submit information such as name, address, and contact information multiple times. It will also ensure that state agencies' records will be consistent, accurate, and up-to-date.

This assessment will fully outline the Advisory Committee's recommended priorities, solutions, and their respective phases of development and implementation. The KyBOS Advisory Committee felt strongly the program choices should be made using the following guiding principles:

- "Think big and start small."
- "Be the most for the most."
- Do not disrupt services being delivered.
- Learn from those who have experience.
- Provide a clear and consistent delivery of information.
- Consider sophistication of both industry and state government when making decisions.

In addition to the research performed by state agencies, the Commonwealth relied heavily on the business community to provide input, recommendations, and feedback throughout the process. The Kentucky Chamber of Commerce hosted the Business Advisory Committee, as well as two focus groups that tested the Kentucky Business One Stop web site, **onestop.ky.gov**. The business community's input is critical and invaluable in this process as they will be the ones using this portal. The success of KyBOS is determined by the level of comfort and trust they have in the system.

The Advisory Committee believes that establishing a KyBOS Portal is critical to attract new businesses to the Commonwealth, ensuring continued economic growth and prosperity for all Kentuckians. KyBOS will also help state government achieve greater efficiencies in both the data kept by our agencies and the way we interact with business owners and with other agencies.

D. Introduction

STATEMENT OF THE PROBLEM, BACKGROUND AND MANDATE

Currently, complying with state government statutes, regulations, and requirements is complex and difficult to navigate. In order to maintain a positive relationship with the business community, to compete effectively with other states in attracting new and expanding businesses, and to help businesses operate and grow effectively and profitably, the Kentucky General Assembly passed Senate Bill 8 during the 2011 Regular Session. In an effort to create an extensive system of online services that will simplify, streamline, and expedite all necessary interactions with the Commonwealth.

The General Assembly charged the Kentucky Business One Stop (KyBOS) Advisory Committee with the following responsibilities:

- Preparing an assessment detailing recommendations for the creation, ongoing operation, and management of the one-stop business portal;
- Ensuring that the KyBOS portal has a website;
- Making sure the KyBOS portal is capable of processing new business registrations as handled by the Secretary of State's Office;
- To begin a testing phase for the portal to be able to automate the Department of Revenue's tax registration application.

The Kentucky Business One Stop Portal is an idea that builds on previous efforts of former Secretaries of State John Y. Brown, III and Trey Grayson. Both Secretaries understood the importance of streamlining government services provided by the Secretary of State to businesses and allowing those businesses to carry out many of their necessary interactions by using a simple online platform. They believed the added efficiencies could provide immense advantages for small businesses and economic development.

MISSION STATEMENT

The mission of the Kentucky Business One Stop Portal is to create a user friendly environment for businesses; streamline efficiencies for both businesses and state government through improved compliance standards; reduce redundant reporting; increase state government's understanding of business; provide transparency to the business-state relationship; and promote business development and job creation.

VISION STATEMENT

The vision for the Kentucky Business One Stop (KyBOS) portal is to provide a fast, friendly, more reliable and cost effective service to business customers through creation of a single, unified entry point to government.

E. Research Methods

GUIDING PRINCIPLE -
"Learn from those who have experience."

The KyBOS Advisory Committee utilized five approaches for researching best practices and analyzing the data available in order to write the required assessment and to begin implementing early phases of the KyBOS project.

GENERAL ANALYSIS

First, the KyBOS Advisory Committee felt it was important to analyze the state's current interactions with businesses and what services it offers. Each interaction regardless of format was reviewed and analyzed by each Cabinet. The General Analysis allowed the Advisory Committee to better understand the processes that are currently in place and learn more about future opportunities for the KyBOS portal. For more details on the General Analysis please see Appendix B.

REQUEST FOR INFORMATION (RFI)

The Commonwealth also issued an RFI and received seven (7) responses from various vendors. In their responses vendors were asked to describe the types of systems they have implemented in other states and basic ideas the vendors have for scope and implementation in Kentucky. The executive summary of the questions asked in the RFI is attached as Appendix H.

CABINET INTERVIEWS

A representative of the Governor's Office and the Secretary of State's Office met with each Cabinet Secretary and/or his or her designee to discuss the Cabinet's general analysis, concerns regarding the implementation of KyBOS, and the areas in which they think KyBOS can achieve short and long term successes from the Cabinet's perspective. The other approaches utilized by the KyBOS Advisory Committee to gather information focused on an enterprise level view of the project. This exercise allowed every Cabinet or Agency a chance to express its thoughts and opinions from a point of view specific to its daily operations.

OTHER STATES' EXPERIENCES

The Committee used two different strategies for learning from the experiences of other states. Various representatives from state government participated in an information gathering conference call with four states that have Business One Stop Portals. In addition, the Kentucky Chamber of Commerce facilitated questions to business associations in states who currently have a Business One Stop Portal. For more information on this exercise please see Appendix D, E, F, and G.

BUSINESS ADVISORY GROUP

The final research strategy was the creation of a Business Advisory Group, hosted by the Kentucky Chamber of Commerce. The Business Advisory Group and volunteer business owners participated in focus groups, testing and reviewing the recently launched Business One Stop website. Ultimately, the success of KyBOS project relies on the willingness and desire of the business community to participate in the system. The feedback from the business community and target audience was and will continue to be vital in the development and implementation of the project.

F. Project Accomplishments

The portal, **onestop.ky.gov**, was developed through an existing contract with Kentucky Interactive, Inc. It was launched on October 17, 2011, fulfilling all of the requirements outlined in Senate Bill 8 more than a year ahead of the deadline.

GUIDING PRINCIPLE –
"Think big and start small".

The homepage of the website provides easy-to-navigate links to complete various interactions with state government. In one click, the user is directed to sections of information relating to one of the following operations of business: plan, start, operate, expand, and move to Kentucky. See Appendix J: Website Snapshots.

The **Plan My Business** section guides the user through researching ideas and concepts, converting those ideas and concepts into a business plan, and connects the user to resources that will help him or her know what to expect on the path ahead. This section contains several "wizards" (interactive tools) to assist businesses in the planning and starting phases:

- The **Readiness Assessment Wizard** asks a series of questions to help perspective owners think carefully about their business idea and offers resources to help the perspective owner in areas of uncertainty. Proper research before opening a business reduces the risk and saves the business owner money and time. Research also increases a business's advantage over its competition, increasing the odds of success.
- The **Business Plan Wizard** guides the user through the process of creating a business plan, the most important part of starting a business. The user can download a business plan template and complete the template while following the instructions on the web site. A carefully developed business plan increases a business's odds of long-term success, and it tells investors that the business owner is serious and knowledgeable about the industry and is worthy of a financial investment.

The **Start My Business** section guides the user through seven steps for starting a business:

1. Choose a name and structure.
2. Register your business.
3. Get your tax numbers.
4. Insurance requirements.
5. Licenses and permits.
6. Employer responsibilities.
7. Identify regulations for your business.

Each of these steps is accompanied by information and resources, as well as several more wizards:

- The **Choose a Structure Wizard** walks the user through various business structure options and their pros and cons. The user answers a series of questions to decide which structure best suits his/her business. The business structure has implications affecting multiple aspects of a business's operations including, but not limited to the ownership, tax, and financial structures.

- The **Occupational Licenses and Permits Wizard** allows for the user to search for licenses and permits based on his/her business type. The wizard also provides contact information for those agencies responsible for the licenses and permits. It is important to note that this does not have the same capabilities as the interactive licenses and permits system

mentioned in Section G: Priorities Set 4 and 5. Programmatic Priorities in Priorities 4 and 5, (page 16) but it is a step toward achieving those priorities.

The most important component of the Onestop.ky.gov website is the ability to electronically register a business with the Secretary of State and begin your registration with the Department of Revenue using the One Stop Business Registration System (formerly known as the Secretary of State's FastTrack System). Though a business could already electronically register with the Secretary of State's office through FastTrack, the Department of Revenue registration component is brand new. In the first two months (October 18, 2011 through December 15, 2011), 1,600 businesses were approved by the Secretary of State's Office and 1,128 businesses submitted their registration information to the Department of Revenue (See Appendix I: Website Usage Statistics). The Department of Revenue estimates that a business's registration application is processed up to **75% faster** if submitted online. Traditionally a registration form was completed by hand, mailed to the Department of Revenue, returned and resubmitted if it contained errors or missing information, processed, and then confirmed with the business. Because the submission is received immediately through the new electronic registration process, eliminating delayed postal delivery, issues with non-legible writing, and incomplete or inaccurate applications, the Department of Revenue can process new registrations in a matter of one to three days instead of a week or more. This is a vast improvement over the previous paper registration practice, easing and expediting the process and allowing businesses to open their doors that much more quickly. It also eases the burden on the Secretary of State's office and the Department of Revenue by ensuring they both receive complete, accurate, and consistent information.

The Start My Business section also contains information regarding federal and state tax requirements, environmental licenses and permits, and federal licenses and permits. Finally, as a specific request from the business community, the web site also has a **Local Government Wizard** that allows a business owner to enter their address and be directed to the websites of any local government entities with which the business may need to interact. Though local governments are not obligated to participate in KyBOS and their systems are too complex and numerous to immediately integrate into the KyBOS solution, the state is working with the local governments to provide as much information as possible to the businesses via KyBOS.

The **Operate My Business** section contains information and links to resources for the following topics:

- **Taxes** – A guide to federal, state and local tax information for a business;
- **Insurance** – Protecting the business and investments from the unexpected;
- **Managing Employees** – Employer responsibilities in the Commonwealth;
- **Annual Reporting** – Guidance on the Secretary of State's required business filings;
- **Permits and Renewals** – Information on professional and environmental permits and licenses;
- **Regulations** – A way to stay connected to regulations that govern an industry and business;
- **Exiting/Changing Over** – Assistance for retiring, transferring ownership, or closing; and
- **Business Counseling** – One-to-one assistance for a business at every step along the way.

The **Expand My Business** section helps the user understand how to expand a business in Kentucky. Business expansion increases one's customer base, extends services, and grows profits. This section provides the user with resources regarding financing; finding and training employees; choosing a

location for the business; understanding the customers; merging, acquisitions, and franchises; exports and overseas development; going public; government procurement; certifications; and business counseling.

The final section of the KyBOS website is the **Move My Business** section. This area of the website assists the user in understanding why Kentucky is a great place to own and operate a business. It provides helpful information regarding how to move an existing business to Kentucky, as well as how the owner and/or the employees to make Kentucky their new home.

The website also offers a "library" that houses all of the necessary forms for starting a business, the most commonly used forms, and links to resource websites with all other forms that are available electronically (organized by agency).

Finally, with one click on the homepage, the user can find information regarding the Cabinet for Economic Development's economic incentives and financial programs. These incentives and programs are geared toward new and expanding industries, job retention, technology development, energy and the environment, small businesses, workforce training, tax-increment financing, agri-business opportunities, tourism development, and other areas.

In addition to the current website features, the general analysis research phase of the assessment process identified areas in which Cabinets could streamline their interactions with businesses, reduce paperwork, and begin to share information with other agencies to prevent businesses from duplicating work. There were 2,005 documented interactions between businesses and state government entities. The agencies also identified 63 opportunities to date that included ways for agencies to share information with one another, to eliminate forms or at least reduce the number of pages, and to eliminate barriers that make interacting with state government unnecessarily cumbersome.

One example of an opportunity to streamline the process for a business was discovered in the Cabinet for Economic Development. The Cabinet consolidated three program forms into a single combination application. Businesses can complete the sections for just the programs in which they are interested or they can apply for all three on a single form. This reduces redundancies in information collection and processing. Additionally, the total application for the three programs went from 18 pages to 9 pages. The Cabinet is also in the final stages of preparation to receive application payments electronically by credit card or ACH. This will help facilitate the move to online applications. As forms and agency processes become part of KyBOS, we anticipate that it will continue to reduce the number of times that an agency has to give state government repetitive information. For further sample opportunities, see Appendix C: Details About Opportunities.

G. Programmatic Priorities

GUIDING PRINCIPLES FOR DETERMINING PROGRAM PRIORITIES

The KyBOS Advisory Committee felt strongly the program choices should be made using the following guiding principles:

- **"Think big and start small."** – The scope of the project should be broad, but it should begin with manageable tasks.
- **"Be the most for the most."** – The system should focus on the automation and development of the interactions between businesses and government that occur most often.
- **Do not disrupt services being delivered.** – It is critical that the development of the KyBOS portal does not cause the disruption of any service currently being provided to the business community.
- **Learn from those who have experience.** – State employees are vital to the ongoing development of the KyBOS portal because of their experience and knowledge of the business process affected by the project. It emphasizes those that are currently working with businesses and delivering services to businesses should be consulted throughout the development of the KyBOS portal. This principle also applies to the need to include the business community. Business owners encounter firsthand the nuances and complexities of state government. Their experiences and advice offer insight and perspective that many government employees do not have as they are more familiar with the systems and business practices.
- **Require clear and consistent delivery of information** – Information on KyBOS should be clear to the end users and consistent throughout the KyBOS portal and website.
- **Consider sophistication of both industry and state government when making decisions. –** The implementation team must consider the sophistication of both the industry and the agency with which the industry is interacting when making decisions regarding priorities. It is not practical to prioritize an interaction with an industry that does not use technology. It is equally illogical and expensive to prioritize an interaction provided by an agency that does not have the proper framework in place to support the KyBOS functions.

FIRST PRIORITY SET: STATUTORY RESPONSIBILITIES

The first priority set includes three of the four main requirements of SB8. These requirements include ensuring the portal has a website, incorporating the system formerly known as FastTrack which allows new business registrations with the Secretary of State's office, and the incorporating the Department of Revenue's basic tax registration application. The tasks in the first priority set have been completed more than a year prior to the statutory deadline, and Kentucky businesses are already greatly benefitting from these initial improvements (See Section F: Project Accomplishments).

SECOND PRIORITY SET: FOCUS ON PORTAL FRAMEWORK AND BUSINESS REGISTRATION

The second priority set includes the development of a robust framework for the KyBOS portal and to automate and integrate business registration processes where appropriate to ease the burden on new businesses. There are numerous registration requirements for a beginning a business in the Commonwealth. The ability to complete these functions will allow a business to open its doors more quickly as well as make state government seem less complex for the new business. The second priority set includes the following:

- The establishment of a scalable, flexible ID management system for KyBOS Portal. The solution will allow an individual business to set up user accounts for representatives they wish to have access to their accounts and carry out registration, compliance, or other necessary activities.

- Fully automate the Department of Revenue business registration requirements:

    o Corporate Income Tax
    o Sales Tax
    o Withholding Tax
    o Transient Room Tax
    o Motor Fuels Tax
    o Consumer's Use Tax
    o Limited Liability Entity Tax
    o Utility Gross Receipts License Tax
    o Telecommunications Tax
    o Coal Severance and Processing Tax
    o Coal Seller/Purchaser Certificate ID#

- Unemployment Insurance business registration requirements.

- Department for Workers' Claims registration for workers' compensation.

- Motor fuel carrier tax registration (KYTC)

- Cabinet for Health and Family Services will automate the following registrations:

    o Registration as a Health Care Facility
    o Registration as a Child Care Provider
    o Registration for the Certificate of Need (CON) process

- Kentucky Vendor Services Registration for all the Commonwealth's procurement services

- Notifications on necessary local government business registration, OSHA requirements and Wage and Hour requirements.

- Collection of demographic information to be shared with the Secretary of State's Office, Department of Revenue, Unemployment Insurance, and Department for Workers' Claims as needed to assure businesses are completing necessary requirements and that business data is complete.

- Improve the Commonwealth's ability to take electronic payments.

- Automate contingencies for the above business processes.

THIRD PRIORITY SET: FOCUS ON EXISTING BUSINESSES INTERACTIONS WITH PRIMARY PROGRAMS

Almost all business must complete registration with the Secretary of State, file and pay business taxes, pay Unemployment Insurance taxes on their employees, and have Workers' Compensation Insurance. Therefore, this priority set focuses on automating the interactions that pertain to the numerous interactions. This simplifies and streamlines the reporting and compliance requirements and process, thus increasing compliance and easing the burden of due-diligence on businesses in

Kentucky. The Commonwealth benefits from this with more accurate, consistent records; increased revenues; and more time and staff to devote to the creation and oversight of programs to support and aide our businesses (rather than using a majority of the work day to update and maintain records). The third priority set includes the following:

Automate and integrate:

- Withholding Tax and Sales Tax interactions (Department of Revenue)
- Division of motor carrier tax filings and payments (KYTC) as they are sent in simultaneous to withholding taxes.
- All interactions a business has with the Unemployment Insurance System.
- All interactions a business has with the Department for Worker's Claims.
- Contingencies required for a business to complete any of the above interactions.

Redevelop SOS Annual Reports of Incorporation and other interactions not currently accepted online (such as amendments to articles) to interact with other parts of KyBOS Portal. (Current applications are SOS in-house applications made to look like FastTrack.)

FOURTH PRIORITY SET: FOCUS ON BUSINESS TYPE

This priority set focuses on the creation of a requirements wizard (an interactive, robust system) with North American Industry Classification System (NAICS) codes, a standard used by the Federal government to classify businesses (by type) to aide in the collection and analysis of statistics related to the economy. This wizard will create a particular business's plan of interaction with state government. This will allow state government to update the user as more systems and interactions become available as well as improve the user's ability to work their way through various agencies in an efficient manner.

This step will provide all businesses with instructions on what specific interactions are required with state government and direct them to the place those interactions can be completed. Over time, it is the intent of the KyBOS Advisory Committee that most, if not all (except professional licenses for individuals), interactions should be available to be completed through the KyBOS portal. This will help eliminate one of the most complex aspects of opening and operating a business, as requirements vary not only by the type of business, but also by the type of projects a business will be hired to complete, the location of the business, or the type of equipment the business will use.

FIFTH PRIORITY SET: OTHER INTERACTIONS

The fifth set of priorities breaks implementation down into five groupings: an e-License system for licenses given to an individual, the ability to complete all business tax filings and payments, business licenses, permitting, and other compliance measures. All of these functions should be prioritized by volume first, then by ease of integration. It also may make sense to focus on one agency at a time. These groupings are more thoroughly described below:

- Develop an E-license system for individual professional licenses. Focus for independent system that is either available or located on the KyBOS website should be license renewals and maintenance functions (example: continuing education reporting).

- Department of Revenue: Other Business Tax Filings and Payment. Should be prioritized by the least complex first and progressing to the most complex as resources are available.

  o Transient Room Tax
  o Motor Vehicle Fuels Tax
  o Consumer's Use Tax
  o Corporation Income Tax
  o Limited Liability Entity Tax
  o Utility Gross Receipts License Tax
  o Telecommunications Tax
  o Coal Severance and Processing Tax
  o Coal Seller/Purchaser Certificate ID#

- Business Licenses: Businesses should be able to apply, renew and maintain licenses through the KyBOS Portal.

- Permits: Businesses should be able to apply for permits needed to operate their businesses through the KyBOS Portal.

- Compliance Needs - Certificates, Reporting, and Maintenance of Status: There are numerous other interactions a business needs to remain compliant.

Providing business owners with the ability to obtain and renew licenses and permits online will have a great impact on the ease with which the owners can open and operate their businesses. Many business owners rely on a particular license or permit to operate their business or complete a particular project; proper documentation is imperative to the success of a business and its owner.

A secure, web-based means of filing and paying taxes online is also a major benefit to those who operate a business in Kentucky. Filing and paying taxes online not only quickens the process for the business owner, it reduces noncompliance and filing errors, providing the Commonwealth with much needed revenues.

It is understood there will be a need to prioritize the hundreds of other interactions businesses have with the Commonwealth. The KyBOS Advisory Committee believes the cited approach is a best attempt at logically separating and prioritizing these interactions.

H. Next Steps

Information Technology (IT) Solution

Senate Bill 8 requested that the Advisory Committee provide recommendations for the full implementation of the KyBOS Portal. An important component for the long term viability of the program is the technology solution or framework necessary for a robust Portal. To fulfill this requirement the Advisory Committee tasked the IT Solutions Team with researching possible IT solutions for KyBOS and provides detailed and well thought out options for consideration by the KyBOS Advisory Committee. This section of the assessment is focused only on the technology necessary to make the KyBOS Portal fully functional.

The IT Solutions Team was comprised of IT professionals at the Commonwealth Office of Technology (COT) and other KyBOS affected state agencies. This Team utilized the vision the KyBOS Advisory Committee had for the Portal and the recommended priority sets developed early in the project to create a proposal which serves as the Portal technology framework. This process included surveying other states with fully or partially implemented Business One Stop Portals, examination of the responses to the RFI, and utilizing the collective knowledge and expertise of the Team.

The recommended Kentucky Business One Stop Portal design was built on the following principles:

- **Scalable**
- **Flexible**
- **Efficient**
- **Innovative**
- **Built at a reasonable cost**

The recommendation is reflective of these principles and provides a solid framework for providing innovative business services via the KyBOS Portal.

A. KyBOS Enterprise Level Technology Framework

The KyBOS Advisory Committee recommends the technology framework be developed and operated at an enterprise level. The focus on the enterprise level framework will allow the Kentucky Business One Stop Commission and Office (see 'Governance Structure', page 26) to more easily set policy and coordinate the work of various state government agencies.

The following provides a high level description of the recommended KyBOS technology framework. The KyBOS Advisory Council believes this framework is critical for the building of a robust, user friendly system while continuing to protect the critical interactions and services the Commonwealth provides to businesses every day. The diagram on the next page reflects how the envisioned technology solution for the Portal would function.

B. KyBOS IT Solution Diagram
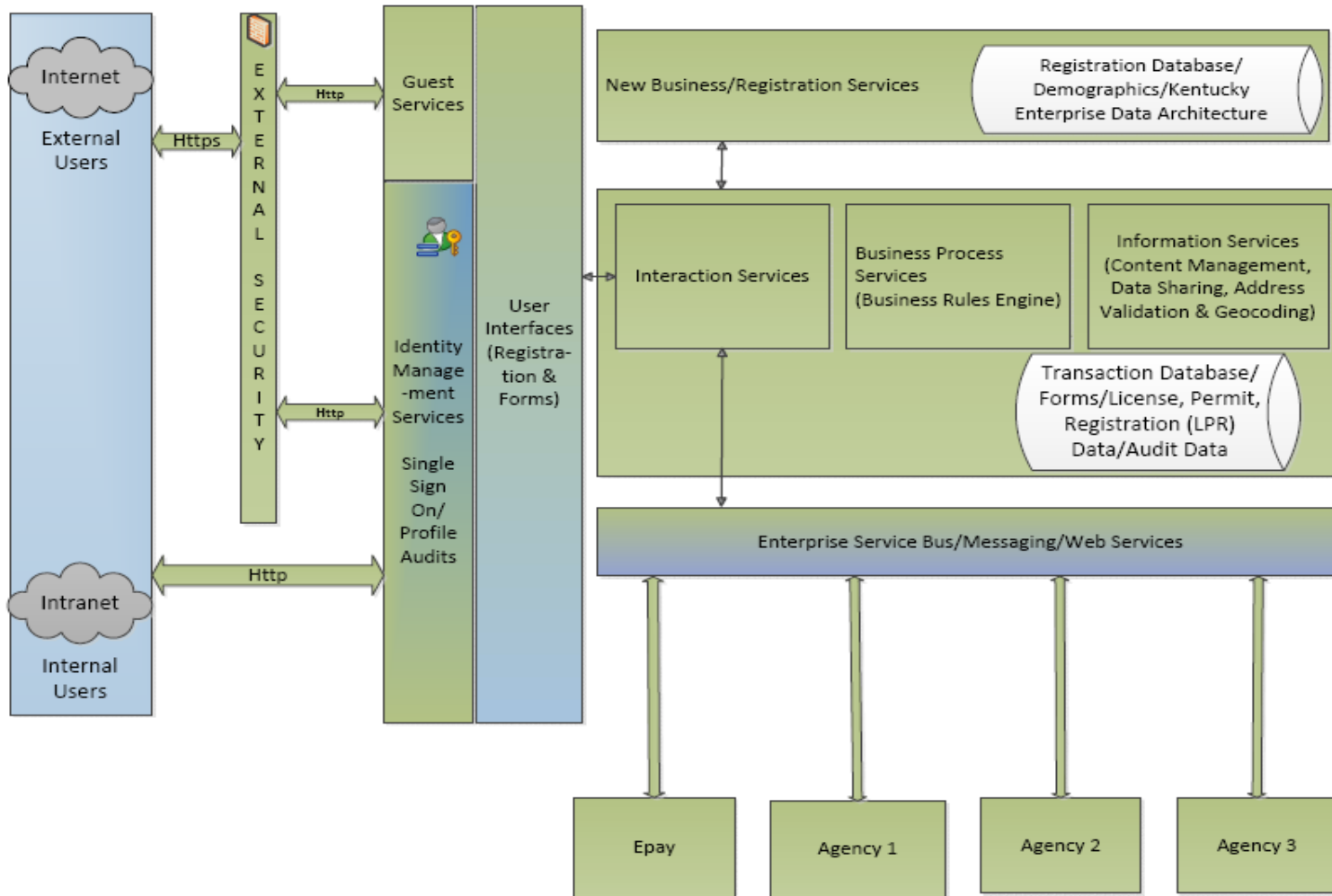
The KyBOS Portal will contain the following components in the technology enterprise level technology framework:

C.   Identity Management System

The KyBOS solution must provide a responsive, scalable user log in process which allows the users to access different features and functions based upon defined roles and responsibilities. An Identity Management System (IDMS) is the use of technology to create and manage this process. The Commonwealth Office of Technology (COT) has been researching and developing a long term enterprise vision for an IDMS solution that will meet the needs of not only KyBOS but also various other online services provided by state government. Key business requirements considered while developing the IDMS options were:

- User account creation, maintenance and password management through a user friendly process.
- User should have unique accounts with role and responsibilities defined and should allow for workflow. Tracking of user actions for auditing purposes.
- Flexible and scalable solution to allow for future growth.
- Leverage existing Commonwealth technology investments.
- Follow Federal and State statutes and regulations.
- Follow Commonwealth security standards.
- Provide reports for statistical analysis.

The IT Solutions team explored three main IDMS options, with the Advisory Committee recommending Option Three, a hybrid solution. Each solution was researched thoroughly and evaluated based on the needs of the KyBOS solution, including cost, and the long-term technology needs for the Commonwealth. The options are as follows:

Table 1: IDMS Options	
Option 1: Commercial Off-the-Shelf (COTS)	A Commercial Off-the-Shelf (COTS) vendor solution that would not only meet the needs of the KyBOS, it would also meet the Enterprise need for a long-term IDMS solution. However, the schedules for the projects have different time lines, different levels of complexity and have a higher cost.
Option 2: Build from Scratch IDMS Solution	A customized solution that requires a build from scratch IDMS solution that meets KyBOS business requirements. It would be scalable and allow for a modular development approach. The Commonwealth would have to employ staff to create the solution. Risks may include maintaining the customized software with limited resources and/or software knowledge.
Option 3: Leverage Existing IDMS Commonwealth Solutions	A hybrid solution that leverages existing IDMS Commonwealth solutions. This solution modifies a current IDMS process to provide a solution that meets the KyBOS requirements. Potential IDMS solutions that could be leveraged include the Kentucky Interactive (KII) IDMS solution and the Kentucky Enterprise User Provisioning System (KEUPS), used by the Cabinet for Health and Family Services. This option is recommended because it allows for quick development and lower costs while still meeting the KyBOS business needs.

D. Infrastructure Investments

The Portal will need an investment of hardware to support the anticipated number of businesses utilizing its services. This investment will include servers, network, data storage, etc.

E.   System Investments

The Portal will need an investment for software development to provide a web site and supporting system which is easy to use for businesses and which simplifies business functions for Commonwealth agencies. The IT Solutions team estimates approximately 250 business services will need to be developed during the first three phases of the KyBOS project. Many of these services are not currently available online and those that are available are not consistent in across agencies. By centralizing the following functions, the Commonwealth will be more cost effective and efficient.

F.   Registration

Captures demographic information (e.g name, address, telephone number) one time and allows it to be shared, as needed, by multiple state agencies. The KyBOS Advisory Committee also suggests the KyBOS Portal assign a Universal Identification Number (UIN) to be given to each business entity and maintained by the KyBOS in the registration system and all state government agencies in systems that interact with KyBOS. While the UIN is an identifying number in addition to other identifying numbers (such as the Federal Employer Identification Number {FEIN}, and multiple, specific state identifiers), it is the one number that will be used to identify a business in all systems. The use of the UIN will allow for a better user experience and more consistent costumer service by state government because the end user will only need to know the UIN to maneuver through KyBOS, rather than each individual identifying number. All records of interactions in KyBOS by a user will follow the UIN through KyBOS and all corresponding state systems. This ensures that all records and interactions are automatically reconciled throughout state government.

G.   Communication

Facilitates two way communication between KyBOS and agency systems to ensure 24/7 availability and guarantee delivery of all transactions (e.g. payments, registration). This component is also critical because it will allow agencies to interact with the Portal without having to rebuild legacy systems, thus, reducing costs of the project. This system will also allow the business to receive communications (e.g. alerts, e-mails) from the Commonwealth through the Portal thereby reducing Agency costs for mailings.

H.   KyBOS Portal User Assistance

Facilitates a better user's experience for businesses by utilizing on-line help, tutorials and access to business services in an intuitive manner by best practice web design. ***The ability for those utilizing the system to understand its capabilities is essential.***

I.   Individual Cabinet Considerations

State agencies' comfort level and daily use of the KyBOS Portal will greatly impact the success of the project. All state government agencies required to be a part of the KyBOS Advisory Committee have worked diligently to make sure that each recommendation is both appropriate and compatible with their organization. Cooperation among the agencies was strong and each agency spent significant resources on researching and identifying opportunities for the Portal.

As a part of this process, the KyBOS Advisory Committee asked each participating agency to complete documentation on resources necessary to complete the KyBOS scope priorities. Each response was considered carefully by the IT Solutions team before making these recommendations.

Additionally, the agency responses were critical in determining cost and resources requirements for the development and implementation of the KyBOS Portal.

One of the main concerns of the agencies is that the Advisory Committee takes into consideration the need for the KyBOS Portal to be flexible and accommodating of the individual needs of the Agencies and their business processes. To alleviate these concerns, it was determined the Portal engine must be built to accommodate a two model system:

- The first model allows an agency to completely integrate their system into the KyBOS Portal. An agency would use this model if they currently do not have a system in place or wishes to replace a system currently in place that is in need of replacement. This model would eliminate independent system expenditures by agency for enterprise level functions (e.g. registration, address services, etc).

- The second model incorporates the messaging component of the IT Solution. The KyBOS Portal will have the infrastructure in place to allow for a messaging web service to deliver information to and from existing agency systems. This model will be used by agencies that already have fully functional system that is either too complex or too cumbersome to fully integrate in a KyBOS Portal.

The KyBOS Advisory Committee recognizes that state government agencies must be able complete the services and regulatory functions by using the KyBOS Portal and it is critical that these interactions not be disrupted by the deployment of the KyBOS Portal. Through these recommendations it is believed that we have moderated any negative impact the implementation of the KyBOS Portal would have on any state government agency.

Website Enhancements

The ability for businesses to reliably interact with state agencies through a dynamic, unified portal will be the primary goal for the KyBOS project. The processes needed to register, license, and operate a business require a number of robust data collection and administrative capabilities that the KyBOS identity management solution will provide. These interactions will take time to implement. However, KyBOS is designed to not only collect and manage data, but also to be a dynamic form of communication with Kentucky businesses. There are a number of near and short term enhancements that will continue driving users to the site.

Near Term Enhancements - These enhancements are communications based improvements that can be entirely implemented quickly and at no additional cost to the Commonwealth.

- **Local resources mapped -** Kentucky has a number of resources available to businesses in their local area. Based on a presentation similar to California's existing GIS map resources, Kentucky could replicate a look-up by county and an interactive map, which would help businesses more easily locate assistance.
- **Entrepreneurial resources -** Organizing information specific to entrepreneurs in Kentucky's urban areas would replicate best practices in Portland Oregon, an area which is a national leader in entrepreneurial outreach.
- **"How to" for starting an internet business**
- **"How to" for greening a business**
- **Checklist for closing a business**
- **Training video library for the KyBOS website and Portal**

Short Term Enhancements - Taking between three (3) and six (6) months to implement, these additions are no-cost/low-cost items but will require additional staff time to assemble and develop.

- **Complete all basic registration processes via the One Stop Business Registration tool** which includes integrating the user interfaces for Unemployment Insurance and all remaining Department of Revenue basic registration forms into the existing One Stop Registration System. Time and a consolidated effort are the inputs needed to organizing the remaining registrations into a step by step approach that builds upon the existing Secretary of State and Department of Revenue 10A100 registrations.
- **Environmental permit lookup -** This will expand the offerings on One Stop to include a searchable permit database for all environmental permits that may be required by businesses.
- **How to get financing kits -** This will walk users through the basics of various business financing options that are commonly offered and available in Kentucky.
- **Industry profiles -** Kentucky does not currently offer on its publicly available websites sector specific information. Information is generally presented using a regional or issue specific approach, requiring administrators to be experts on all aspects of economic development within a geographic area. Using the model from another One Stop Portal state, a series of sector specific reports could be produced and replicated in several languages to present statistical information about Kentucky and unique opportunities that exist within given industries (e.g. advanced manufacturing, agriculture, healthcare, bio science etc.)
- **Filings and fees page -** Another state with a One Stop Portal offers users a single point of reference for all filings and fees associated with starting a business.
- **Requirements and incentives wizards -** New York City offers the most sophisticated requirements and incentives resource lookup among all business process consolidation websites. Using a step by step process, business owners answer a series of questions about their startup which guide them toward specific licenses or incentives. While it is not technically sophisticated, this would involve a large investment of time in plotting process and organizing the necessary questions to successfully implement.

Innovations Powered by Web-Enhanced Activities

KyBOS creates a more efficient experience for business customers through a single web based interface, and it will streamline the ways government manages information and communicates between agencies. Centrally locating information, registrations, and automating business process through ID management are positive steps to improving Kentucky's business outreach. These are finite possibilities in the sense that as these systems go online the processes become easier, but customers will continue to have expectations for increased services in order to drive continued use of the site.

A significant portion of the KyBOS assessment is dedicated to efficiencies for users and state agencies in collecting and sharing information. The one area that truly adds value to One Stop is the ability to not only collect information about Kentucky businesses, but to use that information to more directly meet each individual business's needs using both technical and human outreach. Using collected information to target businesses for services and support will exceed customer expectations and drive loyalty to the state and region as actions are iterated over time.

Below are a few examples of innovations and programs in use in other states which would be available if implemented in Kentucky utilizing the data collected via KyBOS.

- **Promotion of economic development using combined regional, issue, and sector specific approaches -** Information from One Stop and the Cabinet for Economic Development's business outreach programs can be used to improve our efforts to meet the businesses' needs via a hybrid approach. Much in the way that personal information, once collected, is used to create targeted advertising, electronic data voluntarily submitted by businesses can assist in facilitating targeted support.

- **Business to Business mentors and protégé program** - The program could be used to pair established businesses with local start-ups in yearly classes of around twenty participants. As businesses register with KyBOS, they will have the option to participate in the program. Administrative costs are low because the activities are driven by onsite observation and interaction and can follow a standard curriculum.

- **Supplier match program -** By combing a self-service search from economic and business development data and an outreach program based on industry, Kentucky businesses can benefit from a local supplier match program. Among benefits provided by the approach would be the ability to promote small businesses while keeping tax revenues within the state.

- **Community best practices program for entrepreneurship** - Local areas and regions which use new approaches to grow the economy and increase job creation could be promoted via a Governor's award program which would foster innovative solutions and concepts that could be replicated in areas throughout the Commonwealth.

- **Creative Economies -** Georgia provides a searchable website through a partnership between economic development and the Arts and Tourism Cabinet to promote local artists, museums, and crafts based on region throughout the state. Kentucky could replicate the program based on business registration and voluntarily submitted information.

- **Small Business Legal Clinics -** The number of issues facing those trying to establish their first business can be overwhelming at times. The city of Portland encourages local entrepreneurs through small business legal clinics that can help make sense of the process. A similar type of approach using data collection as the foundation could be made possible in regions throughout Kentucky.

Legal Considerations and Analysis

The Legal Team assessed three issues for the KyBOS Portal:

1. Are any further state law amendments needed to operationalize the Portal?
2. Is there any obstacle in federal law, or in the relationships of participating state agencies with their federal counterparts?
3. Does KyBOS prompt potential changes to related areas of state law, such as to gain efficiencies?

In summary, the Legal Team recommends relatively little action in these areas.

Most significantly, at this time there does not appear to be any obstacle in state law to the implementation of KyBOS. In the Uniform Electronic Transactions Act (KRS Chapter 369), existing state law generally authorizes electronic transactions, provides for electronic signatures, and

otherwise recognizes that various electronic interactions with state government are legally equivalent to transactions in other forms. Electronic payments to state government are already allowed under KRS 45.345. In addition, state law already allows many tax filings to be made electronically (see KRS 131.250, KRS 138.685, and KRS 138.710) and the Secretary of State has accepted the electronic filings of many business documents for years. The Legal Team did not find that state law meaningfully prohibits the sharing of common information between agencies as KyBOS is likely to involve. KRS 131.190(2) specifically authorizes the Department of Revenue to share taxpayer information within government, "for official use only and on a confidential basis . . . under reciprocal agreements whereby the department shall receive similar or useful information in return." The one statutory amendment we recommend in this area is in KRS 341.190(3), where information relating to unemployment insurance should be made available to other agencies upon the consent of the employer, which KyBOS should then request for that purpose. Likewise, KyBOS should obtain user consent to its functions as often as possible. As the project proceeds, agencies will naturally revise their regulations to avail themselves fully of its utility, to indicate that it is the location of certain functions or forms, or for other reasons.

Likewise, the Legal Team did not identify any federal obstacles to KyBOS. Agreements in place with federal agencies, most prominently at the Cabinet for Health and Family Services and the Education and Workforce Development Cabinet, eventually may require accommodation or amendments to conform to KyBOS. For now, however, there is no affirmative prohibition to proceeding with One Stop, either in these agreements or in underlying federal law.

Lastly, attention to related areas is most likely to connect with the efforts of the Smart Government Initiative. Specifically, state law should make clear that communications with members of the public may be by electronic means in instances when the communicating agency believes that will suffice. Such a change should indicate that existing requirements for certified mail or other delivery methods are optional and at the agency's discretion. Related to this is the ability for, state agencies that are required to maintain "addresses" for members of their regulated community or for other members of the public should deem e-mail addresses to comport with those requirements; for its part, we envision that KyBOS would use e-mail often.

Governance Structure

For the ongoing process of overseeing KyBOS and ensuring that the progress of the portal continues to move forward, it is recommended that a governance board be formed. This governance board will be known as the Kentucky Business One Stop Commission and it will be chaired by the Governor's Secretary of the Cabinet with the Secretary of State serving as the Vice Chair. The governance board will be comprised of the Cabinet secretaries or his/her designee who currently have a seat on the KyBOS Advisory Committee. They represent all state government agencies that interact with businesses on a regular basis and include the Cabinet for Economic Development Cabinet, Cabinet for Health and Family Services, Education and Workforce Development Cabinet, the Energy and Environment Cabinet, the Finance and Administration Cabinet, the Labor Cabinet, the Public Protection Cabinet, the Transportation Cabinet, and the Tourism, Arts, and Heritage Cabinet.

It is also recommended that two representatives of the business community be made full members with voting privileges of this Commission in order to ensure that the voice of the constituency involved is heard. The Commission on Small Business Advocacy will recommend to the Governor three individuals and he will appoint one to represent Kentucky small businesses. The Kentucky Chamber of Commerce will nominate three individuals and the Governor will appoint one for a position representing all businesses on the KyBOS Board.

The Board will make all policy decisions for the ongoing prioritization and implementation of services that will be provided through the KyBOS Portal.

ORGANIZATION AND STAFFING

It is recommended that the Kentucky Business One Stop Commission be administratively attached to the Office of the Secretary in the Finance and Administration Cabinet. The KyBOS staff will work closely with the Commonwealth Office of Technology (COT) on technical issues, but the staff will not be organizationally associated with COT. The KyBOS staff and the staff of other participating agencies will work together to implement the KyBOS Portal under the guidance and leadership of the KyBOS Commission.

Knowledgeable and professional staffing is critical for the success of the KyBOS organization. The KyBOS staff will be required to work hand in hand with Agencies and Cabinets in teams to implement the priorities as determined in this assessment and by its governing Commission. Therefore, although adequate staffing is vital to KyBOS Portal, it is recommended that the number of staff directly associated with the organization be small.

The Kentucky Business One Stop Office must have an Executive Director charged with carrying out the mission of KyBOS and policy as determined by the KyBOS Commission. It is also important that there be two project managers dedicated to the program that have expertise and experience in the following areas: 1. Development and implementation of information technology projects; 2. Business Process Improvement; and 3. Marketing and Communications. The Advisory Committee believes these three areas to be critical to the long term viability and success of the KyBOS project.

As previously mentioned, the mission of KyBOS is to create a user friendly environment for business, increasing efficiencies for both businesses and state government. The Commonwealth and its new businesses are already benefiting from our initial efforts to simplify and streamline the basic registration process. The continued development and implementation of this Portal will amplify these benefits for years to come. In many cases, these benefits will be tangible, producing real dollar savings and increased revenues for both Kentucky businesses and state government. The Commonwealth will also realize many intangible benefits such as (but not limited to) time savings, accuracy and consistency of data, increased access to information and resources, and expedited processing of information.

Development of efficiency, outcome, and output performance measures will be a priority of the Kentucky Business One Stop Commission, the KyBOS Executive Director, and dedicated KyBOS staff. These measures will help track the performance of KyBOS by demonstrating the Portal's successes and highlighting areas in need of improvement.

Call Center Recommendations

RESEARCH AND INFORMATION GATHERING PROCESS

The call center team carried out several exercises to ensure they have all the information needed to make recommendation to the advisory committee on possible call center options. Their research methods included:

- Surveying all existing agency call centers within the Commonwealth to determine the types of software for which the Commonwealth has contracts in place, number of staff in the call centers, and an estimated number of business related calls that each agency call center currently receives.
- Surveying the Frequently Asked Questions that agencies provide on their websites for businesses.
- Reviewing the business one stop or business section of all 50 state websites to determine the best approaches to customer service.

SOLUTION DEVELOPED FOR LAUNCHED KYBOS PORTAL AND WEBSITE

After the October 17th launch of the KyBOS website, the short term solution was put in place to assist businesses with questions generated by the website. A "Contact Us" page with various themes from the most common business questions was developed that direct businesses to the correct agency in state government. If a caller's question does not fit any of the common themes, the caller is directed to e-mail or call the Governor's Constituent Services office that will then direct the business to the correct agency and monitor the assistance process to ensure the business receives an acceptable response.

The team researched four options for possible KyBOS call center solutions.

Table 2: Call Center Options	
Option A: Outsource the Call Center	The Commonwealth could procure and outsource the responsibility of handling the call center to a private company. This would allow the Commonwealth to determine hours of operation and number of staff without having to pay for the benefits of those employees. This option would mean that a business caller would not easily have access to subject matter experts and the call center might be staffed by people outside of the Commonwealth instead of employing Kentuckians.
Option B: Consolidate/Co-locate Subject Matter Experts	The Commonwealth could consolidate some of the existing subject matter experts or call center personnel in one location, utilize one phone system, and cross train employees to better assist businesses. The downside to this option is that many of the subject matter experts and call center staff members at the agency level perform multiple tasks that would leave a gap that the agency could not fill with the reduced staff numbers.
Option C: Tier 1 Business Call Center/ Tier 2 Subject Matter Experts	The Commonwealth could consolidate some of the existing agency call center staff members and cross train those employees to be a Tier 1 business call center and answer general business related questions. The call center staff would use an electronic knowledgebase that would help them answer basic questions and would inform them as to which agency more complicated questions should be forwarded. Questions not able to be answered at the call center would be sent to the appropriate agency and a ticket would be created that would allow the call center staff to know when the business received an answer from the agency.
Option D: Procure a Smart Call System and Include Live Chat Feature	The Commonwealth could procure a smart call system that would allow business to call the KyBOS hotline and get a directory of possible topics. The system would be smart enough to direct them to the appropriate Tier 1 call staff. An advantage to this system is that the same system could be put in place with a live chat feature. If this option is pursued there must be a call center/live chat center coordinator who would be actively coordinating with the Tier 1 and Tier 2 call center contacts within the agencies.

The Advisory Committee recommends that KyBOS implement Option D – Procure a Smart Call System and Include Live Chat Feature. This method would efficiently use the skill sets already available within state government while allowing agencies to continue to use their subject matter experts for multiple job tasks.

It is recommended the call center program coordinator be located at the Department for Small Business Services within the Cabinet for Economic Development as they already have many resources that they offer that are useful to businesses. Many Kentucky businesses, especially small businesses, have an existing relationship with the Commission. It also has a statutory relationship with all of the other agencies involved in KyBOS through the small business ombudsmen located in each of these Cabinets. A call system and the ongoing use and coordination by the call coordinator for the KyBOS project will allow the agencies to better utilize these ombudsman.

Additionally, it is the recommendation of the KyBOS Advisory Committee that a more comprehensive call center could be developed in the future to provide one main entry point into all

of state government, thus better directing the calls and requests as well as creating a knowledgebase that truly understands the needs of the businesses.

A knowledgebase software system is necessary to manage and maintain call information and records as well to provide the Tier 1 call center staff with as much information on specific subjects as possible. A knowledgebase is a database for knowledge management, providing a means to collect, organize, and retrieve information. The Commonwealth has existing contracts with Front Range and SharePoint, two products that could meet our needs. There are other products such as Force.com that the Commonwealth could investigate as well.

Recommended Timeframe and Costs Associated with Implementation

OVERVIEW

Senate Bill 8 requires the KyBOS Advisory Committee recommend timeframes and costs associated with the implementation of the KyBOS Portal, its operation and maintenance, and the implementation of a KyBOS Call Center to the Governor, Secretary of State and the General Assembly for consideration. Throughout the assessment process, the Committee was cognizant of the fiscal situation facing the Commonwealth. The Committee made every effort to balance the recommendations for the best possible KyBOS Portal while minimizing the potential costs of implementation.

This recommendation follows all the principles and priorities established by the KyBOS Committee as well as fulfilling the statutory obligations in Senate Bill 8.

KENTUCKY BUSINESS ONE STOP OPERATING COSTS

The Committee recommends that an Executive Director for the Kentucky Business One Stop office be hired as soon as funding becomes available. This individual will need both technology and leadership skills. The Executive Director will report directly to the KyBOS Commission and to the Secretary of the Finance and Administration Cabinet.

It is also recommended that the KyBOS office directly employ two project managers. One project manager will be responsible for analysis and business process improvement; the other will manage the construction and maintenance of the hardware and software of the KyBOS project.

KENTUCKY BUSINESS ONE STOP PORTAL IMPLEMENTATION

The Kentucky Business One Stop Portal Advisory Committee has completed every statutory obligation and implemented all possible functionality with current resources. To take the next step will require a significant investment by the Commonwealth. The Committee believes the best approach is to create a strategic plan for moving forward on the KyBOS project over the next three biennial budgets. The committee recommends a timeline that is aggressive but reasonable to avoid costly mistakes.

During the research phase of this project, Kentucky asked the other states how long it took to implement their Business One Stop Portals and received answers that ranged from four to ten years. All states indicated they continue to expand and update their Portals; none is fully implemented. The Committee believes this validates the recommendation for a six-year implementation.

Below is an outline of the recommended phases of capital investment and what is proposed to be completed during each of the biennia.

Phase One–Total Estimated Cost: $10,008,000–Timeframe: Fiscal Years 2013 and 2014

This phase is recommended to be carried out during the 2012-2014 biennium. The focus will be on Priority Set Two which includes building the framework for the KyBOS Portal and fully automating and integrating various registration functions. (A complete listing of phase one programmatic priorities can be found on page 14). The KyBOS Advisory Committee believes it will be reasonable to automate approximately half of the Priority Set Two functions during the first biennium.

At the same time the KyBOS office will begin to implement Priority Set Four. This priority set focuses on mapping the interactions businesses have with state government so that the Portal will eventually be capable of truly guiding a business through state government. This work is not a function of technology but will require a time for business process mapping and re-engineering.

Phase Two–Total Estimated Cost: $10,130,000–Timeframe: Fiscal Years 2015 and 2016

This phase will be carried out during the 2014-2016 biennium. This phase will complete the objectives established in Priority Set Two and begin to automate and integrate the objectives established in Priority Set Three. Priority Set Three focuses on automating primary programs used by businesses including Secretary of State annual filings, filing of business taxes, etc. (A complete listing of phase two programmatic priorities can be found on page 14). It is expected that approximately 20% of these priorities in Priority Set Three will be completely automated and integrated during the 2014-2016 biennium.

During this period the KyBOS office will complete most of the business process mapping and re-engineering required for the implementation of Priority Set Four. The deployment of the technology required for implementation of the services indicated in Priority Set Four will also be complete during this biennium.

Phase Three–Total Estimated Cost: $8,680,000–Timeframe: Fiscal Years 2017and 2018

This phase will be carried out during the 2016-2018 biennium. This phase will see the completion of all services indicated in Priority Set Three and Four of the Programmatic Scope priorities. It will also see the focus shift from the primary programs (Secretary of State, Department of Revenue, Unemployment Insurance, Worker's Compensation, Motor Carriers, Health and Child Care Providers) to smaller licensing and compliance needs. (A complete listing of phase three programmatic priorities can be found on page 15).

Future Phases – Unknown

This plan does not provide for the complete automation of all the functions identified in Priority Set Five of the Scope Recommendations. The KyBOS committee identified more than 2,000 interactions (or forms) a business might have to complete to start, operate, expand or cease operation. It will be the goal of KyBOS to fully automate most of these interactions but it is impractical at this point to estimate how long this could take or what the total costs might be. The scope of this project means that it will never fully be complete because innovation implies continually refocusing and reinventing the Portal and the services it provides to the business community. (Future phase information can be found on pages 16 and 17).

The KyBOS Advisory Committee recommends implementing Option Four, the procurement of a sophisticated call system that includes a live electronic chat feature. Although everyone agrees on the benefits of establishing a full blown call center just for businesses, it is untenable at this juncture because of cost implications and would likely lead to duplicitous call centers and information services throughout state government. However, that does not mean we cannot put into place a system that will allow businesses to call or live chat with a state government employee to answer necessary questions.

Using this approach will require the employment of a call center coordinator which will be located at the Department for Small Business Services located at the Cabinet for Economic Development. A call system and live chat system must be procured at a cost of approximately $250,000. It is the recommendation of this Committee that a knowledgebase system be used to allow for greater continuity of information given out by those answering the questions or concerns of businesses. The Commonwealth already has several licenses to use SharePoint, a Microsoft product, and it is believed using this product would save the state as much as $30,000 annually over other products by costing approximately $10,000 each year to develop and maintain. The Committee also would like to stress the use of a ticketing system that will allow state employees to track KyBOS inquiries and make sure that every inquiry is responded it in a timely and consistent way. The Commonwealth already uses a system called FrontRange to do call tracking and it is recommended the Commonwealth explore increasing this contract so that it can be used by those answering questions originating from the business community. It is expected that using this type of system will cost approximately $44,000 annually.

TOTAL KYBOS SOLUTION RECOMMENDED TIMELINE WITH ESTIMATED COSTS

Table 3 on the next page illustrates the recommended IT Solution expenditures with timeline and estimated costs. Appendix K: Cost Assumptions explains the overall project cost assumptions and the assumptions regarding specific KyBOS recommendations.

Table 3: Kentucky Business One Stop - Recommended IT Solution Expenditure Timeline with Estimated Costs

Line	Components	FY 2012 - 2014 Phase One	FTE	FY 2014 - 2016 Phase Two	FTE	FY 2016 - 2018 Phase Three	FTE	Six Year Cost
	COMPONENTS WITH RECOMMENDED OPTIONS	-	-	-	-	-	-	
A	Project Mgmt. & Consulting	$ 1,500,000.00	6	$ 1,250,000.00	5	$ 1,250,000.00	5	$ 4,000,000.00
B	Infrastructure	$ 500,000.00	0.5	$ 200,000.00	0.5			$ 700,000.00
C	Web Framework & Development	$ 1,200,000.00	5	$ 1,200,000.00	5	$ 1,200,000.00	5	$ 3,600,000.00
D	Messaging Development	$ 250,000.00	1	$ 500,000.00	2	$ 500,000.00	2	$ 1,250,000.00
E	Registration (system and database)	$ 1,600,000.00	7	$ 1,600,000.00	7			$ 3,200,000.00
G	IDMS	$ 500,000.00	1.5					$ 500,000.00
H	Business Rules Engine (BRE) – software	$ 300,000.00	N/A					$ 300,000.00
I	Business Rules Engine (BRE) - development	$ 250,000.00	1	$ 250,000.00	1	$ 250,000.00	1	$ 750,000.00
J	USPS National Change of Address			$ 1,200,000.00	2	$ 400,000.00	1	$ 1,600,000.00
K	Address Correction & Validation	$ 810,000.00	1					$ 810,000.00
L	Tools Training	$ 100,000.00						$ 100,000.00
M	End User Training	$ 250,000.00	1	$ 250,000.00	1	$ 250,000.00	1	$ 750,000.00
	ANALYSIS							
N	Priority 4 Analysis & Implementation	$ 250,000.00	1	$ 750,000.00	3	$ 500,000.00	2	$ 1,500,000.00
	Estimated Enterprise Investment Necessary	**$ 7,510,000.00**	**25**	**$ 7,200,000.00**	**26.5**	**$ 4,350,000.00**	**17**	**$ 19,060,000.00**
	AGENCY COSTS							
O	Agency Cost Priority 2	$ 1,850,000.00		$ 2,000,000.00				$ 3,850,000.00
P	Agency Cost Priority 3			$ 600,000.00		$ 3,000,000.00		$ 3,600,000.00
Q	Agency Cost Priority 5					$ 1,000,000.00		$ 1,000,000.00
	CALL CENTER COSTS							
R	Call System	$ 400,000.00		$ 100,000.00		$ 100,000.00		$ 600,000.00
S	Call Center Staff	$ 90,000.00	1	$ 90,000.00	1	$ 90,000.00	1	$ 270,000.00
T	Knowledge Based Product	$ 20,000.00		$ 20,000.00		$ 20,000.00		$ 60,000.00
U	Inquiry Tracking Service	$ 88,000.00		$ 70,000.00		$ 70,000.00		$ 228,000.00
	OPERATING EXPENDITURES							
V	Other operating expenditures	$ 50,000.00		$ 50,000.00		$ 50,000.00		$ 150,000.00
	Total Investment	**$ 10,008,000.00**		**$ 10,130,000.00**		**$ 8,680,000.00**		**$ 28,818,000.00**

Education and Awareness

The Advisory Committee acknowledges that public awareness of the portal and its ongoing improvements are crucial to the project's success. The Commonwealth will have to utilize several strategies to effectively promote and increase the user confidence in the system.

In order to develop such a plan, each Cabinet answered a marketing strategies questionnaire. The questionnaire collected information about the Cabinets' audiences, current communications strategies, existing resources and communications outlets, and relationships with the business community that could prove helpful in raising awareness of KyBOS. From these responses, a list of available resources for educational and public awareness opportunities was developed.

Agencies will utilize existing communication strategies and resources including newsletters, e-mails, social media, and mass postal mailings to disseminate information about KyBOS. It is important to tie communications about KyBOS to trusted and recognizable sources to reassure the public of the portal's effectiveness, security, and legitimacy. Press relations, such as the site launch press conference that was held at the Chamber of Commerce in Bowling Green in October, will also play a major role in capturing the public's attention.

The portal will also have a strong web presence. All agencies involved in the process have added links to KyBOS from business related sections of their homepages, and the Kentucky.gov homepage has a link to KyBOS. Because Kentuckians are already familiar with our existing web pages and knowledge of the portal is still relatively low, providing a highly visible, one-click link to the portal (known as "referrals") on these pages, rather than relying on the users to access the portal directly, increases the traffic to KyBOS. These referrals account for nearly 50% of KyBOS traffic (as of November 15, 2011).

Most importantly, agencies will leverage relationships with businesses, trade associations, and other stakeholder organizations to increase the use of KyBOS. Agencies and their Cabinets will work with those groups to make sure their members are aware of the services KyBOS offers. KyBOS has partnered with the Kentucky Chamber of Commerce, the Kentucky Retail Federation, the National Federation of Independent Businesses, Kentucky Association of Manufacturers, and the Kentucky Society of Certified Public Accountants to receive guidance in the creation and implementation of KyBOS and to increase awareness of the portal. Several of these groups have already provided assistance in sharing the news of the website launch with their members and it is anticipated that they will continue to assist in the education process. As the project adds additional partners, they will be able to provide similar tools. These organizations provide their members and communities with information about and experiences with the portal, as well as what the Commonwealth is doing to ease the burden on businesses. This will aide in increasing the number of users.

I. Conclusion

There already exists an understanding among those in the Executive Branch both in leadership and within the agencies that there is a great need to streamline the way state government interacts with the business community. The KyBOS Advisory Committee believes the development and implementation of the Kentucky Business One Stop Portal is a strong step toward realizing the goal of a better and more efficient government.

...the KyBOS Portal, ...will save the businesses time and money – money they will be able to invest back into their businesses to create more jobs and opportunities for success.

While it is understood that this budget environment in the Commonwealth will allow for few new programs and or investment in technology, Kentucky cannot wait to develop the Kentucky Business One Stop Portal. The recommendations contained in this assessment set forth a practical but aggressive plan to implement the KyBOS Portal. We believe an investment in the KyBOS Portal can and will reap dividends of benefits for both the business community and state government.

By building the KyBOS Portal, the Commonwealth will allow businesses to go to one place and fulfill many of their registration, filing, reporting, and compliance obligations. This will save the businesses time and money – money they will be able to invest back into their businesses to create more jobs and opportunities for success. As stated earlier in the assessment, the KyBOS Portal will also increase compliance by businesses and allow state government agencies to better share appropriate information, maintain consistent data, and communicate more effectively with the business community.

The Commonwealth now has the vision and a strategic plan for how to move forward with the KyBOS Portal and the Advisory Committee commits to working together to make it successful. It is incredibly important the Commonwealth does everything possible to allow a business to more easily start, operate, and expand in Kentucky. The Kentucky Business One Stop Portal Advisory Committee fully supports moving forward with the development and implementation of the KyBOS Portal.

J. Appendices

Kentucky Business One Stop Work Group

In addition to the Cabinet Secretaries and partners, there is a KyBOS workgroup of state employees representing all of the Cabinets involved in the project as well as the Governor's Office and Office of the Secretary of State. This group was responsible for research and ensuring that all agencies voices were heard throughout the assessment and first phase of implementation.

Jon Clark
Chief Information Officer
Transportation Cabinet

Heather Combs
Policy Advisor
Public Protection Cabinet

Fran Davis
Director of Information and
Research
Workers' Claims, Labor
Cabinet

Kathy Doyle
Staff Assistant
Cabinet for Health and Family
Services

Allen Eskridge
Deputy Secretary of State
Secretary of State

Greg Haskamp
Director of Audits
Finance and Administration
Cabinet

Aaron Keatley
Dpt. Comm. of Environmental
Protection
Energy and Environment
Cabinet

Ryan Keith
Deputy General Counsel
Office of the Governor

Corey Kline
Policy Advisor
Finance and Administration
Cabinet

Steve Landers
Project Manager
Commonwealth Office of
Technology

Janet Lile
Deputy Executive Director
Commonwealth Office of
Technology

Kenneth Mansfield
State Webmaster/Creative
Director
Office of the Governor

Kathi Marshall
Budget Analyst
Governor's Office of Policy
Management

Robin McIver
Project Manager
Commonwealth Office of
Technology

Sara Osborne
Dir. of Corporations &
Legislative Affairs
Secretary of State

Ashley Parrott
Deputy Policy Director
Office of the Governor

Janet Rivers
Executive Assistant
Tourism, Arts & Heritage
Cabinet

Steve Rucker
Commissioner
Commonwealth Office of
Technology

Sherry Sebastian
Systems Branch Manger
Education & Workforce
Development

Kara Smothermon
Budget Analyst
Office of State Budget Director

Hollie Spade
General Counsel
Cabinet for Economic
Development

Kelly Taulbee
Executive Assistant –
Governor's Office of
Legislative Services
Office of the Governor

Kate Wood Foster
Director of Legislative Services
Office of the Governor

Kentucky Business One Stop Teams

The assessment process required several teams to divide the workload and do the appropriate research to provide a thoughtful and well-studied assessment. We would like to thank the leaders of the teams listed below as well as the many team members from across state government who provided valuable time to the project.

- The **Website Team** was led by Greg Haskamp (Finance), Theresa Rakes (COT), and Kenneth Mansfield (GOV). This team was responsible for content development for the first phase of the website as well as creating several interactive wizards. They successfully launched the KyBOS website on October 17, 2011. Team members included Jamie Anderson (PPC), Tim Back (CED), Nick Grugin (Education), Patrick Keal (SOS), Robert Martin (CHFS), Kimberly McKenzie (Labor), Fran Davis (Labor), Steve Landers (COT), Janet Lile (COT), Kathi Marshall (OSBD), Robin McIver (COT), Sara Osborne (SOS), Kate Wood-Foster (GOV), Ashley Parrott (GOV), Kara Smothermon (OSBD), Kelly Taulbee (GOV).

- The **RFI Team** was led by Brenda Brown (COT) and Corey Kline (Finance) who oversaw the RFI process and reviewed and summarized the responses. Team members included Gargi Chatterjee (CHFS), Fran Davis (Labor), Stuart Hamling (Education), Mike Scott (SOS), Stephanie Williams (Finance), Kelly Taulbee (Gov), Ashley Parrott (GOV), Sherry Sebastian (Education), Steve Landers (COT), Robin McIver (COT), Janet Lile (COT), Kate Wood Foster (GOV), and Sara Osborne (SOS).

- The **Legal Team** was led by Ryan Keith (GOV). This team reviewed the proposed solution as it was developed for any legal impediments and considerations that need to be made as the project moves forward. Team members included Peter Ervin (PPC), Allen Eskridge (SOS), Charlie Lowther (Labor), James Maxson (Education), Jeff Mosley (Finance), Leigh Powers (CHFS), Hollie Spade (CED), Catherine Staib (CED), Steve Landers (COT), Janet Lile (COT), Kathi Marshall (OSBD), Robin McIver (COT), Sara Osborne (SOS), Kate Wood-Foster (GOV), Ashley Parrott (GOV), Kara Smothermon (OSBD), and Kelly Taulbee (GOV).

- The **IT Solutions and Business Architecture Team** was led by Daniel Arnold (COT), Krishna Mohan (COT), Jon Clark (KYTC), and Tom Morgan (COT). This team developed the proposed solution and other options for the project. Team members included Gayle Sherman (COT), Marcella K Wright (COT), Jiju Joseph (COT), Sherry Sebastian (Education), Jeshua Caudle (SOS), Mack Gillim (DOR), Ben Hall (CED), Sandy Harp (COT), Carla Hawkins (COT), Yvonne Jackson (DOR), Rick Johnson (Labor), Ken Jorette (GAPS), William Lloyd (CHFS), Dan Mauer (KYTC), Jennifer Metzger (COT), Daniel Miller (Education), Brian Raley (PPC), Liz Rogers (Education), Steve Spisak (SOS), Marvin Terry (GAPS), Glenn Thomas (COT), Melody Tudor (DOR), Gargi Chatterjee (CHFS), Jim Breckel (COT), Kelly Rapier (COT), PraveenKumar Uppala (COT), Jack Goins (COT), Greg McCall (COT), Dan Atkins (COT), Jack Holbrook (COT), Laura Noe (KYTC), Steve Landers (COT), Janet Lile (COT), Kathi Marshall (OSBD), Robin McIver (COT), Sara Osborne (SOS), Kate Wood-Foster (GOV), Ashley Parrott (GOV), Kara Smothermon (OSBD), and Kelly Taulbee (GOV).

- The **Analysis Team** led by Kathy Doyle (CHFS) and Aaron Keatley (EEC). They oversaw the identification and documentation of all Cabinet's interactions with the Business Community as well as various other high level business analysis. Team members included Donald Bussell (KYTC), Heather Combs (PPC), Fran Davis (Labor), Mary Goben (DOR), Kimberly McKenzie (Labor), Vernon Purvis (DOR), Sharon Rodriguez (CHFS), Simonne Salgado (CHFS), Sherry Sebastian (Education), Carol Stevens (Labor), Bradley Thomas (CED), DJ Wasson (PPC), Ambrose Wilson (PPC), Steve Landers (COT), Janet Lile (COT), Kathi Marshall (OSBD), Robin McIver (COT), Sara Osborne (SOS), Kate Wood-Foster (GOV), Ashley Parrott (GOV), and Kelly Taulbee (GOV).

- The **Call Center Team** was led by Virginia Graves (GOV) and Katie Cowherd (COT). This team reviewed current call centers that deal with businesses in state government and proposed solutions for a KyBOS call center. Team members included Anthony Hudgins (Education), Bill Heise (KYTC), Brian Redmon (DOR), Carol Stevens (Labor), Carolyn Brown (PPC), Debbie Stamper (PPC), Don Harbeson (CHFS), Fran Davis (Labor), Heather Combs (PPC), Jamie Clifton (SOS), Janet Rivers (TAH), Janine Shackelford (DOR), Joe Kelly (CED), Lucretia Johnson (Labor), Marilyn LeBoureau (CED), Mark Johnson (CED), Mike Donta (Labor), Portia Szatkowski (DOR), Susan Dunaway (Gov), Steve Landers (COT), Janet Lile (COT), Kathi Marshall (OSBD), Robin McIver (COT), Sara Osborne (SOS), Kate Wood-Foster (GOV), Ashley Parrott (GOV), Kara Smothermon (OSBD), and Kelly Taulbee (GOV).

The KyBOS workgroup felt it was important to analyze how state government currently interacts with businesses and what services are offered. Every interaction (whether it is a paper form, an e-form, a fully interactive web services or some combination) has been reviewed and analyzed by each Cabinet in a consistent format. Contingencies between agencies, revenue generated by the interactions, the number of times per fiscal year that businesses and a particular agency interact in a certain way and possible information sharing opportunities were all major aspects in this general analysis. A high level view of the interactions statistics are in Table B-1 and Table B-2.

Table B-1: Number of Interactions Catalogued by Cabinet	
Total Interactions	**2005**
Cabinet for Economic Development (CED)	43
Cabinet for Health and Family Services (CHFS)	100
Education and Workforce Development Cabinet (EWDC)	43
Energy and Environment Cabinet	425
Finance and Administration Cabinet (FAC)	304
General Government	117
Kentucky Transportation Cabinet (KYTC)	124
Labor Cabinet	18
Public Protection Cabinet (PPC)	785
Secretary of State	46

Table B-2: Interaction Statistics	
Total Volume of Submittals	**13,899,468**
Monthly	4,413,742
Quarterly	2,921,205
Yearly	2,569,569
As Needed	3,795,971
Other (One-time, Semi-yearly, every 2, 3, or 5 years, etc)	198,981
Total Fees Collected (approximate)	**$1,202,000,000[1]**
Interactions that span two or more Cabinets	**319**
Sharing Opportunities Identified (see Appendix C)	**63**

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[1] This number refers to the amount of fees collected from all catalogued interactions between businesses and state government agencies.

The KyBOS analysis team continues to perform high level analysis of opportunities to benefit the business and/or agency. To date, 63 opportunities have been documented. Each Cabinet's analysis team member identified the type of opportunity, a high level description of the opportunity, the Cabinet's involved, the timeframe to implement, the laws/regulations that may need to revised, and possible obstacles to implementation. See Table C-1 for three sample opportunities identified.

Table C-1: Sample Opportunities			
Type of Opportunity	**Title/Description**	**Cabinets Involved**	**Forms Combined**
Combine Forms/Interactions	The Department of Revenue (DOR) processes our Employer's Withholding Return. DOR also process the paper Unemployment Insurance (UI) Returns as well and provide the processing data in a file to that agency. It would save money for processing time, printing of returns, and postage if the UI form was combined with DOR's Employer's Withholding Return. Both returns require some data elements in common and this would eliminate an extra step for the taxpayer to complete 1 return vs. 2. Also, this would allow programming design for one online return instead of 2 for BOS. This should be included as part of BOS Priority 3 as this Priority already outlines creating online filing for the Employer's Withholding returns and integrating the Unemployment Insurance filings.	Education and Workforce Development and Finance and Administration	7
Exchange of Information	Exchange of Local Government Premium Tax Information - By March 31 of each year, insurance companies and surplus lines brokers provide an annual reconciliation of the quarterly tax payments they have made to the local governments in the previous calendar year. This information is provided electronically to the DOI and in hard copy to each local government. The information reviewed by the DOI for completeness and mathematical accuracy. The DOI could share either the data or the results of its review with local governments electronically.	Governor's Office and Public Protection Cabinet	3
Sharing Opportunity	Exchanging information with Secretary of State and Revenue when a business actually 'gets' their license will enable the DWC to have first account information as to when the business is established and ensure that Workers' Compensation is secured so that there is as little impact as possible on the business entity or the injured worker should a worker be injured on the job.	Finance and Administration, Labor, Secretary of State, and Education and Workforce Development	3

This below chart details an exercise by the Kentucky Business One Stop website team where they reviewed all state's website and determined if the state had a Business One Stop website, its operability and available components. Based on this analysis, Kentucky is now one of twelve states with a functional Business One Stop website.

State or City	Website	Business One Stop?	Contact Us Link?	Live Chat Available?	Phone Number for Support?	E-Mail for Support?	FAQ Page?	Easy to Use?	Does the Site Separate New Business from Existing Business?
Alabama	http://www.alabama.gov/portal/secondary.jsp?id=startingBusiness	No	Yes	Yes	No	Yes	Yes	Yes	No
Alaska	http://www.alaska.gov/businesshome.html	No	Yes	No	No	No	Yes	No	Yes
Arizona	http://www.azcommerce.com/BusAsst/SmallBiz/SBS/Home.htm	No	Yes	No	Yes	Yes	Yes	Yes	No
Arkansas	http://www.sos.arkansas.gov/BCS/Pages/default.aspx	No							
California	http://www.taxes.ca.gov/doingbus.shtml	No							
Colorado	http://www.colorado.gov/cbe/	No							

State or City	Website	Business One Stop?	Contact Us Link?	Live Chat Available?	Phone Number for Support?	E-Mail for Support?	FAQ Page?	Easy to Use?	Does the Site Separate New Business from Existing Business?
Connecticut	http://www.ct.gov/drs/cwp/view.asp?a=1454&Q=266112	No	Yes	No	Yes	Yes	Yes	Yes	No
Delaware	https://onestop.delaware.gov/osbrlpublic/	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
Florida	http://dlis.dos.state.fl.us/fgils/startbus.html	No	Yes	No	No	No	Yes	No	No
Georgia	http://www.sos.ga.gov/firststop/default.htm	No							
Hawaii	http://hawaii.gov/dbedt/business/start_grow/	No							
Idaho	http://business.idaho.gov/Default.aspx?TabId=467&AspxAutoDetectCookieSupport=1	No							
Illinois	http://www2.illinois.gov/Business/Pages/run.aspx	No							
Indiana	http://www.in.gov/sos/business/2428.htm	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes

State or City	Website	Business One Stop?	Contact Us Link?	Live Chat Available?	Phone Number for Support?	E-Mail for Support?	FAQ Page?	Easy to Use?	Does the Site Separate New Business from Existing Business?
Iowa	http://www.iowa.gov/tax/business/newbus.html	No	Yes	No	No	No	Yes	No	Yes
Kansas	http://www.kansas.gov/businesscenter/starting/	No	Yes	Yes	Yes	No	Yes	Yes	Yes
Kentucky	http://www.openstop.ky.gov	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes
Louisiana	http://www.louisiana.gov/Business/Grow_a_Business/	No	Yes	No	Yes	Yes	Yes	Yes	Yes
Maine		No	Yes	No	Yes	Yes	Yes	Yes	Yes
Maryland	http://choosemaryland.org/Blis/pages/default.aspx	Yes							
Massachusetts	http://www.mass.gov/?pageID=mg2subtopic&L=4&L0=Home&L1=Business&L2=Getting+Started&L3=Forming+a+Business%2C+Step-by-step&sid=massgov2	No							

State or City	Website	Business One Stop?	Contact Us Link?	Live Chat Available?	Phone Number for Support?	E-Mail for Support?	FAQ Page?	Easy to Use?	Does the Site Separate New Business from Existing Business?
Michigan	http://www.michigan.gov/business	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes
Minnesota	http://www.sos.state.mn.us/index.aspx?page=92	No	No	No	Yes	Yes	Yes	No	No
Mississippi	http://www.mississippi.gov/ms_sub_template.jsp?Category_ID=3	No	Yes	No	Yes	Yes	Yes	Yes	Yes
Missouri	http://www.business.mo.gov/	No	Yes	No	Yes	Yes	Yes	Yes	Yes
Montana	http://mt.gov/business/rsrc_laws.asp	No							
Nebraska	https://www.nebraska.gov/osbr/index.cgi	Yes							
Nevada	http://business.nv.gov/StartABusiness.htm	No							
New Hampshire	http://www.nh.gov/business/index.html	No							

State or City	Website	Business One Stop?	Contact Us Link?	Live Chat Available?	Phone Number for Support?	E-Mail for Support?	FAQ Page?	Easy to Use?	Does the Site Separate New Business from Existing Business?
New Jersey	http://www.state.nj.us/treasury/revenue/1stop.shtml	Yes							
New Mexico	http://www.edd.state.nm.us/businessAssistance/startBusiness/index.html	No							
New York City	http://www.nyc.gov/portal/site/businessexpress	Yes	Yes	No	No	Yes	Yes	Yes	No
North Carolina	http://www.wakegov.com/businesses/startingabusiness/default.htm	No	Yes	No	Yes	Yes	Yes	Yes	
North Dakota	http://www.nd.gov/category.htm?id=160	No	No	No	No	No	No	No	No
Ohio	http://business.ohio.gov/	Yes	Yes	No	Yes	Yes	Yes	Yes	No
Oklahoma	http://www.ok.gov/section.php?sec_id=4	No	Yes	Yes	Yes	Yes	Yes	No	Yes
Oregon	http://www.oregon.gov/menutopic/business/bus_dev_starting.shtml	No	Yes		Yes	Yes	Yes	No	Yes

State or City	Website	Business One Stop?	Contact Us Link?	Live Chat Available?	Phone Number for Support?	E-Mail for Support?	FAQ Page?	Easy to Use?	Does the Site Separate New Business from Existing Business?
Pennsylvania	http://www.paopen4business.state.pa.us/portal/server.pt/community/pa_open_for_business/7176	No	Yes	Yes	No	Yes	Yes	No	No
Rhode Island	http://www.ri.gov/business/?tags=starting+a+business	No	Yes	Yes	No	Yes	No	Yes	Yes
South Carolina	https://www.scbos.sc.gov/	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
South Dakota	http://www.sba.gov/about-offices-content/2/3146	No							
Tennessee	https://apps.tn.gov/osbr/	Yes							
Texas	http://www.sos.state.tx.us/corp/related.shtml	No							
Utah	https://secure.utah.gov/osbr-user/user/welcome.html	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
Vermont	http://www.vermont.gov/portal/business/index.php?id=87	No	Yes	No	Yes		Yes	No	No

State or City	Website	Business One Stop?	Contact Us Link?	Live Chat Available?	Phone Number for Support?	E-Mail for Support?	FAQ Page?	Easy to Use?	Does the Site Separate New Business from Existing Business?
Virginia	http://bos.virginia.gov/	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Washington	http://access.wa.gov/business/start.aspx	No							
West Virginia	http://www.wv.gov/business/Pages/StartingaBusiness.aspx	No							
Wisconsin	http://www.wisconsin.gov/state/core/business.html	No	No	No	No	No	No	No	No
Wyoming	http://www.sba.gov/about-offices-content/3/3160	No	Yes	No	Yes	Yes	No	Yes	Yes

The Commonwealth Office of Technology requested information from other states that have implemented One Stop Portals through the National Association of State Chief Information Officers (NASCIO). They received detailed responses from the states of Michigan and Ohio which is detailed below.

Question Posed	Michigan	Ohio
Have you implemented a one stop business portal for your state?	Yes	Yes. The Ohio Business Gateway (OBG) www.business.ohio.gov
What was the scope, cost, and timeline of your project?	Scope: all business licenses, permits and registrations (we also include links to other business services such as child support payments, UCC filings); we also stood up a centralized customer assistance center as part of this project. Cost: approximately $12 million. Timeline: started the project in Feb 2008, went live March 2009, and implemented 11 releases between then and Dec 2010.	The OBG file and pay functionality initially went live in 2001 with additional transaction being added each year. In March of 2009 we merged the file and pay application of the OBG with the Business audience group section of the state's primary portal, Ohio.gov.
Did your portal include unified identify management?	We conduct identity mgmt for users through a single sign on application	Applications within the OBG environment operate in a unified identity. Partial Funding for a project exists to expand the OBG credentials beyond the file and pay application portion as well as later phases of our Enterprise Identity Management initiative.
Did you consider data warehousing as part of your project, and what are the pros and cons of that?	We do not consider data warehousing as part of the project	Our current model is that the agency levels systems act as the system of record, so only limited data warehousing opportunities exist and the value is debatable.
Did you issue an RFI? If so, are you able to share the document?	No RFI was issued	No, we did not do a RFI
Was an RFP issued? If so, can you share the resulting contract?	No RFP was issued	Our current model for development on the OBG is a multi-vendor staff augmentation approach with centralized project management. No comprehensive RFP was issued.
Did you implement the project in phases?	Yes, we did incremental releases from March 2009 - end of 2010. We initially looked Start, Operate and Change a Business as phases, but soon combined Start and Operate to meet the needs of the broader business community.	Yes, the OBG was first deployed in January of 2002, and has steadily been growing in size and scope since that time.
Did you encounter any federal or state laws that impeded your implementation?	Yes we encounter issues with some state laws (most specifically related to 'data sharing')	Privacy of certain types of Tax data, at both the state and federal levels have added some complexity, but have not prevented implementation.

Question Posed	Michigan	Ohio
Did you encounter resistance from entities outside state government, such as corporate attorneys, local governments or businesses themselves?	Not really, it was supported very nicely by the business community. Part of the effort was reducing service delivery channels as we desire all transactions to be completed electronically instead of using paper. We do hear some pushback from some businesses because of this effort and we try to accommodate them.	There has been some resistance from the practitioner community, but we have worked to mitigate those concerns by providing capabilities that make the OBG a tool for them to use as well. Local government resistance was primarily related to policy and not the system as a solution. Business acceptance and support has been high.
Who/what agency owns the portal and processes associated with it?	At this point, the technology area, Dept of Technology, Mgmt, and Budget owns the portal. However this is one of our biggest challenges.	The OBG is "owned" by the Department of Administrative Services, but we have a steering committee that provides input on the on-going operation of the system.
Did you encounter any inter-agency resistance or turf battles?	Yes	Some yes, but the approach we've taken is to focus on the OBG being the interaction layer with businesses, and not the system of record has muted some of that resistance from agency partners.
Did you streamline existing processes as part of this project?	Streamlining was part of the vision of the project. We have accomplished some, but there is still work to do.	On a service area by service area basis, we have worked with the agencies to help streamline the processes where possible.
What are the lessons learned from your project implementation?	1. Pursue statutory changes up front establishing authority for One Stop. 2. Find a specific funding source for the project; here, we did a charge back to agencies and that created a barrier for us. 3. Determine and define the value proposition for participating agencies (it will help with change mgmt). 4. Critical success factor for us was Governor's Office / Executive level support throughout. 5. Need to keep enterprise focus. 6. Get input from the business community throughout the project.	Focus on the high volume transactions to gain wide-spread acceptance of the system as a solution, then grow to include areas such as business start-up and other lower frequency elements.
Please provide contact information.	Brad Pagratis pagratisb@michigan.gov 517-241-5086	Mark J. Smith, Administrator - Digital Government, Ohio Department of Administrative Services, Office of Information Technology, (614) 466-2701, mark.smith@ohio.gov

In an effort to gauge the response of the business community in states in which state government has established a Business One-Stop website, state chamber officials were contacted in selected states that have implemented such websites in recent years. States contacted were Michigan, Maryland, Missouri, South Carolina, and Virginia. The questions posed focused on three general areas:

- The value of the state Business One-Stop website to businesses;
- Issues that arose in the implementation of the website; and
- Advice on pitfalls and essential elements of Business One-Stop sites.

The following is a summary of the responses received. Also provided are several observations based on experience from the Kentucky Chamber's Small Business Navigator program that would be relevant to the operation of a Business One-Stop website.

SUMMARY OF SURVEY QUESTIONS AND RESPONSES

Are you aware of your state government's Business One-Stop website?

> All were aware of their state's Business One-Stop website. Businesses generally use the websites, particularly those that are more "tech savvy". The level of involvement with the development/operation of the site varied. For example in one state, a Chamber official actually was involved in developing the site while in state government. In another, the state chamber's internet home page includes a link to the state website.

Have you received any comments from your members about the website?

> Comments were very positive about the state websites. One state commented "our members love the site as they begin to use it more for registration, payment and filing with the state." Another state chamber official noted that the process of developing the website helped promote "regulatory certainty" as it reduced the problem of businesses being given conflicting information by different state employees. Standardizing licensure and other state processes to function through a website helped promote consistency.

What are the most helpful aspects of the site for your members?

> Specific aspects mentioned that were most helpful were:

> - Being able to register a business online;
> - Applying for a state license online;
> - Online filing of various tax returns;
> - Automatic links to the appropriate state agency based on the area of interest (these links are provided based on the user's answers to a series of questions posed by the website).

How would you like to see the website improved?

> The biggest issue mentioned was the inability of state business one-stop to link users to the appropriate level of local government to help the user determine the need to comply with

local requirements. Sites should be expanded so that local government agencies can be included to really make it a "one-stop" for business dealing with government. It a minimum, automatic links to local government should be provided based on the address/zip code and type of business being licensed/registered by the user.

Is there any advice you can offer on pitfalls to avoid or essential elements that should be included when developing a Business One-Stop website?

Advice/comments offered in implementing a Business One-Stop website included:

- Make sure the project is adequately funded;
- Make the process as privately-driven as possible;
- Businesses can be wary of state government, and it is important to develop a level of trust with state agencies in the development and operation of the website;
- The implementation process can be very slow, especially when turf wars develop between state agencies—state agencies need to be committed to the process;
- Make sure there is someone at the table with <u>clear authority</u> to drive the implementation process (such as Governor/Executive level staff), make state agencies buy-in, mediate turf battles, and move the process forward;
- Establish an implementation timeline and require agencies to meet established deadlines;
- <u>Do not</u> have a competing project going on at the same time in state government. There should be only one business website in state government, otherwise users will be confused.

EXPERIENCE FROM THE KENTUCKY CHAMBER'S SMALL BUSINESS NAVIGATOR PROGRAM

Since the fall of 2008, the Kentucky Chamber has offered a Small Business Navigator program to its members. The program provides an information and referral program to the Chamber's small business members who have questions or need information about Kentucky state government. Inquiries are received via telephone or through the Chamber's website and information is provided along with a referral to the appropriate state agency. The following observations are based on experience operating the program over the past three years that would be relevant to the operation of a Business One-Stop website:

Educational Component: Users have a wide range of experience, from expert to novice, and some may not have any general idea of how state government works. It is common for a person to be unsure where to begin in state government with a business-related issue. It would be helpful to provide some basic educational information through the website that explains some of the general functions performed by state government with respect to business (taxes, unemployment insurance, workers compensation, licensure, regulation, etc.) and an overview of where in state government these functions are performed (along with contact information for each agency).

Non-State Government Issues: Many users are members of the general public or would be entrepreneurs seeking information about starting a business. This includes questions such as how to start a business, creating a business plan, obtaining financing, establishing a payroll, etc. that would not be in the purview of state government. It is important to direct such inquiries to resources that can provide information or counseling on business startups, such as the Small Business Development Center operated by the University of Kentucky. Non-profit organizations

such as the Kentucky Chamber also offer a wide range of business publications that can also provide important information.

Importance of Live Backup: There is a tendency for some users to rely exclusively on online communications, in lieu of talking directly via telephone to a knowledgeable staffer in state government. Other users just want to be able to "speak with a human" who can provide assistance. It is important for the website to have the capacity for a user to communicate directly with a staffer both online and via the telephone. Having this function is critical, particularly involving licensure and regulatory issues, to help ensure a user is proceeding under the appropriate regulation or licensure category. It will not be possible for a website to handle every possibility that may arise and in these instances, there is no substitute for being able to consult with a knowledgeable staffer who can provide direction. Kentucky state government already has a network of small business ombudsmen in each cabinet that could staff this function.

Customer Service Counts: Timeliness is important for the service to be seen as valuable. For example, if a user submits a question about a regulatory matter through a website, it needs to be responded to promptly. If it will take longer than 24 hours to answer a question, then the user should get a prompt response informing them of that fact. It is also important to follow-up with users when possible to make sure they accomplished what they wanted to through the use of the website. Follow-up provides ongoing feedback that can be used to improve service.

SUMMARY OF COMMENTS FROM SELECTED STATE CHAMBERS OF COMMERCE ON BUSINESS ONE-STOP WEBSITES

Level of Awareness: All Chambers contacted were aware of their state's Business One-Stop website and said their member businesses use the websites, particularly those that are more familiar with technology. In one state, a Chamber official had been directly involved in developing the site while working for state government. In another, the state chamber's Internet home page includes a link to the state website.

Chamber Member User Comments: Comments have been very positive about the state websites. One chamber official commented: "Our members love the site as they begin to use it more for registration, payment and filing with the state." Another state chamber official noted that the process of developing the website helped promote "regulatory certainty" as it reduced the problem of businesses being given conflicting information by different state employees. Standardizing licensure and other state processes to function through a website helped promote consistency.

Most Helpful Aspects of Websites: Specific aspects mentioned included:
- Being able to register a business online
- Applying for a state license online
- Online filing of various tax returns
- Automatic links to the appropriate state agency based on the area of interest (these links are provided based on the user's answers to a series of questions posed by the website)

Suggestions for Improvement: The biggest issue mentioned was the inability of state business one-stop websites to link users to the appropriate level of local government to determine the need to comply with local requirements. Sites should be expanded to include local government agencies to fully meet the definition of "one-stop" for businesses dealing with government. At a minimum, links to local governments should be provided based on the address/zip code and type of business being licensed/registered by the user.

Advice in Developing a One-Stop Website/Pitfalls to Avoid:
- Make sure the project is adequately funded;
- Make the process as privately driven as possible;
- Businesses can be wary of state government, and it is important to develop a level of trust with state agencies in the development and operation of the website;
- The implementation process can be very slow, especially when turf wars develop between state agencies; state agencies must be committed to the process;
- Make sure there is someone at the table with <u>clear authority</u> (such as Governor/Executive level staff) to drive the implementation process, ensure state agency buy-in, mediate turf battles and move the process forward;
- Establish an implementation timeline and require agencies to meet deadlines;
- <u>Do not</u> have a competing project going on at the same time in state government; there should be only one business website in state government, otherwise users will be confused.

Technical Question	Ohio	Michigan	Virginia
Custom Build	Yes	Yes	Yes
Technology	MS web/app/DB tier w/ .net	Sun, Oracle	MS SQL, IIS, Tomcat
Agency System Technical Re-engineering	Some for data import/export	Some; incorporated One Stop ID	Minimal but did have to incorporate unique internal ID
System of Record	Agency	Agency	Agency
Staff Level	18 development staff initially with 11-12 ongoing	2 PMs, 8-9 support, 15-20 devs	
Dedicated infrastructure	Yes	Yes	Central IT shared infrastructure
Dedicated support team	Central IT	No	Yes
Web Services	Yes	Yes	Yes
Funding	General Fund with enhancements funded by pass-through to the requesting agency		$150K startup grant with $500K total initial investment; $75K per year operating budget; $20 BOS account setup fee
Program Ownership	OAS IT	Governor's Office	
Included Agency Services	Revenue, Unemployment, Business Registration	Anything that has a registration process except tax	Business registration, licensing, IRS
Included Life Cycle	Startup	Startup and ongoing	Startup
Registered Users	400K (200K active)	100K	
Transaction Volume	1.25M/year		350K/month
Account Management	MS Lightweight Directory Services (LDS)	IBM Tivoli Access Manager	

Technical Question	Ohio	Michigan	Virginia
Data Edits	End users		End users - pushed to agencies and validated by agency systems
Proprietary Data	No	No	No
Data Warehouse	No but some reports are available a searchable transaction history is maintained	No	Maintains a shareable "data store" of common demographic data elements
Integration	Fully web service enabled	Some but mostly redirection to agency systems	Some web services integration and some redirection to agency systems
External Consultants	None	A.T. Kearney for business community interface and project vision	None

The Kentucky Business One Stop Portal ("Portal") Request for Information (RFI) was built using an approved template from the Office of Procurement Services. The document was based on the One Stop Business Portal Advisory Committee Overview and Information PowerPoint, Senate Bill 8, research completed on other RFIs, research completed on other states' one stop portal experiences, and information from the Enterprise Access and Identity Management RFI. The Commonwealth Office of Technology drafted the RFI in late spring 2011. A team consisting of representatives from the Secretary of State's Office, the Governor's Office, the Finance and Administration Cabinet, the Cabinet for Health and Family Services, and the Education and Workforce Investment Cabinet then reviewed and finalized the RFI. The RFI was released by the Office of Procurement Services on June 28, 2011, and vendors submitted their responses on July 28, 2011.

The RFI highlighted existing systems and focused on several categories of information that the core staff team felt were necessary to develop, implement, and operate a successful, effective, and efficient one stop portal. These categories include Business and Technical Requirements, Process Improvement, and Cost Information. The vendors were asked to describe their vision of a solution for the Portal, a model timeline for development and implementation, a description of past experiences with similar projects, and any risks and/or obstacles they foresee for this project. They were also asked to describe how they can help the Commonwealth re-engineer and streamline its business practices and processes and to provide preliminary, non-binding estimates for a project of this scope.

Due to the broad nature of the RFI and this project, not all vendors were able to provide responses to every question posed. The vendors that did answer part or all of the questions offered unique responses. The Portal core staff prioritized the questions and answers within the RFI. Those questions and answers that pertain directly to the Portal Assessment due December 31, 2011 were given super priority in the analysis process. All work groups gained access to the RFIs on July 29, 2011 to ensure they had the proper information to complete their respective deliverables.

OneStop.ky.gov		**Metrics as of 12/15/2011**	
Visitors	Hits	13371	
	Unique Visitors	10319	
	Return Visitors	23.06%	
Geography	Countries (Count)	36	
	US Regions	52	
	States (Top 10 Visitors) 1. Kentucky 2. Ohio 3. Indiana 4. Tennessee 5. Illinois 6. Texas 7. Florida 8. California 9. New York 10. Michigan		
Traffic Sources Top 10 of 108	Direct	3785	arrived at site by typing the URL directly in their browser
	Referrals	2135	linked from revenue.ky.gov
		1921	linked from sos.ky.gov
		1464	linked from kentucky.gov
		642	linked from thinkkentucky.com
		459	linked from search.kentucky.com
		170	linked from a Google search
		126	linked from labor.ky.gov
		90	linked from migration.kentucky.gov
		68	linked from powerhomebiz.com
Mobile		1.40%	accessed the site from mobile devices
KyBOS Registration	**1,600 have been approved by the SOS**	**1,128 Businesses have entered information for review by DOR**	

This is a sampling of the webpages and material available on the Kentucky Business One Stop website. For more information please visit the website at www.OneStop.ky.gov.

Overall KyBOS Project Cost Assumptions

- The Full Time Equivalent (FTE) staffing level costs are included in the estimated dollars
- N/A is defined as software purchase only
- The Proposal assumes the Commonwealth will utilize as many existing FTE's as possible to design, develop, implement and support the KyBOS Portal.
- Messaging Development – The Proposal assumes the use of existing Commonwealth messaging infrastructure.
- The costs are associated with the expanding/configuring the existing infrastructure to meet the requirements of the KyBOS Portal.

Assumptions Regarding Specific KyBOS Recommendations

Line	Components	Assumptions
A	Project Mgmt. & Consulting	This is the program management office staff that will oversee the project from planning to implementation and collaborate with agency staff. Staffing includes Project Management, Analysts and Technical Solution Support
B	Infrastructure	This includes virtual servers, physical servers, database licensing, storage costs, and miscellaneous network costs. The Proposal includes five environments (e.g. development, test, production). It is assumed that One Stop would not need full production capacity during the first biennium and deferred some of that expense until the second biennium.
C	Web Framework & Development	Development of the Enterprise web user interface. This includes the staff to perform the analysis and development of the service oriented architecture essential to communicate with existing agency systems. It is estimated that KyBOS will need to develop 250 services throughout the life of the program. It was assumed that an IT governance group would be formed to set standards for development and project management.
D	Messaging Development	Develops two way communication between KyBOS and agency systems that ensures 24/7 availability and guaranteed delivery of all transactions (e.g. payments, registration). It is estimated that KyBOS will need to develop 100 web services / interfaces throughout the life of the program. Assumes primarily building the framework and registration systems in the first biennium. It also assumes the building of the majority of the web services / interfaces in the second and third bienniums.
E	Registration (system and database)	Enterprise registration system which could be used by all agencies and captures general demographic information. This system will assign the Universal Identification Number (UIN) given to each business entity.
G	IDMS	Development of a technology that will allow the KyBOS to manage the identities and needs of the businesses it serves.

Line	Components	Assumptions
H	BRE – software	Cost includes software and staff needed to implement the business rules engine or business process management.
I	BRE – development	Staffing needed to support the agency efforts to analyze, document, and develop the agency business rules required to interface with the KyBOS portal. This staff will assist in designing the business functions/rules the KyBOS Portal needs to perform on behalf of the agency. The business rules engine cost will depend on what agencies come onto the KyBOS portal and the complexity of their applications. It is assumed that a good portion of the costs in writing the business rules lies within each agency and is not reflected in the KyBOS portal development costs.
J	USPS National Change of Address	Tools, licensing, subscription, hardware, and development for notification of address changes for individuals and businesses (e.g. the KyBOS Portal would receive new mailing information on a business or individual responsible party if they move). Assumes expansion of an existing DOR license agreement.
K	Address Correction & Validation	Development of a real time service to "suggest" addresses to the business so addresses are entered correctly into KyBOS. The services will ensure the address entered is a valid address and standardize it to meet United States Postal Service (USPS) standards to ensure successful delivery. The addresses will also be geocoded the data to include the physical location of the business or responsible party (latitude and longitude) to enable geospatial reporting in the future (e.g. geospatial reports or "maps" of where the largest number of new businesses are located in the Commonwealth). It is assumed that this service is only available for data entered through the KyBOS portal.
L	Tools Training	Training for KyBOS team on any new tools or techniques needed to design and develop the Portal.
M	End User Training	Staff time needed to create documentation, training materials and deliver training for end users. We assumed that end users are either businesses or agency staff.
N	Priority 4 Analysis & Implementation	Initial registration would contain a wizard to guide new registrants in choosing a proper NAICS code. Ideally some progress would be made to drive wizard from the Business Rules Engine but likely not fully so. The wizard would be fully driven by the BRE in second Biennium and business processes within agencies would likely have to be analyzed and possibly reengineered to support the reconciliation of disparate NAICS codes across agencies for already existing businesses.
O	Agency Cost Priority 2	Analysis and development costs identified by each agency for interacting with the KyBOS Portal.
P	Agency Cost Priority 3	Analysis and development costs identified by each agency for interacting with the KyBOS Portal.

Line	Components	Assumptions
Q	Agency Cost Priority 5	Analysis and development costs identified by each agency for interacting with the KyBOS Portal.
R	Call Center Operating	Call Center costs assume the procurement of a call system and technology that will enable a live chat feature.
S	Call Center Staff	Assumes one program manager to coordinate call system, staff and necessary licenses.
T	Call Center Knowledgebase	If use COT for SharePoint Administration rate is $43/hour. 120 hours to develop knowledgebase system in SharePoint, Staff of 100 will utilize knowledgebase. Costs for additional licenses are not included. Assumes additional hours for maintenance and support.
U	Call Center Tracking System	Utilize Front Range Administrator at COT. The rate for the Front Range Administrator is $43/hour. Staff of 35 Tier 1 will utilize Named licenses. Staff of 300 Tier 2 subject matter experts will utilize Concurrent licenses. License costs are paid yearly. Assume additional hours for maintence and support.
V	Program Operating Costs	Costs for the program will include facility needs, office materials and office equipment.

Kentucky Chamber
Uniting Business. Advancing Kentucky.

December 29, 2011

The Honorable Steve Beshear
Governor
Commonwealth of Kentucky
700 Capitol Avenue
Frankfort, KY 40601

Dear Governor Beshear:

As Kentucky's largest business association, the Kentucky Chamber of Commerce has been a proud partner with state government to develop and implement the Kentucky Business One Stop Portal. This very useful tool will benefit private employers, large and small, as well as the efficiency of state government by streamlining interactions between state government and employers across Kentucky.

The collaboration among state government agencies and the business community in this project is unprecedented, and it speaks volumes of the Commonwealth's commitment to ease the encumbrance faced by prospective and current business owners in our state. We strongly encourage you to consider this commitment, the importance of this project, and the excitement business leaders have for the portal when developing the budget during the 2012 Regular Session. Appropriate investments will allow continued development and implementation of the Kentucky Business One Stop Portal through the next biennium.

In these uncertain economic times, the business community cannot afford to spend precious hours and resources traversing the complexities and redundancies of government statutes, regulations, and compliance requirements, when we could be using the time and resources to expand our goods and services, hire new employees, and contribute to the growth of the economy. The General Assembly recognized this in the passage of Senate Bill 8 during the 2011 Regular Session, creating the Kentucky Business One Stop Portal. It is encouraging to see our elected officials supporting projects such as this portal that will enhance our relationships and interactions with state government.

As businesses and state government remain committed to moving Kentucky forward, we encourage your financial commitment to this project. We share your desire to encourage economic growth and leadership in the Commonwealth of Kentucky. This requires us to consider new, innovative, and often evolving solutions with the goal of making Kentucky a business-friendly state. The Kentucky Business One Stop portal is a critical step in this process.

The Kentucky Business One Stop Portal has our enthusiastic support and we look forward to its ongoing successes.

Sincerely,

Bryan Sunderland
Vice President, Public Affairs

cc: Sec. Elaine Walker

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