

Business Plan Update General Manager's Report

Second Quarter
April 2015 – June 2015

Nebraska.gov
301 S 13th Street, Suite 301
Phone: 402-471-6582
FAX: 402-471-7817
Email: bhoffman@egov.com

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Glossary of Terms

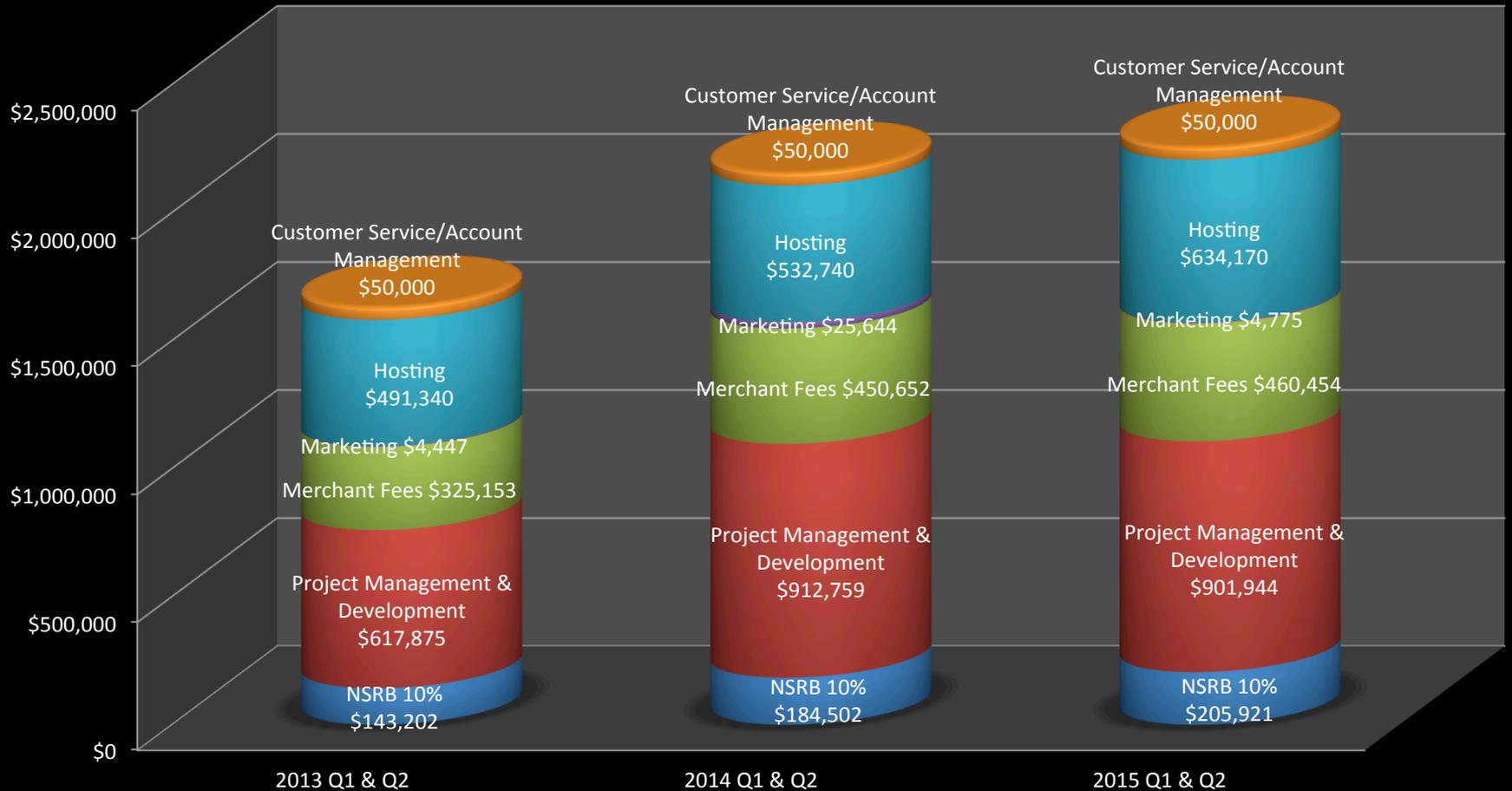
- **Free Service:** An application or website developed, hosted, and maintained by Nebraska Interactive that does not process payments.
- **Self Funded Service:** An application developed, hosted, and maintained by Nebraska Interactive that processes payments. Revenue from the service may or may not cover the cost of service, self fund.
- **Revenue:** Funds collected via a portal fee (user/statutory/partner) before revenue share to NSRB, hosting, merchant fees, marketing, etc.
- **Grant:** New application or enhancement funded by a grant obtained by the partner.
- **Time & Materials:** A new application or enhancement funded by the partner on a time and materials rate.

Overview of Portal Financials and Value

	2015	2014	2015	2014
	June	June	Jan-June	Jan-June
Nebraska Interactive Revenue	\$468,548	\$403,183	\$3,016,905	\$2,651,248
10% NSRB Partner Share**	\$32,096	\$27,479	\$205,927	\$184,502
Gross Margin	\$436,451	\$375,704	\$2,810,977	\$2,466,746
Operating Expenses	\$324,200	\$289,912	\$1,935,890	\$1,832,240
Income (Loss)	\$112,252	\$85,792	\$875,087	\$634,506
Nebraska Interactive Pre-Tax Income (Loss)	\$112,252	\$85,792	\$875,087	\$634,506
Nebraska Interactive Provision for Income Tax Expense (Benefit)	\$44,987	\$31,600	\$350,705	\$254,288
Nebraska Interactive Net After-Tax Income (Loss)	\$67,264	\$54,192	\$524,382	\$380,218

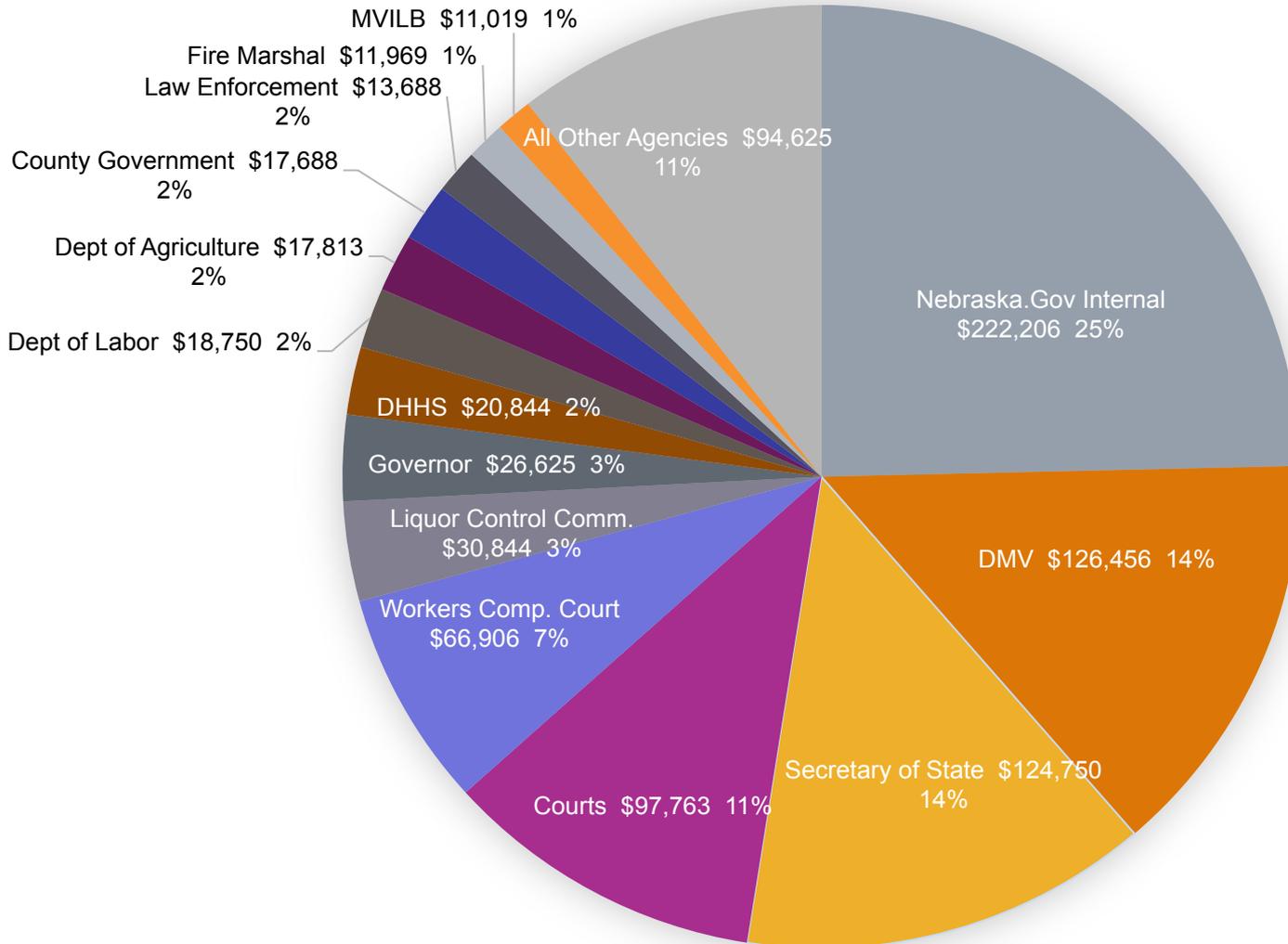
**Nebraska Interactive Revenue Subject to 10%	\$320,965	\$274,790	\$2,059,271	\$1,845,022
Courts, Subscriber and T&M (not included in NSRB 10%)	\$147,583	\$128,393	\$957,634	\$806,226
Nebraska Interactive Revenue	\$468,548	\$403,183	\$3,016,905	\$2,651,248

Q1 & Q2 2015 Self-funded Value for the State of Nebraska



Note: The above graph is not all inclusive. Displayed values are based on the top 6 classifications of value and expenses.

Project Management & Development Cost Avoidance Q1&Q2 2015= \$901,944



Business Plan Portal Strategies #1: Expanding the Network - New Business Initiatives

This represents the projects and statuses identified as Nebraska Interactive's 2015 initiatives. It also reports projects that have been added due to statutory or partner need since the start of 2015. This is not an all-inclusive list of projects. For that, please see the Project Priority Report.



Department of Motor Vehicles	Status	Leveraged NIC Services
Driver License Services - Change of Address	Concept	Yes
*Motor Vehicle Registration - eNotice	Development	Yes
*Commercial Driver License System - Federal Regulation Changes	Completed	
*Commercial Driver License System - Appointment Calendar Enhancement	Completed	
*Driver Record Changes for Commercial Driver License Final Rule	Completed	Yes
*Batch Driver Records Commercial Driver License Fed/Med Changes	Completed	
*Commercial Driver License - Desk Audit	Testing	
*Driver Improvement Certificates of Completion	Concept	
*Commercial Driver License - Desk Audit Ad Hoc Reports Enhancement	Testing	
*Specialty Sesquicentennial Plate	Concept	
*Specialty Plate Military Honors	Planning	



Administrative Office of the Courts	Status	Leveraged NIC Services
Certified Court Records	Discovery	Yes
Appellate Court Case Filing	Planning	Yes
*Bulk Garnishment ePayments	Planning	
*Mediator Act Re-template	Completed	
*Eyes of the Child Website Hosting	Development	N/A
*Judge Review	Planning	
*Courts ePublication	Completed	
*Court ePayments Bulk Interactive	Planning	
*Court eFiling Enhancement I	Completed	
*Court eFiling Enhancement II	Development	



Other	Status	Leveraged NIC Services
Expand Payment Processing Methods	Testing	Yes
Vital Statistics	Concept	Yes
Unemployment Overpayments	Development	Yes
Suite of Services/Website Re-design	Discovery	N/A
*Lieutenant Governor's Website	Completed	N/A
*Individual & Business Tax Payments	Discovery	
*Advanced Mail Form	Completed	
*Electrician Exam Applications	Completed	

Legend
 * - Project added to Portal initiatives after start of 2015
Bold - Status update since last GM report
 Blue - New service added since last GM report



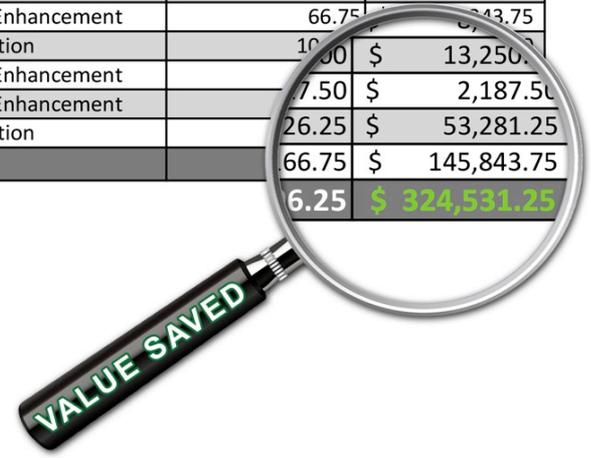
SECRETARY OF STATE

Secretary of State	Status	Leveraged NIC Services
Online Voter Registration	Testing	Yes
*Online Certificates of Good Standing with Validation	Completed	Yes
*Redaction for UCC & EFS Filings	Planning	Yes
*Nebraska Benefit Corporation Filings	Testing	Yes
*Corporate Document eDelivery Re-template	Development	Yes
*Tribal Codes	Testing	Yes
*UCC & EFS Filing Image Corrections	Development	Yes
*UCC & EFS Searches & Re-template	Completed	Yes
*Rules & Regulations Website Automation	Testing	
*2016 Annual/Biennial Corporate Report Filings	Planning	Yes

Business Plan Portal Strategies # 1: Expanding the Network

Projects Launched Second Quarter

Partner	Application	Revenue Type	Work Scope	Hours Invested	Cost Savings
Court Administrator, State	Courts_ePublication	Non-revenue	New Application	338.75	\$ 42,343.75
Electrical Division, State	Electrician Exam Applications	Self-funded	Application Enhancement	409.25	\$ 51,156.25
Lieutenant Governor	Lieutenant Governor's Website	Non-revenue	N/A- Website	7.00	\$ 875.00
Liquor Control Commission	NLCC Beer Report CDB Authentication CR	Self-funded	Application Enhancement	27.50	\$ 3,437.50
Liquor Control Commission	NLCC Wine/Spirit CDB Authentication CR	Self-funded	Application Enhancement	30.50	\$ 3,812.50
Liquor Control Commission	NLCC Tax Payment Schedule Payments CR	Self-funded	Application Enhancement	66.75	\$ 8,437.50
Nebraska.Gov Internal	Advanced Mail Form	Non-revenue	New Application	10.00	\$ 13,250.00
Public Accountancy, Board of	2015 Accountant License Renewals	Self-funded	Application Enhancement	27.50	\$ 2,187.50
Secretary of State	UCC Search-Rules & Regs Updates & Re-template	Self-funded	Application Enhancement	26.25	\$ 53,281.25
Workers Compensation Court	Workers Compensation Court - eFiling	Self-funded	New Application	66.75	\$ 145,843.75
Total				6.25	\$ 324,531.25



Application Deployments

Applications Deployed	Q1 2014	Q1 2015	Q2 2014	Q2 2015
Self-Funded Application	2	0	0	2
Non-revenue Application	2	1	2	1
Websites deployed	0	2	0	1
Self-Funded application enhancements	1	8	6	6
Non-revenue application enhancements	0	2	4	0
Number of implemented changes*	83	108	90	94

*Changes include code enhancements as well as bug fixes, security updates, requested text changes, etc.

Time Saved. Money Saved. Resources Saved

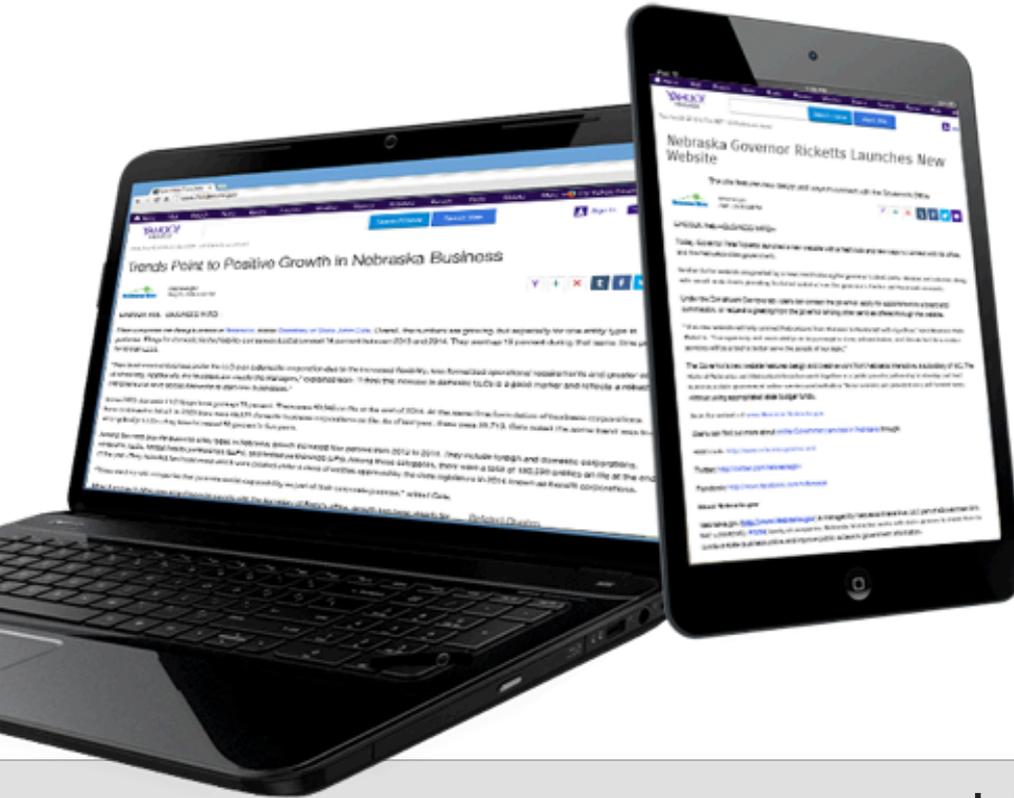
--Application Highlight: Courts Report Time and Dollars Saved with Online Payments--

The Supreme Court reports almost \$7,000 (based upon minimum wage rates) and 900 hours in savings for the first half of 2015 due to the efficiencies created by the ePayment system. This is one of twelve online services the court offers constituents via Nebraska.gov.

Month	Number of Payments	Average Payments per day	Estimated Staff Time Savings in Hours	Estimated Staff Time Savings in Dollars
January	2,058	66	137	\$ 1,097.60
February	2,387	85	159	\$ 1,273.07
March	2,214	71	148	\$ 1,180.80
April	2,101	70	140	\$ 1,120.53
May	1,989	64	133	\$ 1,060.80
June	2,090	70	139	\$ 1,114.67
Totals	12,839		856	\$ 6,847.47

Business Plan Portal Strategies # 2: Recognition

Your Services in the Press – We Initiate. We Create. We Promote.



Press Release Stats

Governor Ricketts Launches New Website – 3/31/2015

- 1,640 views
- Appeared on:
 - TD Ameritrade
 - Yahoo! Finance
 - CNBC.com

- Twitter Tweets:
 - @grangermdk
 - @prpnews
 - @dlvr_technology

Trends Point to Positive Growth in Nebraska Business (SOS Annual/Biennial Report Filings) – 4/30/2015

- 5,370 views
- Appeared on:
 - The New York Times
 - The Wall Street Journal
 - CNNMoney.com

- Twitter Tweets:
 - @dlvr_mobile
 - @BW_Technology
 - @BW_Wireless



www.Nebraska.gov received the Silver Award of Distinction in the Government websites category. The Communicator Awards is the leading international awards program recognizing big ideas in marketing and communications.



The Nebraska Department of Veterans' Affairs Military & Veteran's Registry Application was recognized as a 2015 State IT Program of the Year.

In the 2009 RFP Nebraska Interactive committed to deliver
20 initiatives with our Partners. *DELIVERED*

From that collaboration and trust **68** new services were conceived
and *DELIVERED*

From those services **271** projects were conceived, created and
DELIVERED and being used by Nebraskan citizens and businesses

Business Plan Portal Strategies # 4: Local Business Initiatives

As technology evolves, so does Nebraska Interactive. Today's world demands more.



Then

Grass Roots (Word of mouth):

- The power of the spoken word – “We always have customers asking to pay with a credit card. Now we can.”
- In 2012 NI provided payment processing to 1 village, 1 city and 3 County Treasurers in NE
- As of Q2 of 2015, NI provides payment processing to over 76 local government partners with populations ranging from 300+ in Platte Center to all of Sarpy County, 158k+

Now

Controlled Marketing Campaigns

- New uses of analytics allow NI to track behavior based on delivery and type of message.
- Email - market HTML email throughout the state where behavior is determined from link tracking
- Direct Mail – We provide bullet points and a call to action to draw Nebraskans to our Microsite
- Conference – Present and attend to increase exposure of our services throughout Nebraska
- Phone – Call to promote our services

Marketing Plan Objective #3: Generate Awareness

Nebraska.gov User Confidence & Familiarity

Nebraska.gov branding is included on every application & website that we build. Each agency can still have their own unique identity and look, but the application/website includes familiar elements that provide the user with confidence they are on an official government website. Nebraska.gov also follows the NITC standards (NITC 4-201: Web Branding and Policy Consistency)



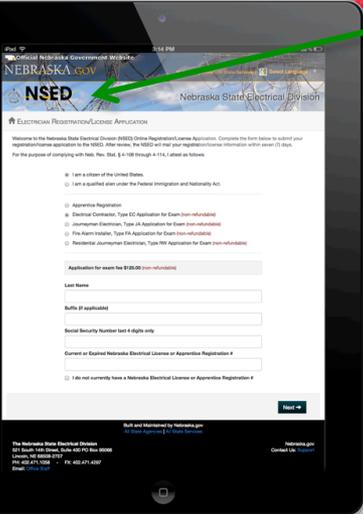
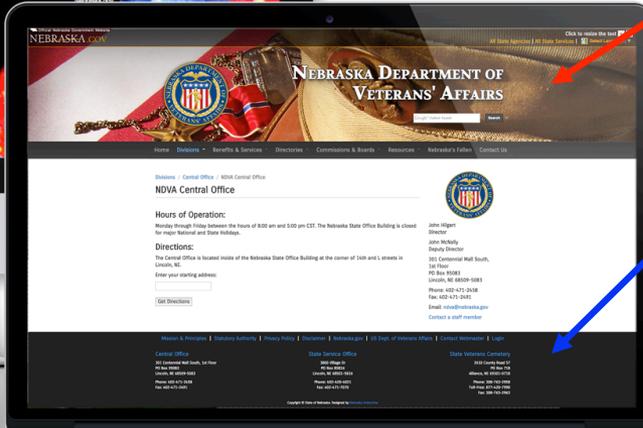
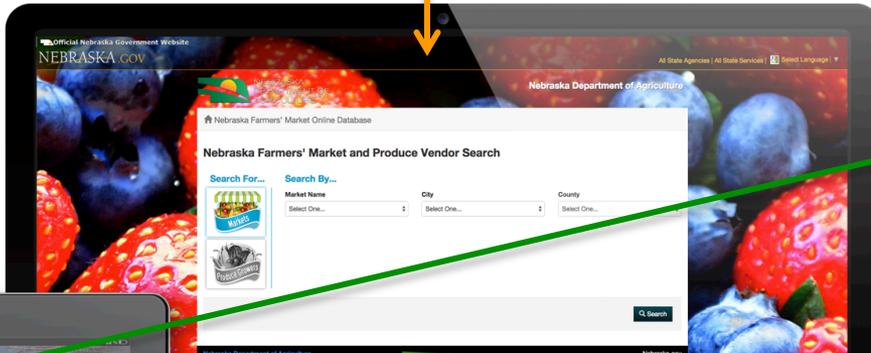
Consistent Components:

Branding Header – The common semi-transparent gray header includes the Nebraska.gov logo, official Nebraska Government website tag, and links to All Services & All Agencies.

Logo & Agency/Application Name – The logo is commonly placed on the left side above the content, and the Partner/Application name is located on the right side above the content.

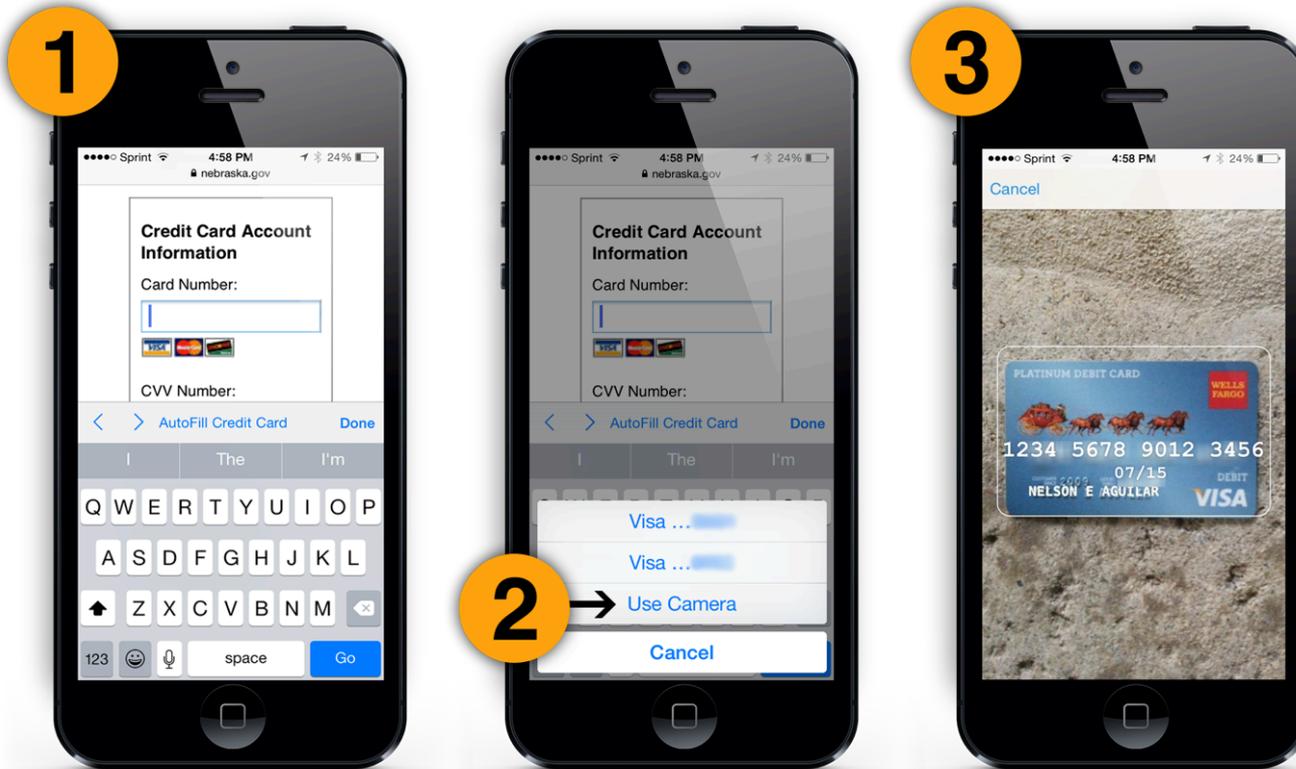
Custom Images – Partners may select images that pertain to them as their background image or images used throughout.

Footer – The footer of every Application/Website contains contact information and links to Nebraska.gov and security/privacy policies.



Mobile Strategy

Mobile 1st! **LESS CLICKS** to complete an online transactions. Nebraska.gov is making credit card payments using your mobile iOS device **EASIER!** We have enabled the **iOS FEATURE** to AutoFill Credit Card Information. Users may either choose from previously stored credit card information* or choose to use the camera. The iOS device will navigate to the camera application, allowing the user to hover over their card while the camera **QUICKLY reads** the card number and expiration date (similar to how a QR code camera works). This information then **AUTO POPULATES** the online application. The user is still required to enter the CVV number for security.



***Only** if users had granted permission to the iOS mobile device.

Network Uptime, Response Time, and Issues Quarterly Reporting

UPTIME REPORT

APRIL	MAY	JUNE
99.93%	99.99%	99.88%

RESPONSE TIME REPORT

APRIL	MAY	JUNE
Avg. response time 561 ms	Avg. response time 546 ms	Avg. response time 521 ms

NETWORK ISSUES DETAIL REPORT

	Start Time	End Time	Time*	Description	Impact
04/01/2015	6:50 AM	6:55 AM	:05	ETS experienced an increase in traffic in the Ashburn Datacenter which consumed the available bandwidth.	Nebraska.gov sites and services were unavailable.
04/09/2015	6:30 PM	6:35 PM	:05	ETS experienced an increase in traffic in the Ashburn Datacenter which consumed the available bandwidth.	Nebraska.gov sites and services were unavailable.
04/10/2015	1:55 PM	2:10 PM	:15	The NIC Customer Database was unavailable.	During this time, all subscriber services were down. The web site, free services, and instant charge (credit card and ACH) services were still available.
04/22/2015	11:20 AM	11:25 AM	:05	ETS experienced an increase in traffic in the Ashburn Datacenter which consumed the available bandwidth.	Nebraska.gov sites and services were unavailable.
04/29/2015	7:25 AM	7:30 AM	:05	ETS experienced an increase in traffic in the Ashburn Datacenter which consumed the available bandwidth.	Nebraska.gov sites and services were unavailable.
04/29/2015	8:10 AM	8:15 AM	:05	ETS experienced an increase in traffic in the Ashburn Datacenter which consumed the available bandwidth.	Nebraska.gov sites and services were unavailable for 4 minutes.
04/29/2015	9:05 AM	9:10 AM	:05	ETS experienced an increase in traffic in the Ashburn Datacenter which consumed the available bandwidth.	Nebraska.gov sites and services were unavailable for 4 minutes.
04/29/2015	1:40 PM	1:45 PM	:05	ETS experienced an increase in traffic in the Ashburn Datacenter which consumed the available bandwidth.	Nebraska.gov sites and services were unavailable for 3 minutes.

NETWORK ISSUES DETAIL REPORT – CONTINUED

	Start Time	End Time	Time*	Description	Impact
04/30/2015	3:20 AM	3:25 AM	:05	ETS experienced an increase in traffic in the Ashburn Datacenter which consumed the available bandwidth.	Nebraska.gov sites and services were unavailable for 2 minutes.
05/08/2015	12:15 PM	12:20 PM	:05	ETS experienced an increase in traffic in the Ashburn Datacenter which consumed the available bandwidth.	Nebraska.gov sites and services were unavailable for 2 minutes.
06/10/2015	2:15 PM	3:15 PM	1:00	The NIC Customer Database was unavailable.	During this time, all subscriber services were down. The web site, free services, and instant charge (credit card and ACH) services were still available.
06/30/2015	12:15 AM	1:00 AM	:45	Our load balancers became unresponsive and failed to direct traffic through to the servers.	All web sites and services were unavailable.

* Downtime reporting tool rounds the time to 5 minute increments, actual downtime may be less.