



CAPITOL TOPICS

EXECUTIVE COMMITTEE

President

Bhakti Patel
Bhakti.Patel@us.gt.com

President-Elect

Aaron Dvorak
Aaron.dvorak@cpa.texas.gov

Secretary

Stanton Martin
Stanton.martin@hhsc.state.tx.us

Treasurer

Lorna Schwimmer
Lorna.schwimmer@dfps.state.tx.us

Research Chair

Debi Weyer
debiweyer@gmail.com

Education/Programs Committee

John Barnes, Chair
John.Barnes@ers.state.tx.us

Benjamin Lyons

Benjamin.Lyons@ers.state.tx.us

Communications Committee

Shayla Prince
shayla.prince@dfps.state.tx.us

Ben Smith

ben.smith@dfps.state.tx.us

Community Service Committee

Priscilla Suggs
priscilla.suggs@gmail.com

Membership Committee

Kieran Coe
kieran.coe@us.gt.com
Leslie Branam

CPE Events Committee

Patty Aguilera, Co-Chair
Patty.Aguilera@ers.state.tx.us

Chapter Historian

Sharita Jefferson
Sharita.Jefferson@dfps.state.tx.us

Webmaster

Eddie Chan
eddie.chan@ers.state.tx.us

Regional VP

Helene Baker
helenebaker@satx.rr.com

PRESIDENT'S MESSAGE



January/ February 2017 President's Message

Happy New Year AGA members! I hope everyone had a relaxing holiday break and enjoyed time with family and friends and are enjoying the start of a new year. We are more halfway through the chapter year and have had a great start to the year with some excellent speakers for our CPE luncheons already! I would like to personally thank each of you who participated in the Toys for Tots toy drive during our December luncheon. Priscilla Suggs, our Community Services Chair, delivered the toys and could not express how happy the entity was to receive such wonderful gifts to give to the kids this holiday season. Great work AGA members!

I hope you all enjoyed Dr. Delvin Seawright during our December CPE luncheon and Philip Ashley during our January CPE luncheon. It was evident that the topics of "Passing the Baton in Government Financial Management: But Where are the Millennials?" and "State budget, State revenues and the Comptroller's revenue estimate for the remainder of 2017 and the 2018-19 biennium" were relevant and hot topics on everyone's minds, including mine! Your questions and feedback were great and Dr. Seawright and Philip Ashley both expressed how great it was speaking to the AGA Austin Chapter.

The March CPE luncheon will remain at Pappadeaux Seafood Kitchen. Kenneth McDowell, Portfolio Manager at the Employee Retirement System of Texas will be speaking to the group on the topic of Private Real Estate at ERS. Looking forward to seeing everyone there.

As always, we are always looking for additional participation on the board and committees and looking for members that would like to serve on the 2017 CEC. If you are interested in assisting on the board or any committee or interested in assisting with a particular event during the year, please contact me or any of the board members for more information. Thank you in advance for your continued support of the chapter. See you all on February 9th!

Upcoming Events

In our luncheon meeting on Thursday, February 9th, 2017, Kenneth McDowell (Private Real Estate at ERS).

Highlights

Membership Anniversaries

Congratulations to the following members who have reached their anniversary milestone in the month of Jan 2017.

20 Years

Steven Adrian, CGFM

Luncheon Gift Card Drawings!

Congratulations to **Donna Keel** for winning the raffle during December luncheon!



Chapter Executive Committee Meeting

January 26th, 2017

12pm

Minutes

Present: Ben Lyons, Aaron Dvorak, Ben Smith, Sharita Jefferson, Priscilla Suggs, Bhakti Patel, Kieran Coe, and John Barnes

January Luncheon: Phillip Ashley is spoke eloquently.. Lorna will setup the February luncheon with Pappadeaux—new location is not open yet for luncheons, but will seat 100. Lorna brought up changing the menu—we cut the mixed grill and added the pasta.

Speaker for February CPE luncheon - Kenneth McDowell (Private Real Estate at ERS)

Speakers: March is Chance Watson from DFPS and is speaking about motivating government employees. May is still open for a speaker.

Lorna asked if we were sending out the newsletter and Bhakti said Eddie has only been posting it on the website with no follow-up. Everyone agreed to e-mailing out the newsletter as well as posting it to the website.

Networking Event: Target date of April 20th with a state holiday the next day. Kieran suggested Sellers House for possible event spot—it's across the street from Halcyon.

Parking may be an issue downtown for non-state employees, but state parking is available at the Hobby building. There is a separate room available, but not sure how many people it seats .

Membership: 141 active members as of time of meeting.

We may want to train someone else on how to use the website in conjunction with the website migration.

Treasurer's Report For the period ending 12/31/16



Beginning Bank Balance	11/30/2016	\$5,992.55
<i>Funds Received:</i>		
12/20/2016	ACH Square - January Luncheon	\$25.92
12/9/2016	ACH Square - December Luncheon	\$114.36
12/8/2016	ACH Square - December Luncheon	\$103.68
12/7/2016	ACH Square - December Luncheon	\$82.61
12/2/2016	Refund for Nov Luncheon overcharge - Pappadeaux	\$43.19
12/2/2016	Pmt for Oct Luncheon - GLO	\$27.00
12/2/2016	Pmt for Sept Luncheon - GLO	\$27.00
12/1/2016	Bill pay fee refund	\$5.00
12/1/2016	ACH Square - December Luncheon	\$25.92
12/1/2016	Dividend through 11/30/2016	\$0.49
	Total Funds Received	\$455.17
Funds Available		\$6,447.72
<i>Funds Expended:</i>		
<i>Date</i>	<i>Check No./Credit Card.</i>	<i>Description</i>
12/20/2016	2183	CPE Sponsor Fee to TSBPA
12/9/2016	Debit card	Payment for September Luncheon - Pappadeaux
12/1/2016	Auto	Bill Pay Fee (refunded above)
	Total Funds Expended	\$914.65
Ending Bank Balance	12/31/2016	\$5,533.07
Check Register Reconciliation:		
Ending Bank Balance	12/31/2016	\$5,533.07
<i>Outstanding Checks:</i>		
<i>Date</i>	<i>Check No.</i>	<i>Description</i>
Total Outstanding Checks		\$0.00
<i>Outstanding Deposits:</i>		
<i>Date</i>	<i>Description</i>	
Total Outstanding Deposits		\$0.00
Adjusted Ending Bank Balance	12/31/2016	\$5,533.07
Total Chapter Funds Available Per Check Register	12/31/2016	\$5,533.07
<i>Cash On Hand:</i>		
	CU Min Savings Balance	\$5.00
	Luncheon Bank	\$40.00

Community Service



Research

The New Rules of the Game for Technology

By Brian C. Berry and Noah T. Ullman

You strive to keep costs in line while providing sufficient IT resources to your organization. Historically, the major cost centers of an IT environment have been capital expenditures for hardware, software and retaining capable IT personnel. If you have several servers, keeping them powered on and cool is a significant part of your electric bill.

Cloud Computing has changed the outsourcing calculus. Before, the decision matrix was centered around human capital: where are the strengths and weaknesses in my people? Which roles or expertise am I lacking? How can I augment my staff most cost effectively? Today, the decision matrix is centered around machines and services: which capital infrastructure stays in-house and what is outsourced? Can a cloud vendor or service provide this capability securely and cost effectively?

Determining what technology pieces to outsource continues to be critical to your organization's profitability. IT departments continue to face severe pressures to do more with less. Meanwhile, the market is constantly on the move, delivering innovation and challenging your organization to respond. Your job: keep costs inline by identifying capabilities which cloud services can deliver quickly, on-demand and at a low cost. It is vital to understand the new rules of the game.

Cloud Hosted Services: Supercomputers Processing Your Data

Because the cloud is always on, available and secure, external service providers can easily assume the role of service administrator for the cloud services which they enjoy. Indeed, companies which are investing in their digital transformation journey have realized that Cloud Hosted Services have become best of breed in many categories. Thanks to Big Data and Machine Learning a *Digital Transformation* is underway, driven by the exponentially expanding Universe of Data, Moore's Law and Cognitive Analytics. These are concepts which are machine and services centered, benefiting from the high power, low-cost capabilities available to public cloud providers.

Are You Making the Right Investments?

Here is a short list of technology to outsource immediately.

Let's begin with Cybersecurity— a growing pandemic whose most obvious symptom is *Ransomware*. If your IT personnel struggle to keep up with changing security threats, this is a good indicator that your organization is playing the wrong game. In this scenario you're relying on local software and your employees to manage your infrastructure, your security policies, your mobile devices and your data. It's not practical to presume that your home-grown team can compete with the world of black hat hackers and cybercriminals—no matter how good they are. Scope and scale limit them...and the bad guys just need to be right once. It's a good bet to presume the resources of Microsoft, Amazon, Google, or IBM will be more advanced than what any small to medium sized company can build and maintain on their own. File-level security, government and industry compliance and digital trust are core tenants of Microsoft's Cloud. When you outsource cloud services, your people (who know your business well) can innovate and outthink your competition.

Email— the #1 source of ransomware are phishing scams delivered in an email. For years, companies have bought high-priced applications to keep these traps out. But they cannot keep up, because the rules have changed. If your email server exists in-house: Stop! You're making the wrong investment. Move your email services to the cloud, and purchase advanced threat detection. Machines can spot when an email "just looks wrong" so that your employees do not have to.

Mobile Device Management— Bring Your Own Device (BYOD) was a phenomenon first identified with the release of the iPhone. Companies need to recognize that these devices certainly constitute small, high-powered, highly mobile computers – computers with your company data on them. If you are requiring your employees to standardize on company purchased phones or tablets: Stop! You're making the wrong investment. Purchase a Mobile Device Management suite (MDM) such as Windows Intune— one that secures phones, tablets and desktops – so that machines can patch software (or wipe data) on your devices anywhere in the world.

Identity Management– Passwords, passwords, passwords. We all have our digital secrets and some people manage them better than others. If your employees are sharing passwords or exchanging them with colleagues: Stop! (Really, just stop.) Cloud Identity providers offer basic commodity password management solutions, along with more advanced features such as multi-factor authentication, requiring you to have more than one channel to provide your digital secrets to secure services. We expect this to improve significantly in the next few years, for those leveraging a Cloud Hosted Identity solution. Why? Because lots of data (Biometric Data) helps in a big way. Fingerprint scanners have moved to facial scans like Windows Hello. Facial recognition technology keeps our information secure, without password resets.

Software License Management – This component is often overlooked, especially by small companies. Nevertheless, all companies are at legal risk if unable to account for their company's internal use software licenses. Do you have an employee whose job is to manage the file share of software and account for licenses? Stop! You're making the wrong investment. Integrated productivity suites like Microsoft Office 365 solve this problem elegantly, making it simple for delegated service administrators to add or remove licenses for cloud services. You can even automate on-boarding and off-boarding processes with Cloud Workflow. It's much easier to ensure you are only paying for what you use when managed in this manner.

Network Intrusion– Hackers spend an average of 200 days inside a penetrated network before they are even identified. If your systems administrator is spending his/her lunch break watching the firewall: Stop! You're making the wrong investment. When you move your infrastructure to the cloud (i.e. virtualized servers), you can also subscribe to Advanced Threat Detection services, such as Azure Security Center. With Advanced Threat Detection, the machines are collecting big data, and they are watching your servers 24/7/365, and alerting your system administrator of potential anomalies and intrusions. Machines do this better than any team of humans, and they don't take lunch breaks.

Data Management– Are you collecting website, mobile application, social media or sensor data in-house, or are you constantly redesigning reports to address new business opportunities? Has IT told you that you need more infrastructure to store this data in a single version of the truth? Stop! You're making the wrong investment. Public Cloud Providers, such as Microsoft Azure, will store this data at a fraction of the cost required to build this infrastructure out. Data integration, processing and dashboard services consume data from anywhere, whether stored on-premises or generated from cloud hosted services (i.e. social media sites). Humans need air to breathe; machines need data to think.

Focus on your Secret Sauce

Digital transformation is a cultural change. Organizations think about their resources differently. Decisions are made with timely and relevant data at the ready. Collaboration is easier. Technological tools become more flexible and applicable to the roles they assist. All of this is designed to serve the customer better and reduce operating expenses. Executives will have a clearer view of their business and employees will innovate. Focus on your business and what makes your organization special. Free your IT team to support the business by providing strategic value, not maintaining the plumbing.

The New Outsourcing Game

One of the macro-level technology strategies of the digital age has been technology outsourcing. But the key decisions have changed in the last 18 months. The new outsourcing model considers the value proposition of Cloud Hosted Services, administered by Service Providers, which leverage Big Data and Machine Learning strengths. In the new game, companies can subscribe to services which keep them secure and connected, capitalizing on a set of standardized services which anyone can purchase via a subscription model that offers incredible value.



