State + Local

READY FOR ANYTHING

A GOVLOOP GUIDE



Introduction

State and local governments are coping with great challenges — natural disasters, workforce limitations, advanced cyber threats, and reduced funding, to name a few. But they are coping, using technology to anticipate and address the problems they face.

In this guide, we highlight state and local programs that ensured the resilience of a 911 system during Hurricane Helene, slashed recruitment times to compete with the private sector, extended free cybersecurity tools to small towns, and creatively planned for reduced revenue.

We spoke with officials in Fort Worth, Texas, who explained how the city uses data analysis for needs-based budgeting — rather than broad allocations to individual departments. And we outlined how state, county and local entities are approaching today's most headline-grabbing technology: artificial intelligence (AI), including generative AI (GenAI). Employee skills are part of the story.

This guide — the first of two installments — also features industry experts with tips for addressing cyber threats and workforce constraints, among other concerns. In the following pages, we show how state and local agencies can prepare for tomorrow, and for many tomorrows after that.

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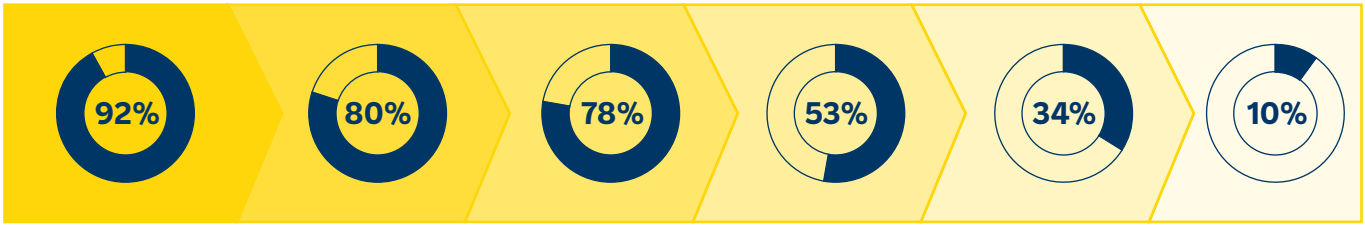
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State and Local Agencies: All Abuzz About AI

During the past year, organizations representing state, county and city governments surveyed their members regarding their use of AI and generative AI (GenAI), offered guidance on potential policies, and highlighted common use cases. Although no one is taking AI concerns lightly, agencies across the board recognize that AI's possible benefits make addressing its risks worthwhile. Here is a sample of what's happening.

NASCIO: GenAI Use on the Rise

In an April 2024 report, the National Association of State Chief Information Officers (NASCIO) found that most states are taking clear steps to capture GenAI's benefits, though progress varies by jurisdiction. Here are key takeaways:



92% of states are developing GenAI frameworks and policies to promote responsible and ethical implementation.

80% are collaborating with AI industry experts and researchers.

78% are prioritizing opportunities for GenAI to improve customer service.

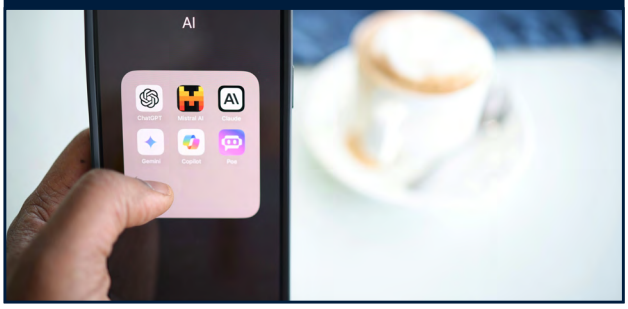
53% are investing in training programs for their workforce.

34% have built proofs of concept and piloted some GenAI models.

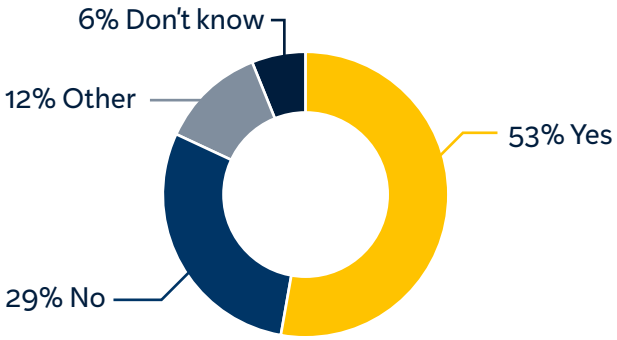
10% have moved GenAI initiatives into production.

Shadow GenAI

According to state CIOs, in jurisdictions that block employee access to free GenAI tools, a fair number of employees probably access those tools on their personal devices instead.



Are employees using GenAI tools in their daily work?

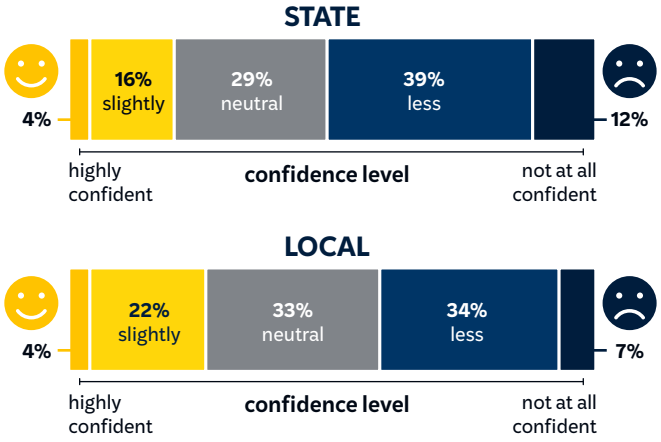


Source: 2024 NASCIO Survey

GenAI and the Local Workforce

Most local government IT executives say their employees have more to learn about GenAI, according to a 2024 survey by the Public Technology Institute, which supports city and county government IT officials. Here, the institute compares its survey results with a comparable NASCIO survey of state officials:

Does the Tech Workforce Have Sufficient Skills to Work With GenAI?



Steps Local Governments Have Taken to Address GenAI's Potential Impacts:

- 53% have developed AI governance policies and frameworks.
- 40% have taken no steps yet.
- 29% are collaborating with AI industry experts and researchers.
- 27% are investing in AI training and education programs.
- 7% are assessing potential job displacement and recruiting strategies.

Overall, **55%** of respondents said their agency was at least somewhat prepared to make "productive and safe" use of AI, compared to **38%** who were not prepared at all.

And, just to keep things in perspective, **7%** said they had no plans to use the technology.

NACo Pushes for National AI Priorities

In December 2024, the National Association of Counties (NACo) published its list of AI priorities for the incoming administration and Congress. Top priorities included:

An **intergovernmental governance structure** that addresses the various uses of GenAI across sectors

A new **information sharing analysis center** to encourage sharing and spearhead intergovernmental coordination

Direct **funding assistance** to promote digital literacy and best practices, assistance for counties, and workforce development

Stronger efforts to mitigate GenAI's negative **election-related uses**

More funding and regulatory oversight at independent agencies to combat **mis- and disinformation** geared to consumers

Data privacy governance standards and best practices across all levels of government

Rules requiring broad **public involvement in AI policymaking**

The association also has created the NACo AI Leadership Academy, a six-week online program designed to "equip frontline county government leaders with the knowledge and tools they need to understand and utilize AI to create higher levels of operational efficiency, organizational effectiveness and value for those they serve."

Industry Spotlight

How to Cultivate High-Performing, Collaborative Teams

Every seasoned manager knows that a high-performing team is more than a collection of high-performing individuals, more than the sum of its parts. But what makes it possible for individuals to work effectively as teams? And for different teams to work together toward a common goal?

These questions are especially pressing in state and local government, where the ability to deliver high-quality programs hinges on the close collaboration of teams across an organization.

The key, said Mark Cruth, Principal Modern Work Coach at Atlassian, is to create a "system of work," bringing together tools and processes that help teams get aligned on everything they do, from goal setting and planning to execution and knowledge sharing.

In this video interview, Cruth discusses how a system of work can help state and local agencies cultivate high-performing teams. Topics include:

- The attributes of a high-performing team
- The barriers to high-performing teams in state and local government and how to overcome them
- Examples of how the system of work concept has helped state and local agencies

WATCH VIDEO



"{A system of work} is something that will change the way people look at government. It will bring about new ideas, more creativity and more support."

— Mark Cruth, Principal Modern Work Coach at Atlassian

About Atlassian

Atlassian is a software company dedicated to unleashing the potential of every team. We enable open teamwork in agencies of any size with products like Jira, Confluence and Jira Service Management. Uniquely positioned to connect teams across software, IT, and business, Atlassian works to facilitate agencywide collaboration.

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Thinking Ahead

Technology, including AI and other tools, is helping state and local entities address critical issues in innovative ways. Here's a sample of what agencies are achieving.











North Carolina Adopts Next-Generation 911

Mother Nature often exposes frailties in technology, but North Carolina's 911 network stayed strong when Hurricane Helene brought devastating floods to parts of the state in September 2024. In lieu of old-fashioned copper phone lines and isolated dispatch centers, the 911 system uses a high-speed IP network called ESInet to digitally connect all of its 125 call centers.

As a result, when the hurricane, which dumped more than 30 inches of rain in some places, damaged 911 facilities in western North Carolina, ESInet automatically rerouted calls in that region to 911 centers in less affected areas. Between Sept. 26 and 28, 911 personnel answered almost 90,000 calls — a 55% increase from the same time the prior year.

A first-of-its-kind Network Monitoring and Assistance Center continuously looks after ESInet. It's all part of North Carolina's Next Generation 911 Project, which also is developing geospatial information system (GIS) technology to verify caller locations, among other features.

ESInet was a lifesaver during and after the hurricane, said L.V. Pokey Harris, Executive Director of the N.C. 911 Board. "Had the old technology and analog network still been in place," she said, "the infrastructure would have been destroyed and we would not have had the capability to route calls … and connect people to critical emergency services."



In Leon County, Florida, officials launched a geospatial intelligence app that multiple emergency response departments can use to guide their post-storm efforts. The app includes two dozen layers of data related to road closures, flood hazards, critical facilities, damage assessments, and other concerns.



Nevada County, California, Slashes Its Hiring Timeline

Situated along the Sierra Nevada mountain range, Nevada County, California, faced a problem common to local government: Potential hires were joining the private sector instead. In large part, the county's sluggish recruitment process was to blame.

Officials wanted a fresh start, so they comprehensively assessed their hiring approach, exposing a need for greater interdepartmental collaboration and accountability. The county set a new goal — of shortening the recruitment period to 60 days — and gave HR personnel more individual authority and ownership of the hiring process.

The county also recruited a senior HR program intern to interview a diverse group of people both in and outside the county government — to help staff break free of existing constraints. Additionally, employees consulted with other counties in the state, reviewed Society for Human Resources Management best practices and adopted Lean Six Sigma tools, including fishbone diagrams that helped pinpoint core problems. Process diagrams, which tracked steps in the hiring process, showed opportunities for workflow consolidation.

Under its new system, the county successfully recruited 435 candidates in of 17 months and cut 99 hours of cumulative hiring-related staff time. The change was especially positive in entities such as the Sheriff's Office that historically struggled to fill vacancies.



Pecos City, Texas, now uses AI-driven automation to help its once-beleaguered finance department overcome staff shortages, inefficiencies and redundancies. The new process, which initially focused on quick wins, has saved countless hours of staff time and eliminated financial-reporting delays, among other benefits.

Industry Spotlight

How Device Management Can Help You Prepare for the Worst

On a typical day, the task of managing all the endpoint devices on your network is a challenging one. Given both the volume and variety of systems — from servers and networking devices to laptops, smartphones and other end-user devices — how can you keep on top of such essential tasks as inventory tracking, provisioning, configuration management, and cyber hygiene? This problem is compounded when an agency is juggling multiple device management solutions, each geared toward a particular platform.

And that's on a typical day. Those challenges are magnified during unusual circumstances — when a natural disaster or another emergency disrupts operations. In that environment, strong endpoint device management is more challenging and more important than ever, said Mike Arrowsmith, Chief Trust Officer at NinjaOne.

In this video interview, Arrowsmith discusses how agencies can ensure that all devices are fully operational and secure, no matter what the circumstances.

Topics addressed include:

- Delivering consistent management and functionality across the full spectrum of devices
- Providing enterprise-class security without compromising the end-user experience
- Preparing for continued operations in the event of a natural disaster or similar disruptions



"How those particular devices can be backed up, how they can be recovered in time of crisis, is always first and foremost on everybody's minds."

— Mike Arrowsmith, Chief Trust Officer, NinjaOne

About NinjaOne

NinjaOne automates the hardest parts of IT, empowering more than 17,000 IT teams with visibility, security and control over all endpoints. The NinjaOne platform is proven to increase productivity, while reducing risk and IT costs. NinjaOne is consistently ranked #1 for its world-class support and is the top-rated software on G2 in seven categories including endpoint management, remote monitoring and management, and patch management.

➜ *Learn more about NinjaOne*

ninjaOne.



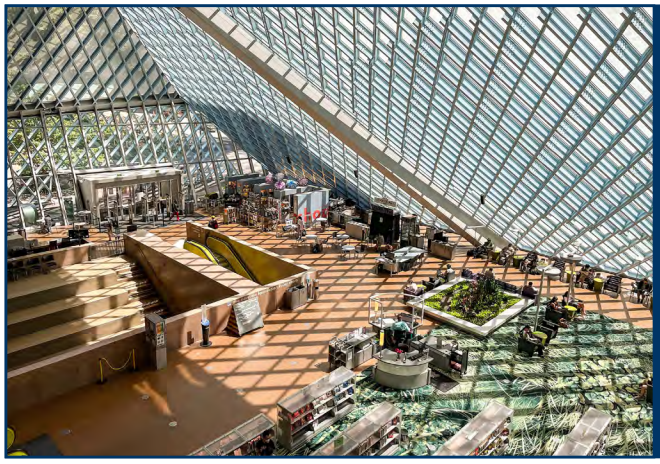
Arizona Offers Free Security Tools to Cities

Whole-of-state cybersecurity, in which different agencies and levels of government collaborate to prepare for and respond to cyberattacks, is nothing new. But local agencies with limited staff and financial resources often sit on the sidelines.

Indeed, when Arizona created its Cyber Command in 2021, it prioritized extending cloud-based security services, free of charge, to state agencies. The office buys the security tools en masse at sizable discounts — which spares individual agencies the expense of buying the technology themselves — and then monitors and manages them. Three months into the program, the number of critical and important vulnerabilities plummeted from 11,000 to 1,000.

About one year later, Arizona expanded the program to counties, cities and other local entities. Not long after, state IT personnel detected malicious activity on a participating city's network and notified city staff, who almost immediately isolated the workstation and prevented the malware from spreading.

The Cyber Command team does roadshows touting the program's benefits and created a Slack workspace so all participating Arizona organizations can share insights and experiences. "It doesn't make sense for us to be doing this alone," said Ryan Murray, Cyber Command's Deputy Director and the state's Chief Information Security Officer.



Seattle's public library system fortified its cybersecurity after a May 2024 ransomware attack. The organization implemented multifactor authentication; expanded its use of cloud-based tools, including for file management and communications; and retired some on-premises legacy services, among other reforms.



New Mexico Gets Ready for Lower Revenue

Governments often benefit from limited-time, nonrecurring income — such as abnormally high investment gains — that add to agency coffers. In New Mexico, for example, state revenue increases when oil and gas production is robust.

But energy markets are volatile and the extra profit eventually disappears, so New Mexico officials know to spend their nonrecurring income wisely. A Consensus Revenue Estimating Group, comprised of the Legislative Finance Committee (LFC) and three executive branch agencies, releases an annual report that explains existing state finances, provides outlooks for the U.S. and New Mexico economies, and offers stress tests for three scenarios, including an oil price decline. Using colorful charts and tables, the report is an excellent example of data storytelling.

In addition, LFC staff in 2022 presented legislators with strategies to avoid structural deficits — that is, to prevent lower oil and gas profits from fundamentally damaging the state budget in years to come.

One idea: Once the higher-than-normal revenue hits a certain level, move the rest into trusts and endowments that generate investment income, and that income can fund future projects, on an ongoing basis. Lawmakers embraced the idea and shifted roughly $700 million in oil and gas profits to trusts and endowments.



Norfolk, Virginia, closed a $13 million budget deficit by moving to programmatic, rather than line-item, budgeting and using a colorful interactive budget simulation tool that lets residents weigh in on funding decisions. Based on local feedback, officials raised $18.5 million by implementing a real-estate tax increase of 10 cents per $100 of assessed value.

Industry Spotlight

State and Local Agencies Find Strength in Whole-of-State Cyber Strategy

For state and local governments and educational institutions, the threat landscape can seem increasingly daunting. Even as malicious actors grow more sophisticated and lethal, agencies continue to face significant obstacles in their efforts to defend their systems and data: cyber workforce shortages, a proliferation of point solutions that don't interoperate, and stringent budgets that limit access to much-needed resources. As it stands, it's not a fair fight.

To change the odds, agencies need to change how they approach cybersecurity. One emerging concept is whole-of-state security, in which state and local agencies collaborate on their defenses, sharing information and resources.

In this video interview, Thomas MacLellan, Director of Government Affairs and Strategy at Palo Alto Networks, discusses how whole-of-state security and related measures can help state, local and educational organizations strengthen their cyber posture.

Topics addressed include:

- The benefits of establishing joint security operations centers
- The opportunity to scale up orchestration and automation tools
- The importance of gaining visibility into all resources accessible through the public internet (i.e., your attack surface)

WATCH VIDEO



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"By joining forces, by leveraging limited resources, you can establish and create a more robust, comprehensive, and cogent cybersecurity posture."

— Thomas MacLellan, Palo Alto Networks

About Carahsoft

As the Master Government Aggregator® for our vendor and reseller partners, Carahsoft delivers a portfolio of secure IT solutions that enable the public sector to implement telework and online learning initiatives, support collaboration, ensure seamless operations, scale communications, and more.

About Palo Alto Networks

Palo Alto Networks is the global cybersecurity leader, committed to making each day safer than the one before with industry-leading, AI-powered solutions in network security, cloud security and security operations.

→ ***Learn more about Carahsoft and Palo Alto Networks***

An Experiment in Effective Budgeting

Fort Worth's New, Creative Approach to Resource Allocation

"Every time there's a good suggestion," said the cartoonist Charles M. Schulz, "someone brings up the budget." State and local governments, with their finite resources and often one-on-one constituent engagement, can find such reminders uniquely painful.

But charged with providing infrastructure and services to 20,000 additional residents each year, Fort Worth, Texas — the country's fastest-growing large city — had an idea. It shifted to priority-based budgeting for all its 26 departments and created a new data-focused entity to orchestrate it.

"We needed to think differently about … resource allocation to make sure we're making the right decisions every day," said former City Manager David Cooke, who retired in February 2025. "Not just in the budget process … but as we maybe talk about a capital plan that's 20 years into the future or [whether] we need a new library in a part of town."



David Cooke
Former City Manager,
Forth Worth, Texas



Christianne Simmons
Chief Transformation
Officer, Fort Worth, Texas

A Bird's Eye View

The linchpin of the new approach is the FWLab. Largely Cooke's brainchild, it's akin to a think tank or research arm for Fort Worth government, collecting and integrating data from often siloed departments and helping officials consider problems in novel ways. For instance, Cooke said, the lab could help determine whether more streetlights, rather than more police, would better improve neighborhood safety.

"We sort of sit with a bird's-eye view of the whole city because of [our insight into] all city planning and budgeting efforts," said Christianne Simmons, who directs the FWLab as Fort Worth's Chief Transformation Officer. "The vision of the lab is to be a pioneer in using [the collected] data in a really consistent, smart way and being really collaborative across the organization."

The 40-person lab is comprised of four divisions: budget, planning, strategy and performance, and data analytics. It is 18 months old — a toddler, Simmons calls it — and one of its early and ongoing projects has been conducting a data inventory to learn what city department owns what data, where it lives and whether it's structured or unstructured.

Initial Partnerships

Some departments quickly embraced the lab's outreach; others, not so much. "A lot of the first year has been about building trust with departments and saying, 'We're not going to take your information and twist it and present it without you knowing,'" said Simmons. The idea is that departments can work with the lab to build their cases for additional funds.

"If you don't go to the lab," Cooke said, "your chance of getting more resources is nil."

For its initial pilot project, the lab chose three "early adopters" with large budgets and lots of data: the Police, Transportation and Public Works, and Human Resources departments. The lab collaborated with a total of nine such entities the following year — fiscal 2025 — and now works on priority-based budgeting for all general-fund departments. A steering committee meets monthly to help guide the lab's projects and foster interdepartmental cooperation.

Good Hearts and Minds

"Something that we've really seen over the last year is that innovation and creative problem-solving doesn't have to cost you a lot of money," said Simmons. "Maybe you don't need a high-dollar consultant or a cool piece of futuristic software.... By putting people together who you maybe normally wouldn't, you can come up with a lot of really interesting ideas."

Indeed, curious people with good hearts and minds can achieve amazing results, Cooke said. But that requires a culture in which collaboration is expected and in which data is prioritized over more intangible factors.

"Part of the premise of data analytics, of priority-based budgeting, is that ... you truly want to make the best decisions, long term for your community that are supported by data," Cooke added. "If that is what moves you, then you're going to love the changes that we're doing here. If you like making decisions based on emotion and stories and anecdotes, then this is not for you."

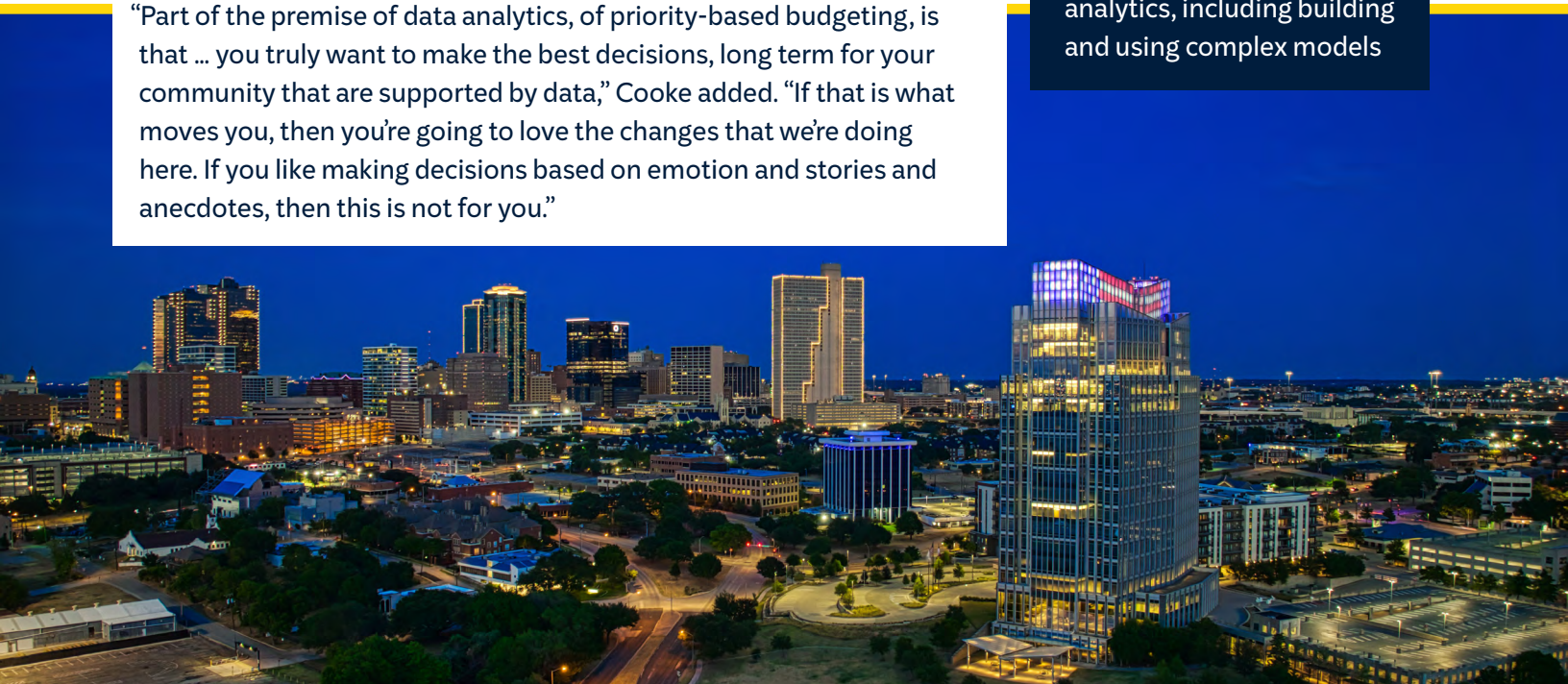
4 Divisions of The FWLab

Budget Division: provides data, analysis and other tools to facilitate financial decision-making in line with the City Council's strategic goals and priorities

Comprehensive Planning Division: charged with developing and managing the city's long-range growth and development plan and related initiatives

Strategy & Performance Division: responsible for coordinating organizational strategy with impact and outcome measurements, including survey design and analysis

Data Analytics Division: focused on the organization's data strategy, governance, and enhanced analytics, including building and using complex models



Industry Spotlight

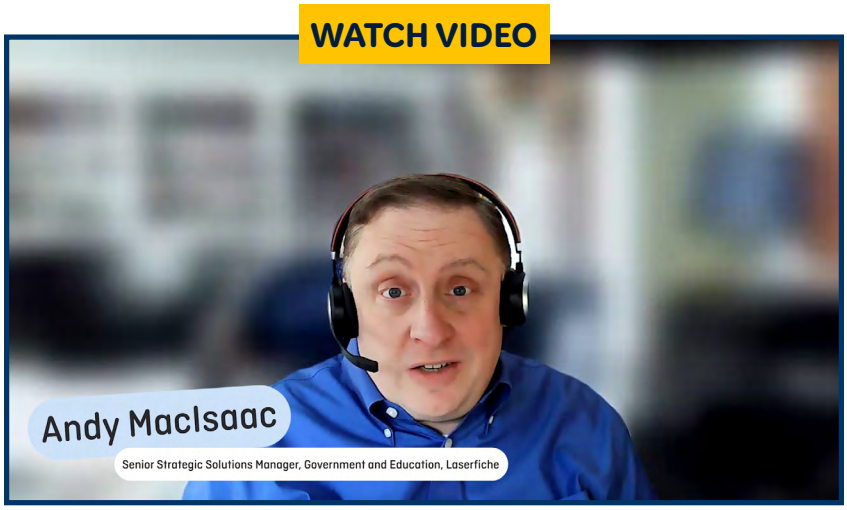
Transform Agency Operations with Digital-First Services

Modern constituent services are no longer an option. Constituents, when interacting with government agencies, expect seamless, digital-first experiences. Outdated, manual processes result in wasted time and money, fragmented data, and cumbersome security and compliance efforts.

The challenge is not to simply digitize forms but to modernize and streamline how government works, said Andy MacIsaac, Senior Strategic Solutions Manager for Government and Education at Laserfiche.

In this video interview, MacIsaac discusses the path to digital transformation. Topics include:

- Using AI to speed up data-driven decision-making
- Improving the accessibility of data through digitization
- Fostering greater collaboration around data across offices and departments



Laserfiche®

"The goal of enterprise content management is to simplify and organize information. Government agencies can streamline internal processes, enhance collaboration, and improve constituent engagement."

— Andy MacIsaac, Laserfiche

About Laserfiche

Laserfiche is a leading enterprise platform that helps organizations digitally transform operations and manage their content with AI-powered solutions. Through scalable workflows, customizable forms, no-code templates and AI-enabled capabilities, the Laserfiche® document management platform accelerates how business gets done. Trusted by organizations of all sizes, Laserfiche empowers teams to boost productivity, foster collaboration, and deliver superior customer experience at scale.

→ ***Learn more about Laserfiche***

Conclusion

State and local agencies have weighty responsibilities — related to natural disasters, the workforce, cyber threats, and funding, among other concerns — that technology can help address. In this first installment of our two-part State and Local guide series, we showcase agencies that overcame obstacles and prepared themselves for the future, using AI and other tools.

➔ ***Preregister for Part 2 of our 2025 State and Local guide series here.***

About GovLoop

GovLoop's mission is to inspire public-sector professionals by serving as the knowledge network for government. Govloop connects more than 300,000 members, fostering cross-government collaboration, solving common problems and advancing government careers. GovLoop is headquartered in Washington, D.C., with a team of dedicated professionals who share a commitment to the public sector.

For more information about this report, please reach out to info@govloop.com.

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Thank You

Thank you to Atlassian, Carahsoft, Laserfiche, NinjaOne and Palo Alto Networks for their support of this valuable resource for public-sector professionals.

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Industry Spotlight

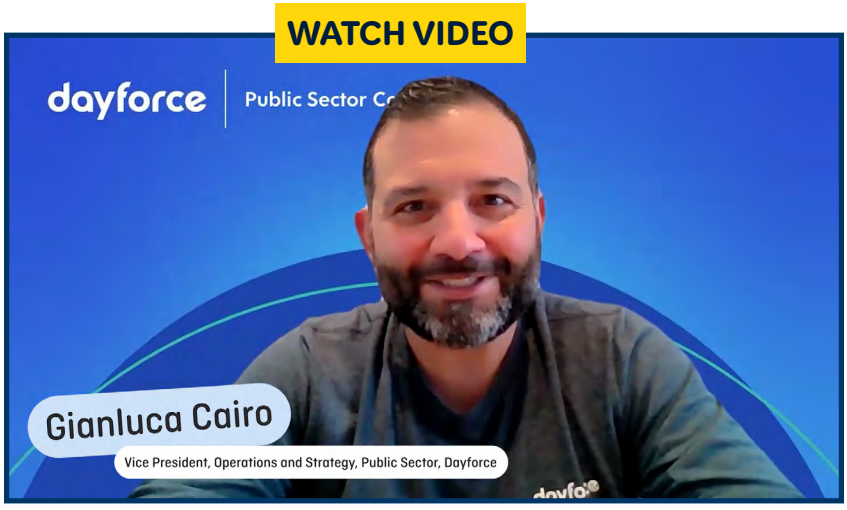
How Automation Can Strengthen Human Capital Management

The intense competition for talent, combined with shrinking budgets, makes it increasingly difficult for state and local agencies to attract and retain employees while maintaining high-quality public services. One often-overlooked challenge that complicates workforce management even further is the issue of employees being overworked and disengaged. However, this is a problem agencies can address.

Many employees spend their time bogged down in repetitive, mundane tasks that seem disconnected from their agency's core mission. By streamlining processes and implementing more automation, agencies can enhance employee productivity and improve service delivery. The result? A more engaged and satisfied workforce.

In this video interview, Gianluca elaborates on how automation can support agencies in recruiting and retaining top talent. He covers topics such as:

- Steps that agencies can take to boost the efficiency of the workforce
- The critical connection between culture and technology
- Real-world examples of how automation has led to measurable improvements in human capital management



"By helping employees work more efficiently and modernizing their tools, we empower public sector workers to focus on the work they were meant to do."

- Gianluca Cairo, Dayforce

About Dayforce

Dayforce makes work life better. Everything we do as a global leader in HCM technology is focused on improving work for thousands of customers and millions of employees around the work. Our single platform for HR, payroll, talent, workforce management, and benefits equips agencies to unlock their full workforce potential.

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