Spaceport & Technology Committee

Tuesday, November 8, 2005

1:15 PM to 3:15 PM

Room 28, HOB

ACTION PACKET

Allan G. Bense
Speaker

Bob Allen
Chair

COMMITTEE MEETING REPORT

Spaceport & Technology Committee

11/8/2005 1:15:00PM

Location: 28 HOB

Attendance:

	Present	*Absent*	*Excused*
Bob Allen (Chair)	X		
Thad Altman	X		
Joyce Cusack	X		
Charlie Justice		X	
Ralph Poppell	X		
Juan Zapata	X		
Totals:	**5**	**1**	**0**

COMMITTEE MEETING REPORT

Spaceport & Technology Committee

11/8/2005 1:15:00PM

Location: 28 HOB

Other Business Appearance:

Communications Services
Mr. John Ford (State Employee) - Information Only
Director - Telecommunications & Wireless
4030 Esplanade Way, Room 115D
Tallahassee Florida 32399

Current Activities of the Agency CIO Council
Mr. Scott McPherson (State Employee) - Information Only
Chairman, Agency CIO Council
2601 Blairstone Road
Tallahassee Florida 32399-2500

Technology today
Mr. Joe Brigham (State Employee) - Information Only
Staff Director
Technology Review Workgroup 215 Knott Building
Tallahassee Florida 32399

The status of information technology management and duties assumed by the department.
Ms. Julie Madden (State Employee) - Information Only
Deputy Secretary
Department of Management Services 4050 Esplanade Way, Suite 250
Tallahassee Florida 32399-0950

The status of information technology management and duties of the Technology Unit in the Office of Policy and Budget.
Ms. Lori Nolen (State Employee) - Information Only
Policy Coordinator, Governor's Office of Policy and Budget
Suite 1601, The Capitol 402 South Monroe Street
Tallahassee Florida 32399-0001

COMMITTEE MEETING REPORT

Spaceport & Technology Committee

11/8/2005 1:15:00PM

Location: 28 HOB

Summary: No Bills Considered

The Florida House of Representatives

State Infrastructure Council

Spaceport & Technology Committee

Allan G. Bense
Speaker

Bob Allen
Chair

AGENDA

COMMITTEE ON SPACEPORT & TECHNOLOGY
November 8, 2005

1. CALL TO ORDER BY CHAIR

2 GENERAL OPENING COMMENTS BY THE CHAIR

Welcome and Opening Comments by the Chair.

3. AGENDA ITEMS

Presentations and workshop issues related to capturing space business and strengthening Florida's space sector

Tab

(1) The status of information technology management and duties of the Technology Unit in the Office of Policy and Budget (OPB).
Ms. Lori Nolen, Policy Coordinator
Governor's Office of Policy and Budget

325 The Capitol, 402 South Monroe Street, Tallahassee, Florida 32399-1300
(850) 488-9206

(2) The status of information technology management and duties assumed by the department.
Ms. Julie Madden, Deputy Secretary
Department of Management Services

(3) Current activities of the agency CIO Council
Mr. Scott McPherson, Chairman
Agency CIO Council

(4) Update on Information Technology Management
Mr. Joe Brigham, Staff Director
Technology Review Workgroup

4. Committee members identify issues for future review and consideration.

5. Committee discusses future committee meetings; Chairman takes questions

6. Closing remarks by Chair.

Lori Nolen

Policy Coordinator

Governor's Office of Policy and Budget

Ms. Nolen is the Policy Coordinator for the Governor's Office of Policy and Budget (OPB) Information Technology (IT) Unit. This new unit has been operational since July 1, 2005. Ms. Nolen has nearly 12 years of IT consulting experience. She is experienced in IT cost analysis, long range IT strategic planning and IT business process reengineering. Prior to accepting the position with the Governor's Office, Ms. Nolen was the Assistant Staff Director for the Enterprise Resource Planning Integration Task Force.

Duties of the Governor's Office of Policy and Budget Information Technology Unit

Current Status

- **STO Reorganization Plan –** Recommended a separation of IT policy development from IT Operations. IT Operations were transferred to the Department of Management Services on 7/1/05.

- **Veto of SB 1494 –** Left a void in these critical areas:
  - Enterprise Policy Development
  - Enterprise Project Management
  - Enterprise Strategic Planning

- **Mitigating Action –** Establishment of the Governor's Office of Policy and Budget Information Technology Unit

Scope of the OPB IT Unit

The OPB IT Unit will work within its constraints to develop and set IT policy and to plan strategic direction for enterprise initiatives of interest to this administration.

Constraints

	OPB IT Unit	**STO (proposed)**
Staff	4 FTE	26
Budget	4 salaries	$3.1 million
Authority	Governor's Agencies	Governor's Agencies

Scope of the OPB IT Unit

- Direct and implement IT policy and planning
- Limit policy and planning initiatives to work that can be accomplished by leveraging agency resources
- Direct Agency CIO Council sponsored workgroups
- Target only 3 to 5 feasible initiatives this fiscal year*
- Review and recommend Agency IT Budget Amendments and Legislative Budget Requests (within constraints) based on consistency with policy

* Providing Enterprise Project Management is outside the scope at this time

Julie S. Madden

Deputy Secretary

Department of Management Services

Julie holds a Bachelor's in Engineering Technology from the University of South Florida and has continued to advance her studies in Science and Technology. Her background includes extensive application development, system implementation, project management, business development, process reengineering, and technology management. With a solid understanding of business operations and a strong focus on customer satisfaction, Julie has been able to deliver successful technology solutions to customers on a national level.

Julie has participated in the state's information technology activities and initiatives as a member of the Chief Information Officers Council Steering Committee and Accessibility Electronic and Information Technology Task Force. She has served as Deputy Secretary of Enterprise Information Technology Services to the State of Florida's, Department of Management Services (DMS). As Deputy Secretary, she maintains the Department's commitment to provide the most efficient and cost effective Telecommunications, Wireless, and Information Services to the Department and State-Wide.

Julie has also served as the State of Florida's Technology Office Chief Technology Officer. She has guided the transition of the State Technology Office's operations to the newly created Division called the Enterprise Information Technology Services within DMS. Julie joined state government in 2003.

Julie's clients have included Telefonica Data USA, Inc., Chrysler - Damler, Polo Ralph Lauren, kforce.com, Burger King, Applied Benefits Research, and AT&T.

Department of Management Services
Enterprise Information Technology Services

November 8, 2005

Enterprise Information Technology Services

The DMS Enterprise Information Technology Services (EITS) program provides Information Services, Telecommunications, and Wireless Services to state agencies and other public entities.

Information Services

- Data Center Management
- Platform Management
- Application Management

Telecommunications & Wireless Services

- Network Management
- Voice & Data Services
- Special Support Services
- State & Local Public Safety Radio Services

Information Services

- Data Center Services
- Backup & Storage
- Disaster Recovery
- System Administration
- Database Management
- Application Development and Maintenance
- myflorida.com Portal
- Email
- Universal Access
- Services Desk
- Desktop Support

Annual Services Total $16.3M

Information Services - Customers

- 17 Governor's Agencies
- 2 Cabinet Agencies
- 5 Governor's/Cabinet Agencies
- 6 Commissions
- 4 Constitutional Agencies
- 3 Counties
- 9 Cities
- 7 Other

Total: 54 Customers

Information Services - Projects

- Data Center Consolidation – IN WORK
- Relocated Print Operations - COMPLETED
- System Upgrades & Consolidation – IN WORK
  - Email Upgrade & Server Consolidation – COMPLETED

Communication Services

- Local Voice
- Long Distance
- 800 Number
- Internet Access
- Wireless Data
- 3,800 Sites on the Statewide Data Network

Annual Services Total $136M

Communication Services - Customers

Eligible Users Include

- State Agencies
- Universities
- Community Colleges
- Public and Private K-12
- Counties
- Cities
- Others such as non-profits, Commissions, …

Approximately 1,000 SUNCOM Users

Communication Services - Projects

- Voice over IP
- IP Centrex
- Voice Conferencing
- MyFloridaNet
  - Vendor replies due November 7th
  - Evaluation phase complete December 15th
  - Negotiation phase begins January 4th
  - Award late February

EITS - Lessons Learned

- Approach
  - Without Collaborative Planning to Identify Enterprise Initiatives
    - Lack of agency buy-in and support
    - Agency IT budgets & cost of services not consistently defined
    - Enterprise project opportunities not identified
  - Without Adequate Policy to Deliver Enterprise Initiatives
    - Agencies built and enhanced other data centers - today SRC operates at 51% capacity
    - Agency IT LBRs were not evaluated to determine impact to other agencies supporting Enterprise initiatives (DFS, AWI, DMS)
    - Use of shared services to reduce cost versus funding agency dedicated services not prioritized
    - IT Investments for the state not managed to achieve efficiencies
- Method of Funding
  - Without funding, we are
    - Required to charge through cost-recovery (rates vary by usage)
    - Supporting unfunded mandates and requests without cost-recovery

EITS - Mission Next 15 Months

- Continue to deliver efficient and effective Enterprise and Departmental Technology Services
- Participate in development of Enterprise IT Plan with focus on:
  - Data Center Consolidation
  - myflorida.com Portal Usability & Accessibility
  - Email & Blackberry Consolidation
  - Server & Desktop Hardware Purchasing
  - Security
  - Communications
- Collaborate with CIOs and OPB to develop IT Policy and Standards from an operational standpoint
- Provide technology support to OPB

Biography of Scott McPherson

Chief Information Officer

Florida Department of Corrections

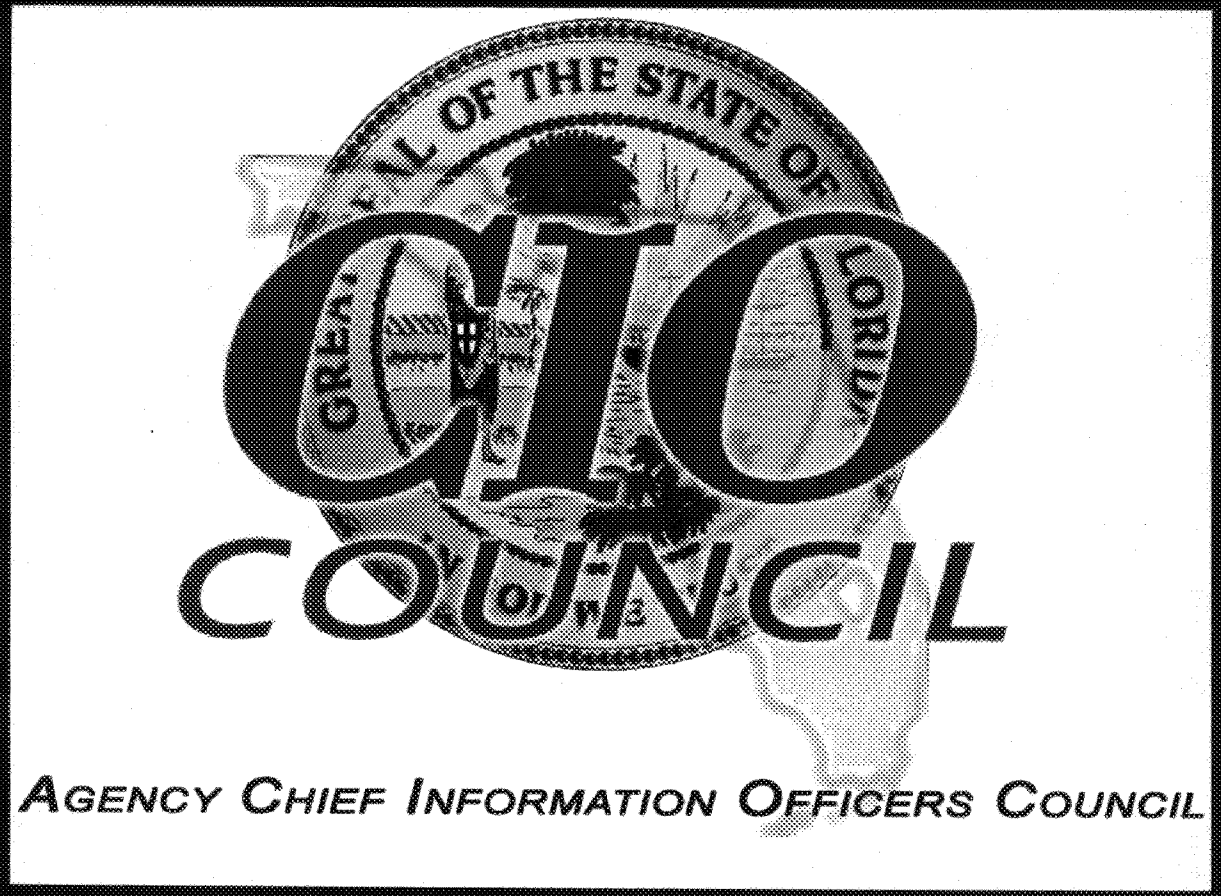
Scott McPherson is a fifth-generation native Floridian. Born in Jacksonville on September 7, 1955, Scott was raised in Broward and Martin Counties. An international businessman at age 21, Scott was elected to the Florida House of Representatives from the south Miami-Dade County area at age 25, defeating a two-term incumbent. Scott served in the early 1980s.

Scott has been a technology and communications consultant for the past eighteen years and moved his practice to Tallahassee in 1991. In 1995, Scott became Director of Information Technology for the Republican Party of Florida and guided the party's IT, data collection, software production and GIS efforts through two campaign cycles – the two most successful cycles in state Party history. In 1999, Governor Jeb Bush asked Scott to leave that position to design and helm Team Florida 2000, Florida's statewide Y2K preparedness effort. The largest IT project in Florida's history, Team Florida 2000 became a national model and garnered several state and national awards. In early 2000, following the success of TF2K, Governor Bush asked Scott to repair the ailing state Census partnership. Scott's redesigned and reenergized effort, Sunshine Count 2000, was a critical and media success, and helped Florida secure a second new Congressional district, which no political pundit thought possible.

In March 2001, Scott was appointed Chief Information Officer (CIO) at the Florida Department of Corrections. Under Scott's tenure, the Department's Office of Information Technology has won thirteen (13) Davis Productivity Awards from Florida TaxWatch for technological innovation and excellent stewardship of taxpayer dollars. He also was elected by his peers as Chairman of the CIO Council of State government chief information and technology officers.

Scott McPherson is married to the former Marta Carballo, and is stepfather to her two children. After a one-year hiatus, he returns to the microphone this season as the Voice Of the Trojans for Tallahassee Lincoln High School's football team.

Organization and Current Activities



Florida House of Representatives
Spaceport and Technology Committee
November 8, 2005

Recent History

- Agency Chief Information Officers Council in statute (F.S. 282.315)
- Truly enterprise in nature
- Council officers elected and committees appointed in early 2005
- Council is organized to foster innovation, help implement policy as directed by OPB and TRW, facilitate consolidation opportunities with DMS, and allow for seamless resumption of activities should enterprise IT organization be re-created
- DMS has permanent seat on Council, and TRW and OPB attend all Council meetings.

CIO COUNCIL

Agency Chief Information Officers Council

Mission of the Council

- Enhance communication among the Agency Chief Information Officers by sharing enterprise resource planning and management experiences and exchanging ideas.
- Facilitate the sharing of best practices that are characteristic of highly successful technology organizations, as well as exemplary information technology applications of state agencies.
- Identify efficiency opportunities among state agencies.
- Serve as an educational forum for enterprise resource planning and management issues.
- Assist the State Technology Office in identifying critical statewide issues and, when appropriate, make recommendations for solving enterprise resource planning and management deficiencies.

CIO Council meets the third Monday of each month.

Source: F.S. 282.315

COUNCIL

Agency Chief Information Officers Council

Progress toward CIO Council's Goals

- The Council is working closely with OPB, TRW and DMS to mutually move IT causes forward.
- Council gave permanent seat on Steering Committee to DMS Deputy Secretary for Technology in mid-2005.
- Council working closely with OPB's IT Policy unit to identify policy areas needing work
- Council begins evaluating agency Aspire remediation requests per 2005-06 Appropriations Act proviso, effective November 7th, 2005
- Council has already identified several potential targets for consolidation.
- The Council is joining TRW in the quest to implement IT best practices within State agencies.

CIO COUNCIL

AGENCY CHIEF INFORMATION OFFICERS COUNCIL

Membership of the Council

- Members of the council shall include the Agency Chief Information Officers, including the Chief Information Officers of the agencies and governmental entities enumerated in s. 282.3031
- One Chief Information Officer selected by the state attorneys
- One Chief Information Officer selected by the public defenders
- The chairs, or their designees, of the Florida Financial Management Information System Coordinating Council, the Criminal and Juvenile Justice Information Systems Council, and the Health Information Systems Council shall represent their respective organizations on the Chief Information Officers Council as voting members.

CIO Council Committees

Steering Committee

Data Integration and Sharing

Enterprise Opportunities

GIS

Performance Management

Security

Wireless

Minority Outreach (2006)

ASPIRE remediation (per proviso)

CIO COUNCIL

Agency Chief Information Officers Council

Steering Committee

Scott McPherson, DOC, CIO Council Chair (one year term)
Nelson Hill, DOT, CIO Council Co-Chair (one year term)

Two Year Terms

Jeff Griffin, DOACS
Raymond Marsh, HSMV
David Taylor, DOH

One Year Terms

Dianne Gish, DOR
Bruce Slager, EOG
John Willmott, DEP

Alternates

Don Lindsey, AWI
Steve Grantham, DCA

Perpetual

Deputy Secretary for Technology, EITS/DMS (currently Julie Madden)

Steering Committee Meeting Schedule:
1st Monday of Each Month - Beginning October 3
1:30 p.m. Kirkman Building

CIO COUNCIL
Agency Chief Information Officers Council

Data Integration & Sharing Committee

- **Chairwoman:**
  Dianne Gish, DOR
  gishd@dor.state.fl.us

- **Members:**
  Herb Fillyaw, DFS
  Raymond Marsh, HSMV
  Jeff Griffin, DOACS
  Patrick Sampey, FWCC
  Sandy Moore, DMS
  Brenda Owens, FDLE
  Mike Love, State Courts

- **Meeting Schedule:**
  1st Friday of Each Month
  2:30 - 4:00 p.m.
  300D Forrest Building

Mission

Identify areas where State and local agencies can share data; catalog current examples of such data sharing; promote methods where this data sharing can more easily take place; Promote and recommend standards for data sharing; create sample MOUs between agencies that would allow for such data sharing to take place; shadow Article V, CJJIS, HIPAA, and related issues; work with Security committee on identity theft issues.

COUNCIL

Agency Chief Information Officers Council

Enterprise Opportunities Committee

- **Chairman:**
  Bruce Slager, EOG
  bruce.slager@myflorida.com

- **Members:**
  Nelson Hill, DOT
  Steve Grantham, DCA
  Raymond Marsh, HSMV
  Dep. Sec., DMS
  Mike Russo, DMS
  David Taylor, DOH
  Jim Lieupo, FLDVA
  Steve Hall, DMS
  Ken Granger, DMS

- **Meeting Schedule:**
  2nd & 4th Thursday of each Month
  9:00 a.m.
  5th Floor, Burns Building

Mission

Find opportunities for enterprise activities, such as enterprise email, data center consolidation, grant funding; ad hoc consolidated purchasing opportunities; training opportunities; and similar chances for cost savings and adding value.

COUNCIL

AGENCY CHIEF INFORMATION OFFICERS COUNCIL

GIS Committee

- **Chairman:**
  John Willmott, DEP
  john.willmott@dep.state.fl.us

- **Members:**
  Nelson Hill, DOT
  David Taylor, DOH
  Dianne Gish, DOR
  Steve Grantham, DCA
  Jeff Griffin, DOACS
  Brenda Owens, FDLE
  Bob Daniels, FWCC

Mission

Promote the view of geospatial data as a critical agency and State IT asset, promote partnerships and collaboration in the development and maintenance of geospatial data, coordinate the management of geospatial data among State agencies and Water Management Districts, provide access to geospatial data where appropriate, and address governance legal and policy issues related to geospatial data access and related services.

CIO COUNCIL
Agency Chief Information Officers Council

Performance Management Committee

- **Chairman:**
  David Taylor, DOH
  david_taylor@doh.state.fl.us
- **Members:**
  Steve Grantham, DCA
  Jerry VanGuilder, AWI
  Ron Lauver, DOE
  Frank Folmar, AHCA
  Terry Sutton, DoEA
  Lynn Furiato, DBPR
  Allen Northrup, DLA
  Carol Waugh, DMS
  Randy O'Bar, Lottery
  Ken Granger, DMS

Mission

- **Establish and promote a standardized project management methodology that can be used by all agencies.**
- **Promote ITIL adoption in State agencies. Provide recommendations for a process to replace or enhance the ERPM and Schedule IV-C processes.**
- **Identify industry standard benchmarks and target performance indicators that can be used to compare the quality and quantity of agency performance and IT investment.**

CIO COUNCIL
AGENCY CHIEF INFORMATION OFFICERS COUNCIL

Security Committee

- **Chairman:**
  Steve Grantham, DCA
  steve.grantham@dca.state.fl.us
- **Members:**
  Bruce Slager, EOG
  Eddie Morton, DMA
  John Douglas, FPC
  David Taylor, DOH
  Mike Russo, DMS
- **Meeting Schedule:**
  Last Friday of Each Month
  9:00 a.m.
  Conf. Rm. 250L - Sadowski Building

Mission

- Promote the continuing fellowship with agency IS officers; work with DMS and FDLE to allow for continuation of Security functions within State government; create internal policies, standards, etc. for info and physical security of infotech assets, identify best practices; make recommendations regarding identity theft in cooperation with Data sharing committee and work with Wireless committee.

We desperately need an enterprise cybersecurity office re-created within DMS.

AIO COUNCIL
Agency Chief Information Officers Council

Wireless Committee

- **Chairman:**
  Don Lindsey, AWI
  don.lindsey@awi.state.fl.us
- **Members:**
  Jim Lieupo, FLDVA
  Dave Kallenborn, DJJ
  Dianne Gish, DOR
  Bruce Slager, EOG
  John Ford, DMS
  Randy O'Bar, Lottery
- **Meeting Schedule**
  Next Meeting: Nov. 10th, 2005, 1:30-3:00 p.m.
  Lottery Building, 250 Marriott Drive, Mega Money Conference

Mission

- Identify and catalog current, ongoing and best practices of State agencies with regard to WI-FI installations as well as wireless broadband deployment; work with DMS to identify vendor solutions on State contract and communicate to agencies; work with Security committee to develop wireless policies and strategies to secure wireless data and voice transmissions.

CIO COUNCIL
Agency Chief Information Officers Council

Mission Next 15 months

Enterprise Information Technology Services

- Continue to deliver efficient and effective Enterprise and Departmental Technology Services
- Participate in development of Enterprise IT Plan / focus on:
  - Data Center Consolidation
  - Myflorida.com Portal Usability & Accessibility
  - Email & Blackberry Consolidation
  - Server & Desktop Hardware Purchasing
  - Security
- Collaborate with CIOs and OPB to develop IT Policy, and Standards from an Operational Standpoint
- Provide Technology Support to OPB

Office of Policy & Budget

- Direct and implement IT policy and planning
- Limit policy and planning initiatives to work that can be accomplished by leveraging agency resources working within staffing and budget constraints (4 vs. 26 Proposed FTE; limited budget)
- Direct CIO Council sponsored workgroups
- Target only 3 to 5 feasible initiatives this fiscal year
- Review and recommend Agency IT Budget Amendments and Legislative Budget Requests (within constraints) based on consistency with policy.

The CIO Council will join with EITS and OPB to help accomplish this mission.

Questions?

We thank you for this opportunity to share our work with you.

AGENCY CHIEF INFORMATION OFFICERS COUNCIL

Information Technology in the State of Florida

House Spaceport & Technology Committee

Technology Review Workgroup
November 8, 2005

Current Responsibilities

*The **Technology Review Workgroup*** was established in 1997 as a joint statutory office of the Florida Legislature.

***Technology Review Workgroup** is responsible for:*

a) Analyzing information technology initiatives & providing recommendations to the Legislature for use in the annual budgeting and appropriation process within the State of Florida.

b) Performing legislative oversight and quality assurance functions on specifically identified IT projects.

c) Reviewing long range information technology plans.

d) Providing analysis & IT policy recommendations to the Legislative Budget Commission.

Focus of Today's Discussion

1. Background Data on IT Operations & Projects Costs and Current Fiscal Environment
2. FY 2005-06 Analysis of IT Operations Funded in Base Budget
3. Major Findings and Conclusions
4. Relationship Between Strategy, Projects & Operations

IT Role & Spending in Government

1. IT plays huge role, fiscally and operationally, in state government and has become *critical to government service delivery*
2. Florida ranks 3rd in estimated IT spending[1]

a)	**California**	**$3.96 billion**
b)	**New York**	**$3.77 billion**
c)	Florida	$2.14 billion
d)	**Texas**	**$2.01 billion**

3. In 1999, nearly 30% of all corporate capital expenditures were for IT. By 2009, this percentage is expected to grow to 50%. (source: Gartner & US Department of Commerce study)
4. From FY 03-04 to FY 05-06, agencies submitted new funding requests for 358 IT issues totaling more than $558.2 million
5. **IT spending by state and local governments has grown faster than the rate of inflation every year since 1982**

[1] Pew Internet & American Life Project, Pew Charitable Trusts – Fiscal Estimates Include State and Local Government

Snapshot of Current IT Projects & Operations

1. 4,732 state positions performing 13 major IT functions[2]
2. 5 large-scale Enterprise Resource Planning (ERP) projects underway with a total cost of $750+ million
3. 10+ large-scale integration & custom software development projects underway totaling more than $330 million
4. 15+ major state data center facilities; however, many more computer/server rooms are also used to house equipment for state agencies
   - *Only 1 shared use facility (DMS Shared Resource Center)*
5. SUNCOM & Routed Transport Service only significant examples of shared IT solutions provided through DMS
6. Central Administrative & Financial Systems (i.e., accounting, budgeting, human resources, procurement, etc.) *only examples of statewide shared applications*
7. MyFlorida.com not currently operating as a single state government portal for all services & information
8. State Agency CIO Council recently reorganized to address operational IT needs & delivery effectiveness

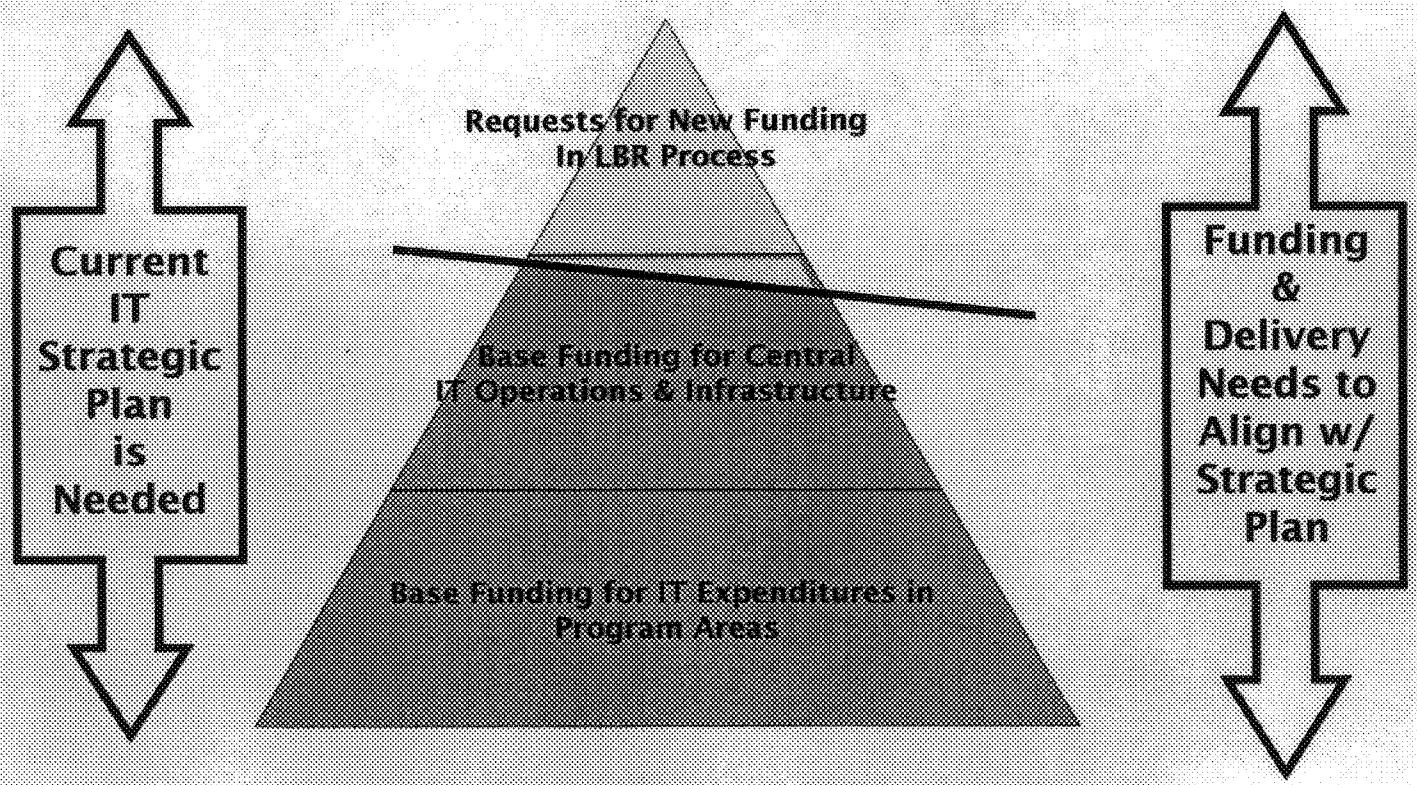
[2] State Technology Office, FY 2002-03 Enterprise Resource Planning and Management Report

Current Environment

IT funding is not only in central IT budget entity. Most agency program areas provide substantial IT funding & staffing resources.

Prior budgeting tools focused on requests for new funding. Despite growing faster than rate of inflation of every year, state decision makers have limited visibility into base budget funding for IT projects & operations.

State's efforts to implement legislative directives have been impacted by the absence of clear & specific IT strategy and policies that ensure their implementation.



FY 2005-06 IT Operations Resource Analysis

1. First year focused on common IT utility services that enable daily activities of state agencies (similar to electricity & telephones) that allow an agency to carry out its strategic functions.
   a) *Local Area Network*
   b) *Wide Area Network*
   c) *E-mail, Messaging & Calendaring*
   d) *Desktop Computing*
   e) *Help Desk*
   f) *IT Security/Risk Mitigation*
   g) *IT Administrative & Financial Systems*
   h) *IT Administration & Management*
2. Agencies identified their planned estimated IT resources & costs to be allocated from recurring base budget & documented their service level requirements.
3. Required agency IT units, budget offices & business units to collaboratively plan for department-wide needs.
4. FY 2006-07 builds upon previous year's effort to collect data for state's full portfolio of IT services.

8 Utility Services Findings

Data shows state plans to utilize more than 1,900 FTE & spend $219.13 million on these 8 utility services in FY 2005-06.

Local Area Network (LAN) Service

Hosted from 2,274 locations using 264 FTE, $27.5 million & 3,148 servers

- Deployment model based on 1980's technology assumptions when low-bandwidth & small server capacity was norm.
- Today's standard servers can effectively handle *1,000-1,500* typical file & print users. Median number of reported agency users per server is *30.*

Wide Area Network (WAN) Service

Provided with 95 FTE, $39.7 million, 137 servers to 3,449 locations

- WAN (SUNCOM/RTS) is only enterprise-wide, shared IT utility service that the state provides.
- Variation in the WAN cost is greater than expected because, for the most part, WAN services are provided to the state enteprise via SUNCOM/Routed Transport Service.

8 Utility Services Findings

E-mail, Messaging, Calendaring Service

Hosted from 854 locations using 75 FTE, $7 million & 224 servers

- E-mail costs are high due to the *similar and redundant* e-mail infrastructures deployed in each agency & the overhead required to support e-mail operations in each agency.
- While e-mail functionality is similar or identical, all agency e-mail systems are operated independently. ***Even with all this infrastructure, state officials cannot send a single e-mail to all state employees to directly & quickly communicate information.***

Desktop Computing Service

Provided with 582 FTE, $58.8 million & 121,419 PCs to 2,067 locations

- Costs reflect annualized cost of desktop support personnel, and hardware & software purchase/maintenance for each end-user.
- Personnel costs to support desktop computers also is a significant cost factor.

8 Utility Services Findings

Help Desk Service

Hosted from 510 locations using 206 FTE, $10.9 million & 38 servers

- Due to problem resolution level ranging from basic to full service support, cost varied greatly with median cost per help desk call being *$12/call*. Industry average published by Gartner is *$29.40/call* (full service problem resolution). State enterprise service desk price was *$15/call* (basic support only).
- Reported number of help desk calls per month ranged from *12 to 18,000*. Median number of calls per month was *1,050* or approximately 495 per support staff per month.

IT Security/Risk Management Service

Provided by 88 FTE, $9.3 million and 78 servers

- Total cost per user (agency FTE) in large agencies varied greatly, ranging from *$20 to $283* with the median cost per user being *$117*.
- Several agencies utilize external service providers that include security product and solution vendors and DMS.

8 Utility Services Findings

IT Administrative & Financial Systems Service

Hosted from 638 locations using 273 FTE, $22.3 million and 200 servers

- Reported number of users was most significant factor in cost comparisons. Costs ranged from *42 users and $123,892 in costs* to *11,000 users and nearly $6.2 million in costs.* Median service cost per user was *$317.*
- If properly managed, many agency specific administrative and financial systems could be subsumed by ERP implementations.

IT Administration & Management Service

392 IT Management & Administrative FTE and $31.1 million

- On average, more than 98% of the cost of service was for state FTE.
- Median number cost per staff was $68,744 with a median number of 7 administrative/management staff per agency.

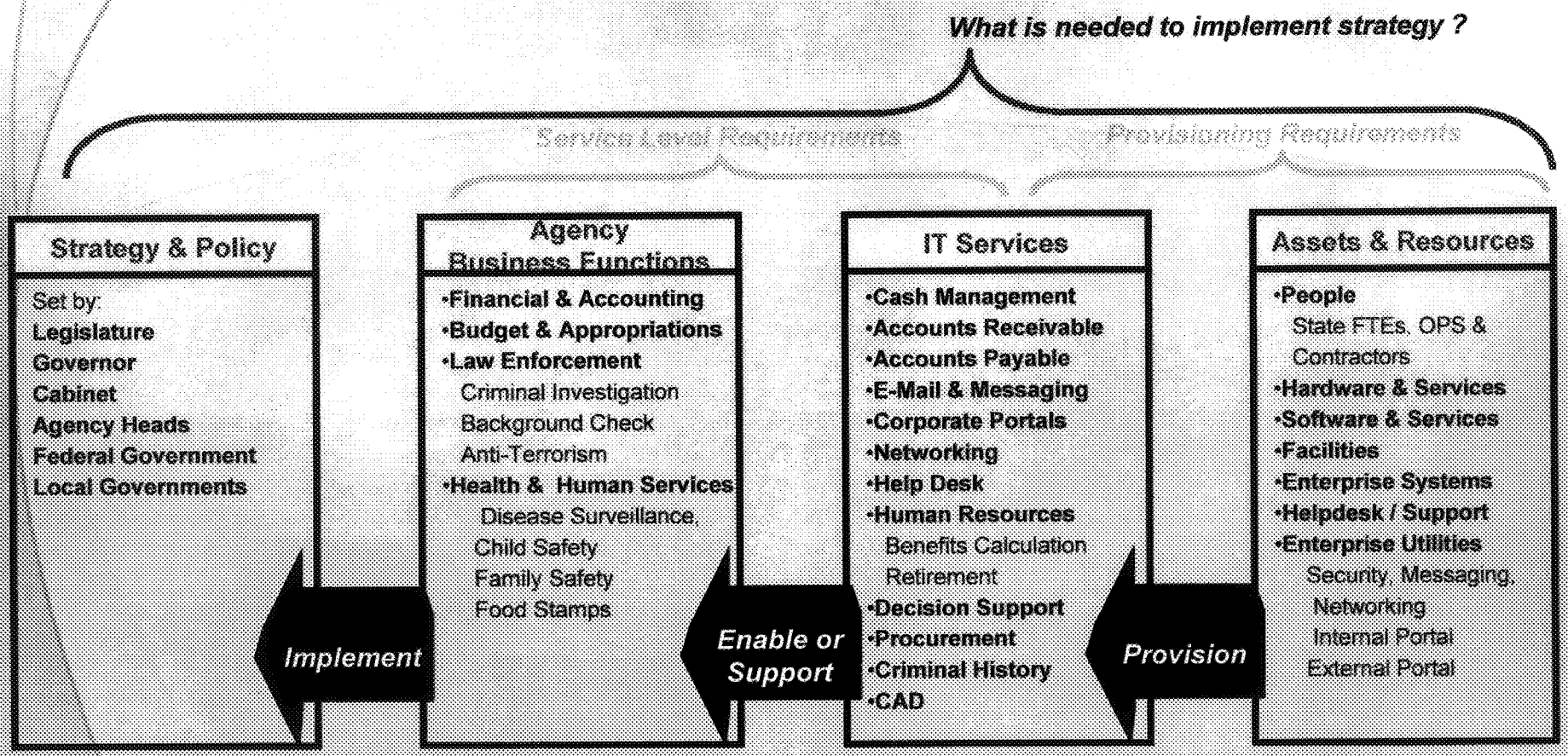
Service Level Requirements – 8 IT Utilities

1. **No significant variation in agency service requirements reported *(however, significant cost variations were reported).***
   a) While some agencies indicated they have unique service requirements, most requirements were not "unique". **Within common policy areas of government, service requirements were nearly identical.**
   b) Some agencies citied compliance with data privacy laws, such as the federal Health Information Portability & Accountability Act & other statutory or regulatory confidentiality requirements; **again, these *differences were not significant among agencies within common policy areas.***
2. **Nearly all agencies indicated they could change to another service provider, if the same level of quality & service was available at equal or less cost**
   a) Some agencies cited a general need to retain in-house support & knowledge of these utility IT services; however, it is unclear why agencies would not be open to change since they identified very similar or identical service requirements.
   b) A few agencies indicated current delivery methods meet agency needs at the lowest cost; ***however, the data provided to support these assertions did not substantiate this claim.***

Service Level Requirements – 8 IT Utilities

3. **Based on the reported number of end-users being supported, server utilization was very low.**
   a) Excessive quantities of under-utilized servers indicates redundant systems among (and sometimes within) state agencies.
   b) Agencies are not always taking advantage of the improved hardware and software capacity and increased price / performance points that have become available over the past several years.
4. **Unusually high numbers of hosting locations are used to provide IT services.**
   a) The number of hosting locations is a significant component of service costs **since hosting locations require funding to support the overhead costs related to hardware, software, staffing, and facilities requirements.**
   b) Significant numbers of hosting locations **do not inherently equate to higher levels of service and increased capability.** (e.g., electronic mail, File & Print)
5. **Most agencies are not regularly reporting on their ability to meet / not meet IT service requirements.**
   a) Service requirements identify the business standards that must be supported and also serve as the basis for planning necessary operational changes and enhancements.
   b) Few agencies reported that they had established any formal or informal service requirements other than a general need for the service. However, similar or identical service requirements permit the use of **standardized service level agreements.**

IT Operations – Should be driven by Strategic Plan



IT Service = One or more IT systems that enable a business function

Strategy, Projects, and Operations

Define the State's policies for providing IT services

Strategic plans are needed to set specific business objectives, goals, targets

Operations =
Recurring Activities
Necessary to support daily needs

Projects =
Temporary Initiatives
Implement new policies & business strategies

Conclusions

1. **Agency IT operations are influenced by years of decentralized planning, management, and deployment of state IT resources.**
2. **Many agency IT Infrastructures & corresponding staffing models were initially designed and implemented more than 10 years ago.**
   a) Deployment and delivery support models that were standard (only) practices in the past no longer represent best standards of practice
   b) Improved agency level IT planning is warranted to correct these issues.
3. **The State operates & maintains a costly IT utility services landscape.**
   a) The proliferation of redundant systems among state agencies (and sometimes multiple infrastructures in a single agency) has increased the cost and complexity of state's current IT infrastructure
   b) Significant fiscal & operational advantages can be realized through implementation of more effective IT service delivery models
4. **Strategic plans are needed to implement specific IT policy objectives, and determine timelines for achieving.**
   a) **Strategic plans are necessary to enable desired behaviors;** without a strategic plan, specific business objectives are unknown or subject to question and interpretation.
   b) **The OPB IT Policy Unit and the State Agency CIO Council can help to develop specific strategic planning recommendations that are reviewed, finalized and approved by the Legislature.**

Conclusions

5. **Policies for deploying, managing, operating, and utilizing common IT utility services <u>and</u> state owned/operated data centers are needed to:**
   a) enable the breakdown of inherent organizational barriers and jurisdictional boundaries that have prevented more effective IT delivery models in the past.
   b) address multi-agency governance and management, shared usage requirements, staffing & rate-setting, and operations.
6. **To ensure that all issues are comprehensively addressed, a legislative workgroup (comprised of representatives from fiscal and substantive policy areas) should be established and charged with developing IT policy proposals and reviewing strategic planning recommendations. Utilizing necessary executive agency input, such a workgroup should be tasked with:**
   a) identifying *IT Governance & Management Stakeholders* and determining proposed decision rights that should be assigned.
   b) identifying *IT Governance & Management Structures* and processes needed to operate the state's IT environment.
   c) identifying proposed *IT Policy Objectives, Alignment Principles and a timeline* for their implementation.