



Office of the Secretary of Technology

Governor's Technology Initiatives ~ Remarks to the House Appropriations Technology Oversight and Government Activities Subcommittee



The Honorable Aneesh P. Chopra
Secretary of Technology

January 2008



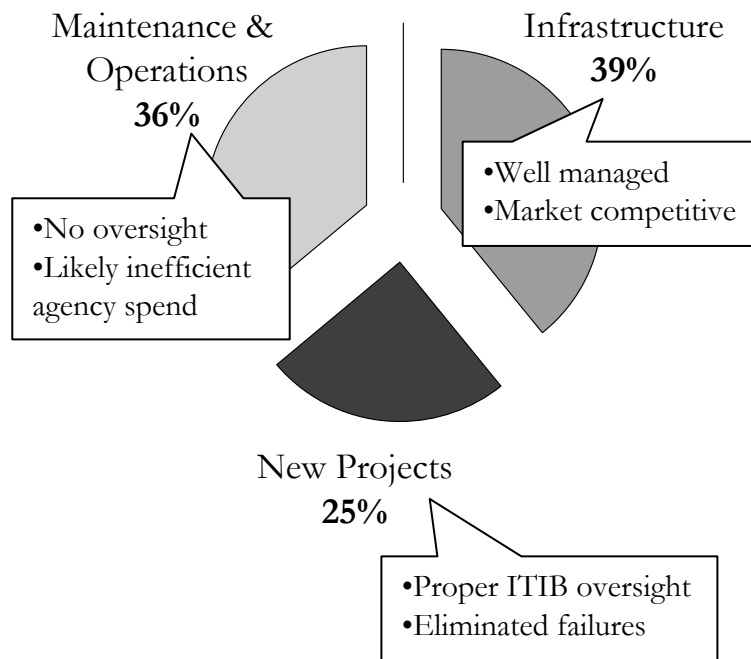
Office of the Secretary of Technology

IT Governance

Kaine Administration Focused on Addressing IT Governance Gaps

APA IT Governance Report
*\$607M Spend - FY2007**

APA Select Recommendations
Administration Response



Recommendations	Concern	Response
#1,2 – <i>Agency IT Budget Oversight, Reporting</i>	Limited visibility on total IT spend across Commonwealth	Assign responsibility to Chief Applications Officer to develop strategy
#3,4,7 – <i>Governance Funding, Shared Services, Project Mgmt</i>	Inability to utilize infrastructure rates leaves function under-funded	Fund VEAP office, Productivity Investment Fund
#5 – <i>Establish Data Standards</i>	Insufficient data standards likely increases project costs when sharing data across agencies	VEAP primarily focused on building data standards across Commonwealth
#6 – <i>Budgeting for New Systems</i>	Current approach blending operating and project costs limits ability to evaluate investment choices	Assign responsibility to Chief Applications Officer to develop strategy

*APA Estimate excluding Higher Education

Source: "Information Technology Governance," APA, November, 2007



Office of the Secretary of Technology

Work in Progress

ITIB Votes to Direct CIO/CAO to Develop Shared Operating Plan



COMMONWEALTH OF VIRGINIA
Office of the Governor

Timothy M. Kaine
Governor

January 15, 2008

Governor Kaine appoints **VEAP Director** Feldmann to serve as **Chief Applications Officer** to address IT applications challenges

Mr. James F. McGuirk, II, Chair
Information Technology Investment Board
AKLM Consulting, Inc.
18341 Buccaneer Terrace
Leesburg, Virginia 20176

Dear Mr. McGuirk:

The Commonwealth has made significant strides in the management of its information technology resources since the establishment of the ITIB and VITA several years ago, particularly in the areas of project and infrastructure management.

While these gains have been impressive, the Auditor of Public Accounts' December 2007 report on Information Technology Governance highlighted additional improvement opportunities in the areas of IT governance, portfolio management and IT budget oversight.

I am recommending an improved approach to managing these areas with the assignment of the Director of the Virginia Enterprise Applications Program to the position of Chief Applications Officer (CAO). Recognizing the current budget constraints, and striving to leverage existing Commonwealth resources, I am requesting your assistance in the development of an operational plan to improve oversight and management of the areas listed above.

Some of these responsibilities currently lie with the Chief Information Officer. Working together, I am confident we can properly align these to optimize management efficiency and productivity from our information technology investments. These efforts will better align the Commonwealth's business model and IT strategy, improve maintenance and operations planning, enhance enterprise application efforts, create data standards, increase transparency in our return on investment, and provide a comprehensive IT governance model for managing all the IT resources of the Commonwealth.

On **January 17th, 2008**, the ITIB heard testimony from VEAP Director announcing her appointment as **Chief Applications Officer**; after considerable discussion, **Chair McGuirk** suggested the CIO and CAO work together on an operating plan to address IT governance issues by **April** Board meeting; **Vice-Chair Johnson** formalized the motion which passed **unanimously**



Office of the Secretary of Technology

Budget Intentions

Fund Modernization, Streamline Accountability, Drive Innovation

- **Fully-fund IT Infrastructure Partnership**
 - Provide funding for an unbudgeted increase in information technology rates due to federally-initiated decentralized rates program. For each year, **\$4.5M(GF Net)**
 - Eliminate information technology related operating efficiencies savings assessment as they are already factored into the public-private agreement with Northrop Grumman. For each year, **\$4.9M(GF)**
- **Include VITA in Continuation of Budget Cuts Absorbed by all other Agencies**
 - Direct VITA to continue savings voluntarily achieved in **FY2008** through the introduced budget. JLARC-approved **December 2007** rates already incorporate savings in lower overhead costs
 - Acknowledge VITA's current overhead is in line with benchmarks as determined by Gartner
- **Streamline Accountability for Public Safety, Procurement**
 - Assign State Coordinator of Emergency Mgmt as Chair of Wireless e-911 Board; maintain Integrated Services Program at VITA to deliver great value to local governments
 - Accelerate modernization plan for procurement; support independent study of VITA including value of separating IT-related procurement from DGS
- **Continuation of VEAP, Modest Expansion of the Productivity Investment Fund**
 - Continue support for the Virginia Enterprise Applications PMO to continue 6-year modernization effort. For each year, **\$1.1M(GF)**
 - Add funding to invest in projects to lower operating costs, improve customer service, and initiate enterprise applications. Combined funding for the biennium, **\$3.4M(GF)**



Office of the Secretary of Technology

Streamlining Accountability

Best Role for Technology is as an Enabler to Support Agency Goals

Enhanced 911 Program

National Approach a Collaborative

- ~Federal administrator is the Transportation Department, in partnership with FCC
- ~<5 states administer program through IT
- ~Virginia amongst the leading states in e911

Proposal to Align Public Safety Efforts

- ~VDEM the lead agency for emergency preparedness and response
- ~Staff will remain part of newly developed Integrated Services Program at VITA
- ~Designate VDEM agency head as Chair of e911 Board

Procurement

Comprehensive Procurement Reform Key Pillar of Enterprise Modernization

- ~VEAP Program envisions comprehensive procurement reform
- ~National best practices firm endorses eVA as strong foundation for modernization

Proposal to Evaluate VITA effectiveness, including Procurement

- ~DGS accountable for modernization program to address efficiency opportunities across all procurement (with project review by ITIB)
- ~Independent body to study effectiveness of VITA, including value of separating procurement authority



Office of the Secretary of Technology

Virginia Enterprise Applications Program (VEAP)

Seed Investment of \$11M On Track to Accelerate Back-Office Reforms

- **Enterprise Application Modernization**

- *Performance Budgeting:* Delivers capability to compare Commonwealth goals and objectives against performance; **RFP** expected by end of **January, 2008**
- *Financial Management:* Provides platform for consolidated financial system; **RFP** expected by end of **March, 2008**
- *Broad Agency Participation:* **30** core team members from across **43 agencies** participating in validation workshops over **120 agency staff** validation future state documents via workshops

- **Commonwealth Shared Services**

- *Business Intelligence:* Provides decision makers with timely, understandable, and actionable information; **RFP** expected by end of **January, 2008**
- *Content Management:* Development of a shared service to convert paper records into an automated workflow; **IBM** software selected as standard **October, 2007**; four integrators selected in **November, 2007**; shared service strategy developed **December, 2007** to address Commonwealth needs including **22 small agencies** who are keen to participate

- **IT Governance (In Collaboration with CIO)**

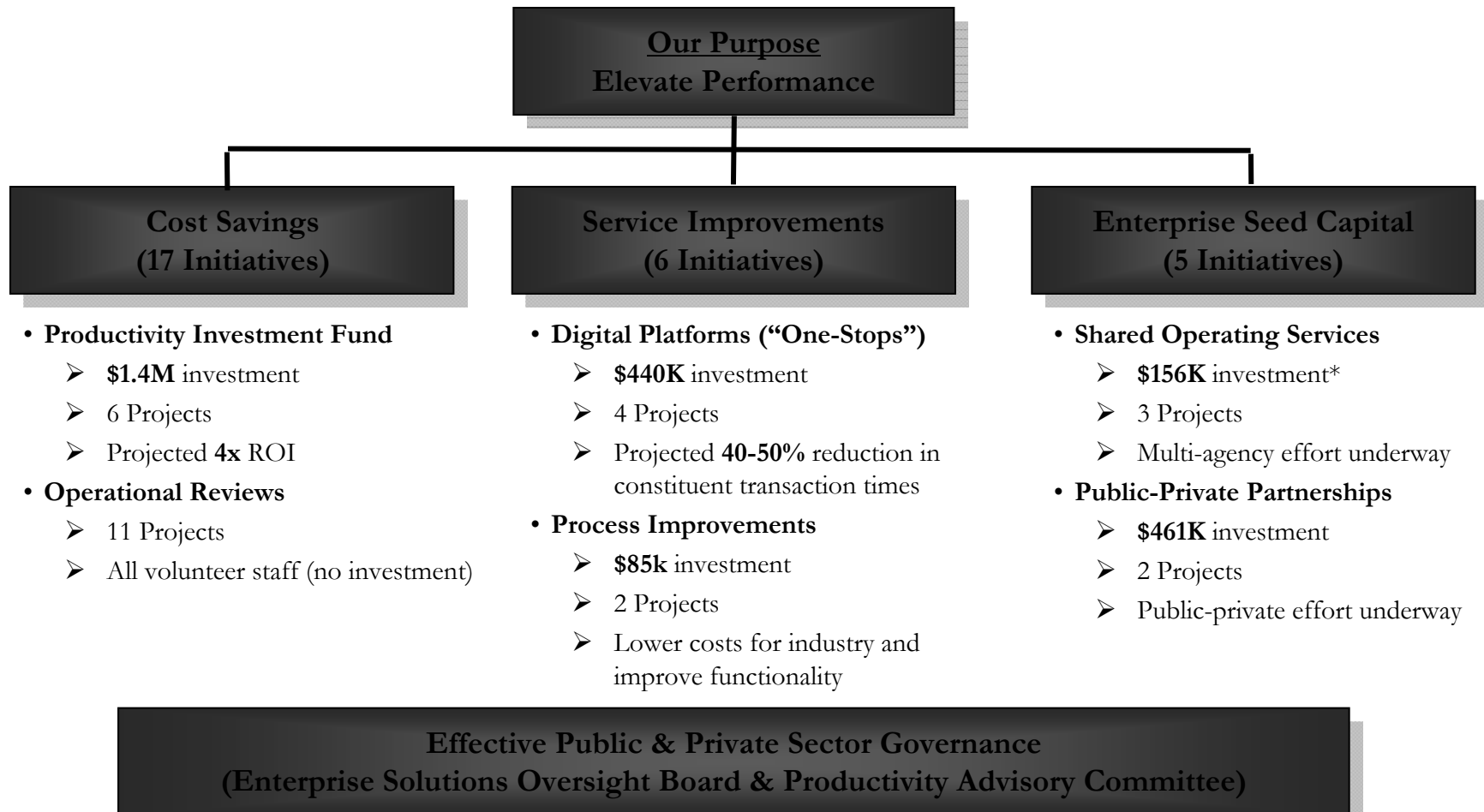
- *Strategic Planning:* Incorporate planning for IT maintenance and operations spend
- *Portfolio Management:* Maximize taxpayer value for application investment
- *Data Standardization:* Develop a Commonwealth data management strategy (**report once, use many**)



Office of the Secretary of Technology

Productivity Investment Fund

A Portfolio Management Approach to Deliver Productivity Investments



*Does not include \$11M dedicated towards VEAP Project Planning



Office of the Secretary of Technology

Chief Applications Officer

Enterprise Leadership to Spur Multi-Agency IT Collaboration

Initiative

Description

Business One Stop

New website designed to streamline myriad forms required to start a new business in Virginia and avoid data entry duplication; of **37** most common forms, **445** data fields include **324** duplicates

Turbo-Vet

New website designed to streamline federal veteran's benefits application; current veteran wait times of **240 days** for final answer expected to fall to **100 days** through more accurate submissions

Identity Management

Analysis of existing identity management activities to assess viability of shared service; currently, **13 agencies** are charged with verifying identity but **most rely on SSN or DMV** rather than invest resources