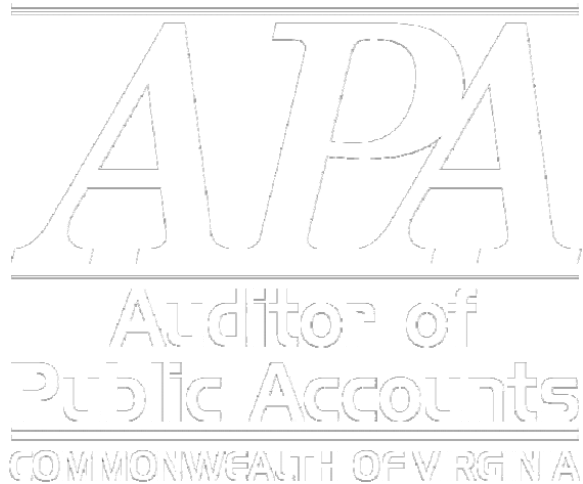


Information Technology Governance



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Presentation Outline

- VITA Timeline
- Current Technology Spend
- IT Governance Concerns and Recommendations
- Other Technology Areas

VITA Timeline

- September 2002 - Governor Warner issues the first Commonwealth IT Strategic Plan.
- November 2002 - BearingPoint report on IT Transformation suggests savings and efficiencies by consolidating IT operations.
- December 2002 - JLARC presents report on Systems Development, recommending improvements through centralized approval and project monitoring.

VITA Timeline

- April 2003 - Legislature creates VITA effective 7/1/03 which:
 - Consolidates IT equipment operations, ownership and management of all executive agencies, excluding higher education and independent agencies (in-scope).
 - Creates the ITIB (Board).
 - Authorized Board to hire CIO under 5 year contract.
 - Established Project Management Division (PMD), separate from VITA IT operations, to develop standards, training, provide project oversight and monitoring for new applications and systems.

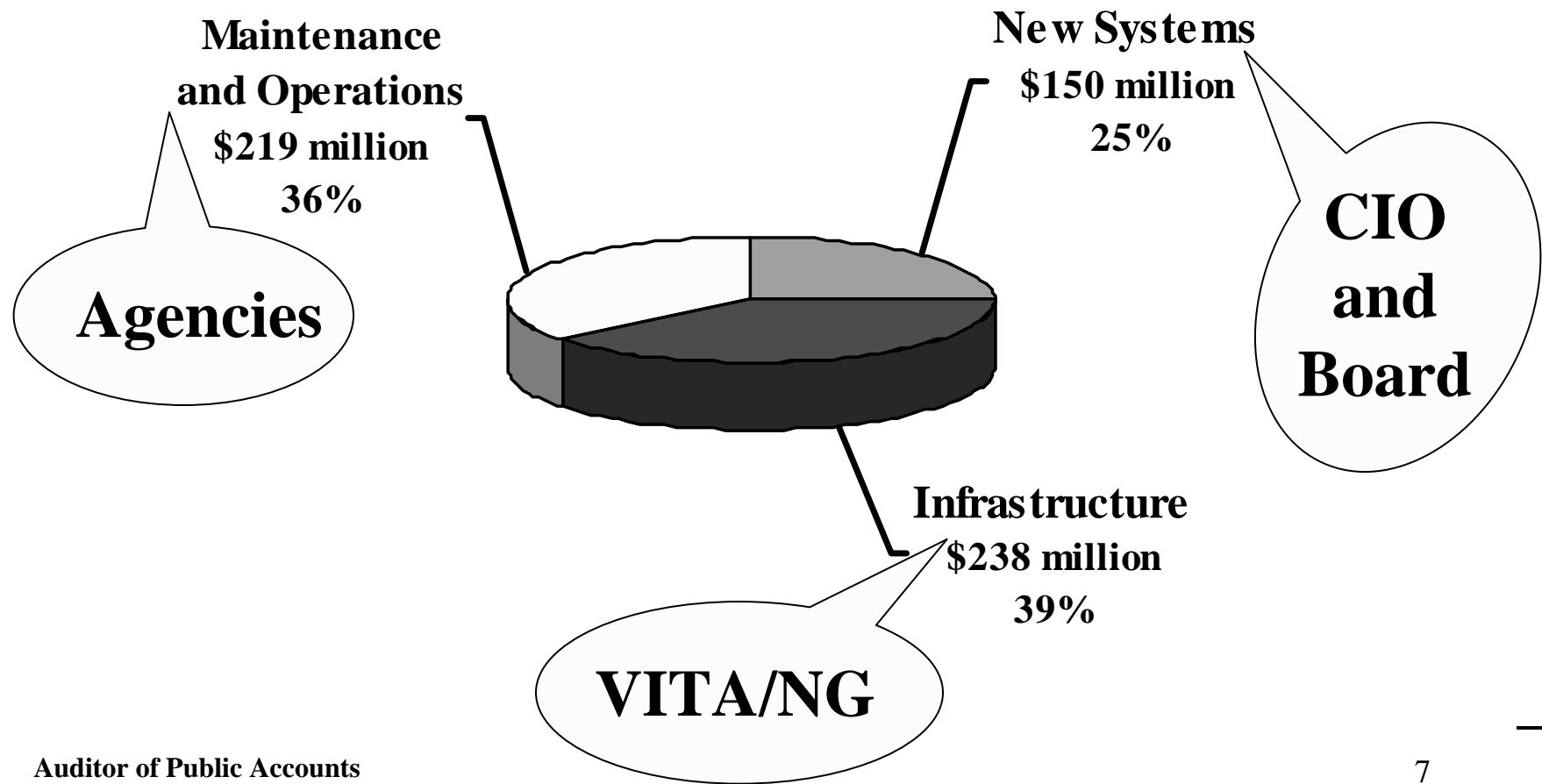
VITA Timeline

- December 2003 - VITA began receiving unsolicited PPEA's to outsource some VITA services.
- February 2004 - Board hired Lem Stewart as CIO.
- July 2003 through December 2004 VITA transitioned all agency IT asset and related personnel to VITA.
- Agencies still responsible for managing applications that run on VITA's hardware.
- November 2005 - Board awards a comprehensive agreement to Northrop Grumman to provide IT infrastructure operations to in-scope agencies.
- July 2006 – VITA IT infrastructure operations begin transfer to Northrop Grumman.

Northrop-Grumman Public-Private Partnership

- Effective 7/1/06 NG took over computer service operations from VITA.
- 10 year, \$2 billion dollar contract.
- New data center, new back-up facility, help desk support, infrastructure ownership and management.

Breakdown of Annual Spending



Comparison of COVA IT Governance to Best Practices

- Each IT spending area has different processes for approval and funding.
 - VITA/CIO/Board processes for new systems are good and maturing.
 - Infrastructure processes are transforming through VITA/NG.
 - Maintenance and operations is decentralized and there are no actions in the current budget for increased control over how agencies spend their maintenance and operations budget.
- Many entities control various pieces of the process with no one entity determining the overall direction or overseeing spending.
- The Board has discussed how to improve visibility over what agencies spend on IT and improving IT investments, but realize they do not have the authority to collect data or enforce compliance.

IT Governance Conclusion

- There is a relationship between all three IT spending areas and all need sound IT governance practices.
- Opportunities exist to improve IT spending across all areas and reduce the current silo approach.
- Many of the Commonwealth's IT governance problems result from the disparate processes used to provide governance and the lack of central planning, investment, control and monitoring.

IT Governance Recommendations

1. Improve agency IT budget request detail and provide authority for oversight.
2. Collect information in the Portfolio (Prosight).
3. Provide for an Office of the CIO or funding for Board activities.
4. Review IT funding and budget model for small and medium sized agencies.
5. Delegate data standard responsibilities and require new systems to conform.
6. Provide new systems development budgets in a manner similar to capital outlay.
7. Provide General fund moneys for project management policy.
8. Finalize Northrop Grumman procedures manual to include on-going governance.

Implementation Suggestion

The Virginia Enterprise Applications Program (VEAP) Office exists in the Appropriations Act and has a Director with authority to implement new enterprise applications. Agencies must comply with the Director's directives and requirements and the Director reports directly to the Governor.

Without additional action the Director can:

- Require agencies to provide IT spending information.
- Use VITA's Prosight tool to accumulate IT spending data.
- Require agencies to use VITA's Enterprise Business Architecture model to document what systems they use and what activities they support.
- Analyze budget and architecture information to identify enterprise opportunities and recommend improvements including new systems development projects to the CIO and Board.
- Develop Commonwealth data standards with approval by the CIO and Board. These data standards could be used by CIO and Board when approving and monitoring new systems to ensure they comply and are compatible.

Other Technology Areas - Court Systems

- Supreme Court exercises control over district court automated systems but does not have similar control over circuit courts.
- Circuit Courts are using their Technology Trust Funds to pay for these systems – approximately \$37 million to date.
- May be more economical if developed centrally or collaboratively.
- No systems development standards used since VITA has no authority over judicial branch.
- Recommendations:
 - The need to establish or exercise oversight over circuit courts purchasing and implementing new systems.
 - Enforce a systems development methodology and standards.
 - Create a consortium to build one system that all district and circuits can use rather than uneconomical duplication of effort.

Other Technology Areas - Transfer of IT Procurement

- Governor's budget includes the transfer of IT procurement from VITA to DGS.
- There are no apparent benefits of this transfer.
- This change could undo the progress on new applications oversight.
- We recommend VITA retain this responsibility.

A complete copy of our December 2007 IT Governance
report can be found at:

www.apa.virginia.gov

Questions?