

LFD REVIEW OF THE STATEWIDE IT STRATEGIC PLAN

A Report Prepared for the
Legislative Finance Committee
And
Select Committee on Efficiency in Government

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The Montana information Technology Act (MITA) requires the Department of Administration seek advice from Information Technology Board (ITB) to develop the statewide information technology (IT) strategic plan. This plan is completed via the office of the state Chief Information Officer (CIO), who must forward it to the Governor by March 1 of each even fiscal year and to the Legislative Finance Committee (LFC) at its next scheduled meeting after March 1. The LFC has the opportunity to review the plan and determine if any comments are warranted under the committee's responsibility to monitor IT policy changes that may require future legislative attention including any the fiscal implications.

The purpose of the statewide strategic plan is to establish the direction that state agencies will use to develop, deploy and implement information technology. Subsequently, state agencies will develop an agency level IT plan that demonstrates how the agency will align with the state strategy. The agency's plan is reviewed by SITSD and certified by the state CIO. This report provides to the committee an overview of what is proposed in the strategic plan as it aligns to responsibilities of the LFC and where the Select Committee on Efficiency in Government (SCEG) may impact the plan. The proposed strategic plan is included in the appendix of this report.

STRATEGIC PLAN - OVERVIEW

The strategic plan is written from the point of view that IT should be considered an asset, not just an expense. Within state government IT has historically been viewed in terms of what it cost to design, develop and implement. The proposed strategic plan takes steps towards examining IT an asset through continual process improvement activities, increased collaboration across state government and the movement toward examining IT expenditures as investments to deliver efficiencies, rather the cost to the bottom line. This move encourages procurement with a dedicated purpose, with an outcome geared to meeting the needs of the target audience, and with an eye on cost control.

The plan includes five major goals with 17 subsequent objectives and corresponding action points. A summary of each goal follows below and includes LFD comments to highlight points that the Legislature should be aware of.

Goal 1: Achieve maximum value of information through active management of information technology.

This goal promotes opportunities to efficiently manage IT resources across state government as a whole. The related activities, with LFD comments, include:

- Awareness of information security issues across state government.
 - LFD Comment: The ultimate responsible for the security of information within an agency lies with the agency director. SITSD can promote information security management by various means, but the responsibility ultimately lies with the agency. The CIO has no power to require agencies to adhere to state policies or directives.
- Issues with recruiting and retaining a qualified IT workforce.
 - LFD Comment: Agencies have asserted that the IT skills currently available on the market are not aligned with what agencies need. This objective directs the agencies to examine the issue and come up with a plan. However, this is agency driven and could result in pay/classification issues among agencies which can create cross competition for a limited pool of qualified applicants. Potential solutions could also include training programs or implementation of career ladders. Any solution with pay related changes may require additional funding.
- Use of electronic signatures, archiving and elimination of required paper documents.
 - LFD Comment: The SCEG is currently working on identifying statute and rules that require signatures and physical paper to determine if there is an electronic alternative. At first pass, there are over 1,800 references to signatures in the Montana Code.

Goal 2: Aggressively use technology to extend capabilities that enhance, improve, and streamline service delivery.

This goal promotes service delivery through the appropriate use of technology. The related activities include:

- Establishing policy and procedure for utilizing the cloud for information storage
 - LFD Comment: At the February meeting of the SCEG, the CIO was requested to prepare a framework for the use of cloud computing and make a recommendation regarding the creation of the state cloud to be delivered at the April meeting of the SCEG. How the state chooses to use the cloud could have impacts on costs and the utilization of the state data center.
- Development of database brokerage projects to increase available information to all related parties
 - LFD Comment: A brokerage project, such as IJIS (Integrated Justice Information System), is an example of where databases are merged together from Corrections, Justice, and District Courts, to act as one portal to information for law enforcement. For more information see: <https://doj.mt.gov/enforcement/montanas-integrated-justice-information-system-ijis-broker-project/>. Additional projects would allow cross-agency collaboration on similar populations.

Goal 3: Build an infrastructure/architecture that provides citizens and employees of the state access to information however and whenever they need it.

This goal relates to utilizing the most robust technology available in order to meet the various needs of the public and the employees of the state. The emphasis is that information should be available when the user needs it, not when it is convenient for the state to provide access. The related activities include:

- Establish architectural and operations standards to provide a framework for all state IT operations
 - LFD Comment: When standards are put into place and adhered to, the ability of agencies to share information is enhanced. In following one set of standards, the state reduces exposure of costs to complete work to allow systems to talk to one another. In addition, this type of management could reduce the number of portals a citizen would have to reach to find specific, but maybe related information.
- Develop strategies and work plans to confront the issue of legacy application portfolio management.
 - LFD Comment: A legacy system is one that runs on an outdated platform, uses an obsolete language or is no longer supported by the system developer. Maintaining such systems can be costly and have high risk to the state. This activity may develop an inventory of legacy systems, identify risks associated with the system and create a plan for replacement. This may allow the legislature to prioritize the replacement of systems within available funding.
- Develop a long term strategy for mobile computing to provide the workforce with greater flexibility and agility.
 - LFD Comment: The SCEG recently requested that the CIO work with the Information Technology Managers Council, the Computer Systems Planning Council (CSPC) and Montana Interactive to create a policy or plan for future mobile computing needs. Included in the plan, it is suggested that the group select five governmental functions, including one in the Legislative Branch, as demonstrations projects to prove-out the technology and infrastructure support.

Goal 4: Enhance the reliability and security of the state's information systems.

This goal brings the issue of security front and center to assure that the state's risk for breach of IT systems is mediated and that all applicable state and federal rules associated with data security are met. Key activities include:

- Document and implement processes for risk identification, evaluation, management, and mitigation using a common set of metrics to accurately measure and improve the state's risk posture.

- LFD Comment: The ultimate responsible for the security of information within an agency lies with the agency director. SITSD can promote information security management by various means, including CIO standards; however the implementation is left to the agency. The CIO does not have the power to require adherence to the standards.
- Develop the methodology and framework for ensuring compliance to legal and regulatory requirements.
 - LFD Comment: Agencies should be aware of the requirements associated with their data and the data shared with others. Since this is not the case, the state risks the loss of federal funds or sanctions if such requirements are not met.
- Review and update enterprise and agency security and privacy policies, standards, and guidelines that support an agile, adaptable, and resilient technology infrastructure, and provide for the proper protection of citizens' personal information.
 - LFD Comment: This is a pro-active attempt to implement security where security may be lacking. If a breach of information occurred and the subsequent investigation identified that personal information was compromised, the state could be responsible for subsequent actions, such as credit monitoring for affected parties.

Goal 5: Develop and implement an information technology governance structure for delivery of expected benefits.

This is the goal that creates the drive to do the right things and to do those things right. IT governance is a set of processes that ensure the effective and efficient use of IT to enable agencies to achieve its goals. Activities may include:

- Identify and exploit opportunities to provide services through the enterprise or collaborative communities of interest versus single agency approaches.
 - LFD Comment: This can apply to the state as a whole. Montana, along with Utah, Colorado and Oregon are utilizing the Western States Contracting Alliance (WSCA) guidelines to procure cloud storage for GIS data. The SCEG is receiving an update on this project at the March meeting to evaluate lessons learned and next steps in the process.
- Create mechanisms to ensure project compliance with IT policies, standards, terms and conditions, and guidelines.
 - LFD Comment: This type of work elevates the importance of good project management. If done correctly, all IT projects would be held to the same standards for planning, design, and development. To enforce this type of work, the legislature may wish to examine IT requests within these standards and consider on-going costs to operate such systems.
- Develop a capital planning process that supports defining and prioritizing of IT investments, improved project management and oversight, and training.
 - LFD Comment: If the legislature chooses to continue to fund large IT projects in a specific bill, this information would be valuable to in making informed decisions. However, this does not address the smaller, and often just as important IT investments that are made from base budgets.

SUMMARY

The statewide IT strategic plan provides the framework for the implementation of information technology within state government for the next biennium. The examination of this plan provides the LFC with the opportunity to identify points in the plan that may require legislative attention. The LFC could consider the following based on the strategic plan:

- Examine IT funding requests, both long range and HB2, in a joint meeting of subcommittees. This would allow the legislature to look at IT development, through operations and maintenance of systems. The LFC could propose a global motion to implement this process. This would address goals 3 and 5.

- Further examine the issue of IT staffing. The LFD has the tools to examine vacancies, pay issues and current recruitment. This would help the Legislature define the issue and consider solutions. This would specifically address goal one, however without quality IT staff across state government, the entire strategic plan cannot be successfully implemented.

The second phase of the strategic planning process is that of the agency IT plans. Those plans must be developed and approved by the CIO on or before June 30, 2012. The examination of those plans could also reveal specific areas that may warrant legislative attention. The LFC could consider receiving updates, such as those listed below, at the September 2012 LFC meeting.

- Analysis of the statewide cost of proposed IT initiatives.
 - IT initiatives are executive program planning (EPP) items for IT spending, a project with a \$500,000 or higher budget; or a budget of \$100,000 or more and comprises of 25% or more of the agency's IT budget
- Compilation of state wide security issues to determine if alternatives exist that would increase efficiencies and decrease costs.
- Preliminary estimates of IT budgets for FY 2014 and FY 2015

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