



Office of the Governor

INFORMATION TECHNOLOGY SERVICES

IT Modernization: Strategic Overview

IT Modernization is Governor Little's initiative to enhance cybersecurity and increase efficiency in IT services across agencies, enabling agencies to become IT consumers rather than IT providers.

The Case for IT Modernization

- State agencies duplicate efforts in manpower, services and products; there are 550 IT personnel in the Executive Branch; however, service and skills vary greatly, adding unneeded complexity.
- Cybersecurity is a critical aspect of modernization; it reduces the number of systems exposed to attack, enables faster response to incidents, and promotes consistent security across agencies.
- Creating a Security Operations Center improves our defensive capability against all threats.
 - A 2018 study sponsored by IBM estimates the **average breach cost at \$3.6 million**.
 - Breach costs don't include the value of a loss of citizen confidence.
- The State is not harnessing its purchasing power; individual agency purchases are costing more.
- A similar initiative has been successfully completed for the Department of Commerce, the Commission on Aging, the Divisions of Human Resources and Financial Management, the Bureau of Occupational Licensing, and most boards and commissions.

Cost Savings

- Realized through consolidating duplicative infrastructure and reductions in workforce.
- Reduce software costs by establishing standardized solutions and statewide licensing.
- 13 FTE were identified as **excess** of what's required ($49-36=13$); **13 FTE's = \$887,500**.
 - 83 FTE in 8 agencies were evaluated for same or similar IT functions performed.
 - 49 FTE were identified as providing common IT functions; these FTE will be removed.
 - 36 FTE will be added to ITS to perform common IT functions for the 8 agencies.

Phases of IT Modernization

- IT Modernization is planned to take 5-years (target 2023) and include all executive agencies except constitutional offices; some agencies may retain an embedded IT component.
- Agencies in Phase I were identified based on several criteria, including: pending moves to the new Chinden Campus; complexity, size, and common services; and single points of failure.
- Agencies under consideration for Phase II include Department of Fish and Game, Department of Water Resources, Department of Labor, and Department of Corrections.
- Phase II and following phases will focus on adding needed functions, such as systems architecture, innovation, data sharing, project management, and software licensing.
- Modernization will allow adding functions while decreasing total employee count.

Service Goals for Agencies

- Dedicated IT support with deep expertise for consistent service to agencies.
- Clear IT performance expectations, measurements, and accountability.

Professionalize the IT Workforce

- IT Modernization provides focused training, improving depth of knowledge and expertise.
- Creates clear career paths and opportunities within a single enterprise organization.

Evolving Customer Service

- Modern IT support leverages tools to personalize service using remote technicians.
- Agency staff will have access to an expanded service desk (12 technicians) with direct access to subject matter experts for faster resolution of complex problems.

Addressing Compliance, Accreditation, and Audits

- IT Modernization will enable ITS to dedicate full-time personnel to a new Compliance Office, focused on ensuring agencies are compliant with regulatory frameworks.
- This is a new function; agencies' IT staff are burdened with absorbing work related to IT compliance requirements for IRS data, payment card industry, medical and health data.

IT Modernization in other States

- Illinois: per December 2016 report, the state expects to **save 5%** (\$30 million) of their IT budget.
- Utah: cost savings are estimated at **\$2.7 million** upfront and **\$1.3 million** annually.
- Ohio: saved **\$150 million** through standardized tools and systems and online customer portals.
- Louisiana: saved **\$75 million** through consolidation of data centers, services, and systems; elimination of vacant positions; and statewide software licensing.
- Michigan: saved an estimated **\$115.1 million** and expects to save **\$36.3 million** annually.

Source: NASCIO 2016 State CIO Survey with 2017 Updates

