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# Information Technology Work Group

An overview of the background  
and current processes for IT purchasing in  
Washington

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**The Office of Program Research  
Senate Committee Services**

September 26, 2007

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# Process for funding of IT projects

- In the budget process IT proposals are considered along with other funding requests.
- OFM analysts work with DIS and agency staff to evaluate decision packages for larger scale IT investments.
- DIS staff assess the risk level of individual IT investments and determine the level of oversight (ISB or DIS) that may be required.
- Although DIS is available to support agencies, they are not mandated to utilize DIS services.

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# DIS/ISB Risk Assessment

- IT Projects may be identified as low, medium, or high risk- (Level 1, 2, or 3).
  - **Level 1 projects** are managed by the requesting agency.  
*Agency Projects*
  - **Level 2 projects** receive DIS oversight.  
*Moderate Impact Projects*
  - **Level 3 projects** receive ISB oversight.  
*Major Impact Projects*
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# The State Budget Process...

- The Governor's budget proposal is released in Mid-December.
- During the legislative session, projects may be revised. Additionally, some new projects may be added while other investments may be removed entirely from the final operating budget.

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## *In the 2005 Operating Budget...*

The Legislature directed JLARC to evaluate the review and funding processes for state information technology projects.

JLARC Report 06-4: Evaluation of Budget Processes for Information Technology Projects <http://www1.leg.wa.gov/reports/06-4.pdf>

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# Three major parts of JLARC's report:

1. **A review of agency reporting of IT expenditures;**
2. **An evaluation of the state's IT project review and funding processes; and**
3. **An identification of processes used by other public and private entities as sources for possible improvements in Washington.**

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## **In February of 2006, JLARC issued its final report, which included 5 recommendations:**

- 1. The ISB should require all agencies to submit IT projects expenses and budget in consistent portfolio reports. (Initiated)**
  - 2. The DIS should resume statewide IT performance reporting biennially to the Governor and the Legislature. (Initiated)**
  - 3. The DIS should identify gaps in its ability to provide decision support for IT project review and funding, as well as for the state's budget process. (In Process)**
  - 4. The Legislature should consider ways to time funding more closely with the timing of projects.**
  - 5. The ISB should investigate other methods to help agencies improve their early IT project cost estimates. (In Process)**
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# Legislative Actions during the 2007 Session ...

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# Section 903

- Requires that agencies consult with DIS when making an investment in IT services.

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# Section 1621: The IT Pool

- Provides \$83 million in funding for IT investments; eligible projects are identified in LEAP Document IT-2007
- The Pool is composed of 68 projects proposed for funding by agencies during the 2007 Session.
- The release of funding for an IT project is subject to DIS and OFM approval.
- The Governor vetoed a provision (subsection 4) that would have required feasibility studies for risk level 2 projects. However, agencies were directed by the Governor to develop investment plans to aid the state in reducing costs and realizing economies of scale.

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# Significant Budget Items in DIS

- **Project Management Office- \$2.73 M**

Assigns project managers to high risk projects and provides funding for development of a statewide portfolio and project management application.

- **Enterprise System Integration- \$2.21 M**

Shared technology infrastructure will allow systems to interact according to the state's guidelines for systems integration. Technical consulting is provided to state agencies to promote the use of shared IT infrastructure.

- **Enterprise e-Mail Archive Service- \$1.87 M**

Establishes an enterprise email archive service to assist agencies in reducing time spent on records requests, comply with record retention schedules, and restore email systems in case of failure.

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# HB 2289: Created a Joint Legislative Task Force to review:

1. A statewide information services strategy;
2. Development of a process to strengthen the mandate of DIS in acquiring various information services;
3. Leveraging the purchasing power of DIS to drive down the cost of securing IT services; and
4. Strengthening the role of the ISB in enhancing the utilization of services offered by DIS.

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**Note:** HB 2289 was not enacted last session.

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# The Information Technology Work Group

## (or why we are here...)

- **Background:** As part of the 2007-09 Operating Budget, the Legislature created the IT Work Group (ITWG).
- **Purpose:** To improve state strategies, administration and coordination of information technology.

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# Legislative Intent/Findings

- **Intent:** Improve administration and coordination of information technology projects.
- **Findings:** Opportunities are being missed to use the expertise in DIS and to leverage the purchasing power of DIS to drive down the cost of securing information services.

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# Work Group Membership

- Director or designee of DIS
- Director or designee of OFM
- Member of the ISB
- Two members of the Senate, one from each of the two largest caucuses and
- Two members of the House, one from each of the two largest caucuses.

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# Other Work Group Participants

The Work Group shall invite representatives to participate from the following groups:

- **One large state agency**
- **One small state agency**
- **The State Board for Community and Technical Colleges**
- **The State Library**
- **A research university**
- **A regional university**
- **Two members of the public**

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# Issues for Work Group to Review

1. **A statewide information services strategy;**
2. **The approval and oversight process of IT projects;**
3. **Leveraging the expertise and purchasing power of the DIS; and**
4. **Opportunities to provide cost efficient and equitable access to digital resources, including on-line databases, for faculty and students at public institutions of higher education, state employees, and the public.**

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**Note:** In conducting its review, the workgroup must consider approaches used in other states to achieve these goals.

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# Target Dates

- **Draft Report:**

November\_\_\_\_, 2007

- **Final Report to the Legislature:**

December 1, 2007