



Virginia Information Technologies Agency

VITA 2008 Annual Report

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Presentation Topics

- VITA statutory roles
- 2008 accomplishments
- IT Infrastructure Partnership
- Challenges
- Looking ahead



VITA statutory roles

- Provide statewide information technology services
- Oversee information security policies and standards
- Oversee information technology (IT) investment management and major IT projects
- Support E-911 services for 137 local governments
- Host statewide Geographical Information System (GIS) data and maps
- Manage the PPEA agreement with Northrop Grumman to modernize IT infrastructure

VITA helps the Commonwealth strategically plan and manage IT



2008 accomplishments

- No major project failures since 2003
- Commonwealth agencies and institutions are choosing IT projects that are aligned with business needs and resources
- VITA and the Information Technology Investment Board promote projects that can be shared by more than one agency or all agencies, further leveraging funds
- We are seeing projects that improve business practices, take advantage of technical advances, promote collaboration and improve citizen access

VITA helps agencies successfully select and manage IT projects



2008 accomplishments

- Significantly strengthened information security in the Commonwealth
 - Commonwealth Security provided policy and standards to all three branches of government to strengthen security programs
 - Successfully moved data processing from a data center rated a security risk to new facility rated highly secure
 - Improved disaster recovery capability and moved services back in-state to Southwest Virginia
 - Actively monitored information security and threat environment centrally
 - Released information security awareness video
 - Launched citizen-facing information security resource center

VITA helps build citizen trust in Virginia government



2008 accomplishments

- VITA worked with Harvard to survey customers and develop a customer satisfaction enhancement plan
- VITA released the 2008 Statewide Comprehensive 9-1-1 plan, defining key strategic initiatives for improving 9-1-1 services
- IT infrastructure expenditures are no longer discretionary – they are planned, budgeted expenditures
- VITA has dramatically increased SWaM spending from \$4M to \$80M
 - Spending will go down beginning this year as transformation projects conclude



2008 recognition

- Virginia's security program rated first in the nation in 2008 by National Association of State CIOs (NASCIO)
- Virginia's infrastructure partnership rated #1 in the nation by NASCIO
- Virginia's Web site ranked #1 in the nation by the Center for Digital Government
- Virginia moved from an A- to an A in 2008 for "Information" in the Government Performance Project
- Virginia ranked #3 in the nation for all aspects of technology by the Center for Digital Government





IT Infrastructure Partnership

- What is it?
 - A 10 year, \$1.9 billion agreement with Northrop Grumman to modernize IT infrastructure for 85 agencies (networks, PCs, phones, servers, e-mail, etc.)
- What's the business value of the partnership?
 - Northrop Grumman has invested more than \$270 million in Virginia in upfront capital
 - Corrects millions of dollars in infrastructure deficiencies
 - Creates a standard IT environment that is maintained and replaced – in good times and bad
 - Creates 433 jobs in rural southwest Virginia and \$40M investment in workforce development programs
 - Ensures competitive pricing for IT services
 - Brings forward ideas and innovation of the private sector
 - Caps IT spending at FY05 levels (\$236 million)

“Jump-Starting” Infrastructure Investments Through Private Partners

Messaging Services



Enterprise Exchange/Outlook E-mail
Enterprise Collaboration Tools
Active Directory, DNS
\$25M Investment

Desktop



Mass Desktop Refresh
Network Printer Consolidation and Refresh
Enterprise Desktop Management Systems
\$35M Investment

Help Desk



Enterprise Help Desk in Russell and Chesterfield
Field Based Agents and Technicians for Level 3
Enterprise Help Desk System (Peregrine)
\$10M Investment

Mainframe and Servers



New IBM and Unisys Mainframes
Consolidation and Refresh of Servers
Migration of servers to the Data Center
\$50M Investment

Transformation

People – Process – Tools
Reliable, High-Performance,
Enterprise-Wide IT Infrastructure
\$270 Million Investment

Security



Enterprise Security Operations Center
Computer Security Incident Response Center
Secure Internet Gateway
\$10M Investment

Tier 3 and Tier 2 Facilities



New Data Center/Office Building in Chesterfield
New Disaster Recovery Center and Help Desk
in Lebanon, Russell County
\$60M Investment

Network



New Commonwealth-Wide MPLS Core WAN
LAN upgrades to Local Switches/Routers as Needed
Network Re-addressing of IP, DHCP
\$60M Investment

Voice / Video



Voice-Over IP Network Optimized for
Voice and Video Traffic
\$20M Investment



What problems is the partnership solving?

- Old, inefficient and under-utilized equipment
 - Large percentage of IT equipment was over eight years old
 - Servers operated at an average of 25% capacity
 - A hodgepodge of systems
- Inconsistent staffing, support and compliance
 - Thousands of devices with no IT support staff and no documented software licensing
 - Thousands of devices lacked maintenance
 - 42 separate help desks
 - No consistent performance measures
- Inadequate information security
 - Inconsistent practices and use of virus protection
 - Data center rated a security risk; inadequate disaster recovery
 - Inability to monitor the threat environment centrally



What has the partnership accomplished?

- Constructed custom-built data center in Chesterfield County and back-up facility in Russell County
- Replaced much of the state's outdated infrastructure with a standard IT platform
 - Replaced 27,300 PCs at 68 agencies
 - Migrated 1,076 agency sites to statewide network
 - Consolidated more than 800 servers
 - Converted 8,368 e-mail accounts to statewide e-mail service
- Significantly improved information security and enhanced disaster recovery capability
- Implemented standard support services and created statewide help desk



Is the partnership a wise investment in today's economy?

- The partnership gives Virginia a new IT environment at FY05 costs
- The agreement anticipated budget swings (up and down)
- IT infrastructure is now mission-critical; we cannot do business the old way and hope to meet our obligations to the Commonwealth's citizens
 - Information security is no longer "optional"
 - Web sites and online services are no longer "optional"
 - Hardware maintenance and replacement is no longer "optional"
 - Software licensing is no longer "optional"



Challenges

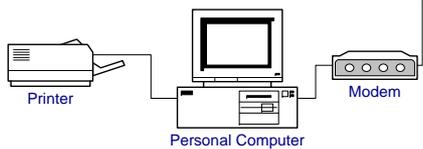
- What you may hear: “VITA costs too much”
 - Doing IT *right* in the Commonwealth means increased costs as we level IT across agencies
 - VITA’s rates are reviewed and approved by JLARC and HHS
 - The partnership agreement has provisions to ensure competitive pricing
 - IT infrastructure expenditures are capped at FY05 levels
 - In many cases, comparing apples to oranges
 - The old costs were for equipment only; new costs bundle services, including regularly scheduled replacement

VITA costs are fair, competitive and regulated

Challenge of Cost Comparisons

Home PC User

Typical Home PC User
21% of the standard VITA Support Costs

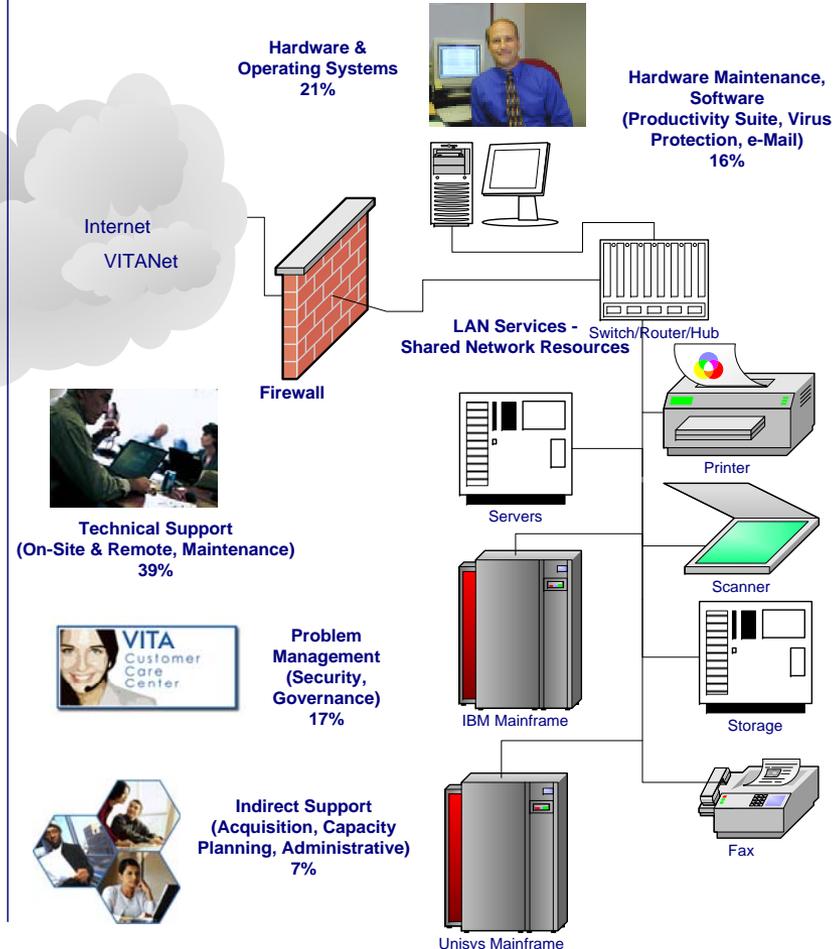


One-Time Purchases
Hardware & Operating Systems
100% of standard home PC costs
21% of standard VITA support costs



Desktop Services

Typical VITA PC User - \$85 to \$120/month
100% of the standard VITA support costs





Challenges

- What you may hear: “VITA services are worse”
 - VITA is committing to service level agreements (SLAs) – performance targets
 - Individual agencies will have SLAs in their MOUs with VITA
 - Contractual penalties if certain SLAs are missed, credits for meeting certain SLAs
 - VITA is measuring services across the state and at individual agencies
 - Not done before
 - Critical to effective management and proactive problem-solving
 - VITA and Northrop Grumman continue to drive improvements in support services
 - Customer request fulfillment
 - Procurement, inventory management and billing

Challenges

- Service delays are not only expected, they are often a sign of progress
- Recognizing agency frustration with such delays, VITA is working with customers to implement customer satisfaction enhancement plan
 - Near-term actions
 - Mid-term actions
 - Long-term actions





Summary

- VITA is helping the Commonwealth do IT business the right way
- Significant progress was made to improve information security, modernize the infrastructure and manage IT investments
- The PPEA partnership provides business value to the Commonwealth, especially during tough economic times
- Continued commitment, cooperation and collaboration is required for success
 - Some of the most difficult work occurs this year
 - Expect continued resistance to change
 - We are addressing challenges



Looking ahead

- Issue first annual report assessing the strength of information security programs at 88 agencies (target: December 2008)
- Complete IT infrastructure modernization program (target: July 2009)
- Continue to promote IT investments in the Commonwealth to improve business practices, increase accessibility, enhance citizen convenience and promote collaboration
- Improve disaster recovery services and options
- Once infrastructure platform is in place, turn attention to applications
 - Virginia Enterprise Applications Program charged with replacing legacy enterprise-wide applications



For More Information on VITA

www.vita.virginia.gov

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