The IT Spend Trend analysis was performed using four categories of data. Data used in three of the IT Spend categories are from Cardinal, provided to VITA by the Virginia Auditor of Public Accounts (APA): IT Payroll, Payroll associated with Operations & Maintenance, and Non-Payroll spending associated with Operations & Maintenance. The fourth category is IT Project data, extracted from The Commonwealth Technology Portfolio application (CTP).

Also, the Virginia Department of Transportation (VDOT) does not report its payroll data to Cardinal. That data by fiscal year for 2011 - 2019 was provided directly from VDOT and included in the IT Payroll total. VDOT IT Payroll totals approximately $5 million - $6 million each fiscal year.

Exhibit 1 shows IT project dollars spent on new investments for fiscal years 2008 through 2019. These cost figures were taken from the data reported by agencies on the Commonwealth IT Projects Dashboard each month. FY2011 is higher than the other years because of expenditures in the Virginia State Police (VSP) Statewide Agencies Radio System (STARS) project, and Part 1 of (then) VDOT's Cardinal Project. The size of the STARS project was not typical of the average project, and 2011 was an unusual year even for STARS as the project had expenditures of approximately $78 million during that year after expenditures more than that in 2008 of approximately $87 million. Three 2011 projects, VDOT's Cardinal Project Part 1, Virginia Employment Commission's (VEC) Unemployment Insurance Modernization, and Department of Motor Vehicles' (DMV) DMV CSI Systems Redesign Project - Development and Implementation had combined expenditures of $37,377,290 and contributed to the increase in project spending in FY2011 over FY2010.
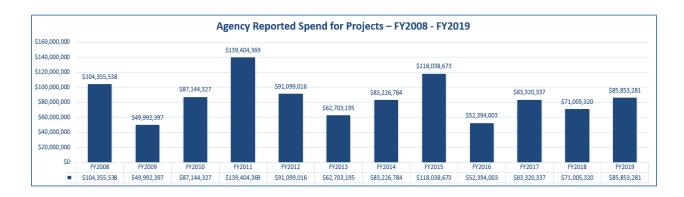


**Agency Reported Spend for Projects – FY2008 - FY2019**

| | FY2008 | FY2009 | FY2010 | FY2011 | FY2012 | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 | FY2019 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| ■ | $104,355,538 | $49,992,397 | $87,144,327 | $139,404,369 | $91,099,016 | $62,703,195 | $83,226,784 | $118,038,673 | $52,394,003 | $83,320,337 | $71,005,320 | $85,853,281 |

*Exhibit 1: IT project dollars spent on projects in FY2008-2019 by Executive Branch agencies under oversight and governance.*

FY2015 also revealed high project costs with the Department of Social Services' (DSS') EDSP Migration Project ($42,452,330), the replacement and enhancement of VSP's Central Criminal History application ($25,850,495), and Part 3 of (now) DOA's Cardinal Project ($16,900,710).

Overall IT expenditures for Executive Branch agencies for FY2011 through FY2019 can be seen in Exhibit 2, which shows the breakout between VITA infrastructure & telecommunications, agency project spending under oversight and governance, and ongoing operations and maintenance (O&M) over the twelve fiscal year period. These expenditures do not include the state's independent agencies, higher education entities, or Judicial Branch and Legislative Branch agencies. The data for each of these years are from year-end reports from the state

accounting system of record--Commonwealth Accounting and Reporting System (CARS) through FY2016 and Cardinal beginning FY2017--and are provided by the Auditor of Public Accounts (APA) in Excel workbooks.  In the past, agencies have not reported against baselines for projects of less than a million dollars on the Commonwealth IT Project Status Report Dashboard or in CTP.  Accordingly, VITA does not have a method for determining dollars spent in a given fiscal year for those projects. These dollars are embedded within the O&M category at this time.

CARS formerly, and now Cardinal captures agency-reported data, making spend numbers wholly dependent upon accurate coding of expenditures by agencies.
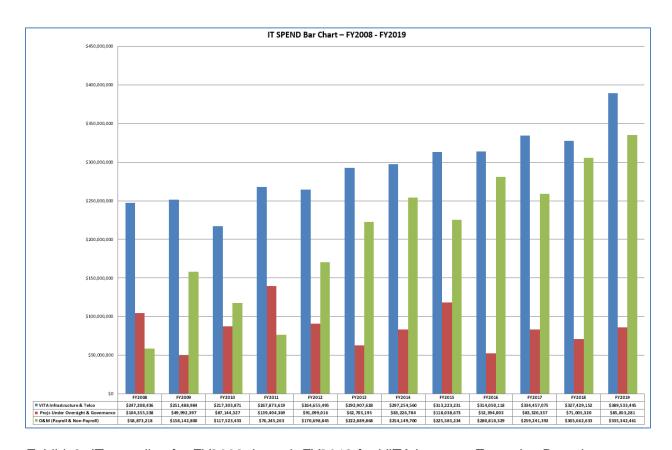


**IT SPEND Bar Chart – FY2008 - FY2019**

| | FY2008 | FY2009 | FY2010 | FY2011 | FY2012 | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 | FY2019 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| VITA Infrastructure & Telco | $247,208,436 | $251,488,984 | $217,303,871 | $267,873,619 | $264,655,495 | $292,907,628 | $297,254,560 | $313,223,231 | $314,050,118 | $334,457,075 | $327,429,152 | $389,533,445 |
| Projs Under Oversight & Governance | $104,355,538 | $49,992,397 | $87,144,327 | $139,404,369 | $91,099,016 | $62,703,195 | $83,226,784 | $118,038,673 | $52,394,003 | $83,320,337 | $71,005,320 | $85,853,281 |
| O&M (Payroll & Non-Payroll) | $58,873,218 | $158,142,800 | $117,523,433 | $76,245,263 | $170,698,845 | $222,889,868 | $254,149,700 | $225,585,234 | $280,810,329 | $259,241,392 | $305,662,633 | $335,342,461 |

*Exhibit 2: IT spending for FY2008 through FY2019 for VITA in-scope Executive Branch agencies*

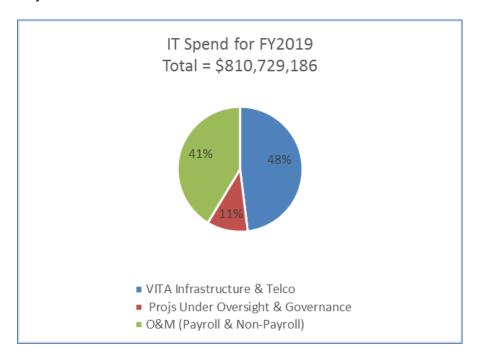Exhibit 3 below shows expenditure breakouts by percentages for each category for FY2019 only.



Exhibit 3: IT Spend for FY2019; total equals $810,729,186

The IT Spend Trend line graph below (Exhibit 4) shows that VITA Infrastructure & Telco costs generally increased gradually and increased more significantly in FY2019.  This increase is estimated to be related to completing the transition from the previous single-source servicing integrator to the current multisourcing servicing integrator (MSI).
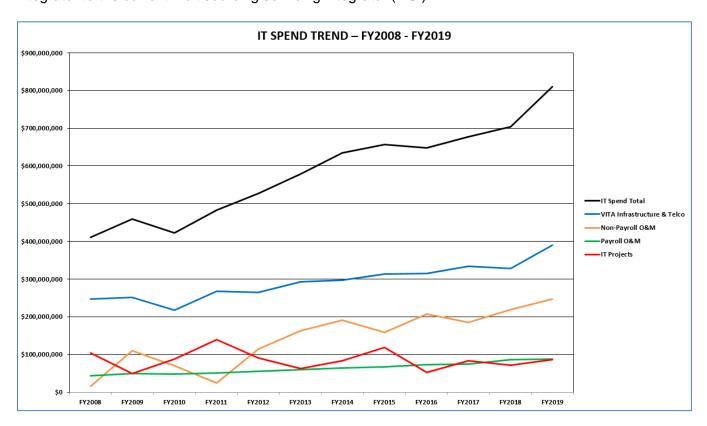


IT SPEND TREND – FY2008 - FY2019

Legend:
- IT Spend Total
- VITA Infrastructure & Telco
- Non-Payroll O&M
- Payroll O&M
- IT Projects

*Exhibit 4: IT spending trends for FY2008 through FY2019 for VITA in-scope Executive Branch agencies*

As an effort to assess IT expenditures that are not being reported in each fiscal year's IT Spend Report, FY2018 data was reviewed for non-IT account payments to IT vendors.   Program names indicated that many of the expenses were IT related and totaled approximately $39,700,000.  This amount was not retrofitted into the FY2018 IT Spend Report as it would have been a change to the process  FY2019 data is currently being reviewed.