



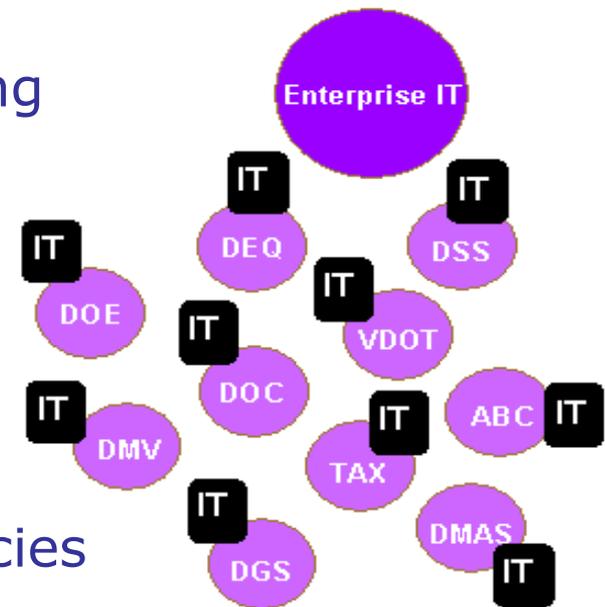
VEIAA – The VITA story ...

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Chief Information Officer of the Commonwealth

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State of Technology, Pre-Consolidation

- 90+ independent, autonomous IT shops
 - Duplicative systems
 - Few metrics on performance & spending
 - Inability to leverage buying power or manage investments
- Aging, decades-old infrastructure
 - Inadequate security
 - Limited disaster planning
 - Obstacles to sharing data across agencies
- Millions \$ in failed IT projects
 - No project management oversight
- Unsustainable





Mandate for Change

- Executive & Legislative Branch leaders called for
 - ***Disciplined approach to managing IT services across the enterprise of state government – manage on purpose***
- Concept of “Shared Services”
 - Statewide IT *infrastructure* for government entities
 - Technology as a fully-managed service
- Centralized oversight of IT projects, security, procurement, standards, policy and procedures
- Step 1: Virginia Information Technologies Agency
 - 2003, 2009 & 2010
- Step 2: IT Program with Northrop Grumman
 - 2005, 2010 (Mod 60), 2011 (Mod 68)
- Step 3: Enterprise Applications and Services
 - RE: PB, Cardinal (II), eSOA, EDM, CAS



VITA - Statutory Duties

“We enable the business of government”

- Infrastructure services
- Project oversight
- Information security
- Supply chain management
- Standards & best practices
- Enterprise applications
- Wireless E-9.1.1, VGIN, VI, eGOV, contingency labor



CoVA IT Infrastructure

Computers

57,977 PCs
3,485 servers

Mailboxes

59,866 accounts

Disk storage

1.4 petabytes

Mainframes (2)

IBM
Unisys

Communications

~55,000 desk phones
~3,600 handhelds (PDAs)
~11,000+ cell phones

Networks

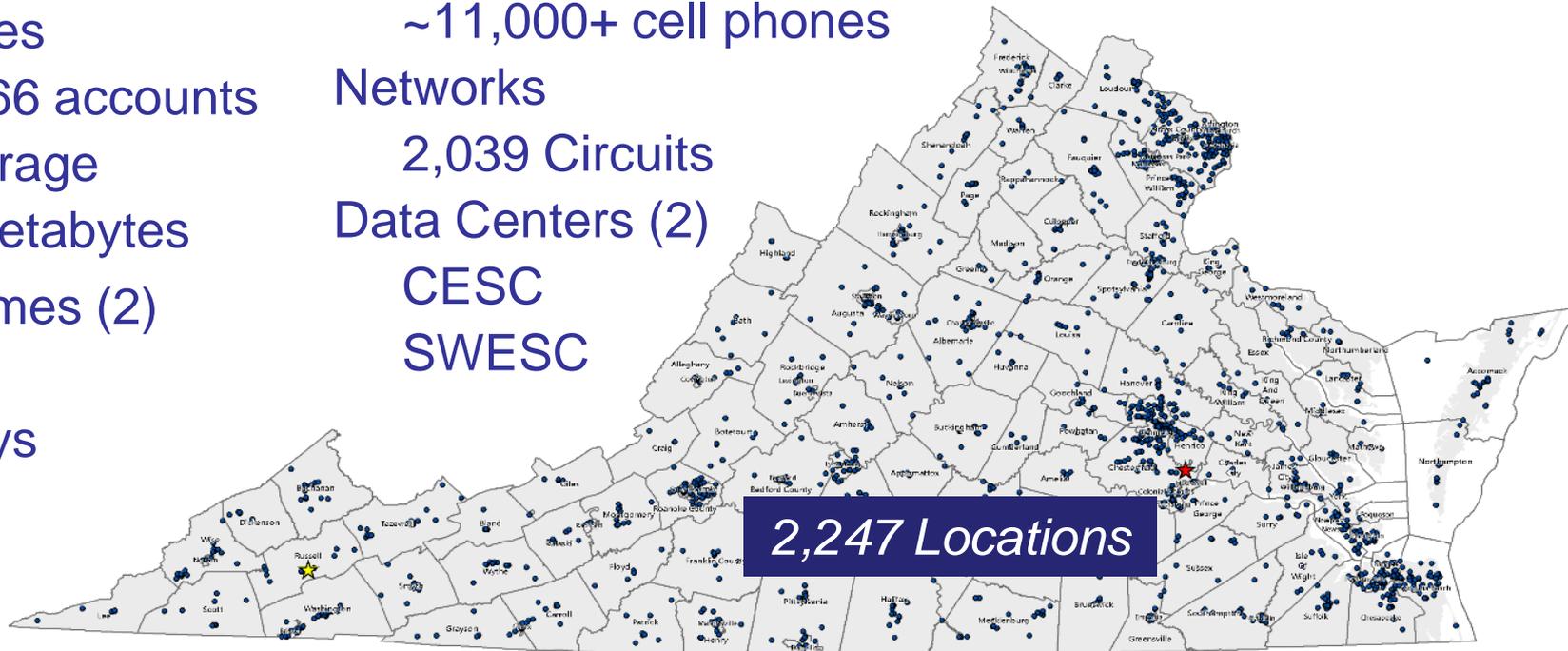
2,039 Circuits

Data Centers (2)

CESC
SWESC

Printers

5,674 network
22,000+ desktop



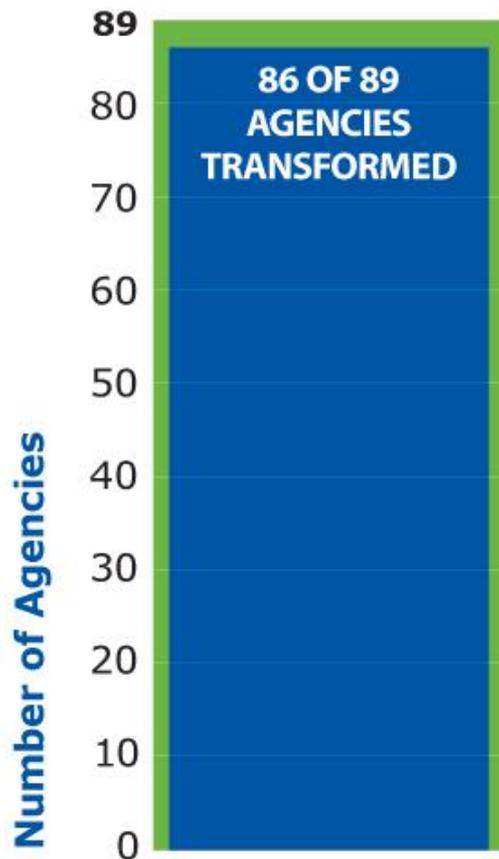


IT as a fully-managed service

- Centralized monitoring, management and support of infrastructure for Executive Branch agencies
- Bundled services
 - Desktop computers, e-mail, help desk, storage, network, servers, updates as a packaged service
 - Regional support model
 - Hardware refresh
 - Security and network monitoring
 - 24 x 7 x 365
 - Standard IT support processes
 - Standard toolsets installed on computers/servers
 - Technology roadmap



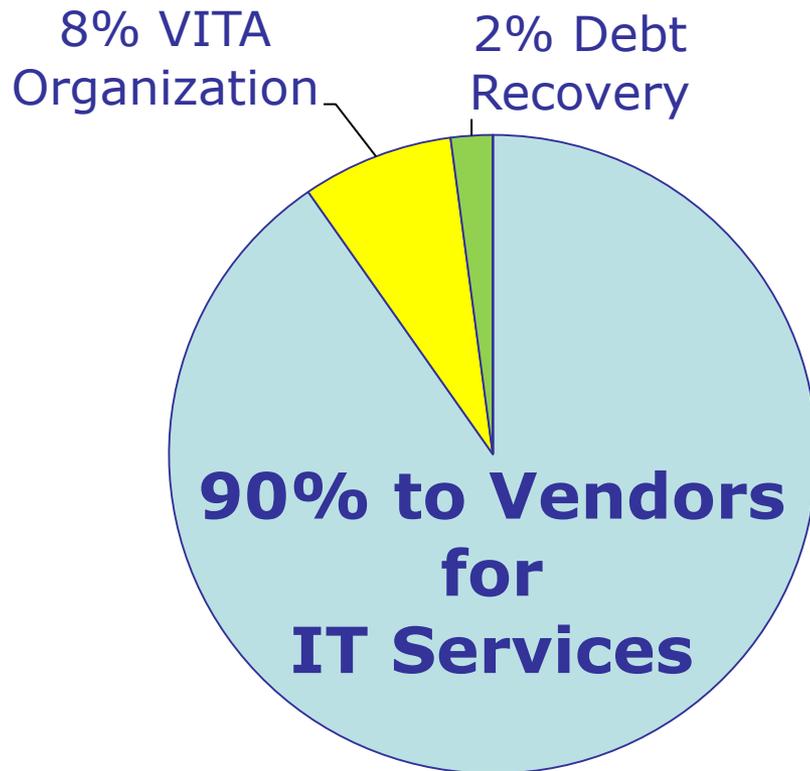
Current State of IT Management



- Transformation Status
 - Critical mass achieved
 - Standard, reliable and secure
 - Remaining agencies:
 - VDEM, VSP, & VEC
- VITA organization
 - Stable financials
 - Improved processes and metrics
 - Favorable APA Audits



VITA Cost Recovery



- VITA is primarily an Internal Service Funded (ISF) agency
 - ISFs overseen by JLARC
 - >1% of VITA costs are GF
 - Rates are adjusted annually
 - Audited by APA, reported to HHS
 - FY2013 rates *decreased* 2.3%



VITA Costs Are Typically 2% of Budgets

Top 3 Secretariats *	FY11 Expenditures	FY11 VITA Invoices	VITA Invoices as % of Expenditures
Health & Human Resources	\$11,444,944,021	\$94,620,395	0.83%
Public Safety	2,585,093,541	51,304,327	1.98
Transportation	4,356,739,370	77,077,875	1.77
	\$18,386,776,932	\$223,002,597	1.21%

Sources: Commonwealth Data Point, VITA

* Top 3 account for 74% of VITA invoices



Projects Portfolio (Aug 2012)

Categories 1,2,3

54 projects

Value of \$490,026,419

- **Project Initiation Approval**
25 projects - Value of \$257,892,119
- **Investment Business Case Approval**
25 projects - Value of \$219,259,300
- **Identified for Preliminary Planning**
4 projects - Value of \$12,875,000

Category 4

82 projects

Value of \$ 49,351,049

- **Project Initiation Approval**
11 CPGA projects - Value of \$8,781,458
9 non-CPGA projects - Value of \$4,429,746
- **Investment Business Case Approval**
25 projects - Value of \$15,130,025
- **Identified for Preliminary Planning**
37 projects - Value of \$21,009,820



Enterprise Initiatives

- GOAL: *increase efficiency and productivity of state government*
 - Enterprise ERP (Cardinal Phase II)
 - Performance budgeting (PB)
 - Time and leave (TAL)
 - Commonwealth authentication services (CAS)
 - Enterprise data management (EDM)
 - Enterprise service-oriented architecture (ESOA) platform
 - eGOV program (Virginia.gov, agency web sites)



Enterprise Services, Technology Roadmap

- New services
 - Collaboration (SharePoint)
 - Electronic workflow (CRM xRM)
 - Email archiving (Symantec)
 - Support for BYOD mobile computing (Good Technology)
 - ECRS (Redundant Network Support)
 - VoIP (UCaaS)
- Technology updates: Exchange 2010, Windows 07, desktop refresh, Office 2010
- Data center improvements: Mainframe refresh, Enterprise storage, TimeFinder, NetQoS, “Hyper Cloud” and more ...



Challenges, Look-ahead

- IT Security (121M attacks in CY 2011)
- VITA “mythology”
 - IT infrastructure as a fully-managed service, cost recovery
- Customer service
 - Perception vs. reality (work requests, help desk, SLAs)
 - Work requests for custom services can lag
- Evolution of NG relationship
 - Technology innovation, continuous change to NG contract
 - Notional timeline for post-CIA era
- Enterprise Apps – new need for program management
- Aging “legacy” applications
 - CARS, PMIS, ADAPT, many others
- VITA Organization
 - Culture of constant improvement (PM, CAP, VSOP, CRM)



Questions?

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Improving Customer Satisfaction

Governor's mandate: Amend CIA to set the tone for a more productive working relationship between VITA and NG

Performance improvements

- Expedites service and response
- Provides agencies greater flexibility over administrative tasks
- Improves speed and quality of procurement and service requests
- Overhauls help desk services
- Adds new services and pricing options
- Moves desktop upgrades forward

Accountability & operational efficiencies

- Consolidates and strengthens Service Level Agreements (SLAs)
- Increases SLA penalties by 15%
- Creates a clear, faster dispute resolution process
- Establishes three-month review period to ensure performance

Financial

- Extends contract three years
- Allows billing from a rebaselined inventory
- Provides for more detailed billing



Improving Customer Satisfaction

- New Services and Solutions to meet agency business needs
 - Wireless
 - Data encryption
 - Managed firewall
 - Enterprise Virtual Private Network
 - Voice over Internet Protocol (VoIP) telephony
- New tiered solution options with different price points to meet budget and business needs
 - Servers
 - Storage
 - Printers
 - Copiers
 - Disaster recovery (DR)



Rate example (FY11 & 12)

Bundled service: Laptop computers

<u>Laptop Rate:</u> Service Components	Vendor Per Unit Charge	Allocation of Vendor Fixed Fees	VITA Services	VITA Debt Recovery (Short Term)	Total
Hardware & Software	\$35.75	\$18.27	\$4.67	\$1.25	\$59.94
E-mail - Messaging	\$10.38	\$2.86	\$1.15	\$0.30	\$14.69
Technical Support	\$21.14	\$5.83	\$2.33	\$0.62	\$29.92
Help Desk	\$9.48	\$2.62	\$1.05	\$0.28	\$13.43
Total Laptop	\$76.75	\$29.58	\$9.20	\$2.45	\$117.98
<i>% of Total</i>	65.1%	25.0%	7.8%	2.1%	100.0%
	<i>Vendor 90.1%</i>		<i>VITA 9.9%</i>		