

Office of the Chief Information Officer

Franchise Tax Board
Technology Services Division

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Introduction

"We are in a new age where technology is everywhere around us and drives everything that we do. It is also our greatest partner and asset as we work to conquer the challenges that threaten our future."
– Governor Arnold Schwarzenegger

Agenda

- My experiences in Michigan
- What is California's IT landscape
- What are our next steps in California

The Michigan Story

Michigan Department of Information Technology (MDIT) has a 10 year history of consolidation and strong governance

Michigan: From Vision to Action

Then

- 19 Disparate Agencies
- History of Struggling Projects
- Multiple Technologies and Versions
- Uneven Security Levels

Now

- Statewide IT Strategic Plan
- Consistent Project Management
- Consistent Standards and Infrastructure
- Uniform Rated Services
- Unified Enterprise Security

Where are we today?

The Current California IT Landscape

Executive Branch

12 Agencies with 67 Departments

24 Offices, Councils, Commissions and
Boards

8 Constitutional Offices

Approximately 130 CIO's

Estimated 10,000 IT State Employees

CA's Information Technology Budget

- Approximately \$3 billion annually
- CA spends approximately 2-3% of \$140 billion state budget on IT.

California's Major IT Projects

- Project Portfolio – 120 projects under development valued at \$6.8 billion over 11 years
- Annually, \$400 - \$600 million in project spending



What is the IT landscape?

IT Landscape

- IT Workforce Maturity
 - More than 50% of the state's IT workforce will retire within the next five years, further exacerbating the skill gap in state IT.
 - Beyond the skill gap, leadership capacity is in short supply.
 - Need to make up for “deferred” spending on human capital by:
 - Investing in leadership training and skills development.
 - Conducting succession and workforce planning.
 - Modernizing the classification and testing process.
 - Recruiting and retaining skilled staff.

IT Landscape

- Data Centers and Servers
 - The state has approximately 409,000 sq. ft of floor space in 405 locations dedicated to data centers and server rooms.
 - Approximately 33% of data center floor space lacks sufficient disaster recovery and backup capability.
 - The state owns and operates more than 9,494 servers. More than a third of these servers are at, or near, end of life (3+ years old).
 - Data centers are a clear target for energy efficiency efforts.

IT Landscape

- IT at the Desktop
 - More than 200,000 desktops/laptops in use by Executive Branch agencies.
 - Refresh cycle – 3 to 5 years.
 - Current PCs in use require between 4 and 16 times as much electricity as laptops using advanced power management.
 - Six platforms and >100 different email systems.
 - **150,000 active email boxes.**
 - **15 million emails/day.**

IT Landscape

- Key Security Issues
 - Web and e-mail security threats are increasingly sophisticated.
 - Explosion in e-mail spam – ~95% of the e-mail the state receives each day is spam.
 - Inter-departmental e-mails are sent through the public Internet exposing them and increasing risk.
 - According to Gartner, the state's network vulnerability is projected to increase by more than 800 percent by 2018 if we maintain the current operating model.

So.. What's next?

Integrate Business and IT Planning

- Agencies submit Five Year IT Capital Plan
- Annual updates on these plans:
 - Ensure investments support business
 - Align IT investments
 - Data sharing

Establish Enterprise Architecture

- Agency CIOs will be required to submit Agency-wide Enterprise Architecture proposals

Risk Mitigation Approach

- Develop a phased project planning approach
- Develop standard approaches for:
 - Project Reporting
 - Risk Reporting
 - Risk Mitigation

Establishing an Enterprise Project Management Office

- Program and Project Management
- Defining standards, templates and methodologies for
 - project management
 - budgeting
 - technology acquisitions
 - contract management
 - risk management

IT Workforce Planning and Succession Planning

- Attract
 - Partner with Universities and Colleges to recruit student
- Develop
 - Streamline the classifications, selection, testing and evaluation process
- Retain
 - Use IT capital planning process to project future workers

Data Strategy

- Establish comprehensive data strategy
 - Enhance government services
 - Better decision making
 - Increase transparency

Major Initiatives

We are working with DTS on a number of infrastructure projects:

- California's Disaster Preparedness
- CA Mail
- Network Consolidation
- eServices
- Other Opportunities
- Results of the Statewide Survey

Securing IT Assets

- Develop a long term plan for data center requirements that address
 - Risks associated with natural disasters
 - Continuity of government IT functions
 - Network and Data Security
 - Environmental Impact of State's IT infrastructure

What's Changing

- Strong Gubernatorial Support
- Strong Legislative Demand for data and transparency
- Pent up demand
 - Replace legacy systems
 - Upgrade technology infrastructure

Challenges Ahead

- Major projects for renewal of state's IT infrastructure
- Key IT resources and experience
- Increasing demand for technology based services
- Investing in IT given current fiscal environment

Future Vision for CA IT

Connected California: Where the people of California and the California business community receive secure and effective state services through technology

Efficient California: Where state government utilizes technology to deliver services—within state government and with partners

Reliable California: Where technology is delivered with performance, security, and efficiency

Thank You