

# **Cost Reductions, Efficiencies and Standards**

Submitted in Accordance with Conn. Gen. Stat. §4d – 14

State of Connecticut Department of Information Technology

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# Introduction

Conn. Gen. Stat. § 4d-14 requires the Department of Information Technology (DOIT) to issue a report annually specifying “potential opportunities for increasing the efficiency or reducing the costs of the state's information and telecommunication systems and (2) including a plan to realize such opportunities.”

This 2010 report highlights progress in maximizing IT resources, efficiencies, and promoting strategic technology standards and practices.

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# Cost Reductions

## Spending Freeze

DOIT will continue to enforce the state spending freeze, and approve only emergency and essential agency purchase requests.

In FY 2010, overall executive branch spending on IT goods and services dropped 25 percent, or by \$28.9 million. Telecommunication spending dropped 12.4 percent, or by \$2.9 million.

## Lower Contract Rates

In FY 2010, DOIT secured additional reductions in **network equipment and maintenance** contract rates. These discounts reduced costs for agencies by \$4.9 million in FY 2010.

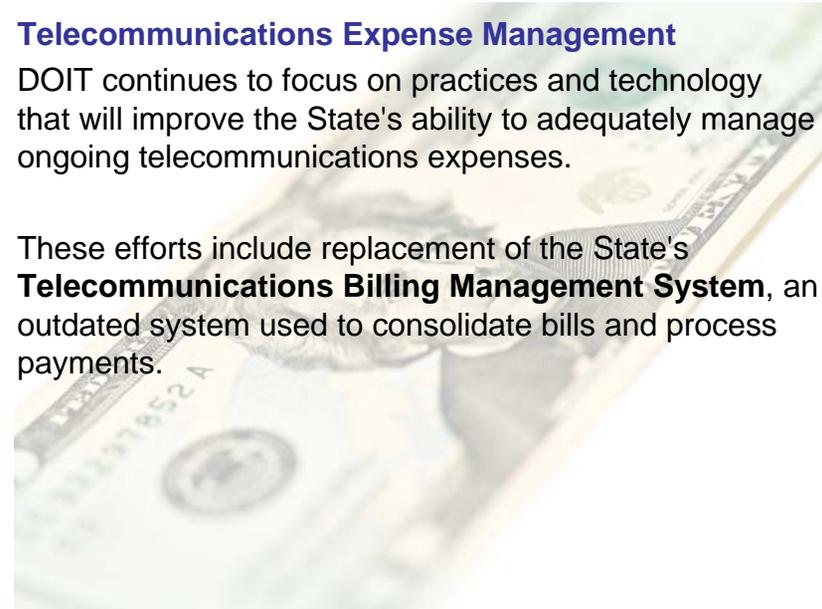
Lower **wireless** rates, and migration of more than 7,000 phones to less expensive contracts and plans, resulted in savings of nearly \$1.8 million in FY 2010.

Overall wireless costs are now 21.6 percent below FY 2005 levels.

## Telecommunications Expense Management

DOIT continues to focus on practices and technology that will improve the State's ability to adequately manage ongoing telecommunications expenses.

These efforts include replacement of the State's **Telecommunications Billing Management System**, an outdated system used to consolidate bills and process payments.



# Shared Services

DOIT will continue to promote expansion of enterprise/shared services and platforms to reduce state technology expenses.

In FY 2010, two agencies were added to the **enterprise internet filtering service**, saving \$100,000 per year in annual costs.

An additional eight agencies were added to the state's **enterprise email** system, saving costs associated with maintenance of duplicative systems.

DOIT also more than doubled the number of agencies on the **enterprise e-licensing platform**, adding three additional licensing agencies to the cross-agency partnership established in FY 2009.

The number of agencies using DOIT's **online payment service** continues to grow. Usage will expand to nine agencies by the end of FY 2010. This is a critical component for online e-government transactions.

A grayscale photograph showing a hand in a white sleeve holding a document, positioned above a tall stack of papers. The stack is on a surface, and the background is plain white.

## Enterprise Document Management

In FY 2010, DOIT established a multi-agency partnership to construct a shared platform infrastructure for an **enterprise document management system (EDMS)**.

This shared platform, in addition to new enterprise licensing rates secured by DOIT, resulted in an initial savings of more than half a million dollars, with more savings to come as each agency uses this solution.

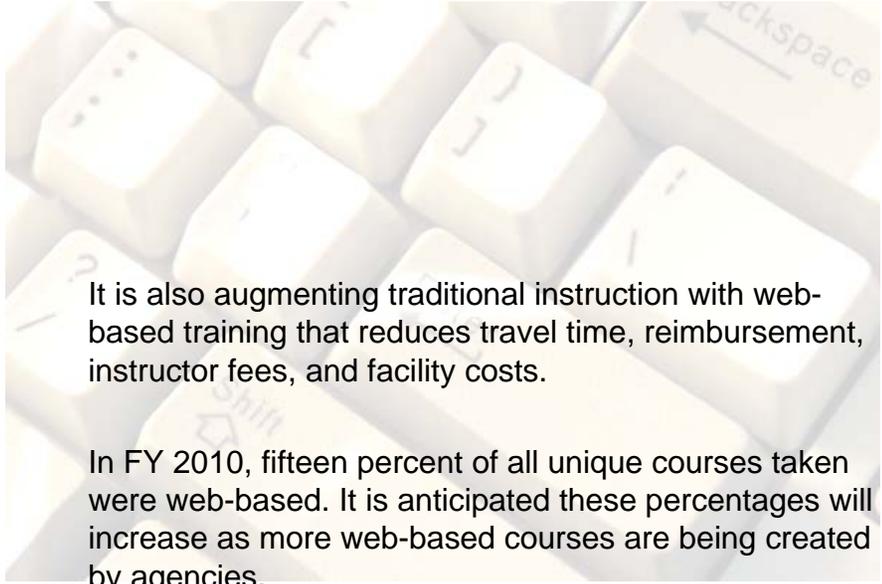
# Shared Services (continued)

## Training Administration and Delivery

Increased consideration/exploration of web-based instruction is recommended to augment existing training programs.

DOIT's enterprise learning management system, funded and developed for HIPAA-impacted agencies, is helping agencies efficiently manage and deliver mandated workforce training.

It has been used to process registrations for 22,000 employees across five agencies over the past two years alone, replacing time consuming registration tasks.



It is also augmenting traditional instruction with web-based training that reduces travel time, reimbursement, instructor fees, and facility costs.

In FY 2010, fifteen percent of all unique courses taken were web-based. It is anticipated these percentages will increase as more web-based courses are being created by agencies.

One web-based training course under development will enable more than 2,400 employees to access training from their desktop computer. This will eliminate 100 classroom training sessions and associated costs over the next year at one HIPAA impacted agency.

# Operations Efficiencies

## Server Consolidation/Reduction

83% of servers in the State's main Data Center are either shared or virtualized, up from 38% in FY 2008, and more than 110 physical servers were decommissioned over the past 18 months alone.

DOIT also completed a successful proof-of-concept to run UNIX applications on the mainframe, a transition that will save nearly \$802,000 over the next five years.

## Operational Excellence Program

DOIT will continue the multi-year operational excellence program that to date has resulted in 655 standard operating procedures relating to process improvements for security, hosting, and other functions used to support statewide IT services.

## Email Upgrade

DOIT upgraded the executive branch central email system in FY 2010, eliminating an old platform and reducing associated maintenance costs.

The upgrade accommodates growing email usage, and enables the state to continue to provide secure and reliable service to more than 27,000 state customers across 45 agencies.

# Security

## Defense in Depth

DOIT will continue “defense in depth” security practices to safeguard centrally-hosted and managed systems and data residing within the State Data Center.

## Point of Presence

A second location (point-of-presence) for all of the State’s identified critical data circuits will be created to provide network resiliency in the event of failure in private carrier networks or catastrophic loss of the State’s Data Center .

## Encryption

DOIT will continue ongoing deployment of **encryption technology** statewide. The state encryption rate has doubled over the past two years alone, to 12,570 computers and devices across 68 agencies.

## Strengthen Disaster Backup and Recovery Capability

DOIT will continue to leverage its existing subscription for disaster recovery site services for agencies to participate at no additional cost.

A second Data Center will eliminate dependence on contracted recovery services, which currently cost nearly \$600,000 per year, and would create a cloud computing environment for the state.

DOIT prepared and testified in support of the Governor's \$21 million bonding request for a second Data Center to enhance the state's disaster backup and recovery posture. The Legislature did not approve this request.

DOIT also prepared and submitted documentation to the Appropriations Committee outlining the percentage of state systems tested and restored. We continue to explore external cloud computing options with state agencies, but higher costs and inadequate security are common.

# Architecture and Standards

In FY 2010, DOIT issued new state IT architecture and standards, with more than 90 best practices across nine major areas including e-government, application development, collaborative tools, security, and network solutions.

They were issued in accordance with Conn. Gen. Stat §4d-2(c), and developed in collaboration with nine cross-agency teams from 24 agencies. This program will save the State millions of dollars over the next few years.

The State's platform architecture and standards require systems to be designed, acquired, developed, or enhanced such that data and processes can be shared and integrated across the enterprise and with Connecticut's business partners.

## Refresh

State IT architecture and standards must be revisited and updated every six months as required and will require ongoing agency participation.

## Compliance

DOIT will continue to review general and detail designs for technology solutions to ensure compliance with the State of Connecticut Enterprise Architecture principles, best practices, and standards.



# IT Project Management

## Standard Project Management Practices

DOIT will continue deployment of standard project management practices across the executive branch, with continued application of the statewide system development methodology (SDM) to IT projects.

The SDM was issued in 2008 and mandated by Executive Order 19.

It is required for all technology projects, and is being reviewed for all major IT projects valued at more than one million dollars, requiring more than six months work effort and/or having a major/ enterprise impact.

More than 310 agency managers, technicians and officials have received SDM training to date.

These practices are helping agencies better manage and prioritize IT projects, manage risk more effectively, and increase accountability from project participants and IT vendors. We have also noticed improved timelines to deliver technology solutions.

In FY 2010, DOIT developed and provided State Auditors with tools to audit for SDM compliance.

