

Working Group Name: Technology

Technology is a key resource that should be leveraged to meet strategic priorities and support the needs of every agency and business area of the State. Information Technology service is about moving, utilizing and sharing data. Data can provide the business intelligence to drive efficiency, effectiveness, transparency and accountability throughout the State. Connecticut lags far behind when it comes to sharing and utilizing information across the executive branch, as well as, with the other branches of state government, local and federal government, businesses, citizens and other entities. The recommendations below will begin a process to enhance technology services statewide:

PRIORITY INITIATIVES: Things that should be addressed during the **2011** budget/legislative process

	Policy Initiative	Immediate Fiscal Impact
1.	<p>Executive Leadership: Identify the executive and leadership structure to drive the technology priorities based on agency business needs and the many known challenges.</p> <ul style="list-style-type: none"> • Select Executive level leadership to ensure collaboration among all elements of government occurs. Represents the state's IT customer service advocate. • Establish an Executive Steering Committee to govern the state's technology architecture and advise on investment options. • Focus on meeting its customers' business goals with accountability/transparency. 	<p>Replacement CIO / executive structure accountable to accomplish the technology initiatives.</p>
2.	<p>DOIT Organizational Review: Conduct a full internal review of the existing DOIT organization and chain of command to determine how to best align with the business goals of the Governor and the agencies.</p> <ul style="list-style-type: none"> • DOIT planning and service support processes should be focused on leveraging the statewide technology infrastructure to support agency-specific needs. • DOIT governance should include all agencies with key decisions being made within this collaborative structure. • DOIT IT managers should be employed/assigned so they can work and advocate for their line agency needs, enabling responsiveness to their client base. • An Enterprise Technology Architecture process should be developed to support the 	<p>Budget savings potential in DOIT from eliminating unnecessary management layers. Year One \$600K Year Two another \$675K Year Three \$725K</p> <p>Better agency decision-making and improved service-delivery process. Identifiable avoidance \$2 - 4 M</p>

	needs of the agencies.	
3.	<p>Eliminate SDM mandatory requirements: Repeal Governor Rell’s Executive Order No. 19 and replace with proven project management methodologies that are more responsive to business goals and reduce redundancy, overhead and higher project costs.</p>	<p>Significant / immediate efficiency gains with cost avoidance of between \$3-20M. Some project management training/tools will be required.</p>
4.	<p>Core-CT and enhanced Self-Service</p> <ul style="list-style-type: none"> • Extend the existing Core-CT centralized financial and HR management system. • Implement the self-service modules. State already has the software. • Upgrade to current release. Would be a later phase with some investment • Can be done concurrently with the Benchmark the IT Domain analysis. 	<p>Increased productivity. Ease of use.</p> <p>Savings of \$2M to \$6M net from implementation of self-service modules.</p>
5.	<p>Benchmark the IT Domain: Modernizing and optimizing the technology infrastructure should begin by benchmarking the IT domain.</p> <ul style="list-style-type: none"> • Develop a matrix of each agency’s hardware, software, systems and supporting infrastructure. The goal is to identify further virtualization gains and opportunities for private cloud and database clustering. • It is our belief that there are many very talented state employees that can be tapped into to mobilize “tiger-teams” to tackle the Primary and Short-Term initiatives. • Review current state of IT Security • Commence with a review of the current IT services and staff positions. • DAS should identify or hire someone with technology experience / knowledge to review and approve promotions and work on developing new job specs (such as for Architecture), • Examine the utilization of external services. 	<p>Assessment should uncover opportunities for shared/reduced cost and areas for integration, consolidation, collaboration and reorganization.</p> <p>Leverage existing assets to assist in the identification of problem areas.</p> <p>Some external services will be needed until internal expertise is developed in newly adopted technologies. An investment of \$100-200K toward software tools/services for benchmark.</p> <p>Peer states recognized positive</p>

		results and could save several million dollars per year.
6.	<p>Economic Development: Economic development is a key strategic priority. Both short term and long term opportunities for cost savings and revenue enhancement should be realized through the expansion of economic development opportunities through collaboration between IT and economic development agencies and administrative actions at the state level.</p> <ul style="list-style-type: none"> • Utilize e-government to advance small business through a world class business site. • This business oriented site will provide a single source to interact with the state. Transactions with all agencies (Department of Revenue Services, Secretary of the State and Department of Labor) will be streamlined, coordinated and linked. • Partner with the University of Connecticut, to leverage collaborative research project in High-performance computing (HPC) to foster start up research firms, attract high tech jobs and raise the stature of UCONN / State. 	<p>Re-engineer existing “CT-CLIC” site to integrate state and local registrations, licensing, permits, fee payments, & schedule inspections. Leverage existing staff with outside web-app developers. Assumption: local participation optional and not state-funded.</p> <p>Products & Services: \$800K over 3 years.</p> <p>Will make it easier to do business with the state. Less overhead will help job creation, investment and revenue.</p>
7.	<p>Funding / Cost Offsets:</p> <ul style="list-style-type: none"> • Pursue grants and applications to help fund certain IT proposals necessary for the state to realize improved efficiency productivity and overall public service. • Examine and substantiate the IT budget. The goal would be to confirm the need of each line-item and to develop an inventory and understanding of the relationship to existing systems, infrastructure and agencies. 	<p>Begin reallocating the efforts of existing staff.</p> <p>Conservative estimate is 5-10% savings with better understanding of existing assets / terms.</p>
8.	<p>Strategic Plan: Create a strategic plan to focus IT services on supplying a statewide <i>enterprise</i> strategy for improved service delivery.</p> <ul style="list-style-type: none"> • Enact systemic changes in Department of Information Technology (DOIT) and other IT operations run by all state agencies to address the full range of customers’ complex and often interrelated needs and deliver improved customer outcomes. 	<p>Strategic plan/changes developed by existing staff.</p> <p>Front office shared service initiatives to save \$3M per year</p>

	<ul style="list-style-type: none"> • Find opportunities where advanced data sharing could benefit the client and agency. • Front office shared service initiatives must be developed to offer a new approach for facilitating customer-centric delivery and for driving operational efficiencies. • Initiatives must focus on reducing cost-to-be-served through more effective responses to complex needs through seamless service delivery systems. 	<p>Reallocating staff for other tasks. Emphasis on leveraging state intellectual capital</p>
<p>9.</p>	<p>Redesign CT.gov State Portal The CT.gov State Portal requires immediate and severe revision to increase productivity and reduce costs by revamping this fundamental access route into state government, while decreasing hosting and maintenance costs. This includes the integration of the associated applications/functions.</p> <ul style="list-style-type: none"> • The current state portal (ct.gov) is based on an unsupported product that is outdated, and is content management based instead of a true interactive gateway into the functions and services of state government, reducing the complexity and number of steps customers must utilize to realize their goals. • The CT General Assembly’s Program Review and Investigations Committee has reviewed best practices in CT municipalities and across the U.S. and proven that utilizing an interactive portal to provide e-government the state should save millions in expenses while improving productivity for customers. • Begin a competitive process immediately to select the next state portal product. • Citizens and businesses will easily navigate desired service delivery without dealing with artificial agency boundaries and with reduced bureaucracy. • Will include a single web portal that supports secure transactions such as environmental reporting, obtaining permits and licenses, making financial payments, and providing applications that are prefilled and reusable. • Will be “No Wrong Door” enabling any agency to assist citizens with state services. 	<p>State investment approx \$1M in a better e-government portal and another \$250K in staff training to support/utilize the portal effectively.</p> <p>Cost of services could be reduced by \$5-10 M and streamlined with on-line forms, document processing, etc. Will leverage current staff to support. Office expenditures will be reduced.</p>
<p>10.</p>	<p>IT Procurement: Although IT procurement has been consolidated under DOIT, further streamlining</p>	<p>Large volume contracts for savings.</p>

	<p>should occur.</p> <ul style="list-style-type: none"> • The current cumbersome process has added costs for vendors which are passed on to the state agencies for the solutions they want to acquire. • Current terms and conditions of contracts have become too restrictive, and the use of master agreements and sole source contracts should be evaluated for immediate implementation. • Contract requirements need to be refined so that the state and the vendors are very clear on requirements, and the process must be transparent and truly competitive to a broad array of bidders. • Tracking of all purchasing from existing contracts, including local government and educational institutions purchasing, would allow for more accurate assessments of total volume to allow for savings through better pricing points. • Volume advantage should also be realized in national contracts, as well as contacts from other governmental entities, such as higher education. • Utilize the web to more closely monitor contracts, such as Purchase of Service (POS) and Personal Service Agreements (PSA) which should yield savings of 5% to 10% per year. 	<p>\$2-4M savings with an RFP process that emphasizes business requirements over desired products.</p> <p>Master contracts open to bidding to produce more vendors and increased price competition. Replaces just receiving updated price schedules.</p> <p>Improved contract administration should yield \$50 to \$100M savings annually. Represents conservative 5-10% of current spending.</p> <p>Quality assurance of RFP deliverables will ensure state gets what they paid for/avoid excessive change orders - saving \$2-4 M per year.</p>
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SHORT-TERM INITIATIVES: Things that should be addressed by 2012/2013

	Policy Initiative	Short Term Fiscal Impact
1.	Continue work and momentum gained in above immediate priorities	
2.	<p>Leverage Existing IT Assets: Overall, make better use of existing IT technology software, hardware and resources. It should be noted that this is an extension of several of the Primary initiatives – especially, Benchmarking the IT Domain.</p> <ul style="list-style-type: none"> • Provide advanced technology processes to uncover tax evaders in Revenue Services. • Enhance the use of analytics and data mining tools for other potential savings. • Merge dispersed or disconnected criminal justice systems. • The state should make a concerted effort to expand the HHS data warehouse utilizing as much as 90% federal funding to implement. 	<p>Approximately 1200+ servers some of which are underutilized.</p> <p>Increased revenue collections.</p> <p>Can reduce fraud / abuse by \$40 to \$50M in Medicaid alone.</p> <p>Can produce financial and productivity efficiencies.</p> <p>Increase federal matching funds</p>
2.	<p>Document Management: Utilizing an Enterprise Document Management approach will create significant cost savings, convert hundreds of millions of paper documents to more usable digitized images, automate workflows, enable document reuse, improve customer service, and provide the basis for data analytics. Again, this is an extension of several Primary initiatives – especially, the Redesign of the State Portal.</p> <ul style="list-style-type: none"> • Expand the uses of the existing Core-CT to manage the state’s budget operation and provide the unique functions required for both agency-specific and higher-education specific financial and human services management. • The state should leverage current investments in workflow and document management software in conjunction with process-improvement initiatives to streamline service delivery to citizens and corporations. • Implementing electronic workflow processes across state agencies will result in 	<p>The state has an enterprise license to support a statewide (enterprise) document library. It still needs to invest in the workflow licenses that would leverage the use of e-forms and documents to streamline current service delivery. The investment should be on an agency basis and cost up to \$500K per agency (with staff training), but offset by increased workflow efficiencies and faster service delivery within 18 months. Some agencies already have workflow licenses and should</p>

	<p>significant cost savings while improving service delivery.</p>	<p>be encouraged to be the models for process streamlining in other agencies. Most implementations of workflow requires outside support services and staff training costing approximately \$200K to leverage the investment in software effectively. Significant cost savings</p>
<p>3.</p>	<p>Security: Evaluate existing security procedures, responsibilities and plans. Again, this important topic will also get attention when evaluating and benchmarking the IT Domain.</p> <ul style="list-style-type: none"> • Ensure a solid internet, identity and data security plan is in place. 	<p>State must continue to enforce identity & data management practices, and institute on-demand online employee training/refresher sessions on security compliance: \$300K/year</p> <p>Risk and cost avoidance.</p>
<p>4.</p>	<p>State Call Center: As part of the Customer Contact center implement a statewide Customer Relationship Management (CRM) system. This will provide valuable business intelligence to track issues; service-related information and assist management determine where attention/resources are needed to visibly demonstrate the state’s commitment to serve/respond to the public, business and other constituents.</p> <ul style="list-style-type: none"> • Expand current call center capabilities to provide a consolidated Customer Contact Center providing a convenient way to interact with government agencies while reducing expenses. • This will provide government agencies with data analysis to target problems areas and most effectively respond to citizen complaints and concerns. This information is critical when evaluating statewide priorities for competing budget items. • Investigate the use of <i>kiosks</i> to enable citizens, non-profits and businesses to more conveniently conduct state business. Internet improvements and web-applications should lessen the need for new physical kiosks, especially, considering their costs, competing priorities and the state of the budget. 	<p>Expanded State Call Center by service type (human services, business/econ dev services, ed services, regulatory/compliance services), Adding one each year over 4 years: \$1.5-M/year</p> <p>Provide agencies the business intelligence to manage priorities.</p> <p>CRM components, including registration and directory customization, history files, enhanced each year: \$500K/year</p> <p>New physical kiosks could be</p>

		difficult to maintain/justify. Existing library-based computers are a viable alternative.
5.	<p>Improve Educational Delivery: Expanded use of online classes for higher education as well as K-12 curriculums. Will reduce state expenses and provide increased access to classes that are locally unavailable or mandatory for graduation yet are not accessible on a timely basis.</p> <ul style="list-style-type: none"> • The Connecticut Education Network (CEN) should be more fully leveraged to connect students individually or by classrooms to classes in other schools, particularly in light of the recent liberalization by the FCC of federal E-Rate funding intended to expand use of this existing and powerful broadband resource. • The CT Distance Learning Consortium (CDLC) plan should be examined and implemented as needed. 	<p>RESCs could lead districts in sharing online material, using existing program resources.</p> <p>CDLC and similar collaborative resource-sharing programs should be encouraged as cost-avoidance goals by districts community colleges and universities.</p> <p>Online course access should be encouraged where useful for lifelong learning purposes.</p>
6.	<p>Expand the use of the CEN: The Connecticut Education Network (CEN) was created and funded by the State to be used by K-12 school districts, higher education campuses and libraries could be expanded to the municipal governments so all municipalities would have a permanent form of high speed internet access and high speed intranetworking capabilities among municipalities for technology services.</p>	<p>Savings and increase service for Municipalities.</p>

LONG-TERM INITIATIVES: Things that should be considered beyond 2013

	Policy Initiative	Long Term Fiscal Impact
1.	Continue work and momentum gained in above immediate and short term priorities	

2.	<p>When appropriate the state should take advantage of state-of-the-art technologies to enhance the capabilities of the State technology infrastructure and reduce costs.</p> <ul style="list-style-type: none"> • Transition to a private cloud infrastructure • Run all Oracle databases in a large cluster so the state would achieve better reliability, more efficient utilization of resources and cost savings. <p>NOTE: Much of this is recognition of the need to continue or go beyond the Primary and Short-term initiatives on a more specific level.</p>	<p>Private cloud and database clustering are two different examples ripe for expansion. Significant savings should be realized in this area.</p>
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On items in which there was not consensus, please append any dissenting opinions.

MALLOY/WYMAN Transition Team

Technology Work Group Recommendations

The Malloy/Wyman Administration intends “to modernize Connecticut’s state systems and services”. This will be accomplished through increased and more effective use of the Internet, leveraging previous investments, existing resources, emerging technology and an optimized IT infrastructure and organization. More effective interaction and service delivery between state government, citizens, businesses, non-profit agencies and local government will be the result, which should help fuel economic growth. The Technology Work Group respectfully submits the following action items for consideration in support of the Administration’s policy goals:

Enhance Service Delivery

Information technology (IT) services must strategically focus on supplying a structure and statewide (enterprise) strategy for improved service delivery. The State of Connecticut currently lags far behind in utilizing new technologies to serve Connecticut citizens more effectively. Addressing the full range of citizens’ complex, and often interrelated needs and delivering improved outcomes, lies at the heart of public service delivery. Front office shared service initiatives offer an approach for facilitating citizen-centric delivery and a powerful means for driving operational efficiencies. They allow organizations to:

- Develop more effective responses to complex needs
- Provide users with a seamless service experience
- Reduce cost-to-be-served
- Achieve efficiencies

The current State portal (ct.gov) is based on an unsupported product that is outdated, and is content management based instead of a true gateway into the functions and services of state government. A competitive process should immediately begin to select the next State portal product.

With this new portal the State can provide an e-government “Front Door” for all government services to make it easier for citizens and businesses to navigate service delivery without worrying about agency boundaries, and to make it easier and more cost effective for the State to build and support. This Front Door would include a single web portal that supports secure transactions such as environmental reporting, obtaining permits and licenses, making financial payments, and providing applications that are prefilled and reusable. This would also support the concept of “No Wrong Door” enabling any agency to assist citizens with all state services as Allegheny County, PA has done.

Utilizing the portal to provide e-government the State could save millions as has been proven in the recent online permitting system launched in the capital region which saves 60% in software acquisition and saves vast amounts of times for contractors and home owners through an end to end online building permitting process resulting in a “win win”. There are many similar applications in state government that could have similar results.

Expand the current call center capabilities of the state to provide a unified consolidated Customer Contact Center providing citizens, businesses, and other constituencies with a convenient way to interact with government agencies. As an example, New York City created a central “311” call center, which handles tens of millions of calls from citizens pertaining to hundreds of city organizations and programs. Among the key advantages to the NYC “311” system is that analysis of data enables government agencies to target problems areas and respond to citizen complaints and concerns.

As part of the Customer Contact center implement a statewide Customer Relationship Management (CRM) system that could provide valuable business intelligence to track issues; service-related information and assist management determine where attention/resources are needed to visibly demonstrate the State's commitment to serve/respond to the public, business and other constituents.

Investigate the use of *kiosks* to enable citizens, non-profits and businesses to more conveniently conduct State business. Internet improvements and web-applications should lessen the need for new physical kiosks, especially, considering their costs, competing priorities and the state of the budget. However, it is clear that the ability to file universal, reusable and secure templates for contracts, grants and applications are needed.

As outlined in the Malloy for Governor Campaign Policy Document the State should improve education delivery with expanded use of online classes for higher education as well as K-12 curriculums. A number of states have made strides in this area including North Carolina and Virginia and the CT Distance Learning Consortium has outlined possible next steps.

The Connecticut Education Network (CEN) could be more fully leveraged to connect students individually or by classrooms to classes in other schools. This initiative would not only reduce the cost of education and expand access to specialized classes, but it could be used to provide access to classes that are mandatory for graduation yet are not accessible on a timely basis. The State of North Carolina expects to save approximately \$500 million with their initiatives.

Expand Economic Development Opportunities

IT could be an important partner for economic development, both as a subject for job growth and to provide critical support for growing businesses that need to interact with the State. Collaboration between IT and economic development at the state level must be enhanced. Executive level IT leadership needs to be established to ensure that this collaboration occurs.

Since economic development is a key strategic priority of the Governor Elect, the State could use e-government to advance an agenda of small business development through a world class site such as Australia (www.business.gov.au). Through such a site or portal businesses could be given a single way to interact with the State so that transactions with all agencies such as the Department of Revenue Services, Secretary of State and Department of Labor could be coordinated and linked.

Working in partnership with the University of Connecticut, the Governor Elect will leverage a recently begun collaborative research project in High-performance computing (HPC) to foster start up research firms, bring in high tech jobs and raise the stature of both UConn and the State. Other States like Ohio, North Carolina, Illinois, Georgia, and Massachusetts have all done a great job investing in HPC and thereby bringing high paying jobs into their states.

Both short term and long term opportunities for cost savings and revenue enhancement could be realized.

Provide a More Strategic IT Organization

Currently, the Department of Information Technology (DOIT) is more of a command and control agency. Its focus should be more service oriented. A full review of the current DOIT organizational and chain of

command structure must be conducted to determine how it should best align with the business goals of the Governor and the agencies. For example, presently DOIT managers are assigned to line agencies and manage agency IT employees. At times there are conflicts in agency and DOIT priorities creating a fractured management structure that is difficult for managers and meets neither statewide nor agency needs for technology services. DOIT IT managers assigned to line agencies should be employed by the respective agencies, where they can work and advocate for their agency needs. DOIT's current planning and service support processes should be focused on the statewide technology infrastructure, to support and not interfere with agency-specific needs.

The executive leadership must be the IT customer service advocate for the state. To be a more strategic organization a process needs to be established to identify and manage contending priorities, on an ongoing basis. This will enable the extensive State resources, skill sets and expertise in technology to be deployed in a more effective way. An inclusive governance structure should be put into place that includes all agencies utilizing technology services with DOIT, with key decisions being made within this collaborative structure.

The IT agency of the State should focus on meeting business goals and less on rigid bureaucracy. Efficiency can be found by eliminating the System Development Methodology (SDM) mandatory requirements to achieve \$3 to \$20 million in cost avoidance. Governor Rell's Executive Order 19 should be repealed and emphasis should be placed on employing sound project management methodologies instead of paperwork tracking.

The current IT architecture process is a central unit within DOIT that often dictates direction without an understanding of agency and State business needs. An Enterprise Technology Architecture process should be developed that supports the needs of the State and must be governed and sustained by executive level leadership in the agencies, not in the IT organization. Technology standards for the State would come out of this process supported by statewide rationale and the current process of picking standard products based on procurement needs would be eliminated.

Extend the existing statewide technology infrastructure to support the above business-driven technology architecture to ensure secure connectivity and information access and to make the State more agile and adaptive to the constant changes in program structure and needs in the future. An Executive Steering Committee to govern the State's technology architecture could advise on the investment options needed to build the statewide technology infrastructure.

Savings in this area can be realized immediately and well into the future. An improved IT organization could result in a savings of about \$2 million annually and cost avoidance in the areas of process efficiency and better decision making as high as \$30 million.

Provide an Optimized IT Infrastructure

Modernizing and optimizing the technology infrastructure should begin by benchmarking the IT domain. Over 15 states have participated in the national state government benchmark program in the areas of Finance, HR, IT, and procurement. Benchmarking allows the government to know precisely which areas are underperforming and which problems to fix.

Develop a matrix of each state agency's hardware, software, systems and supporting infrastructure. This assessment should receive immediate priority because it almost always uncovers significant opportunities for shared/reduced cost and areas for integration, consolidation, collaboration and reorganization.

A review of all current services and staffing should be conducted. When appropriate increase savings by utilizing external IT service options - for example: finish migrating all agencies to Exchange and investigate cloud hosting to reduced costs and increase service delivery, continue to virtualizes servers and investigate virtualization of desktops and PDAs, address reliability and scalability issues, continue to reduce overall system complexity, etc... Utilizing external services could save the State several million dollars per year.

A review of the current IT positions should occur to determine if they are fitting the needs of the State. In particular the State should contemplate establishing a high-end tech series, such as a technology architect series. To conduct this review and continually update the IT positions DAS should hire someone with technology experience and knowledge to review and approve promotions and work on developing new job specs.

When appropriate the State should take advantage state-of-the-art technologies, such as cloud computing to enhance the capabilities of the State technology infrastructure and reduce costs. For example, transition to a private cloud infrastructure, such as running all Oracle databases in a large cluster so the State would achieve better reliability, more efficient utilization of resources and cost savings.

Fully Utilize Current Capability

Currently the State purchases IT software and services with good intention but often does not fully utilize the technology. The following recommendations point to several areas where the State could make better use of the technology it owns.

Continue to leverage the technology of the centralized financial and HR management system, Core-CT to include:

- Full use of self service capabilities including ePay, eProfile, eBenefits
- Full automation of Time and Attendance collection
- Look at Scheduling Front End implementation for applicability to other agencies. This initiative could provide significant capabilities to manage overtime costs.
- Integration of parallel accounting and HR systems

Implement the use of analytics and data mining tools already purchased. For example utilizing such tools that can reduce fraud and abuse in Medicaid (as has been done in North Carolina) to produce savings, merging dispersed and disconnected criminal justice systems or helping assess and find tax cheats in Revenue Services (like in New York) to increase revenue collections. Utilizing business analytics could save the State \$40 to \$50 million just within Medicaid.

Improve management of the State budget and financial systems by expanding the use of Core-CT, to manage the State's budget operation and provide the unique functions required for both agency-specific and higher-education specific financial and human services management.

Additionally, the State could leverage current investments in workflow and document management software in conjunction with process-improvement initiatives to streamline service delivery to citizens and corporations. Implementing electronic workflow processes across state agencies has resulted in significant cost savings in other states while improving service delivery. Utilizing an Enterprise Document Management approach will convert hundreds of millions of paper documents to digitized images, automate workflows, enable document reuse, improve customer service, provided the basis for data analytics, and create significant cost savings.

Prevent Cyber Security Threats and Protect Critical Data

Establishing and maintaining a strong web presence requires a web security policy to both secure the State's data and ensure that the IT systems are not vulnerable to outside threats. A strong identity management system should be implemented to better understand what information is being accessed and by whom. A review of existing security policy should be conducted to ensure we are doing everything we can to protect information and infrastructure.

Solid internet, identity and data security will ensure the State does not spend millions to clean up a security breach.

Realize Greater Economies and Efficiencies of Scale in Procurement

Although IT procurement has been consolidated under DOIT, further streamlining should occur. The current process has made it cumbersome to do business with the State and therefore, has added costs for vendors which are passed on to the various state agencies for the solutions they want acquire. In addition, CT does not always get top notch vendors bidding on opportunities. The current terms and conditions of contracts have become too restrictive. Other areas like detailed requirements for Application Development RFP's, fixed pricing, etc. need to be refined so that the State and the vendors are very clear on requirements.

Procuring both services and goods for IT from outside vendors should be truly competitive. The current standards and procurement process does not allow for full and open competition. Standards for products are sometimes selected without requesting input from all vendors.

Standards should be technologically based instead of product based and if research is being conducted a Request for Information or similar notification should be issued so that all companies have an opportunity to respond, not just the companies selected by the standards committee. Also the use of master agreements and sole source contracts should be evaluated. The above changes should enhance transparency and accountability.

Tracking of all purchasing from existing contracts, including local government and educational institutions purchasing, would allow for more accurate assessments of total volume to allow for savings through better pricing points. Volume advantage could also be found in utilizing national contracts like WSCA/NASPO, SGA, etc. CT is a small state and will not necessarily get the largest discounts associated with larger volumes.

Utilize the web to more closely monitor contracts, such as Purchase of Service (POS) and Personal Service Agreements (PSA) could yield savings of 5% to 10% per year or \$50 to \$100 million dollars.

Speed up and systematize the procurement process for all goods and services purchased by state government by creating an e-procurement solution as modeled by the Commonwealth of Virginia.

Increased procurement proficiency will save time, money and frustration and will enable to State to fully embrace full and open competition.

The above recommendations provide a starting point to more effectively leverage existing state assets to improve customer service, and better connect the state with its citizens, businesses, non-profit agencies and local governments. Also, agencies should be better able to connect with each other to begin data sharing and finding efficiencies in service delivery.

The Technology Work Group stands ready to provide any additional support that may be required.

December 14, 2010
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