The Organization and Effectiveness of State Information Technology and Computer Systems

Presented To
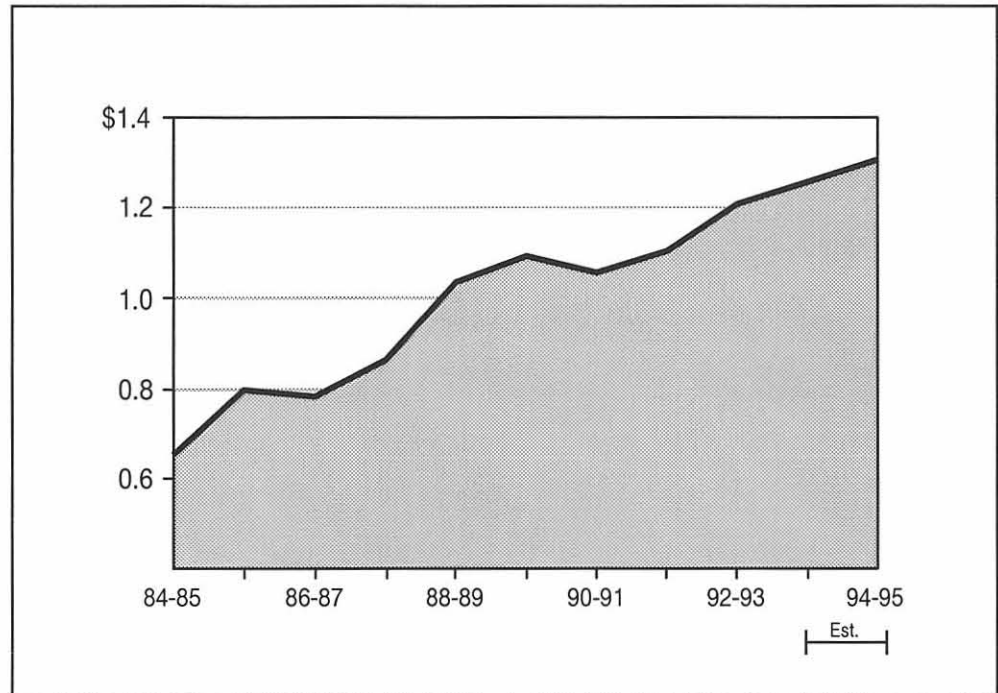
**Assembly Budget
Subcommittee No. 5
on Information Technology**

Assembly Member Debra Bowen, Chair

State Government Information Technology Expenditures Increasing Steadily

(In Billions)

☑ **Office of Information Technology (within Department of Finance) has overall statutory responsibility for the state's uses of information technology, including statewide policy and planning.**

☑ **Departments are responsible for determining how to use information technology to meet their program needs, and for applying the selected technological solution.**

☑ **Several large data centers provide mainframe-based and other computer support to state agencies.**

☑ **The majority of technical staff employed to design, develop, and maintain computer-based applications are in individual departments (as compared to the two multi-departmental data centers).**

☑ **The State Administrative Manual contains extensive policies and procedures governing the use of information technology.**

☑ **Recent administration announcements indicate major changes in the management and oversight of information technology.**

- ✔ Several mainframe and mid-size computers in data centers and departments.

- ✔ Thousands of personal computers and computer terminals.

- ✔ Hundreds of technical staff.

- ✔ Thousands of nontechnical "end-users."

- ✔ Numerous databases containing much of the state's information assets.

- ✔ A large number of separately maintained communications networks, many of them linked statewide and to nonstate networks.

☑ Continued growth in the number of state workers using personal computers or computer terminals.

☑ Further consolidation of mainframe computing by departments.

☑ Public access to state information maintained in computer-based systems.

☑ Growing use of geographic information systems which facilitate decision-making through the graphical representation of data.

☑ Expanded communications network linkages which increasingly tie state agencies together as well as state and local governments and nongovernmental entities.

☑ Efforts to reduce or eliminate paperwork through the use of enhanced computer-to-computer linkages.

✔ Statewide leadership

- There is no centralized, effective leadership to chart and guide the state's course for its growing reliance on information technology.
- There is no statewide plan for information technology.
- Statewide standards do not exist in specific, key areas.

✔ Statewide oversight

- There is a redundancy of data maintained in separate computer systems.
- Costly database management systems proliferate and are replicated at various data centers.
- Noncompatible computing systems continue to proliferate.

✔ Statewide coordination

- There is no centralized, effective coordination of the state's many information technology activities.
- The proliferation of separately maintained computer networks continues.
- There is inadequate coordination of the activities of major data centers.

✔ Effective uses of information technology

- Despite the expenditure of billions of dollars to implement information technology, neither the executive, judicial, nor legislative branches of government can easily access the mountain of data stored in the state's computer files and convert it to useful information.
- Departments which are not sufficiently skilled in the uses of information technology are not provided adequate oversight, guidance, or help in their efforts to apply information technology.
- There is an insufficient base of state technical staff and inadequate efforts to supplement staff.

☑ Enact legislation to *transfer responsibility for statewide information technology leadership and oversight to a new, separate office* reporting to the Governor.

☑ Prepare a *corrective action plan for the state's information technology problems,* to be developed by the administration and submitted to the Legislature.

☑ *Reduce the cost of PC systems,* based on specific methods and a plan to be developed by the administration.

☑ Enact legislation to *minimize data center costs through improved coordination.*

☑ *Reduce the number of separately maintained communications networks* in order to eliminate duplication and achieve savings.

☑ Enact legislation to require an administration plan for *improving electronic mail systems and facilitating electronic communication* among all levels of government.

☑ Establish an *information technology advisory group* to assist in the identification and resolution of significant problems inhibiting the state's cost-effective application of information technology.

Summary of Major LAO Recommendations Regarding State Information Technology (May 3, 1994 and June 16, 1994 Reports) *Continued*

LAO
50 years of service

☑ *Certify departments as to their ability to implement information technology,* and grant them project approval accordingly.

☑ *Train and certify information technology project and contract managers* to ensure that departments are better able to manage information technology projects.

☑ Document and maintain, on a computer-based file accessible to all state agencies, *reports as to poor and exemplary contractor performance.*

☑ *Improve information technology project reporting* to make the reports more meaningful to the Legislature.

☑ Enact legislation providing for *arbitration of bid protests.*

☑ Enact legislation to *clarify legislative intent regarding information technology procurements* to ensure the most cost-effective solution to state requirements.

☑ Adopt procedures ensuring an *independent evaluation of recommended information technology solutions* for certain projects.

Topic	LAO (6/94)	Governor's Task Force (10/94)	Bureau of State Audits (12/94)
Findings			
Insufficient statewide planning	✔	✔	✔
Insufficient statewide coordination	✔	✔	✔
Insufficient statewide leadership	✔	✔	✔
Recommendations			
Reorganize state IT leadership	✔	✔	✔
Establish IT advisory councils	✔	✔	✔
Consolidate IT services	✔	✔	✔
Improve project risk assessment and oversight	✔	✔	✔
Train project managers	✔	✔	
Train contract managers	✔		✔
Break large projects into smaller components		✔	
Increase the use of prototyping	✔	✔	
Reform the process for resolving protests of IT contract awards	✔	✔	✔
Reform the process for acquiring consultants	✔	✔	

Status of State
Information Technology Issues

☑ **Information technology leadership problems remain unresolved.**

☑ **Recent administration policy changes in response to information technology issues aired during the budget hearings—details pending.**

☑ **The computer project approval process needs to be changed to minimize the inevitable cost increases in projects. For example, regarding major projects identified in the LAO's June 6, 1994 report:**

- Department of Social Services increased the Statewide Automated Welfare System (SAWS) pilot from $78 million to $109 million.

- Estimated cost of the Child Welfare System has increased from $90 million to $119 million and the future of the project is in doubt.

- Estimated cost of Phase I of the Corrections Management Information System (CMIS) increased from $55 million to $96 million.

Department	Issue
Corrections	Correctional Management Information System
Office of Emergency Services	Planning for information technology
Board of Equalization	Contracting
Finance	Office of Information Technology
Franchise Tax Board	Contracting
General Services	CALNET
	Electronic Commerce
Health and Welfare Agency Data Center	Various
Health Services	Integrated Statewide Information System
Motor Vehicles	Database redevelopment project
Social Services	Statewide Automated Welfare System
	Statewide Automated Child Support System
	Child Welfare Services/Case Management System
Student Aid Commission	Financial Aid Planning System
Teale Data Center	Various