

Technology

Amendments, as adopted, for the Office of Technology include general fund reductions of \$103,247 in FY 2011 and a net general fund increase of \$822,881 in FY 2012. General fund reductions include canceling a \$50,238 contract for federal advocacy work supported by the Innovation and Entrepreneurship Investment Authority and the capture of turnover and vacancy savings and supplanting of general fund position costs by the Virginia Information Technologies Agency (VITA). In FY 2012, these reductions are continued and VITA will also supplant general fund nonpersonal services costs. The FY 2012 reductions are offset by a general fund increase of \$1.0 million for VITA to restore reductions in overhead charges that had been double-counted during budget execution. These reductions in overhead charges were accounted for in VITA's new internal service rates. The amendments also include nongeneral fund reductions totaling \$1.5 million in FY 2011 and \$1.7 million in FY 2012. VITA's current maximum employment level (371.0 positions) is reduced by 47.0 positions in FY 2011 and 50.0 positions in FY 2012.

While not included within the amendments for the Office of Technology, the amendments for Central Appropriations include an additional \$26.6 million for FY 2011 and \$28.7 million for FY 2012 in general fund support to assist state agencies in paying for services rendered by VITA and Northrop Grumman. In total, 73 general fund state agencies are affected by these additional appropriations, although 11 agencies represent 89 percent of the total funding. These 11 general fund agencies include: the Departments of Environmental Quality; General Services; Accounts; Taxation; Forensic Science; Juvenile Justice; Corrections; Emergency Management; Health, Behavioral Health and Developmental Services, and Mines, Minerals, and Energy.

- **Innovation and Entrepreneurship Investment Authority**
 - *Eliminate Government Advocacy Contract.* Includes a reduction of \$50,238 GF in FY 2011 and \$50,000 GF in FY 2012 from eliminating a contract for federal government lobbying.
- **Virginia Information Technologies Agency**
 - *Eliminate Double-counted Operational Efficiency Savings.* Includes \$1.0 million GF in FY 2012 to offset operational efficiency savings double-counted during budget execution. These operational efficiency savings, affecting the overhead charges agencies pay for VITA administration costs, were incorporated into the internal service rates approved for VITA by JLARC this summer. This action eliminates the need to capture a similar amount from state agency budgets. Also included is Part 3 language eliminating the transfer of \$360,191 from nongeneral fund agencies to account for their share of these double-counted savings.
 - *Procure and Implement New Contract Management System.* Provides \$90,000 NGF in FY 2012 to purchase a new contracts management system to better manage both state agency and internal VITA information technology equipment

purchases. The source of the nongeneral funds for this contract management system is the agency's special acquisitions fund.

- ***Capture Turnover and Vacancy Savings.*** Captures general fund savings of \$30,000 in FY 2011 and \$80,000 in FY 2012 from the vacant Chief Applications Officer position. This position, which oversaw VITA's Enterprise Applications Division, may be filled in the future, but the agency expects to downgrade the position and its associated salary.
- ***Use Education Grant to Partially Support General Fund Position.*** Includes savings of \$46,018 GF in FY 2012 from supplanting a portion of a general fund position's salary and fringe benefits with a federal grant given to the Department of Education for the development of a Statewide Longitudinal Data System. The VITA position has been assigned to provide project management and leadership services to support the development of the education system. As part of an agreement between the two agencies, the Department of Education agreed to reimburse VITA for the position's costs. During FY 2011, this reimbursement was made administratively.
- ***Fund Information Technology Oversight Positions with Nongeneral Funds.*** Includes general fund savings of \$23,009 in FY 2011 and \$11,412 in FY 2012 from reallocating a larger share of two positions' salaries and fringe benefits from the general fund to the agency's internal services fund. The two employees are assigned to the development of a statewide project management system to help agencies control the costs of planning and managing major information technology projects.
- ***Fund Nonpersonal Services Costs from Internal Services Fund.*** Provides general fund savings totaling \$34,606 in FY 2012 from shifting expenses for items such as printing, organizational memberships, publications, office supplies, training, travel, and software from the general fund to the agency's internal services fund. This action should have no impact on state agencies' information technology costs.
- ***Reduce Position Level.*** Reduces VITA's maximum nongeneral fund employment level by 47.0 NGF positions in FY 2011 and 50.0 NGF positions in FY 2012. These position reductions reflect reorganizations to improve the agency's internal operating efficiency and staff attrition.
- ***Redistribute Wireless E-911 Appropriations for Service Costs.*** Includes language permitting the Wireless E-911 Services Board to use up to \$4.0 million of the dedicated special fund revenue supporting Emergency Communications Systems Development Services for wireless E-911 service costs as determined by the board.
- ***Permit Use of E-911 Funds to Support Virginia Geographic Information Network.*** Proposes language allowing \$1.8 million in both FY 2011 and FY 2012 in dedicated special fund revenue for the development of Emergency Response Systems to be

used for developing the geographic information data supporting E-911 wireless services.

- ***Expand Access to Enterprise Master Services Agreement.*** Permits all Executive agencies and institutions to contract for additional services related to the existing master services agreement with CGI for projects that support enterprise-level endeavors including: financial management, human resource management, supply chain management, administrative management, and applications development and management. Additional Statements of Work are subject to the review and approval of the Governor and prior consultation with the Chairmen of the House Appropriations and Senate Finance Committees.
- ***Eliminate Productivity Investment Fund.*** Eliminates \$250,000 GF proposed for the Productivity Investment Fund found in Central Appropriations. This funding was to have been used to evaluate savings and service improvement proposals by state agencies and institutions of higher education.
- ***Prorate IT Rate Supplemental Funding by Five Percent.*** Reduces the general fund support provided in the introduced budget within Central Appropriations to assist state agencies address the impact of additional VITA charges for information technology services by \$1.5 million each year. The amendment also includes language to ensure that if any proration of funding is necessary because of this reduction, that such proration is limited to the 10 agencies receiving more than \$1.0 million in allocations from this Central Appropriations item. In the introduced budget, \$28.1 million GF the first year and \$30.2 million GF the second year was included to assist state agencies affected by increased VITA charges. Ten agencies receive about 87 percent of all funding provided.
- ***Statewide Telecommunications Device Issuance Policy.*** Includes language within the General Provisions directing the Chief Information Officer and State Comptroller to develop statewide requirements for the issuance of cell phones and other telecommunications devices by in-scope Executive Department state agencies to employees, requires these in-scope Executive Department state agencies to develop agency-specific policies governing these devices and to maintain cost justifications for the assignment of such devices to their employees, and requires the Chief Information Officer to determine how many telecommunication vendors should be used and the types of plans that should be offered to meet state agency needs, and to establish a requirement that billings from telecommunication providers be provided in a useable electronic format so that the Commonwealth and state agencies can make decisions to minimize their costs. This language responds to the Auditor of Public Accounts' audit of telecommunication device usage in the Commonwealth.
- ***Surplus Technology Equipment Management.*** Includes language within the General Provisions permitting state agencies that do not receive computer services from VITA to develop policies and procedures governing the sale of surplus computers and laptops to their employees or officials. Any proceeds from the sale

of surplus computers or laptops shall be returned to the appropriate fund used for the original procurement.

- ***Statewide Telecommuting Report.*** Includes language in the General Provisions requiring the Secretary of Administration, in cooperation with the Secretary of Technology, to provide a report by October 1st of each year on the Commonwealth's telecommuting policies, their use by state employees, and the ability of telecommuting to provide public services or complete state work.