Enterprise Information Technology
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Summary

Information technology (IT) plays a vital role in the provision of state government services and has forever changed the way people access such services. The wide availability of information via the Internet creates significant fiscal and substantive policy challenges for federal, state, and local governments. This challenge is particularly evident in Florida because of our very broad public records law. As more governmental information and services become electronically available, the issues of privacy, security, and integrity of personal data in federal, state, and local government IT systems continue to grow in their importance. Problems or malfunctions of IT systems, e.g., electronic databases and voting machines, can have far-reaching practical and political implications.

The purpose of this interim project is to identify and study some of the challenges modern IT presents for Florida and to analyze and recommend options for a more effective enterprise IT governance structure that can address certain IT issues that cut across agencies.

It is important to acknowledge that not all state IT functions should be enterprise responsibilities. Some significant IT functions are currently the responsibility of state agencies and should remain their responsibility. One of Florida's challenges is to clearly identify those state IT functions that should be established as enterprise responsibilities and those that should remain agency responsibilities.

As an enterprise, Florida's $30+ billion in general revenue alone would rank it as a Fortune 100 company and our total $70 billion state budget would rank it within the Top 20 largest Fortune companies. According to the Pew Charitable Trust, Florida spends an estimated **$2.14 billion** per year on IT, which ranks the state third behind California ($3.96 billion) and Texas ($3.77 billion). Despite this significant annual investment, Florida does not have an effective and durable enterprise IT governance structure for decision-making and accountability, which similarly sized Fortune companies would find problematic.

The absence of an effective IT governance structure has promoted and sustained a culture focused on individual agency IT operations rather than on maximizing the overall value of IT to the state. This has resulted in a proliferation of unnecessarily redundant systems creating a **costly and complex state IT landscape.**

- Florida currently has five large-scale Enterprise Resource Planning (ERP) projects in various states of completion with a total cost of approximately **$735 million**.
- Over the past several years, Florida has undertaken more than 12 large-scale integration and custom software development projects, with a total estimated cost of more than **$450 million,** all expected to directly enable and improve agencies' ability to provide required services.
- Florida has more than 30 major data center facilities, many not fully utilized *or* established as shared-use facilities, with an estimated annual cost of more than **$13.5 million**. In addition, there are numerous computer/server rooms not identified as data center facilities that would *likely increase this overall cost*.

Just a 5-10 percent efficiency improvement in the overall spending for IT could have a material and positive impact on the recurring funding expected to be available at the end of state fiscal year 2008-09.[1] Increasing the rate for successful completion of enterprise IT projects would not only have a positive fiscal impact, it would also improve the substantive functions the state performs. For example, the purpose of project Aspire is to ensure availability of adequate, timely and accurate fiscal information to decision-makers. IT projects such as the State Automated Child Welfare Information System (SACWIS) and Child Support Enforcement Automated Management System (CAMS) can affect services to our most vulnerable citizens. And projects such as the Integrated Criminal History System (ICHS), the Florida Sex Offender Registry, and the Offender Based Information System (OBIS) allow law enforcement officials to more effectively share information to protect and ensure the safety of our citizens. Failure to successfully implement these systems hinders the state's ability to provide critical services.

In the past 40 years, Florida has statutorily established more than 10 different IT-related governance and organizational structures and found none of them to be sustainable. Florida exhibits all of the symptoms of ineffective enterprise IT governance:[2]

- ✓ IT projects often run late and over budget
- ✓ Senior management cannot explain IT governance
- ✓ Senior management senses low value from IT investments
- ✓ Senior management sees outsourcing as a quick fix to IT problems
- ✓ Governance changes frequently
- ✓ IT is often a barrier to implementing new strategies
- ✓ Mechanisms to make IT decisions are slow or contradictory.

Florida needs an effective and sustainable enterprise IT governance structure to promote the rational establishment and delivery of enterprise IT services that improve citizen services and the effectiveness of state operations. The bottom line in the private sector is profit and market-share; the bottom line in the public sector is constitutionally established, statutorily implemented, and driven by citizen service needs. While different, both sectors must manage to their "bottom lines" and provide services and products that are competitive in costs and meet the needs and expectations of their customers/ constituents.

There is no easy and quick solution to these issues; it will require commitment by state decision-makers to phased-in improvements over several years. This interim project will analyze and recommend an enterprise IT governance structure that reflects the culture and decision-making processes of Florida government and can enable IT to support the state's needs and priorities.

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[1] *State of Florida Three Year Revenue and Expenditure Outlook, Fiscal Year 2006-07 through 2008-09, January 2006 Update*. The Senate Ways and Means Committee and Office of Economic and Demographic Research.

[2] Weill, Peter and Jeanne W. Ross. *IT Governance: How Top Performers Manage IT Decision Rights for Superior Results.* Boston: Harvard Business School Press, 2004, pp 216-220.

Methodology

The methodology used to complete this interim project included researching previous and current laws relating to enterprise IT governance in Florida, and reviewing and analyzing IT governance structures and practices from other states and the private sector. This information was used to develop criteria to analyze and evaluate five alternative governance models, using a well-developed framework for IT governance.[3,4]

- The Senate IT Governance Review and Study workgroup[5] identified the major IT governance problems it saw facing the state, and identified the desired behaviors and objectives related to the recurring IT governance problems.
- Each alternative governance model was evaluated using criteria to determine the best fit for Florida's enterprise IT governance needs.

The results of the interim project are captured in the findings, conclusions, and recommendations included in this report.

Background

A: History of IT Governance Structures and Processes in Florida State Government[6]

Over the past 40 years, the role of IT has changed dramatically. In the 1960s and 1970s, mainframe computers dominated in business settings, with their predominant use being support for financial and other "back office" functions. The 1980s and early 1990s brought widespread use of smaller and cheaper personal computers and a proliferation of a wide variety of desktop and client-server applications to meet specific needs of business users. In the mid-1990s, the Internet began to take hold.

Today, technology has had an unparallel impact on how people live, communicate, and interact with government agencies and has changed forever the way citizens access governmental information and services. Florida has implemented different types of governance structures and policies that have attempted to balance the efficiency benefits of centralization and consolidation with the operational flexibility of a distributed form of state government. However, the state has not been successful in rationally consolidating the state's distributed IT infrastructure to improve service capability and reduce cost of operation. Today, the state has very few examples of consolidated IT functions and services. Further, statutory

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[3] Ibid.

[4] Broadbent, Marianne and Peter Weill. Effective IT Governance. By Design. Gartner EXP Premier Reports, Jan 2003.

[5] The Senate IT Governance Project workgroup consisted of the staff director and deputy staff director of the Senate Ways and Means (SWM) Committee, the staff directors of each of the SWM appropriations committees, the staff director from the Senate Government Oversight and Productivity committee, and the Technology Review Workgroup.

[6] **Appendix A** lists all the sources that researched when documenting the history of IT governance structures and processes in Florida state government.

governance structures lack clear authority and unambiguous policy necessary for successful implementation and operation of the enterprise systems under their jurisdiction.

The first part of this interim project included researching Florida's past 40 years of statutorily created enterprise IT governance structures and entities. Figure 1 summarizes this research, and **Appendix B** includes a complete summary of the history of IT governance structures and processes in Florida state government.

Figure 1 – Statutorily Established IT Governance Structures Since 1967

Time Period	Structure	Overall Responsibility
Mainframe computers were very large and expensive, and required specialized facilities, i.e., data centers, so Florida IT governance focused on consolidation that would support the full utilization of these resources.		
1967 – 1969	Electronic Data Processing Management Board (EDP)	Control and direct the development of Florida's data processing functions and facilitate consolidation and centralization of data processing equipment and services for executive branch departments. Establish data processing standards and policies.
1967 - 1997	Data Processing Center Advisory Committees	Make recommendations regarding data processing center's operations and subsequently approve data center rates, certain expenditures, and operational actions.
1969 – 1984	Division of Electronic Data Processing (Division) in Department of General Services (DGS)	EDP Board transferred to DGS as a Division with essentially the same overall duties including development of a data processing center consolidation plan.
During the latter part of the 1970s, smaller and cheaper minicomputers became available and the Legislature determined that the decreased price/performance ratio of mainframe computers made consolidation less compelling.		
1981- 1983	Joint Select Committee on Electronic Data Processing	Study and report on five areas of concern in state government IT management: purchasing, management, human resources, telecommunications, and small systems.
The Joint Select Committee on Electronic Data Processing issued a report that found an inherent conflict in DGS's dual role as the state's policy maker for data processing and the state's provider of such services. The report recommended that any data processing policy come from the highest level of the executive branch to ensure broad base influence and agency collaboration.		

Time Period	Structure	Overall Responsibility
1983 - 1997	Information Resource Commission (IRC) comprised of Governor and Cabinet	Placed in Executive Office of the Governor (EOG) to centralize policy-making, coordinate executive departments' use of IT resources, and approve IT resources plans and purchases. IT planning process linked to State Comprehensive Plan and agency strategic plans and enforced through the appropriations release process.
1983 – 1998	Legislative Technology Resource Committee (Joint Committee on IT)	Recommend needed legislation in the areas of IT resource use and management, maintain continuous review of the use and management of IT resources by state agencies, and assist Senate and House standing committees.
1983 – 1997	Information Technology Resource Procurement Advisory Council	Review and make recommendations on agency proposed IT resource procurements and provide annual report to Legislature.
In 1990, the IRC was scheduled for repeal, which resulted in the Senate Committee on Governmental Operations conducting a review. The review found that the IRC's placement in the EOG provided potential conflict with its statutorily defined duties and that many agencies characterized it as having too much regulatory oversight. To clarify the IRC's role, it was legislatively transferred to the Department of Management Services (DMS), but assignment of decision-making responsibility continued to be an issue. Several legislative reviews and audits suggested that the IRC's mission was too broad and potentially conflicting. In 1997, the Legislature abolished the IRC and individual agencies assumed total responsibility and accountability for their IT operations and management.		
1997 – 2000	State Technology Council (Governor, Cabinet, agency heads and private sector representatives)	Develop statewide vision and policies for IT and resources management.
1997 – present	Agency Chief Information Officer (CIO) Council	Assist the agency head in identifying critical information resources management issues, facilitate the sharing of best practices, and identify efficiency opportunities among state agencies.
1997 – present	Technology Review Workgroup (TRW)	Originally the mechanism for the EOG to contract with the Legislature to review the portion of agency strategic plans and legislative budget requests that pertain to information resources management needs and requests. Subsequently amended to provide IT review and recommendations to the Legislature.
1997 – 2000	State Technology Office (STO) *(original version)*	Provide support to State Technology Council, Agency CIO Council, and TRW.

Time Period	Structure	Overall Responsibility
In 2000, the focus shifted back to a centralized, consolidated IT entity with substantive and organizational changes made to the STO.		
2000 – present	State Technology Office *(amended version)*	Responsible and accountable for the management of consolidated IT resources within the executive branch. Office headed by a state Chief Information Officer appointed by Governor.
In 2005, the Legislature passed legislation to transfer IT operational responsibilities to DMS and to place the STO's strategic planning and policy responsibilities with a successor entity. The Governor vetoed the legislation and the STO underwent de facto dissolution. DMS has subsequently provided for a subset of the STO's operational responsibilities through an entity called Enterprise Information Technology Services; however, this entity and its activities are not aligned with current law.		

B: Significant IT Projects and Investments

Over the past 12 years, Florida has made significant fiscal investments in large-scale IT projects that have experienced substantial changes in their scope, schedule, cost, and business objectives. Figure 2 summarizes some of these projects. A documented factor significantly contributing to these changes has been the lack of adherence to professional standards of practice for the planning, management, and implementation of large-scale IT projects.

Figure 2 – Florida's Large Scale IT Projects

Agency	Project	Original Total Cost Estimate	Current Total Cost Estimate	Current Planned Completion Date
Workforce Innovation (AWI)	1-Stop Management Information System (OSMIS)	$6.6 million (started 2001)	$26.8 million	Project stopped FY 2005-06
Children and Families (DCF)	Florida SACWIS (HomeSafeNet)	$70-80 million (started 1994)	$238 million	FY 2009-10
Environmental Protection (DEP)	Integrated Management System (IMS)	$6.4 million (started in 2001)	$24.4 million	Project stopped FY 2006
Financial Services (DFS)	Project Aspire	$78.9 million (started in 2003)	Not yet determined	FY 2007-08 (may be later)
Law Enforcement (FDLE)	Integrated Criminal History System (Falcon-ICHS)	$17.2 million (started in 2000)	$70.5 million	FY 2011-12

The purpose of the **One Stop Management Information System (OSMIS)** project was to meet the statutory requirement of providing a one-stop electronic case management system for Florida's workforce delivery program(s). Originally estimated as a 2-year effort in 2001, the project experienced poor system requirements definition and tracking, and inadequate project and contract management. In state fiscal year 2005-06, the project was halted with OSMIS (as

originally envisioned) only in partial production. Currently the system integrates with the remaining legacy application that was intended for replacement during the project, and a large maintenance effort continues to develop requested functionality.

The **Florida Statewide Automated Child Welfare Information System (SACWIS)** project is the result of a 1993 federal initiative to implement a single statewide IT solution to track abused and neglected children and ensure they receive the services necessary for their safety and permanency. Since its inception, the project has experienced problems with project management, contract management, and project governance that have adversely affected Florida's ability to implement fully a federally compliant system. Since 1994, more than $190 million in state and federal funds has been spent in the development and operation of this system[7], with only about 25 percent of the required functionality complete. The most recent estimated total cost to complete SACWIS is approximately $238 million.

The original scope of the **Integrated Management System (IMS)** project at DEP was to build a common agency-wide management information system by integrating the department's regulatory, scientific, land management, and administrative systems. Originally estimated in 2001 as a 3-year project costing $6.4 million, by 2005, the agency had spent $9.9 million with no integrated system yet in production. In 2006, realizing that the technical solution did not meet agency needs, the agency halted development and changed the project's direction to conduct an agency-wide business process improvement and requirements analysis initiative.

Project Aspire is a statewide initiative to replace the current legacy accounting and cash management systems (FLAIR and CMS) with a state-of-the-art ERP solution. Original project objectives included replacement of duplicative agency-based accounting and financial systems that were needed because of the limited functionality available in FLAIR and CMS. Estimated in state fiscal year 2002-03 as a 3-year project costing $78.9 million, the project originally was expected to complete in state fiscal year 2004-05. This project has suffered from inadequate contract management and lack of enterprise project management capabilities. The analysis to define system needs did not fully identify all necessary functionality for the state, and the agency signed off on the requirements deliverables prior to their completion. As a result, the project has encountered substantial delays and several scope changes. Through December 2006, the project has spent or incurred costs totaling approximately $86 million, but the system design still is incomplete, and the project's total cost and completion time are unknown.

The purpose of the **Integrated Criminal History System (ICHS-Falcon)** project at FDLE is to combine the Computerized Criminal History (CCH) and the Automated Fingerprint Identification System (AFIS) into a single search and report system (Falcon) using new technologies and interfaces to other criminal justice systems. The agency has struggled with the project schedule, insufficient staff experience with large, complex IT projects, and scope and system requirements changes. In 2005, the agency decided to divide the project into a series of smaller projects that it could better plan and manage. Originally estimated in 1998 as a 4-year project

[7] U.S. Department of Health and Human Services, Administration for Children and Families, 8/2006.

costing approximately $17 million, this effort (despite a reduction in scope) has expanded to a 12-year project currently projected at $70 million.[8]

Recurring Base Funding for Common IT Services

Since state fiscal year 2004-05, the Schedule IV-C has been a part of the agency annual legislative budget request submissions. The purpose of this schedule is to collect data on planned base budget costs and service requirements for each agency's IT services portfolio. IT services are categorized as strategic or non-strategic to an agency's mission. Strategic services directly enable the agency's statutory or constitutional responsibilities and policy objectives that differentiate one agency from another. Non-strategic services are common utility-type services that are not materially differentiated between agencies. They facilitate or enable the day-to-day business activities of the agency and provide the generic IT infrastructure needed to provide other IT services. The Schedule IV-C provides a consistent approach and management tool to help agencies better align their IT investments with their specific business needs and priorities.

For state fiscal year 2006-07, data was collected for seven non-strategic IT services,[9] which confirmed that Florida operates a costly IT utility landscape. For these seven non-strategic IT services, data showed:

1. 2,067 full-time IT staff (includes FTE, OPS and contractors)
2. Nearly $319 million in total planned costs
3. Similar or identical IT service requirements across the agencies, but ***widely varying cost per user*** because every agency has its own processes and infrastructure for providing these IT services.

The state would benefit financially and organizationally from defining enterprise- and agency-level IT projects and operations. Based on the analysis of the Schedule IV-C data, it is clear that the state would improve its enterprise IT capabilities by requiring shared service delivery, planning, management, and operations for certain common, non-strategic IT services. However, in the absence of effective policy for enterprise IT governance, agencies will continue to focus on their individual operations rather than on an overall strategy for shared service delivery.

C: Current Florida Statutes Related to Enterprise IT Governance

A comprehensive review of all applicable Florida laws and rules pertaining to enterprise IT governance and management structures is included in **Appendix C**. The analysis of any gaps or inconsistencies in specification and/or execution of existing IT governance structure and processes to current law is included in the findings section of this report.

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[8] FDLE, Schedule IV-B Feasibility Study Update for Falcon, 10/2006.

[9] Data from Schedule IV-C in the agency legislative budget request submissions for (1) network, (2) e-mail, (3) desktop, (4) help desk, (5) security, (6) financial and administrative systems, and (7) IT administration and management.

Current laws regarding IT are presented using the following structure:

- Statutorily created IT offices, programs, divisions, boards, councils, or committees
- IT policy and principle statements established in statute
- Statutorily created IT systems and applications that are either jurisdictional (usually within an agency) or functional (usually describing a function or service)
- Dedicated IT funding sources established in statute.

Using this organizational structure, current Florida law includes approximately:

- Forty-one statutorily created IT offices, programs, divisions, boards, councils, or committees, many with little or no specific decision-making authority in their area of responsibility. There also are no cohesive mechanisms or structures to provide needed coordination or collaboration between these entities.
- Thirteen statutorily established IT-related principle statements for either all of state government or a specific statutorily created IT system with many of these statements very broad and lacking specific objectives and timelines for implementation.
- Forty-eight statutorily created IT-related systems that are either jurisdictional (e.g., s. 20.316(4), F.S., creating the Juvenile Justice Information System within the Department of Juvenile Justice) or functional (e.g., s. 287.057(23), F.S., requiring the Department of Management Services, in consultation with the STO, to develop an online procurement system). Only a few of these statutorily established IT systems have specific policy direction describing their objectives and timeline for implementation.

D: IT Governance in Other States

Two data sources were primarily utilized to review and analyze other states' statutory and policy frameworks for enterprise IT governance: reports published by the National Association of State Chief Information Officers (NASCIO)[10] and research completed by the TRW.

NASCIO Reports

In 2005, NASCIO requested state CIOs to participate in a survey regarding their state's IT consolidation and shared services initiatives. The results were published in NASCIO's *Survey on IT Consolidation, Shared Services in the States*. Thirty-four states (Florida not included) plus the District of Columbia responded. The survey asked state CIOs to share their top 2006 priorities. A consensus majority indicated that IT service consolidation and shared services were top priorities and, as depicted in **Figure 3**, reported that significant progress had been made with these efforts.

[10] NASCIO represents state chief information officers and information resource executives and managers from the 50 states, 6 U.S. territories, and the District of Columbia. State members are senior officials from any of the 3 branches of government who have executive-level and statewide responsibility for information resource management.

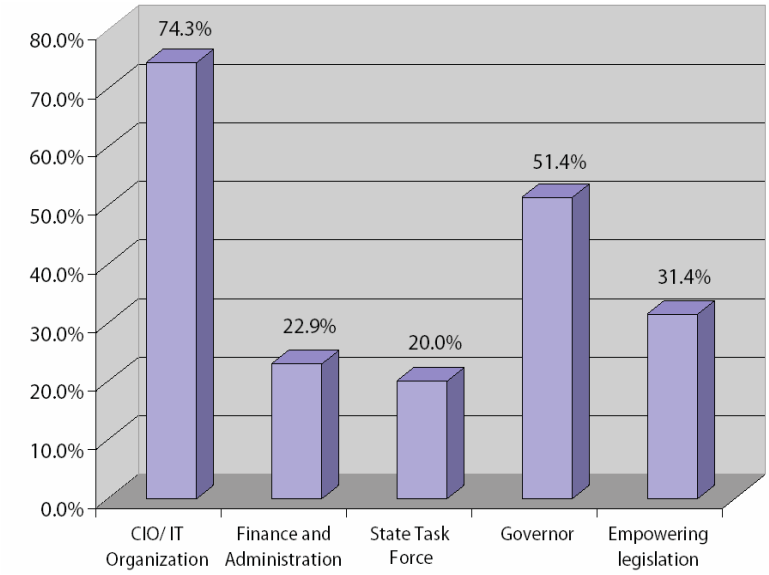
Figure 3 – State IT Consolidation and Shared Services Initiatives Reported as Completed or in Progress

Initiatives Reported as Completed or In Progress		
Initiative	**Consolidation**	**Shared Services**
Payment Engine	71.4%	78.6%
Communications Services/Telephony	91.4%	85.2%
Data Center	77.1%	84.7%
Disaster Recovery	68.6%	86.2%
E-mail Services	71.5%	61.5%
ERP/Financial/HR	73.5%	71.5%
GIS	58.8%	79.3%
Network	85.7%	70.3%
Portals	77.2%	93.1%
Procurement	80.0%	82.1%
Security Services	65.7%	79.3%
Servers	65.7%	77.8%

Source: NASCIO's *2005 Survey on IT Consolidation and Shared Services in the States*.

When asked who initiated (who was the change agent) for their state's consolidation efforts, the data showed that most were begun in the state CIO's office in conjunction with the Governor's Office or State Legislature. **See Figure 4 for details.** To provide the necessary consolidation policy or authority, the majority of states formalized their IT management structure through legislation.

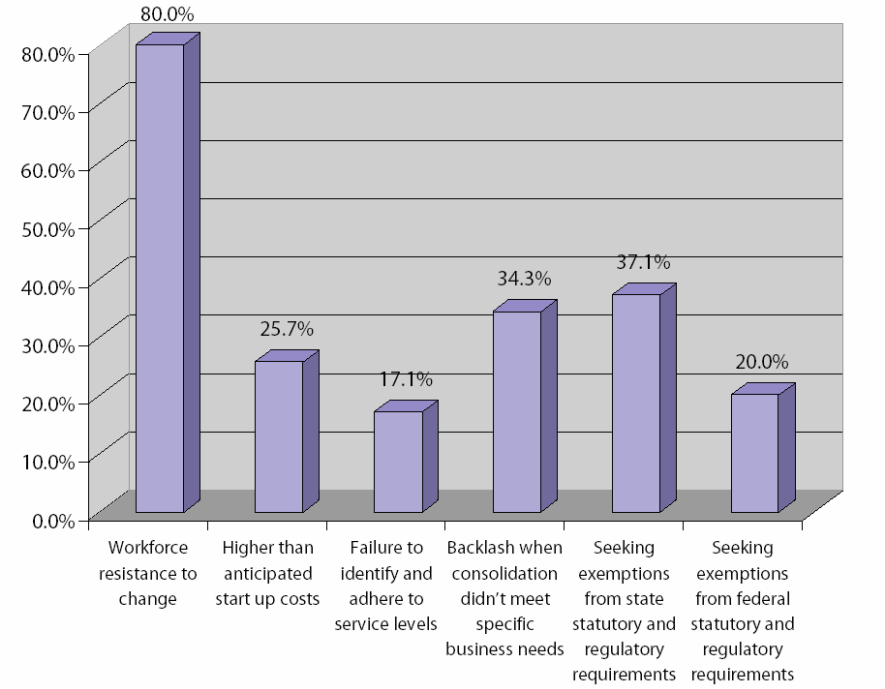
Figure 4 – Who Initiated the Consolidation Process in Your State



Source: NASCIO's *2005 Survey on IT Consolidation and Shared Services in the States*.

When asked to identify the obstacles or challenges their state experienced as a result of their consolidation initiatives, state CIOs reported that workforce resistance to change was the largest obstacle/challenge that had to be overcome. **See Figure 5 for details.**

Figure 5 – Challenges States Experienced because of Consolidation Efforts



Source: ***NASCIO's 2005 Survey of State IT Consolidation and Shared Services Initiatives.***

Between October 2004 and March 2005, NASCIO conducted another survey for its *Compendium of Digital Government in the States*. Forty-six (46) states responded with the following results:

1. Thirty-four states have formalized their IT management through legislation; two states have formalized through both an executive order and legislation, and nine states by executive order only.
2. The majority of states have some form of governing board (usually called a commission or committee) that oversees IT functions and reviews and approves enterprise standards and policies. Only in a few states does the board act in a purely advisory capacity. Board representation ranges from elected officials, a combination of one to all three branches of government, agency heads, and private sector individuals.
3. In 24 states, the Governor holds the appointing authority for the state CIO. In 16 states, the CIOs are appointed by an authority other than the Governor. In five states, the Governor shares the appointment authority.
4. In 21 states, the state CIO manages IT as a division within a department – most usually the state's general services/administration department. In 16 states, the CIO manages IT as a separate and independent department, and in nine states, the CIO works in an office that is attached to the Governor's office.
5. Most state CIOs are vested with some responsibility to manage the core aspects of state IT, including IT integration, the state's broadband network, and technical innovation toward streamlining business processes. Four state CIOs (Delaware, Kansas, Minnesota, and South Dakota) have responsibilities that cut across the branches of state government.

6. A majority of state CIOs oversee IT offices/departments that provide a wide array of services to agencies as either voluntary customers or mandated clients. Architecture development, network administration, project management, and portal development were the most common.
7. State CIOs rely on a variety of means to manage enterprise IT, including making recommendations for standards and practices, approving agency practices against enterprise standards and goals, and directly managing agency practices in these areas. Recommendation authority predominates in all categories.
8. State CIOs oversee agency IT operations by recommending standards and practices, reviewing agency project proposals, and by providing direct management. A significant majority of state CIOs reported some level of authority over every functional category.

Other Research

In 2005, the TRW conducted research that reviewed and analyzed ten states[11] recognized by NASCIO and the Center for Digital Government for their efforts in the area of technology and e-government. The purpose of this original research effort was to document enterprise IT governance structures and processes, and the role of such structures in each state's IT procurement and project management processes.

This research was updated for the interim project, specifically focusing on overall enterprise IT governance structures; establishment of state CIOs; and requirements for strategic planning, IT project approval and management.

The results of this update revealed:

1. All 10 states have implemented enterprise IT governance structures that are limited to executive branch agencies. While Nebraska provides a statutory definition for "enterprise"[12], it appears that the use of the term refers only to the telecommunications / communications services.
2. All 10 states have some type of IT department/agency/office responsible for providing consolidated or centralized IT services. Six states[13] have a governance structure that includes a statutorily created board ***and*** agency/department; the board identifies and establishes standards, policies, and guidelines, and the agency/department implements them and coordinates compliance within executive branch agencies.
3. Georgia has a unique governance structure establishing a body corporate, the Georgia Technology Authority, to provide for the procurement of technology resources (hardware, software, and staff), technology enterprise management, and technology portfolio management for state agencies.

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[11] The ten states were North Carolina, Virginia, Washington, Georgia, Texas, New York, Michigan, California, Illinois, and Nebraska.

[12] "Enterprise" is defined to mean the entirety of all departments, offices, boards, bureaus, commissions, or institutions in the state for which money is to be appropriated for communications or data processing services, equipment, or facilities, including all executive, legislative, and judicial departments, the Nebraska state colleges, the University of Nebraska, and all other state institutions and entities.

[13] North Carolina, Virginia, Washington, Texas, New York, and California.

4. All 10 states have established a state CIO or comparable position. No state has statutorily identified the qualifications or skill-level required of the state CIO or comparable position.[14]
5. The overall management responsibilities of the states' central IT agency/office and their CIOs include IT service provider to state agencies, review and recommendation of agency IT budget requests, implementation of standard IT project management structures and processes, implementation of identified IT procurement standards and policies, and completion of agency reviews to ensure compliance.
6. All 10 states have statutorily established strategic IT planning structures and requirements, and all require their state CIO (or comparable position) to develop and publish a strategic IT plan through input provided by agencies. Among other components, a majority of the 10 states statutorily require their strategic IT plans to include an inventory of IT assets and an assessment of the progress of major IT projects, to include their successes or failures, costs and timeline adherence.
7. The majority of the 10 states have statutorily established policies, procedures, and processes for planning, managing, and implementing IT projects that include a process for project suspension and/or termination.

A complete summary of the results of this update is included in **Appendix D**.

E: IT Governance Lessons from the Private Sector

While it is widely acknowledged that the private sector operates differently than the public sector, any comprehensive review of public sector IT governance should consider successful practices from private sector organizations and their applicability to the public sector. Using eight dimensions, Figure 6 provides a high-level comparison of private and public sector characteristics that affect IT governance.

Figure 6 – Private Sector versus Public Sector (Government)

Dimensions	Private Sector	Public Sector (Government)
Business	Profit motivated; dynamic; market driven	Constitutionally driven, statutorily implemented; fixed/semi-permanent services; driven by citizen service needs
Corporate Structure	Singular organization; vertical	Plural organization; 3 branches
Span of IT Control	Unified chain of command; whole enterprise	Separation of powers; split chain of command; 3 branches
Means of IT Coordination	Formal; analytical; accountable	Informal/ad hoc; accommodative
Means of IT Execution	Clear and specific responsibilities	Broad responsibilities

[14] Nebraska has statutorily defined that the Division of Communications Director must have not less than 6 years experience in a position that includes responsibility for management, purchase, lease, or control of communications for a private or governmental enterprise.

Dimensions	Private Sector	Public Sector (Government)
Scalability	Total (comprehensive, enterprise)	Limited (functional stovepipes)
Role of IT	Strategic business objectives; CIO reports to CEO/Board for IT	Program specific IT role; CIO at division or bureau level and reports to ASD or agency budget director
IT Performance	Bottom line driven; straightforward cost/benefit analysis; specific business objectives	Bottom line and citizen service driven; complex cost-benefit analysis; broad business objectives

The shaded dimensions in Figure 6 are not unique to the private sector and can affect IT governance in the public sector as well. For these dimensions, the following characteristics are considered "best practices" for IT governance in the private sector.

Span of IT Control

The private sector clearly defines vertical decision-making responsibilities in its corporate governance structure. This structure provides a unified chain of command and includes a strategic planning process that requires IT to be leveraged across the entire enterprise to control costs, improve customer service, and achieve other business objectives. Business unit needs in the private sector are balanced with enterprise objectives. Florida does not have clearly defined decision-making authority or effective strategic IT planning mechanisms to align its IT decision-making. Most IT decisions are made at the agency level, with little/no enterprise-level consideration.

The private sector requires rigorous cost benefit analysis and validated business objectives for significant IT investment decisions. Florida has made some progress in this area with the documentation required for IT budget requests[15] and for proposed outsourcing initiatives exceeding an identified fiscal threshold (including outsourcing that involves IT),[16] but there are no enterprise standards for IT project initiation, planning, management, and implementation. Florida would be well served by utilizing rigorous analysis methods similar to those used in the private sector and applying them to state IT decision-making processes. For example, IT portfolio management, investment prioritization, and detailed cost benefit analysis are three examples of standard techniques that Florida could implement.

Most chief executive officers (CEOs) in private sector organizations hold the enterprise CIO accountable for the bottom line IT costs and savings, and reward cost savings and profit impact. The enterprise CIO typically has clear performance objectives and requires IT employees to assume organizational and personal responsibility for helping to achieve those objectives. Because of the dissolution of the STO, Florida has no enterprise CIO. When the STO existed, it was statutorily

[15] The Schedule IV-B is required for all IT projects with a total cost of $500,000 or more. The specific documentation requirements are scalable, depending on the type and size of the project.
[16] Chapter 287, Florida Statutes, requires outsourcing initiatives above a certain threshold to have a business case and cost-benefit analysis.

assigned the IT functions for Governor agencies and Governor and Cabinet agencies; Cabinet officer agencies were "exempt" from STO jurisdiction relating to their constitutional and statutory duties. Florida does not have an IT governance mechanism that allows an enterprise CIO to hold agency CIOs accountable for enterprise IT responsibilities and performance.

Means of IT Coordination

Private sector companies promote economies of scale and balance this with localized or business unit-specific IT responsibilities and services when necessary. IT operational services are delivered through a national or global corporate organization structure. Formal and sophisticated planning, unified management delivery, and support processes have been developed to sustain vertically and horizontally integrated services and infrastructure that enable day-to-day transactions across the entire enterprise. These processes require IT to be leveraged to eliminate unnecessary duplication among business units, improve capability, reduce costs and overhead, and foster the development of the enterprise as a whole.

The private sector focuses time and attention on developing common business objectives and understanding costs and benefits before initiating large scale IT projects. In turn, this planning process integrates relevant administrative cost controls. Florida does not have formal IT governance mechanisms and policies needed to develop enterprise IT objectives to eliminate unnecessary duplication and overhead.

Means of IT Execution

Private sector governance structures clearly delineate the responsibilities and reporting relationships of the enterprise CIO and business unit/divisional CIOs and/or IT managers. Typical responsibilities include management of the IT infrastructure and operational services, development of IT standards (e.g., IT architecture, capacity planning, etc.), and establishment of IT process improvements. Not all responsibilities are at the enterprise level; business unit/ divisional CIOs rightfully retain certain responsibilities. However, this delineation of function and responsibility is not ambiguous.

Portfolio management for IT projects and operational services allows the private sector to: 1) understand the true cost of IT services, 2) link investment decisions relating to project/business performance and cost/efficiency information, and 3) make effective sourcing decisions. Florida has taken some important steps toward these objectives through collecting cost and service data in the Schedule IV-C. Additionally, business case and cost-benefit requirements in Chapter 287, F.S., are intended to improve proposed outsourcing decisions.

Role of IT

In similarly sized corporations, an Enterprise CIO is in place, typically reports directly to the CEO or Board of Directors, and usually provides staff support to an investment control board and the enterprise project management office. The IT workforce is developed to institutionalize a culture of outcome, focused on optimizing cost and services, achieving specific business objectives, and delivering customer-oriented services. Peer benchmarking and performance measurement are common tools in the private sector, but are just taking a foothold in the public sector. In Florida, most agency CIOs do not report directly to the agency head or

have well established performance objectives. In addition, there is no enterprise CIO accountable for achieving enterprise IT business objectives.

IT Performance

The private sector views IT as an organizational tool for transforming and improving the corporate operations and overall ability to enhance corporate profits. Private sector organizations can accommodate both a demand and a supply side IT management approach. In other words, there are formal mechanisms for IT customers to request new or different IT services (demand-side model), or for IT to introduce a new IT service (supply-side model). Because of its societal role, the public sector focuses more on the supply-side IT management approach.

Three Gartner research studies[17] were reviewed to identify IT standards of practice relating to governance structures and processes. **Appendix E** contains a complete summary of private sector IT governance best practices from these articles.

Findings

A: Findings from History of IT Governance Structures and Processes in Florida State Government

1. The organization of Florida state government presents challenges to enterprise IT governance. In addition to the constitutional separation of powers among the three branches, Florida's executive branch includes an elected Cabinet with both constitutional and statutory duties that further subdivides (or apportions) governance responsibilities. This structure is unique among all 50 states.
2. The state does not have enterprise policies, structures, and standards for:
    a. Planning, managing, and implementing IT projects within an agency and across multiple agencies.
    b. Defining agency-level and enterprise-level IT responsibilities for IT application development and operations.
3. Statute has not clearly and adequately addressed the potential conflict in the dual role of IT policy maker and IT service provider.
4. State agencies generally are resistant to change and oversight and perceive centralized IT governance as a threat to agency autonomy.
5. Since enterprise IT governance policies and structures have either not been established in law or have not been properly authorized, appropriations have been provided to agencies. This inherent limitation has constrained the effective implementation of complex, enterprise initiatives that span agency boundaries.

[17] *Case Study: Ernst and Young Builds IT Services Portfolio,* June 19, 2006; *Increase the Value of IT Demand Governance: Add Investment Risk Management,* December 15, 2005; and *Addressing the More-Intractable Issues of IT Governance,* October 20, 2005.

B: Findings from Large Scale IT Projects

1. There are no formal structures or processes in place to systematically review or provide strategic management of large IT projects in executive agencies. When projects exceed their planned scope, schedule, or budget, there is no formal process or mechanism to ensure necessary corrective actions are taken.

2. The state does not have any formal enterprise mechanisms to plan, manage or control IT projects that cross agency boundaries or jurisdictional or constitutional boundaries between the branches of government.

3. There are no statutory policies or standards that require all executive branch agencies to follow industry standards of practice relating to: (a) project planning, management or implementation; (b) contract management; and (c) IT service delivery and support. Further, most state agencies have not developed mature capabilities in these areas, and no enterprise-wide resources are available and responsible for filling this gap.

4. The deployment of functionally redundant IT utility services, such as e-mail, file and print, websites, and portals[18], in each agency impedes the state's ability to leverage its purchasing power and develop uniform skills across agencies.

C: Findings from Current Florida Statutes Related to Enterprise IT Governance

1. Current Florida laws attempt to address several of the IT governance problems identified in this interim project; however, in most cases, they do not either clearly define the policy and management responsibilities, or have not been consistently and completely implemented. In spite of the number of statutorily created IT entities, Florida does not have a cohesive IT governance structure to ensure necessary levels of planning, coordination, and implementation for the entire enterprise.

2. Since the STO has not existed since the end of state fiscal year 2004-05, substantial sections of Chapter 282, F.S., (and other related sections of statute) are not currently executable. DMS' current IT operational structure (Enterprise Information Technology Services program) is not established in statute.

3. The majority of IT exists in the executive branch yet efforts to rationally consolidate and establish enterprise IT services and shared-use data centers in this branch have not been successful. There are no enterprise standards for effectively managing and utilizing state data centers, despite few meaningful differences in functions or operations.

4. Few statutes identify and describe the policy and operational establishment or implementation of enterprise application systems. While statute establishes a *single* shared-use data center (that is currently under-utilized), the state has

[18] See TRW's Schedule IV-C publications for additional information.

funded more than 30 data center facilities. Rational consolidation of data centers and common IT utility services would improve capability and reduce cost and operational complexity.

D: Findings from IT Governance in Other States

1. There is a strong trend towards states consolidating certain IT functions and establishing shared application delivery systems to improve efficiency and reduce unnecessary costs. These states have usually limited their enterprise IT governance structure and processes to executive branch agencies.

2. State governments are becoming more disciplined in utilizing professional standards of practice for planning, managing, and operating IT and making IT investment decisions. By adopting an enterprise view, states have benefited from consistent centralized oversight of enterprise-level IT projects, common standards and shared solutions, and alignment of substantive IT policy with legislative appropriation.

3. State CIOs are typically required to streamline state IT budgets, justify IT spending, and increase service delivery effectiveness. This requires leadership and participation in IT governance structures and processes, and policy direction to ensure IT sustains and extends the enterprise's mission and objectives in a planned manner.

4. States that have successfully consolidated their enterprise IT infrastructure have used reorganization strategies and IT process improvement initiatives to find and reduce or eliminate unnecessary redundancies.

5. The majority of states have addressed the potential conflict between policy maker and service provider by creating a management board and clearly establishing it with the authority for identifying and setting IT standards, policies, and guidelines. They also create some type of IT agency responsible for coordinating the implementation and compliance of these standards, policies, and guidelines with executive branch agencies; in some cases, this agency is also the enterprise IT service provider.

6. Other states have clearly established statutes that describe and define the process for IT project approval and management with the majority of states including in their statutes a process for project suspension and/or termination.

E. Findings from Analysis of Private Sector IT Governance Practices

1. The private sector's success with implementing effective enterprise IT governance structures is due, in large part, to the following:

    a) Clear definition and alignment of decision-making authority with the appropriate type of IT decision.

    b) Strategic planning to leverage IT as a means of achieving specific corporate- and division-level business objectives and ensuring the alignment of IT with the appropriate business functions and requirements.

2. The private sector leverages IT to improve performance and efficiency and to streamline processes that positively affect the bottom line. The private sector has implemented methodologies to:

   a) Understand and document the cost of providing particular IT services

   b) Monitor performance, reduce unnecessary duplication, and take corrective action when needed

   c) Validate anticipated return on investment.

3. The private sector's bottom line is profit-motivated and market-driven; the public sector's bottom line is constitutionally established, statutorily implemented, and driven by citizen service needs. While different, both sectors must manage to their bottom lines and provide services and products that are competitive in costs and compliant with the needs and expectations of their customers/constituents.

Analysis of Alternative Models to Address Florida IT Governance Problems

IT governance is the **assignment of decision rights** and the creation of an **accountability framework** to **achieve desirable behavior and outcomes** in the use of IT. [19] Decision rights describe who has authority to make specific decisions and who has the role of providing input /advice. *The challenge is to match the right level of decision-maker to the right level of decision*.

The state needs effective IT policy and governance to address its IT problems and challenges. To analyze the gaps in the current governance structure, a framework was used based on research conducted by the Massachusetts Institute of Technology (MIT)-Sloan Center for Information Systems Research/Gartner IT Governance Process and Gartner Executive Programs.[20,21] **Appendix F** contains a more complete description of the process used to develop and evaluate the alternative IT governance models.

The following five decision areas or IT domains identify "what needs to be governed." Each of the five IT domains involves a different type of decision, which requires a different level of decision-making and decision-maker. The following domain summaries describe the types of decisions that must be made and the most appropriate level of decision-maker.

1. **IT policies** – This domain involves high-level statements that describe how IT will deliver more effective government services to citizens and improve state agency operations. They can relate to how decisions in all other IT domains will be made and implemented. For example, a policy decision might identify

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[19] Taken from Peter Weill and Jeanne W. Ross. *IT Governance: How Top Performers Manage IT Decision Rights for Superior Results.* Boston: Harvard Business School Press, 2004, pp 216-220.
[20] Ibid.
[21] Broadbent, Marianne and Peter Weill. Effective IT Governance. By Design. Gartner EXP Premier Reports, Jan 2003.

enterprise IT services that will be shared among some or all state agencies, which then drives the policy for other IT infrastructure decisions.

An effective IT policy describes: (a) its rationale; (b) implications of compliance (or noncompliance); (c) the timeline for implementation; (d) metrics for determining compliance; and (e) the accountable structure responsible for its implementation.[22] IT policy decisions should be made at the highest level of the state organization to ensure buy-in and commitment by elected officials, agency heads, and senior managers and to ensure alignment with state enterprise and agency business objectives. Major IT policies should reflect clear choices that should be codified in law, and adjusted when appropriate and necessary.

2. **IT investment** – This domain involves decisions relating to IT strategic planning, IT investment/funding priorities, IT portfolio management, and IT project initiation and termination. Decisions in this domain ensure that the state is funding the right IT projects and services at the right level and is getting value for its IT investments. The decisions in this domain relate to the lifecycle of IT projects that occur *before and after* the appropriations process. For example, IT investment decisions may establish standards and criteria for IT project planning (before funding approval) and management (after funding is provided). Compliance with established standards should be required before funding approval in the appropriations process.

   These types of decisions should be made by policy makers, agency heads and senior managers, with appropriate checks and balances to ensure proper deliberation, transparency, and accountability for IT investment in projects and operations. Because IT projects vary greatly in type, size, and scope, project management and decision-making responsibilities must be clear and specific. Thresholds or other criteria may be needed to indicate when higher-level decision makers should be engaged.

3. **Business applications** – This domain involves decisions relating to the business need for IT applications. Decisions focus on IT projects that create or modify purchased or internally developed applications that directly support the delivery of state services to citizens or state operations. A business application decision can address whether (and to what extent) to re-engineer business processes in advance of development and implementation of an IT solution.

   IT business application and service decisions need to support the priority needs of the state. Agency business owners should have a key role in these decisions because of the strategic nature of this IT domain. However, business application decisions also require enterprise coordination to leverage current hardware, software, data center facilities, and IT staff resources and to minimize unnecessary duplication of IT services/ applications in multiple agencies. An effective strategy for enterprise business applications will determine how IT can be used to more effectively enable or improve multi-agency business functions.

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[22] Dallas, Susan. The Role of IT Principles in IT Governance. Gartner EXP Premier Reports, February 14, 2006.

4. **IT architecture** – This domain relates to the business standards and technical guidelines that govern technology choices for the state enterprise. An enterprise IT architecture enables agencies to exchange and share information efficiently and effectively to meet the state's business needs. An effective state approach to IT architecture will define integration and standardization requirements.

   IT experts must make decisions regarding IT architecture because they have in-depth knowledge of technology platforms and capabilities. However, the impact and importance of these decisions suggest the need for high-level decision-makers to be involved to ensure state policy and major business requirements are well understood and supported.

5. **IT infrastructure** - This domain involves decisions relating to standards and definitions of IT systems and services that are common to all or a significant subset of state agencies, e.g., health and human services and criminal justice agencies. It also includes standards relating to the delivery and support of shared services across the state enterprise. For example, increasing data center utilization and establishing them as shared-use facilities would leverage available capacity across agencies, facilitate sharing of IT assets and systems across the agencies, and reduce cost and complexity.

   Decisions regarding the state IT infrastructure can relate to IT projects or operational systems. These decisions require expertise in IT disciplines such as outsourcing, consolidation, project management, IT contract negotiation and management, and IT service management, delivery, and support. They also require decision-makers to be sensitive to how their agency users and business applications utilize common utility IT services. An appropriate IT infrastructure strategy will ensure that enterprise IT services are provided efficiently and effectively.

As indicated above, these five IT decision areas require input from different sources and different levels of decision-makers. ***For a large enterprise such as Florida state government, an effective IT governance structure should incorporate a combination of governance models to address the different types of IT decisions required to manage enterprise IT.*** For example, while the model needed for IT policy decisions is different from the one needed for IT architecture decisions, Florida would require both types. Florida's enterprise IT governance structure needs to integrate decisions required of elected officials, agency heads, senior managers, business owners, and IT professionals; and to ensure necessary input mechanisms that advise these decisions.

Governance Model Alternatives

This interim project analyzed several IT governance models to determine which one(s): (a) most effectively matched decision types with decision-makers, (b) fit best with the state's current culture and organization, and (c) addressed the state's IT governance problems identified in this interim project. *Each model's descriptions and examples are not intended to be comprehensive depictions, but rather illustrative of the types of decisions and problems each model could address.*

Current Structure

Current IT governance practices rely on decentralized agency decision making for nearly all IT functions. Current IT governance practices do not reflect current law. Florida statutes authorize a centralized IT entity (the STO) that is not funded and does not exist in practice. There is no formal enterprise-level coordination of IT decisions and many other statutorily established IT governance structures either are no longer operationally effective or no longer convene. In the absence of any formal enterprise IT governance structure or process, agencies make decisions based on informal input from a variety of sources. This type of decentralized decision-making process is adequate for small or unique agency-specific IT decisions but is inadequate to ensure success of major IT initiatives.

The interim project identified a variety of problems with the current structure that can be categorized into three main types: strategic, project-related, and operational. See **Appendix G** for a complete list of the identified problems.

- **Strategic problems**

  IT strategic planning – There is a lack of specific enterprise IT business objectives and statewide policy direction requiring IT investments to align with the state's strategic business needs. These types of planning objectives require agreement on the part of the executive and legislative branches.

  IT investment and portfolio management – There is a lack of statewide policy or standards to ensure efficient and effective utilization of hardware, software, data center facilities, and IT staff resources in all state agencies. The state has not adequately defined needed enterprise and agency IT functions and responsibilities. Without clearly delineating these responsibilities in the past 10 years, Florida has not been able to effectively implement and manage any significant IT consolidation projects or new shared IT enterprise applications.

  Enterprise governance – There is a lack of effective management, structures, policies, and decision-making authority over large multi-jurisdictional or multi-agency IT systems and initiatives. Florida does not have an effective mechanism that can decide whether operational IT systems and services should be provided at the agency level (distributed) or at the enterprise level (consolidated).

- **Enterprise project management-related problems**

  The state does not have consistent project planning, management and implementation standards and processes to govern IT projects. The lack of these standards and processes results in many projects not achieving their stated business objectives or producing expected benefits within the planned budget and schedule. There is no formal mechanism at the enterprise level where decisions to delay, correct, recover or stop non-performing or "run-away" IT projects must be made (other than the annual legislative session).

- **Duplicative IT infrastructure / application problems**

  The state does not have consistent policy relating to development and operation of enterprise applications and delivery and support of shared IT services. For example, despite the fact that no significant material differences exist in functional and operational responsibilities of state data centers, there is only one shared data center formally designated in statute. There are more than 30 data centers in Florida government, many significantly under-utilized. The lack of clear policy relating to data center utilization contributes to the unnecessary duplication of hardware, software, staff resources, and facilities currently in the state's complex IT infrastructure.

In Florida, the Legislature makes IT investment decisions through the appropriations process. Current IT investment decision-making practices are limited in their ability to affect change *after* the General Appropriations Act becomes law. In recent years, budget amendments have been used as a mechanism to ensure investment is aligned with expected progress for IT projects. In most cases, these budget amendments are submitted for Legislative Budget Commission (LBC) approval. While major interim funding decisions are appropriately made by this body, operational planning and management decisions that are necessary for successful implementation of enterprise IT projects or policies require additional IT governance mechanisms that do not exist in current law.

The November 2006 passage of the Constitutional Amendment to Article III, Section 19 and Chapter No. 2006-199, Laws of Florida created the Government Efficiency Task Force, which will provide to the LBC recommendations for improving government services and reducing costs. These recommendations could provide input describing opportunities for enterprise- and agency-level IT operations, establishment of shared IT services, and data center and other IT resource consolidation.

Maintaining the current governance practice assumes that:

- Existing substantive and fiscal IT policies are adequate and the state enterprise would not benefit from adoption of industry standard IT practices for strategic planning, project management, service delivery and support, and portfolio management.

- Current governance structures and capabilities are sufficient for implementation of enterprise IT initiatives.

- Conflicts between existing statutes and operational practices do not need to be addressed through legislation.

Based on the problems identified during this interim project, these assumptions appear to be faulty.

Figure 7 – Summary of Current IT Governance Structure

Current Structure	
Examples of IT governance	**Policy –** No formal decision making authority for cohesive enterprise IT policy

Current Structure	
decision making	**IT Planning and Investments –** Legislature makes appropriations decisions through Legislative Budget Request (LBR) process; LBC makes post-appropriations decisions on budget amendments; agencies make significant base-budget investment decisions relative to IT
	Business Applications – Central administrative and financial systems (FFMIS) are the only examples of statewide shared IT applications; FFMIS Council is no longer meeting; limited enterprise decision-making; predominantly decentralized decision-making in agencies
	IT Architecture – No enterprise decision-making
	IT Infrastructure –SunCom and Router Transport Service, now known as MyFloridaNet, are the only enterprise-wide IT services
Ability to address Florida IT issues	All issues exist in current situation; current practice is not a viable option for addressing the enterprise IT problems that have been identified during this interim project
Fit with Florida government structure	Not well aligned with strategic decision-making; inadequate executive and legislative branch and agency participation; STO was unable to successfully implement strategic planning, policy-making, and operational responsibilities
Executive responsibilities	**Governor** – No coordinated executive responsibility for enterprise IT planning, implementation and management
	Governor & Cabinet – Cabinet officer agencies provided notice of exemption from STO centralized IT provisions in current law
	Agency – Nearly all IT decisions (except LBR requests for additional funding) are made at the agency level; inadequate agency participation in STO model when in existence
Legislative responsibilities	Responsible for funding IT projects and operations in LBR process and through LBC; inadequate front-end involvement, e.g., strategic planning, prioritizing major initiatives, and IT policy development
Overall strengths and weaknesses	**Strengths** – Agency control and autonomy **Weaknesses** – Inability to plan and implement enterprise-level IT projects successfully; inefficient and ineffective use of enterprise IT resources (people, hardware, software, and facilities); duplicative and unnecessary costs to meet the state's business needs
Other states using this model	Unknown

Central IT Model

A **central IT governance model** involves a single centralized entity providing enterprise IT services and having broad decision-making authority across the state enterprise. The executive director or management committee from the central statewide IT office or agency would make decisions in this model. While the central IT model is suitable for many operational and technical decisions relating to IT services and IT architecture, it is not a good fit as the sole decision maker for all strategic IT policy, investment, and business application decisions because:

- The Legislature has a constitutional responsibility in the appropriations process to provide funds for IT investment and enact legislation defining major policy decisions in law.

- As the primary enterprise IT service provider, there is an inherent conflict in having a single organization assume the dual role of *making all/nearly all policy decisions* for IT services, making investment decisions, and *providing IT services.* (In the past, some agencies required to use the IT services of the service provider under these circumstances have viewed these policies as self-serving.)

- Broad decision-making authority for enterprise IT policies (e.g., business applications, IT investment, etc.) is best made by other governance models that are not primarily focused on the operation, delivery, and support of IT services.

- Technology should not be the sole driver for decisions relating to priorities for new or existing IT services/applications. These decisions require strong input from agency managers and policy-makers to ensure the resulting applications and services meet the state's policy, management and business needs.

This model would address many of the problems related to project planning, management and implementation through the adoption of professional project management standards and practices for agency implementation. With clear policy establishing its role and responsibilities, the central IT governance entity could serve as the primary service provider (directly or indirectly through in-sourced or outsourced service delivery) for enterprise-wide IT services and could help to manage large enterprise IT projects.

The central IT model's ability to produce infrastructure decisions relating to IT resource management would depend on its placement within the organization and management structure of state government. For example, the STO was not effective at negotiating common standards or obtaining cooperation and agreement among all the executive branch agencies. Any policy establishing a new central IT structure needs to require and define agency input and decision-making roles and responsibilities. Appropriately established, a central IT entity could improve utilization of enterprise IT resources and capabilities for individual agencies and the entire enterprise. The operational and technical nature of the Central IT model suggests it is not the best fit for decisions relating to IT policy, strategic planning and business application systems. These types of decisions are better handled through other governance models analyzed in this report.

Figure 8 –Central IT Governance Model

Central IT Model	
Examples of IT governance decision making	**Policy –** Scope of authority for implementing policy should be determined in statute; define participatory structure/process recognizing some IT functions should continue to be agency responsibilities
	IT Planning and Investments – Project approvals subject to appropriation; approval of enterprise IT procurements according to established standards
	Business Applications – Approval of technology approach
	IT Architecture – Establish enterprise architecture standards and migration approach; need strong business input and statewide policy framework

Central IT Model	
	IT Infrastructure – Central IT entity could be the primary service provider for enterprise-wide IT services through in-sourcing or outsourcing; responsible for centralizing shared services and consolidating data centers
Ability to address Florida IT issues	This model can partially address Florida's IT problems through improved IT resource utilization and project management. Other models would be needed to address the problems associated with strategic IT policy and business application decisions.
Fit with Florida government structure	STO showed limitations of central IT model as sole IT governance structure; there were significant issues relating to agency participation and related organizational changes, and cost recovery for the policymaking functions as well as IT services being provided to agencies.
Executive responsibilities	**Governor** – If the new central IT entity is a Governor's agency, the Governor would appoint the agency head (subject to Senate confirmation) and have final managerial authority over the agency; Cabinet officer and Governor/Cabinet agencies participation could be addressed informally or through statute.
	Governor and Cabinet – If the new central IT entity is a Governor and Cabinet-level agency, the Governor and Cabinet would be the agency head with specific management authority, e.g., appointing the executive director, approving agency plans and LBRs, and receiving and approving reports of agency activities; all executive agencies would fall within the governance authority established in statute.
	Agency – Agencies provide input to IT decisions through agency planning, IT governance, and LBR processes. *To ensure effective agency input mechanisms and decision-making responsibilities are established, existing statutory structures such as the State Agency CIO Council would need to be modified.*
Legislative responsibilities	Responsible for funding IT projects and operations; determining enterprise policies and standards that must be codified in law
Overall strengths and weaknesses	**Strengths** – Strong leadership and control of enterprise IT resources and improved management of multi-agency projects and operations. **Weaknesses** – Potential for excessive overhead and bureaucracy in IT project approvals if enterprise- and agency-level functions and responsibilities are not determined and clearly defined; potential technology-focused decision bias; could limit flexibility if agency needs are not well integrated into decision-making processes.
Other states using this model	The state of North Carolina has a centralized IT-lead model. The CIO approves major IT projects and agency IT budget requests and establishes standards for IT. A special review committee comprised of the State Budget Officer and the Secretary of Administration resolve any disputes between agencies and the CIO. An IT Board reviews and provides comment on IT plans and statewide technology initiatives. An Office of IT (OIT) develops standards and processes for assessing and reviewing agency compliance with statewide policies. The OIT also provides shared services and procures all IT for executive branch agencies.

Governor and Cabinet Model or Appointed Board Model

The Governor and Cabinet model and the Appointed Board model are two types of collegial decision-making bodies.

The **Governor and Cabinet model** involves the chief executives of all the agencies and departments that are in the executive branch, with the Governor and Cabinet serving as the decision-making body for strategic enterprise-wide IT decisions. The Governor and Cabinet previously served as the Information Resource Commission (IRC) from 1983 to 1997. This high-level decision making group was charged with centralizing IT policies, coordinating the use of IT resources in executive departments, and approving IT resource plans and purchases. While establishing IT policies and making strategic decisions was an appropriate level of decision-making for these elected officials, more technical or operational decisions relating to coordinating the use of IT resources and approving IT purchases were too tactical for the Governor and Cabinet model. Recreating a similar structure without clearly specifying the type and level of decisions and matching them with the appropriate level of decision-makers would potentially create problems similar to those that existed with the IRC.

In general, the Governor and Cabinet model would enable implementation of strategic IT business objectives. It would address the state's IT problems relating to effective management of large multi-jurisdictional IT projects and operations. This model would involve implementing policy established by the Legislature that requires alignment of IT investments with the state's strategic business needs, effective utilization of IT assets and resources, and adherence to industry standards for project planning, management, and implementation.

The Governor and Cabinet are very familiar with the business needs of the state and clearly understand and appreciate the need for providing IT services as efficiently and effectively as possible; however, because of the breadth of their decision-making responsibilities, sufficient staff support would be required to ensure that IT policy decisions receive their full scrutiny and consideration. The Governor and Cabinet model is not the best fit for more technical or operational decisions that would more appropriately be the responsibilities of other governance models analyzed in this report. A Governor and Cabinet agency would be better equipped to address decisions relating to specific business applications, IT infrastructure components, and IT architecture options.

Figure 9 –Governor and Cabinet IT Governance Model

Governor and Cabinet Model	
Examples of IT governance decision making	**Policy –** Authority for strategic decision-making and policy implementation as established in law; tactical or operational decision-making is delegated to other enterprise IT governance mechanisms
	IT Planning and Investments – Could serve as statewide management entity for large enterprise IT initiatives, providing initial planning authorization (subject to appropriations), ensuring alignment with law, requiring corrective action when needed, and terminating failed or underperforming projects
	Business Applications – Approval of projects of a certain type or above a size or cost threshold; establishment of enterprise management teams to plan, manage, and implement enterprise IT business application projects and systems as authorized in law
	IT Architecture – Not appropriate for most aspects of technical decision-making other than for identification of strategic business objectives to be achieved through the enterprise architecture

Governor and Cabinet Model	
	IT Infrastructure – Approval of shared enterprise services initiatives, data center consolidation initiatives; establishment of enterprise management teams to plan, manage, and implement multi-agency IT infrastructure projects and services as specified in law
Ability to address Florida IT issues	This model partially addresses Florida's IT problems; other types of governance models are needed to address more operational, technical, tactical, and business-specific IT decisions.
Fit with Florida government structure	Consistent with current Governor and Cabinet responsibilities, assuming prior IT decision-making issues are resolved and a policy framework establishes roles and responsibilities of Governor and Cabinet and any related structures.
Executive responsibilities	**Governor** – Decision input to the Governor and Cabinet process; other enterprise governance or agency level support processes would be needed to handle delegated decisions as established in law.
	Governor and Cabinet – Strategic IT decisions would be made according to enterprise IT policies and parameters provided in law; other enterprise governance models or agency level support processes would be needed to handle more technical and tactical decisions as established in law.
	Agency – Agencies provide input to IT decisions through agency planning, IT governance, LBR processes, and Governor and Cabinet requests for information. *Existing statutory structures such as the State Agency CIO Council would need modification to ensure effective agency input mechanisms and decision-making responsibilities are established.*
Legislative responsibilities	Responsible for funding IT projects and operations; determining enterprise IT policies and standards that must be codified in law; establishing structures and defining responsibilities and processes.
Overall strengths and weaknesses	**Strengths** – Established and well-defined Florida Governor and Cabinet structure and processes could be easily leveraged; IT-related functional responsibilities would have to be established; high-level involvement in IT governance and decision-making; however, this turns into a weakness if the decisions brought before the group are not well aligned with the strategic-level decisions this body is responsible for making. **Weaknesses** – Potential for competing interest and attention to other statewide priorities; would require adequate staff support for implementation.
Other states using this model	No other state has an elected Cabinet.

The **Appointed Board** model is the second type of collegial decision-making body analyzed. Similar to the Governor and Cabinet model, the Appointed Board would make strategic decisions related to the specific use of enterprise IT resources across executive branch agencies and approve initial planning of enterprise IT projects necessary for LBR development or base budget funded initiatives. Unlike the Governor and Cabinet model, the Appointed Board's exclusive focus on IT would make it appropriate for governance decisions relating to a broader range of business application systems, IT infrastructure, IT architecture, and IT investments.

Other states have successfully implemented the Appointed Board model; however, these states do not have an executive branch whose authority is divided between

the Governor and an elected Cabinet. Three significant issues became instrumental in determining that the Appointed Board IT governance model is not well-suited for Florida:

1. An IT governance structure should reflect the characteristics of the overall organizational structure of the enterprise; in this case, Florida's executive branch is governed by the Governor and the elected Cabinet.

2. The recommended definition of the enterprise is the executive branch. Art. IV, Section 6 of the Florida Constitution restricts the establishment of governing entities in the executive branch to agencies created or authorized in statute to perform legislatively delegated functions, including departments under the direct supervision of the Governor, Lieutenant Governor, Cabinet officer, or the Governor and Cabinet.

3. Art. IV, Section 6 of the Constitution further limits the Cabinet's involvement in board appointments to confirmation and/or removal.

As previously stated, the Appointed Board model is successful in states with a singular executive officer. For example, the state of Washington has a high-level 15-member policy-making body called the Information Services Board. It provides direction to the Department of Information Services, which is headed by a Director who is an appointed member of the Governor's cabinet and confirmed by the Senate.

High-level Consensus Model

The High-level Consensus model is based on executive and legislative branch stakeholders reaching formal agreement on strategic IT decisions. It is adapted from the current consensus estimating processes in Chapter 216, F.S., but is different from this process in the type of issues the IT consensus group would address. Florida has successfully used a consensus process in various areas of government policy for many years. Chapter 216, F.S., identifies the specific procedures relating to the state's consensus processes that focus on quantitative analysis and revenue estimations.

The principals of the IT consensus model would identify and agree on strategic IT needs and enterprise-wide policy issues that could be forwarded, as non-binding recommendations, to the Governor and Legislature. If the Governor and Legislature adopted the recommendations, they would be codified in the Laws of Florida and/or included in the General Appropriations Act, as necessary.

The Governor and the Legislature would designate the primary principals of the IT consensus process with agencies directly participating through planning and agency IT governance processes. The consensus principals could also develop and publish an annual or bi-annual enterprise assessment report describing current and recommended modifications to statewide IT infrastructure, applications, and policy issues.

The high-level consensus model would address the state's IT governance problems relating to strategic planning, IT policy, and identification of enterprise IT initiatives. For example, it would address the need for policy relating to (1) IT strategic planning and alignment of IT investment with state business priorities, (2) criteria for determining enterprise-wide services, and (3) specific structures

responsible for managing and overseeing large multi-jurisdictional projects and operations. This model is most suitable for determining enterprise IT needs, reaching agreement on strategic IT business objectives, developing consensus-based, non-binding recommendations for annual/multi-year priorities, and analyzing/developing IT policy for consideration by the Governor and the Legislature. It would not be the best fit for more technical and operational decisions that should be the responsibilities of other governance models analyzed in this report.

The strength of this model is in reaching consensus among the principals, which is very important in strategic planning, developing enterprise business objectives for IT areas such as enterprise architecture, and identifying and implementing enterprise IT applications. The consensus model would build knowledge, capability, and experience in IT strategic planning and IT policy analysis among the participants. It also could play a role in determining whether enterprise-level policies and procedures need to be changed to accommodate large, complex IT projects such as ERP software solutions.

Figure 10 – Consensus IT Governance Model

Consensus Model	
Examples of IT governance decision making	**Policy –** Multi-branch resource for deriving strategic IT planning decisions and IT policies, subject to adoption in law by Legislature and Governor
	IT Planning and Investments – Establish high-level priorities; determine IT investment strategies
	Business Applications – Best suited for policy development and recommendations relating to enterprise business application systems; not appropriate for specific technical or operational business application decisions
	IT Architecture – Best suited for policy development and recommendations relating to establishment of enterprise architecture; not appropriate for technical decisions
	IT Infrastructure – Policy development and recommendations relating to identification of IT resources that would be provided more effectively at the enterprise level**;** examples include enterprise IT services or new state data centers
Ability to address Florida IT issues	This model can partially address Florida's IT problems through strategic planning and policy recommendations; it cannot directly address issues relating to operational IT planning, management, and implementation.
Fit with Florida government structure	Adapted from other consensus processes; uses similar state governance processes and structures; requires statutory mechanism to institutionalize the IT consensus process
Executive responsibilities	**Governor** – Participate as a principal in the consensus process.
	Governor and Cabinet – Participate as a principal in consensus process, as appropriate.
	Judiciary – A representative from the judicial branch would participate in the consensus process when a situation required judicial branch decision or input.
	Agency – Provide input through the principals in the consensus process and through planning and agency IT governance processes.

Consensus Model	
Legislative responsibilities	Sponsor and participate in the consensus process; identify legislative principals for the conference; codify enterprise policies and standards in law; and provide funding for IT projects and operations.
Overall strengths and weaknesses	**Strengths** –Stronger support for agreed-to initiatives from Legislature and Governor because all parties are involved and must agree. Local governments could also participate as the case and situation warrants. **Weaknesses** – Success depends on establishing and institutionalizing a strong policy framework and an effective operational process for the IT consensus model; this will likely require multiple years to refine.
Other states using this model	In Texas, the State Auditor, the Legislative Budget Board, and the Department of Information Resources establish quality assurance teams that evaluate and oversee major projects, analyze IT project risks for use in funding decisions, and require specific information on project status, costs, risks, and potential for success.

Conclusions and Recommendations

Conclusions

1. As the delivery of government services becomes more dependent on IT and, in particular, the Internet, the state needs policy that addresses the complexity of this environment and ensures the integrity of electronic systems and the information they contain. For example, policies related to information privacy, security, and access must be managed on an ongoing basis by all three branches of government.

2. For the most part, current law does not delineate enterprise- and agency-level IT decision-making responsibilities. In most cases, it does not provide a formal IT governance structure that can be used to effectively plan, manage, and implement enterprise IT initiatives and operations that span multiple agencies or branches of government.

3. Each IT domain analyzed in this interim project requires different areas of IT decisions and corresponding decision-makers to provide effective IT governance. Florida's past attempts at establishing enterprise IT governance did not comprehensively align the right type and level of IT decisions with the right type and level of decision-makers.

4. Enterprise IT initiatives need clear and specific policy directing their implementation, specifying business objectives, and identifying timelines; without this policy, informal and often insufficient accountability and management result.

5. Although not specifically addressed in this interim project, existing statutory IT governance structures and policies would have to be reconciled with any newly formed structure (e.g., Council for Efficient Government and the Government Efficiency Task Force).

6. Given the complexity of IT and its pervasive role in state operations, a multi-year approach is necessary to resolve the issues identified in this interim project.

Recommendations

Recommendation #1: The Legislature should statutorily identify enterprise- and agency-level IT responsibilities and define enterprise IT services and projects, and establish clear and specific IT policy for their provision and governance.

It is recommended that the Legislature identify the scope of the enterprise to include all legislatively delegated functions within Florida's executive branch. It is also recommended that the Legislature identify in statute those IT projects, services, and responsibilities that should be implemented and managed at the enterprise level and clearly distinguish them from those that should remain the responsibility of individual agencies or departments.

This statutory delineation would provide needed clarity to state agencies regarding their roles and responsibilities in enterprise initiatives, and allow them to focus their IT resources on agency-level IT services that enable their core mission. It also would allow the state to reduce investments in duplicative IT infrastructure and to expand and strengthen needed capability to meet the state's growing IT needs.

For example, individual agencies own and operate all of the state data centers. Many of these expensive facilities are significantly under-utilized and/or require significant upgrades to maintain expected levels of performance and availability. Although a few have federally mandated cost allocation requirements, these independently operated facilities have no significant material differences in function or operational requirements. Other states have successfully enacted legislation to consolidate state data centers and have implemented shared enterprise IT services. Similar to other states' undertakings, policy defining enterprise level resources, establishing a centralized governance structure, and directing the rational consolidation of state infrastructure, data center facilities, and applications would return significant cost savings and capability improvements to Florida.

Recommendation #2: Florida should establish an enterprise IT governance structure that aligns specific IT decision and input rights with the appropriate level of decision-makers by implementing:

High-level Consensus Governance Model. To obtain agreement on enterprise IT priorities and policy issues that cross agency or jurisdictional boundaries, the Legislature should create a consensus process with the following principals:

a. Professional staff of the Executive Office of the Governor designated by the Governor
b. Professional staff of the Senate designated by the Senate President
c. Professional staff of the House of Representatives designated by the House Speaker
d. Staff director of the TRW
e. Head of IT for executive branch

While the consensus process would produce non-binding recommendations, the product would represent agreement among the consensus principals.

Any of the principals can bring forward issues for consideration by the consensus. Examples of potential issues include privacy, security, state data centers, changes

to shared IT services/applications, and IT benefits realization. Governor's Office and legislative staff could provide staff support to the consensus model on a rotating basis.

Governor and Cabinet Model. To appropriately involve the chief executives of all executive branch departments and agencies, a new Governor and Cabinet-level IT agency would be established. The Governor and Cabinet would head the IT agency and would make high-level decisions to implement the IT policy established by the Legislature. To ensure that decisions are made at the right level and in a manner designed to avoid some of the state's past IT governance problems, statute must clearly establish the specific roles and responsibilities delineating decision-making authority for budget, planning, business applications, and the architecture and infrastructure for enterprise IT services. Figures 11 and 12 provide examples of the Governor and Cabinet model's decision-making and input responsibilities.

The Governor and Cabinet would appoint an executive director subject to Senate confirmation. The executive director would appoint four key staff positions subject to the approval of the Governor and Cabinet: (1) IT Policy and Strategy Officer, (2) IT Financial Officer, (3) Chief IT Service Manager, and (4) Chief Technology Officer. Figure 11 provides a brief description of the potential duties and responsibilities that would be assigned to the executive director and these four staff positions.

Funding for each functional area described in Figure 11 would be required for staff, start-up, and ongoing administrative services that benefit the enterprise as a whole and, therefore, are not suitable for cost recovery. The Legislature could determine the appropriate staffing and funding level, in large part, based upon the scope and quantity of tasks and responsibilities assigned to the new IT agency.

To ensure agency representation and participation, the Legislature should establish the statutory policy requiring the new IT agency to involve on a formal basis state agency IT and business staff when developing implementation strategies for Governor and Cabinet consideration and approval. This will address the potential recurrence of past problems experienced when agency input and participation were limited. Existing statutory structures, such as the State Agency CIO Council, would need to be modified and reconciled to address this statutory policy.

The new IT agency could provide supervisory management of specified enterprise IT projects. Projects encountering problems with scope, schedule, or budget as specified in law would have to develop, present, and implement a corrective action plan. If corrective actions were not successfully implemented, the Governor and Cabinet could take action to temporarily stop the project and require specific recovery actions, or terminate the project.

The significant advantage of the Governor and Cabinet model is that it clearly involves the chief executives of all the agencies and departments that comprise the executive branch. Since most of the state's IT functions are housed within the executive branch; this will provide a broad executive forum for strategic IT decisions.

Modified Central IT Entity. In the new Governor and Cabinet-level IT agency, a modified central IT governance model is recommended to address the operational decisions relating to the delivery and support functions of the statutorily identified enterprise IT services.

Figure 11 – Example of Recommended Model of Enterprise IT Governance

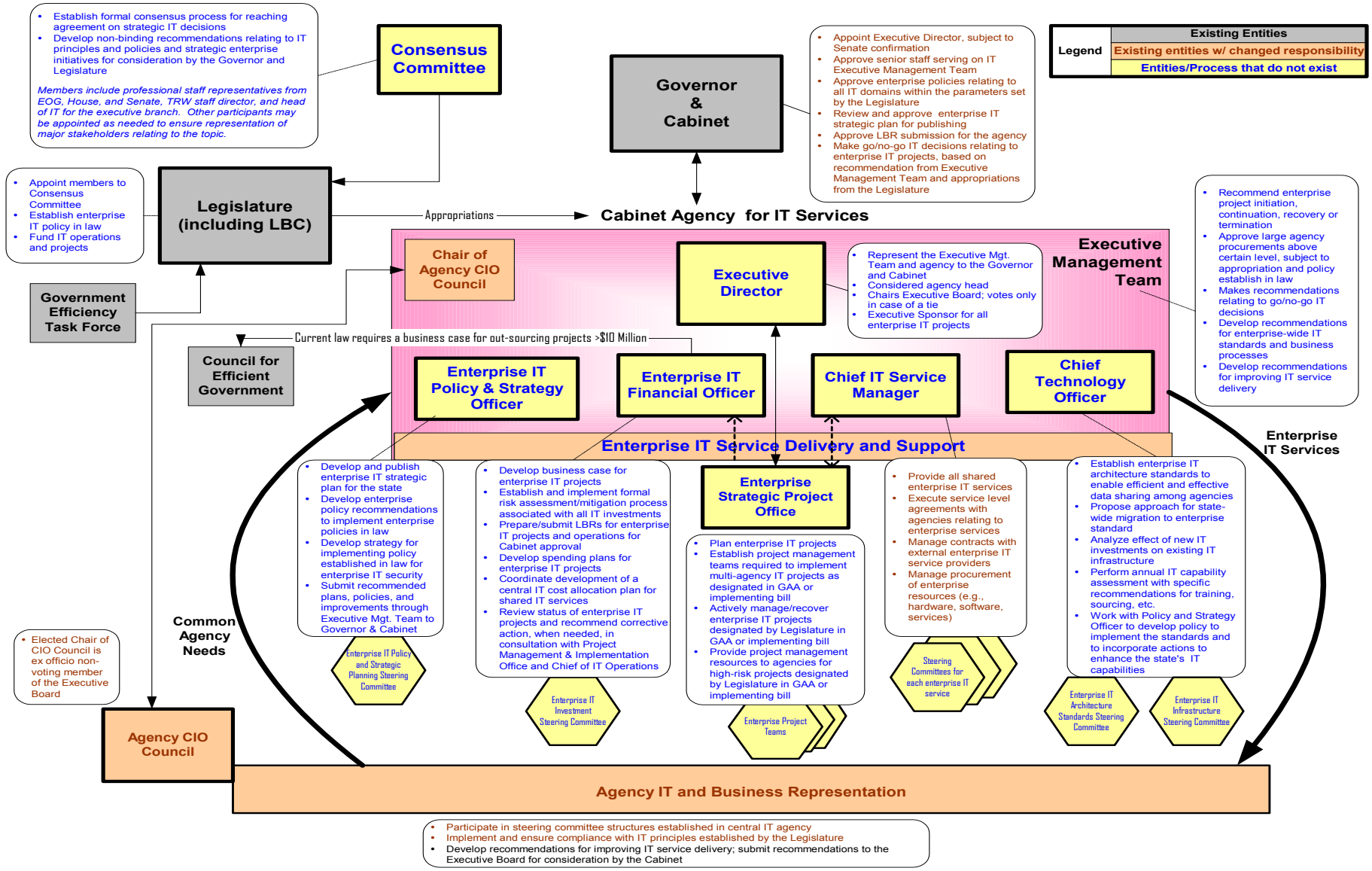

Figure 12 – **Examples of Decision/input Responsibilities for Governor and Cabinet Model of Enterprise IT Governance**

Governor and Cabinet Model*					
Governance Entity	***Enterprise Decision-making Responsibilities Across all IT Domains***				
	IT Policy	**IT Investment**	**Business Applications**	**IT Architecture**	**IT Infrastructure**
Agencies	Input regarding business priorities for IT *How can my agency improve the performance and value received from IT?*	Input via agency LBRs and active participation in enterprise IT projects *Do the requirements for this enterprise project include my agency's functional and technical needs?*	Enterprise IT services and initiatives will be defined by the Legislature; no decision-making changes are expected relating to strategic business functions and agency-specific IT services. Decisions to participate and utilize enterprise applications *Does my agency have any unique requirements relating to enterprise business applications?*	Input via participation in enterprise initiatives to enable more efficient data sharing among agencies *Does my agency have any unique data requirements?*	Decisions to participate and utilize enterprise IT services *Does my agency have any unique IT infrastructure requirements?*
Central IT Entity	Input and technical support *What are the recommended standards and approaches for IT planning and budgeting?*	Input to strategic planning; enterprise project management office to oversee large IT projects; technical support to agency budget development *Has this enterprise-level project met the standards and criteria for initial funding? For ongoing funding?* *Is this enterprise-level project on time, on budget, and within scope?*	**RECOMMENDED** for technical and operational decision-making relating to enterprise business applications. *What are the minimum planning, management standards, and performance targets for IT operations?*	**RECOMMENDED** for decision-making authority over technical IT architecture decisions. *What should be the enterprise standards for data capture, storage, access, security, and deletion?* (Decision appeal to Governor and Cabinet)	**RECOMMENDED** for decision-making authority for delivery and support decisions regarding IT infrastructure. *What are the standards and guidelines for data center utilization?* *What implementation approach should be used to consolidate designated data centers?* (Decision appeal to Governor and Cabinet)
Governor and Cabinet	Implementation policy adopted by the Legislature *What should the state standards be for planning and managing enterprise-wide IT projects?*	**RECOMMENDED** for decision-making authority to approve agency plans and budgets and oversee very large enterprise-level IT projects. *When should this enterprise-level project be delayed, recovered, or stopped?*	**RECOMMENDED** for decision-making authority to approve strategic decisions regarding managing/ implementing enterprise business applications. *What type and how many enterprise-level projects should the state undertake?*	Strategic decisions regarding establishing the IT architecture and ensuring compliance. *How should agencies be required to comply with a single enterprise data model for citizen data?*	Strategic decisions regarding IT infrastructure to ensure agency needs are being considered/ met. *Which agency data centers should be consolidated to provide the most value and savings to the state?*
Legislative Consensus Committee	**RECOMMENDED** for consensus decision-making with agreement of principals; resulting policy should be adopted in law. *How should enterprise-level projects and systems be funded?*	Develops strategic objectives for the state enterprise and analyze/develop strategic fiscal policy recommendations *When should an enterprise-level project be delayed, recovered, or stopped?*	Develops high-level policies regarding enterprise business applications *What are the priorities for IT investment, based on the state's strategic business priorities for state fiscal year 2007-08?*	Develops high-level policy regarding IT architecture *Should Florida establish an enterprise standard for citizen data captured in multiple agencies?*	Develops high-level policy regarding IT infrastructure *How many data centers should the state operate and who should operate them?* *What are agency utilization responsibilities?*

*This model assumes that a Cabinet-level IT agency would be assigned responsibility and accountability to coordinate or provide specified enterprise IT services and would provide staff support for Governor and Cabinet decisions.

As identified in Figure 11 the new IT agency would be responsible for enterprise IT delivery and support. The Chief IT Service Manager and the Chief Technology Officer would be responsible for the IT infrastructure and architecture decisions necessary for implementing the enterprise IT services.

State agencies would retain responsibility for implementing those agency-level IT functions as assigned by law. In addition, state agencies would be responsible for identifying their specific enterprise IT service requirements and for participating in the planning, implementation and utilization of enterprise IT services established in law.

A cost recovery model for IT services would be appropriate, with the budget authority provided to the Enterprise IT program and the cash appropriated to client agencies. This would ensure that the service provider and the service customer/user are directly involved in determining agreed-upon standards for service and quality. The cost recovery approach would need to comply with all federal and state requirements and enable effective management through clear understanding of client and service provider responsibilities.

Recommendation #3: Florida must establish a credible enterprise IT service provider that can reliably deliver and support the statutorily defined enterprise IT services.

To achieve the expected benefits of improved efficiency and effectiveness of statutorily defined enterprise IT services, the state must have a credible Enterprise IT Service Delivery and Support organization (see Figure 11) that can meet agency business needs. As stated in Recommendation #2, the new IT agency would include this organization that would either be the service provider for the statutorily defined enterprise IT services or would coordinate the sourcing of such services.

Much of the past resistance to rational consolidation of enterprise IT services has been due to (1) a lack of policy requiring such consolidation, (2) organizational resistance to change, and (3) actual or perceived loss of control over the enterprise service provider's ability to meet agency needs. Regardless of whether the enterprise IT services are in-sourced or outsourced, the new IT governance structure, through effective policy implementation, will need to address the previous resistance to enterprise IT service consolidation and delivery. Agency participation is imperative to ensure that the Enterprise IT Service Delivery and Support organization meets agency business needs through the execution of clear, comprehensive, and agreed upon service level agreements and establishment of effective governance and management mechanisms.

Recommendation #4: Appropriations for enterprise IT services, operations, projects and initiatives should be provided to the statutorily authorized governance model responsible for their planning and implementation.

To appropriately link and align enterprise IT policy with the state's budget, changes in the appropriations process should be made carefully and deliberately. Such changes should comply with all federal and state requirements, restrictions relating to cost allocation, and generally accepted government accounting standards.

Substantive law defining the project's scope, objectives, and completion timeframes should accompany any appropriations provided for major IT initiatives or projects.

Strategies for Implementation

The overall objective of this interim project is to study and recommend an effective and sustainable enterprise IT governance structure to promote the effective establishment, development, and delivery of enterprise IT services. To the extent the Legislature concurs and adopts the four recommendations in this report, the following high-level implementation tasks are suggested:

- Define in law enterprise IT services that should be planned, managed, and provided at the enterprise level.
- Define in law enterprise IT projects that should be planned and managed at the enterprise level.
- Define and delineate agency-level IT functions and responsibilities.
- Implement the high-level consensus process to address IT policy topics that require agreement between the executive and legislative branches.
- Define the roles and responsibilities of all stakeholders in the new IT governance structure and create a Governor and Cabinet-level agency or department for enterprise IT.
- Establish Enterprise Strategic Project Office for enterprise IT within the new IT agency.
- Require as condition of appropriations, substantive legislation to accompany any new enterprise IT projects.

2007 Legislative Session

The implementation of the structure and processes for enterprise IT governance will require commitment to phased-in improvements over several years. To the extent the Legislature concurs with the four recommendations presented in this report, it should consider developing legislation for the 2007 session that:

- Establishes IT policy that requires enterprise IT initiatives and operations to align with the business priorities of the state.

- Identifies enterprise- and agency-level IT responsibilities and define enterprise IT services and projects, and establishes clear and specific IT policy for their provision and governance.

- Establishes the enterprise IT governance structure as described in Recommendation #2
    - identifying and aligning the specific IT decision rights with the appropriate level of decision-makers (see Figures 11 and 12):
    - creating the Governor and Cabinet-level IT agency and defining the responsibilities of the Governor and Cabinet
    - specifying the membership and qualifications of the executive management team
    - providing guidelines for setting up each enterprise IT program area.

- Ensures formal and effective involvement of agencies in the enterprise IT governance structure and processes.

- Modifies and reconciles existing statutory structures, such as the State Agency CIO Council, with the new governance models.

The legislation should stagger effective dates of the initiatives and requirements to address the need for a phased-in implementation approach of the enterprise IT governance structure. The number and scope of the enterprise initiatives and the effective dates of the governance mechanisms will determine the level and timing of funding for required staff, start-up, and ongoing administrative functions.

Along with administrative startup functions, the Legislature should consider statutorily identifying one or two enterprise IT services that would be assigned to the newly established governance structure.

For example, the Legislature could direct the rational consolidation of state data centers and their establishment as an enterprise IT service, as discussed in Recommendation #1 or the consolidation and delivery of common, non-strategic IT services described elsewhere in this report (See Section B: Significant IT Projects and Investments).

In either case, the state would need to develop a migration plan that would prioritize and schedule the consolidation effort. For data center consolidation, this would likely involve migrating 3-4 data centers per year, with the largest 20 data centers ranked highest in priority. For consolidation of non-strategic IT services, the Legislature would identify those services best suited for consolidation and require the development of a plan for enterprise implementation. In both cases, the plans should identify the service requirements, total statewide costs, and capability improvements and quality measures associated with the effort.

State Fiscal Year 2007-08

The actual activities for this fiscal year are dependent upon the type and scope of legislation considered and passed by the 2007 Legislature. If a new enterprise IT governance structure is statutorily established, during this fiscal year the structure should be administratively and organizationally set up, to include hiring and appointing needed staff. Based upon the substantive IT policies established by the 2007 Legislature, the focus of this fiscal year should be on the implementation of these policies and the identification of any suggested/required modifications that may need to be addressed by the 2008 Legislature.

State Fiscal Year 2008-09 and subsequent fiscal years

The pace of establishing the recommended enterprise IT governance models in the new enterprise IT governance structure should be based on sound policy decisions and clear evidence that the structure is operating and can continue to operate effectively. In particular, it will be important to study and determine whether the newly established enterprise IT governance structure is adequately meeting the state enterprise and agency business needs. Therefore, in the second and subsequent years of implementation, the Legislature should assess the overall operational effectiveness of the newly established enterprise IT governance structure, and should consider any necessary changes or modifications to the structure and the entities with deferred effective dates.

Appendixes

Appendix A: Sources Utilized for Researching History of IT Governance Structures and Processes in Florida State Government

1980 A Review of the Data Processing Advisory Committees of the State Data Centers Prepared Pursuant to the Sundown Act, Senate Committee on Governmental Operations

1985 Report on Special Review of the Cost Accounting and Cost Recovery Procedures of Selected State Data Centers, Office of the Auditor General

1986 A Review of the Information Technology Resources Planning, Purchasing, and Security Processes, Joint Committee on Information Technology Resources

1990 Review of the Information Resource Commission, Data Processing Advisory Councils, and Information Technology Resource Procurement Advisory Council Prepared Pursuant to Section 11.611, F.S., Sundown Act, Senate Committee on Governmental Operations

1991 *Removing the Barriers to Integrated Information Systems*, Joint Committee on Information Technology Resources

1991 A Review of the Administrative Management Information Center (AMIC), Joint Committee on Information Technology Resources

1991 *Staff Analysis for CS/SB 1142*, Senate Committee on Governmental Operations

1992 *Improving the Productivity of State Data Centers*, Joint Committee on Information Technology Resources

1993 Data Center Customer Satisfaction: A Performance Measurement Tool, Joint Committee on Information Technology Resources

1993 Data Center Baseline Assessment Review, Office of the Auditor General

1994 Service to the Citizens: Using Information Technology to Improve Service Delivery, Joint Committee on Information Technology Resources

1994 Review of the Division of Information Services, Division of Communications, and Information Resource Commission of the Department of Management Services and the General Role of Technology in State Agencies, Senate Committee on Governmental Operations

1996 Governance in Florida State Government: A New Framework for Managing the State's Technology Investment, Joint Committee on Information Technology Resources

1997 *Staff Analysis for CS/SB 940,* Senate Committee on Governmental Reform and Oversight

1998 *Staff Analysis for CS/SB 1574*, Senate Committee on Governmental Reform and Oversight

2000 *Staff Analysis for CS/SB 1334*, Senate Committee on Governmental Oversight and Productivity

2001 *Staff Analysis for HB 1881*, House Committee on Information Technology

2005 *Staff Analysis for CS/CS/SB 1494*, Senate Committee on Governmental Oversight and Productivity

1974 – 2006 Laws of Florida

Appendix B: Data Processing from the Late 1950s through 1970s

Late 1950s

Florida, like other state governments, began using computers to improve the efficiency of their processes as early as the 1950s. It was also during this time that Florida started to address the challenges associated with technology, e.g., its cost and impact on how agencies could share resources and data. In the late 1950s, Florida's Governor formed a Steering Committee on Data Processing, which recommended that the Budget Commission approve all data processing equipment acquisitions. The Committee further recommended that the Auditor General study the potential for equipment sharing among agencies.

1966

Auditor General released *Preliminary Report on Automatic Data Processing Florida's State Government*. Report findings included:

- Data processing development was not coordinated among state agencies.
- Inefficient use of data processing equipment.
- No long-term planning for data processing development.
- Modern advances in computer technologies, such as telecommunications, were not being sought or utilized.

1967

Florida's response to this issue resulted in the 1967 establishment of the first information technology (IT) *governance structure*: the Electronic Data Processing (EDP) Management Board. The purpose of the EDP was for "arranging for and effecting the centralization, consolidation, and community use of equipment and services to obtain maximum utilization and efficiency in data processing".

EDP Board was authorized to:

- Establish & supervise administration of data processing centers.
- Arrange for & effect the centralization, consolidation, and community use of data processing equipment and services.
- Arrange for the transfer of agency data processing systems & operating personnel.
- Approve specifications for data processing or teleprocessing systems & equipment.
- Acquire data processing, data transmission, or teleprocessing equipment and communications lines.
- Establish one data processing center for the exclusive use of law enforcement agencies.

Additionally, this law created data processing advisory committees for each "central data processing center" with required membership consisting of representatives of each agency served by the data center.

1969

As result of the government reorganization, the EDP Board became part of the Department of General Services (DGS) and was renamed the Division of Electronic Data Processing. The division's primary purpose was the management of the state's data centers.

The Division of Communications was also created within DGS to develop, implement, manage, and coordinate the communications services[23] and facilities for state agencies.

1970

DGS was statutorily required to develop an electronic data processing consolidation plan that would reduce annual equipment costs, make more efficient utilization of personnel and equipment, and create centralized data processing center locations.

The division issued its consolidation plan, *Florida Interagency Management Information Support System*, which called for the creation of nine data processing centers[24] and excluded the State University System's four regional data centers.

1974

Chapter 74-386, LOF, created the Criminal Justice Information Systems Council[25] within the Department of Criminal Law Enforcement (subsequently renamed the Florida Department of Law Enforcement). It consisted of nine members[26] and was assigned the following duties[27]:

- Exchange of criminal justice information and criminal justice intelligence information and the operation of interstate and intrastate criminal justice information systems.
- Installation of criminal justice information systems and criminal justice intelligence systems.
- Assurance of physical security of the information systems.
- Purging or sealing criminal justice information upon court order.
- Dissemination of criminal justice information to non-criminal justice persons or agencies as authorized by law.
- Access to criminal justice information maintained by any criminal justice agency.

1976

The Governor and Cabinet approved further data center consolidation efforts by establishing the Administrative Management Information Center (AMIC), which combined three centers[28] into one data center. The state was then operating seven data processing centers.

During the late part of the 1970's smaller and cheaper minicomputers became available. The state determined that the decreased price/performance ratio of mainframe computers made consolidation of data processing centers less compelling. By 1979, single-agency data centers were authorized as a means of providing faster and more flexible service to state agencies without increasing data processing costs.[29]

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[23] "Communications services" included the state's long-distance network for voice and data, later named the SUNCOM Network.

[24] These nine centers included: Burns, Carlton, Caldwell, Jacksonville, Kirkman, Knott, Larson, Law Enforcement, and Mayo.

[25] With the creation of the Department of Juvenile Justice, this Council would subsequently be renamed to the Criminal and Juvenile Justice Information Systems Council.

[26] Members included Attorney General, Chair of Probation & Parole Commission, State Courts Administrator, and six members appointed by the Governor to include 2 sheriffs, 2 police chiefs, 1 public defender, and 1 state attorney.

[27] Since the Council's creation, its membership and duties have been statutorily expanded; however, the substance of the Council's original duties assigned in 1974 has not been deleted.

[28] Carlton, Larson, and Mayo data processing centers were consolidated into the AMIC.

[29] In 1981, the Auditor General's *Performance Audit of the Electronic Data Processing Program of the State of Florida* report recommended that the state's policy of centralized, consolidated data centers be modified to allow for the use of all available technologies due to the proliferation of inexpensive minicomputers and other data processing technologies.

Data Processing in the 1980s

1980

Senate Governmental Operations Committee released its report entitled *A Review of the Data Processing Advisory Committees of the State Data Centers*.

The report found that while the data center advisory committee structure had been effective in reviewing data center operations and recommending improvements, the statute creating the advisory committees was vague. It further indicated that the advisory bodies were incorrectly named as committees, and instead had the roles and functions that should statutorily be assigned to councils.

The Auditor General prepared a report, *A Unified Management Data System Plan for the State of Florida*, recommending the establishment of a unified data management system that would address the need for accurate and timely fiscal information. As a result of this report, the Legislature enacted Chapter 80-45, LOF, which created the Florida Fiscal Accounting Management Information System (FFAMIS) as the primary fiscal accounting and management system for Florida. All state agencies, including the State University System, were required to use FFAMIS.[30]

1981

The joint Legislative Auditing Committee adopted a motion recommending the establishment of a joint select committee to develop recommendations for improving the state's development, acquisition, operation, and control of electronic data processing systems.[31]

The Joint Select Committee on Electronic Data Processing (Select Committee) was established and focused its efforts on five areas of concern in information technology management – purchasing, management, human resources, telecommunications, and small systems.

1983

The Select Committee issued *Final Report of the Joint Select Committee on Electronic Data Processing*, which noted the inherent conflict in the dual roles of the Division of Electronic Data Processing in making policy for all data centers and in providing data processing services. The report recommended that state information resource management policy should come from the highest level of the executive branch, i.e., the Governor and Cabinet, to ensure broad base influence and agency collaboration.

The Select Committee's report prompted passage of two new laws and significant information technology governance structural reform.

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[30] In 1991, Auditor General issued *A Review of the Florida Fiscal and Accounting Management Information System*, which stressed the difficulty in unifying major statewide systems and applications across multiple agencies, given their initial independent, narrow focus, and vertical development.

[31] "The Legislature should establish a joint select committee to develop recommendations for the Legislature on means to improve state development, acquisition, operation, and control of electronic data processing systems. The committee should call on the expertise of private-enterprise users of computers as well as governmental users to project data processing systems technology and uses over the next decade and should make a determination as to how to bring state law, policy, and practice into line with technology. The major goal of the committee should be a rewrite of Part II, Chapter 23, Florida Statutes, to establish a foundation upon which all EDP decisions as acquisition and management can be based."

Chapter 83-92, LOF, enacted several key components:

Created Information Resource Commission (IRC)

The IRC, comprised of the Governor and Cabinet, was created and placed in the Executive Office of the Governor (EOG) for budgetary purposes. The Governor appointed an executive administrator[32] subject to the approval of three Cabinet members and confirmation by the Senate. The IRC's powers and duties involved centralized policy-making and coordinating executive department's use of information technology resources and specifically included:

- Development of information technology resources policies, procedures, and standards.
- Establishment of an information technology training program.
- Provision of agency technical and managerial assistance.
- Identification and evaluation of opportunities for multi-agency development and use of information technology resources.
- Identification of opportunities for multi-agency shared information resources development.
- Assurance departments implemented FFAMIS.
- Identification of computer security standards and guidelines.
- Assistance with state purchasing of information resources.

Established Planning and Management Process

Departments were required to submit a biennial Strategic Plan for Information Resources Management, for approval by the IRC. The plan was to include the following components:

- 4-year strategic objectives relating to information technology resources33 management and paperwork reduction.
- Inventory and associated costs of existing information resources.
- Description of the department's major databases and applications.
- Measures employed to evaluate efficiency of information resource utilization.
- Proposed projects, acquisitions, and conversions and their associated costs.
- Description of the effect of information technology resources on the department.

Departments could supplement approved plans to reflect major changes in the direction of a project that had a 2-year total cost in excess of $500,000.

This statute provided for the enforcement of this planning process by permitting the Governor to withhold appropriation releases of that portion of the department's operating budget pertaining to information resources management expenditures until the IRC certified compliance.

Created Information Resource Manager (IRM) Position

The law created the IRM position34 and required the IRM for executive departments to be the executive director, secretary or Cabinet officer (or designee); for the judicial branch, the Chief Justice of the Supreme Court (or designee); and for the State University System, the Chancellor of the Board of Regents (or designee). IRM primary duties were to prepare the agency's plan and to serve as liaison with the IRC.

[32] This position can be considered the first state chief information officer in Florida state government.
[33] As used in this document, information technology resources were statutorily defined (s. 282.03, F.S.) to mean data processing hardware, software, services, supplies, personnel, facilities, maintenance, and training.
[34] This position can be considered the first agency chief information officer within state government.

Renamed and Clarified Data Processing Advisory Councils

The law renamed and clarified the requirement of a data processing advisory council for each data processing center that derived 20% or more of its total yearly funding from departments other than the center's host department. The IRM of each user agency served as a council representative, with the data processing center supervisor serving as a non-voting council member. Each advisory councils was authorized to review any actions taken by its data center including, but not limited to, acquisitions of information technology resources costing in excess of $2,500, setting work priorities, scheduling, adopting operating policies and procedures, and accepting new users.

Established Legislative Information Technology Resource Committee (Joint Committee)[35]

The law created a joint standing committee of the Legislature, composed of six-members (equal numbers of Senate and House members). The Joint Committee was directed to recommend annually needed legislation in areas of information technology resource use and management, to review continuously the use and management of information technology resources by state departments, and to assist Senate and House standing committees as needed.

Chapter 83-99, LOF, created the *Information Technology Resource Procurement Advisory Council (ITRPAC).* This entity was to review and make recommendations to the IRC regarding specified agency procurements of information technology resources. The ITRPAC was comprised of the DGS Director of Purchasing, the IRC executive administrator, and the director of the Office of Planning and Budgeting (OPB). In addition, the IRM of the acquiring agency would serve as an ex officio member without voting rights.

The ITRPAC's duties included:

- Review & recommend single-source certification requests for IT resources having a 2-year total cost in excess of $500,000.
- Review & recommend agency modifications to ITBs or RFPs in excess of $1 million.
- Review & recommend agency IT acquisitions by any other methods having a 2-year total cost in excess of $500,000.[36]
- Review agency's IT resource needs & examine agency's proposed method of acquisition and procurement specifications.
- Adopt rules to establish standards and procedures for the review of agency information technology resource needs, proposed procurement specifications, and methods of acquisition.[37]
- Submit an annual report summarizing the council's reviews, by method of acquisition and by total costs; assessment of the effect of the council's actions on fair and open competition; and discussion of information technology resources purchasing issues.

(NOTE: A review of amendments to the 1983 chapter laws shows rapid growth in the area of information resources management. The most sweeping changes occurred in 1987, when the legislative focus was statutorily shifted from the early electronic data processing concerns to planning and management for all information technology resources.)

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[35] The law did not provide for a direct relationship between the Joint Committee and the IRC. However, in the 1990 Senate Governmental Operations Committee's Sundown Review Report, it stated that the Joint Committee provided general oversight of the IRC by attending meetings and participating regularly in activities sponsored by the IRC.

[36] ITRPAC review was to include whether the proposed information technology resources would achieve the business objective(s) of the agency, whether the technical requirements unduly restricted competition, whether all reasonable alternatives had been considered, whether the products and services could be bid, and whether the bid or proposal specifications conformed to all applicable state information resources management policies.

[37] Rule 13N-1.001 – 1.005, FAC, was adopted and became effective July 1, 1989, which implemented the provisions of this statute.

1984

Chapter 84-236, LOF, required each agency to appoint an information security manager and required the IRC and DGS to provide overall guidance and direction on computer-related security to agencies.

Chapter 84-257, LOF, created the State Agency Strategic Plan that listed the priority directions the agency intended to take in carrying out its mission within the context of the State Comprehensive Plan (s. 187.201, F.S.) and any other statutory mandates and authorizations given to the agency. A component of the strategic plan was an identification of information resources management needs.

1985

Auditor General released *Report on Special Review of the Cost Accounting and Cost Recovery Procedures of Selected State Data Centers* report. Report concluded that:

- No statewide authoritative guidelines or standards for data center cost accounting and cost distribution.
- Little to no consistency in the cost accounting and cost distribution among the data centers.
- Adequate and accurate cost data for data center services were not usually provided to data center users or Legislature.

Auditor General recommended the development of authoritative policies for cost accounting and cost distribution for the State's data processing centers.

1987

The IRC's powers and duties were amended to require its overall leadership and coordination of **all** information resources management within the executive branch, to evaluate all agency legislative budget requests and recommend potential cost-effective alternatives, and to evaluate proposed agency expenditures for compatibility with the agency's approved Strategic Plan for Information Resources Management. The IRC director was required to recommend any budget issue that could be more appropriately supplied by a private service provider.

A main component of this chapter law was the enactment of a more detailed and structured planning process for each agency and the state. Specifically, the law required the IRMs to submit an Information Resources Management Operating Plan and an Annual Performance Report and required the IRC to prepare a biennial State Strategic Plan for Information Resources Management and an Annual Report on Information Management.

IRM Plans/Report

The Information Resources Management Operating Plan detailed how the information resources management portions of the agency's original approved budget would be implemented. At a minimum, the plan included a description of the major projects to be accomplished during the fiscal year, their target completion dates and anticipated expenditures. Plans were submitted to the IRC, DGS, and Governor and could be amended during the fiscal year to reflect major changes that had occurred.

The Annual Performance Reports described the agency's information resources management activities for the previous fiscal year. Minimum statutorily required components included:

- Assessment, by application, of the progress made toward implementing the agency's Strategic Plan for Information Resources Management and the Information Resources Management Operating Plan.
- Summary, by application, of the major functional uses of and total estimated expenditures for information resources management.

- Comparison of the agency's estimated expenditures for the prior fiscal year and the appropriations contained in the agency's approved budget with major differences justified.

To ensure agency compliance with the submission of this report, enforcement was established through the funding process. The Governor was permitted to withhold appropriation releases of that portion of the agency's operating budget pertaining to information resources management expenditures until the EOG certified an agency's compliance.

IRC Reports

The IRC prepared the Annual Report on Information Management and submitted copies to the Governor, Legislature and Auditor General. The report compiled the agencies' Annual Performance Reports and included the following:

- Assessment of progress made toward meeting goals and objectives of the State Strategic Plan for Information Resources Management.
- Description of major information resources management accomplishments of the state and each agency.
- Description of existing major databases and applications.
- Summary of total information resources management expenditures.
- Inventory list of state's communications and information technology resources.
- Identification and recommendations regarding opportunities for multi-agency information resource management activities.

The Strategic Plan for Information Resources Management provided for the implementation of certain goals and policies of the State Comprehensive Plan.[38]

Statutorily required components of the plan included:

- Strategic direction, statewide issues, goals, and objectives for information resources management & paperwork reduction by state government.
- Long-range policy guidelines for the state in achieving integrated & efficient information resources management & paperwork reduction.
- Priorities for SUNCOM Network services.

The Legislature was required to review the approved plan with implementation of the plan contingent upon legislative appropriation.

1988

The Joint Committee issued a report, *A Review of the Information Technology Resource Procurement Advisory Council and Related Purchasing Issues* which concluded *"The ITRPAC function has been effective in achieving top-level management involvement in major acquisitions, in providing an outside review of those acquisitions at an early state, and increasing the competitive nature of those procurements."*

The IRC's State Strategic Plan for Information Resources Management recommended a *"mix of data processing environments from single-agency data centers to information systems utilities serving multiple agencies through a broad range of services"*.

[38] As referenced on page 4, Chapter 83-92, LOF, did not require the submission of a state strategic plan by the IRC. In 1987, this changed with the enactment of Chapter 87.137, LOF.

1989

AMIC management decided that the state's interests were best served by sharing resources rather than each department housing its own data center and developed a detailed plan establishing the AMIC as an *information system utility* (shared-use facility).

Information Technology in the 1990s

1990

The IRC, the data processing advisory councils, and the ITRPAC were scheduled for repeal October 1, 1990, pursuant to the Sundown Act, s. 11.611, F.S. Prior to the repeal, the Senate Committee on Governmental Operations conducted a review and issued *A Review of the Information Resource Commission, the Data Processing Advisory Councils, and the Information Technology Resource Procurement Advisory Council Prepared Pursuant to Section 11.611, Florida Statutes, the Sundown Act Report.*

Key findings and recommendations included:

- In performing its statutorily prescribed role, the IRC served several constituencies. In the planning and policy role, it represented the Governor and Cabinet. In the budget review role, it served as an advisor to OPB and the legislative appropriations committees. In its role as advocate for information resource management, the IRC served various state agencies in planning and preparing budget issues. In the procurement review role, the IRC represented the Governor and Cabinet to ensure that a competitive procurement process was maintained. These various roles performed by the IRC and the placement of staff within the EOG revealed themselves, in this review, as two primary areas of conflict.
- The IRC had been administered by and subject to the EOG management and administrative policies/procedures used to administer other internal sections. However, the IRC had very different statutorily defined duties and responsibilities, which should be independent of the EOG.

- While many agencies responded positively about the IRC's achievement, about the same number characterized the IRC as having "too much regulatory oversight creating huge workload on the agencies".[39]

The Governor and Cabinet, sitting as the IRC, considered the review's preliminary results and recommended that the IRC be enacted, without change, for a 1-year period and that the Legislature continue its Sundown review during that period with subsequent repeal scheduled for October 1, 1991.

Chapter 90-160, LOF, was enacted which:

- Re-adopted the laws creating the IRC, the data processing advisory councils, and the ITRPAC and established a new repeal date of October 1, 1995.[40]
- Directed the Joint Committee to study the operations of the IRC, ITRPAC, data processing advisory councils.

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[39] The Senate's Sundown Review cited a national study of state government information resources management, *Managing Information Resources: New Directions in State Government*, released in August 1989 by Syracuse University's School of Information. This study found Florida's information resource management system to be one of the six most highly-developed systems in the nation. Florida's legislatively-mandated information resource management system was recognized as progressive among state systems.

[40] Chapter 91-429, LOF, repealed the Sundown Act and the Regulatory Sunset Act, reenacted without modification, all laws prospectively scheduled for repeal under either the Sundown or Sunset Acts. This meant that there was no pending October 1, 1995 Sundown repeal of the IRC, the data processing advisory councils, or the ITRPAC.

- Directed the Auditor General to evaluate the effectiveness and efficiency of the information resources management functions performed by the Board of Regents and compare the results with the same functions performed by the IRC.

The Joint Committee's recommendations were to be presented to the Legislature on or before October 1, 1993 and the Auditor General's recommendations, on or before October 1, 1994.

1991

Chapter 91-171, LOF, transferred the IRC to the DGS.[41]

Joint Committee issued a report, *Removing the Barriers to Integrated Information Systems,* which included as barriers:

- For the most part, top-level managers have not placed a high priority on systems integration.
- The organization of state government does not easily lend itself to integration given the separation of powers among the three branches and the decentralized nature of the Governor and Cabinet agency structures.
- There is a general resistance to change and integration requires organizational changes.
- The budgeting and appropriations processes do not easily lend themselves to considering the funding of systems across agency boundaries.
- There are no standards for multi-agency application development to assist in systems integration.

Joint Committee also issued a report, *A Review of the Administrative Management Information Center (AMIC)*, which assessed the progress in establishing the AMIC as an information system utility. The report's overall finding was that the AMIC management had been actively pursuing the expansion to an information system utility; however, AMIC's clients were dissatisfied in three areas: a) training on software products, b) unscheduled service interruptions, and c) most aspects of client relations.

1992

The Joint Committee issued its *Improving the Productivity of State Data Centers* report designed to examine the organization and performance of state agency data centers and to consider strategies for improving their productivity. The report concluded that the state consider the improvement of data centers' productivity through the consolidation of some of the current fourteen data centers.[42] Specifically the report recommended that the IRC receive an appropriation to contract with a consultant to develop a baseline assessment of the state's data centers and to analyze opportunities for cost reduction through consolidation and/or outsourcing of data centers.

Budget constraints led to the decision to have the Auditor General, rather than a consultant, to complete the work identified by the Legislature. The Auditor General completed its *Data Center Baseline Assessment Review* with the following findings and recommendations:

- There were no standard measures used in the assessment of the state's data centers; therefore, the Legislature should direct that an application system be implemented that would measure the cost and performance.
- To improve the productivity of its data centers, the State should consider implementing a long-range strategy for consolidating data centers along functional lines and outsourcing the data processing functions.

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[41] Staff analysis for CS/SB 1142 stated that this statutory change was needed to clarify the role of the IRC with the EOG.

[42] These fourteen data centers included: AMIC, Agriculture Management Information Center, Burns Data Center, Caldwell, Department of State, State Comptroller's Data Center, HRS, Justice Data Center, Kirkman, Law Enforcement, Natural Resources, Professional Regulation, Revenue Management Information Center, Treasurer's Management Information Center.

Based on this Auditor General review, the Joint Committee released its *Data Center Customer Satisfaction: A Performance Measurement Tool* report with the following key findings and recommendations:

- Allow greater flexibility for data centers by establishing a reserve account for future acquisitions.
- If any single-agency data processing centers are consolidated, a policy board form of governance should be required.
- The Legislature should fund a statewide e-mail application to be administered by AMIC.

Report recommendations led to the enactment of chapter 93-278, LOF, which:

- Changed data processing center advisory councils to data processing policy boards and include an additional duty of setting policy and procedures governing rate structures and charging algorithms.
- Allowed data processing centers to create a reserve account.

1994

In February, Senate Committee on Governmental Operations released *Review of the Division of Information Services, the Division of Communications, and the Information Resource Commission of the Department of Management Services*[43] *and the General Role of Technology in State Government* report.

Specific review findings and recommendations included:

- Current statute is unclear about the relationship between the IRC and DMS. IRC staff must seek DMS approval before taking certain internal actions; consequently, it might be difficult for IRC to evaluate DMS budget requests. Statutory consideration should be given to clarifying this relationship to ensure IRC's functional independence.
- Although AMIC began fulfilling the role of serving as an information system utility[44] in 1989, current law had not assigned the AMIC specific duties as an information system utility for state agencies.
- The IRC should continue to provide oversight of data administration, planning, procurement, and budgetary review. However, since "executive administrator" is not a statutory-defined term, the IRC executive administrator should be changed to executive director.
- Certain computer applications, such as e-mail and statewide purchasing contracts, may logically be considered as infrastructure insofar as their necessity to the daily function of state agencies. IRC should conduct a study to determine whether the funding of such basic computer applications should be funded in the same manner as telephone service for state agencies.

Both bills proposed in the 1994 legislative session passed and created two new chapter laws:

Chapter 94-226, LOF, amended statute which:

- Renamed the AMIC the Technology Resource Center (TRC)[45] and established the Communications Working Capital Trust Fund in DMS (chapter 20).

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[43] Chapter 92,279, LOF, created the Department of Management Services (DMS) as a result of the merger of the former Department of Administration and the Department of General Services. Both the Division of Information Services and the Division of Communications were transferred intact from DGS to DMS.

[44] As defined in the report, information system utility is designed to provide a broad spectrum of data processing-related services to a large user base. For example, an information system utility may house more than one type of mainframe computer (e.g., IBM, UNISYS, DEC), and facilitates the networking of these mainframe computers and the terminals connected to them. The report stated that AMIC provided most agencies with access to COPES, SPURS, FFAMIS/SAMUS, and LAS/PBS.

[45] The TRC is still the named entity in statute, although, it has been referred to as the Shared Resource Center (SRC).

- Clarified that the IRC was a separate budget entity, changed the title from executive administrator to executive director, and stated the executive director was responsible for all IRC administrative functions.

Chapter 94-340, LOF, amended several sections of statute which:

- Established the special monitoring process for designated information resources management projects and required IRC executive director to recommend certain information technology projects that should be considered for special monitoring in the Governor's recommended budget.

- Assigned the TRC its duties as an information system utility for state agencies, and created a TRC policy board with identified its members.
- Stated DMS was to provide administrative support and services to the IRC to the extent requested and clarified that the IRC staff were not subject to the control, supervision, or direction of DMS in any manner. Required the IRC executive director appointment to be subject to an annual formal performance contract.
- Allowed for data processing policy boards to approve expenditures derived from the center's overall rate structure (not to exceed 5% of the gross services billings to all users in any fiscal year), to design, demonstrate, and conduct research and development for advanced information technology solutions to information processing problems.
- Required that agencies submit to the ITRPAC any major changes to information technology resource projects for its review and comment prior to change[46]. Additionally, agreements to dissolve project contracts and the terms of such agreements had to be forwarded to the ITRPAC for comment prior to their execution.
- Required DMS, in consultation with the IRC, to develop model procurement documents for information technology resource acquisitions.
- Contingent upon GAA funding, required DMS to establish a permanent team for contract negotiations including a chief negotiator, to specialize in the procurement of information technology resources.
- Required the IRC to examine and develop recommendations for the streamlining of data centers and other computing facilities, including measures to manage excess capacity at multiple facilities and provide for data administration, standardization, and fewer facilities.

1996

Joint Committee issued *Governance in Florida State Government: A New Framework for Managing the State's Technology Investment.*

Key findings and recommendations included:

- IRC mission was too broad, with conflicting roles and responsibilities.
- The laws establishing the current governance structure (IRC, ITRPAC, and IRC Advisory Council) should be repealed and a new governance structure should:
    - reaffirm that each agency head has primary responsibility and accountability for its information technology resources
    - Provide for a central coordinating council of senior executives to address statewide issues and establishment of an Office of the State Chief Technology Officer to assist agencies in better management of their information technology resources[47].

[46] For purposes of this subsection, "major change" was defined to mean any alteration to the course of a project that, regardless of its expected initial impact, the agency may reasonably anticipate will ultimately have a substantial impact on the overall cost of the project or on its policy direction.

[47] The Joint Committee's proposed governance structure included the Office of State Chief Technology Officer housed within the Comptroller's Office and headed by a Chief Technology Officer.

- Responsibility and accountability for information resources management should be assigned to the Board of Regents for the State University System, to the State Board of Community Colleges as the entity responsible for developing rules and policies for the State Community College System, to the Supreme Court for the judicial branch, and to each State Attorney and Public Defender.

(NOTE: Based upon the 1996 Joint Committee report, the legislative focus was statutorily shifted from a centralized, coordinated, approval structure for information resources management to the individual agencies, through their agency heads and chief information officers, retaining primary responsibility and accountability.)

1997

Legislature enacted chapter 97-286, LOF, which provided a governance structure that emphasized the responsibility of the agency head for effective information technology resource use and the need for a State Technology Council to develop a statewide vision and policies recommendations.

Specifically the law:

- Abolished the IRC and the ITRPAC and clarified that each agency head was responsible and accountable for its information resource management.
- Required each agency head to appoint or contract for a chief information officer to assist the agency head in managing agency information technology resources.
- Created the Agency Chief Information Officers (CIO) Council and prescribed its duties.
- Established the State Technology Council, housed in DMS, and composed of OPB Director; Comptroller; Commissioner of Education; Secretary of State; DMS Secretary; two agency heads appointed by the Governor; and two private sector representatives, one appointed by House Speaker and one appointed by Senate president. Council was responsible for the development of a statewide vision and statewide policies.
- Abolished the requirement that each agency submit a Strategic Plan for Information Resources Management; however, required agencies to include as part of their agency strategic plan[48], data related to specified information resource management projects.
- Amended the laws that prescribed the components of the agency Annual Performance Report and the state Annual Report on Information Management.[49]
- Established State Technology Office in DMS, headed by senior-level manager, responsible for a) providing support to the State Technology Council, TRW, Agency CIO Council, and b) providing state educational and training opportunities.
- Authorized the EOG to contract with the Legislature to provide a mechanism for review of the portion of agency strategic plans that pertain to information resources management needs and agency LBRs. This mechanism was named the Technology Review Workgroup (TRW).
- Established a review and approval process for budget amendments for information resources management projects that involve more than one agency, have an outcome that impacts another agency, or exceeds a total cost of $500,000 over a 1-year period.
- Renamed the FFAMIS to the Florida Financial Management Information System (FFMIS) and made substantial revisions to the FFMIS Council and its duties.[50]
- Created the Health Information Systems (HIS) Council and prescribed its duties.[51]

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[48] This plan was subsequently renamed the Long Range Program Plan.
[49] These reports were subsequently renamed the Agency Enterprise Resource Planning and Management Report and the State Resource Planning and Management Report.
[50] These substantial revisions to the powers and duties of the FFMIS Council have not been substantively modified since 1997.
[51] Since its original creation, the HIS Council's membership has statutorily changed and been expanded and one additional duty, creating ad hoc issue-oriented technical workgroups, has been statutorily provided.

1998

Chapter 98-136, LOF, repealed the Joint Committee.

Chapter 98-73, LOF, amended the law that established the State Technology Council by allowing the statutorily identified members to appoint designees; however, designees had to be in positions that reported directly to the actual Council member.

1999

Chapter 99-306, LOF, required the State Technology Council to establish a Task Force on Privacy and Technology and prescribed Council responsibilities.

Chapter 99-399, LOF, amended State Technology Council membership by deleting OPB Director and adding an additional agency head appointed by Governor.

(NOTE: Based upon the Governor's proposed multi-year implementation plan, the legislative focus was statutorily shifted from the individual agencies, through their agency heads and chief information officers as being primarily responsible and accountable for their information technology, to a centralized, consolidated information technology governance structure.)

Information Technology in the 2000s

2000

Chapter 2000-164, LOF, substantially amended chapter 282, F.S., to expand the duties of the State Technology Office (STO) and abolish the State Technology Council.

Specifically the law:

- Added additional legislative findings and intent regarding the agency head in consultation with the STO for the management of information technology resources.
- Assigned the STO with the responsibility for managing the information technology resources for the executive branch.
- Expanded the duties of the STO and created the state Chief Information Officer (CIO) position as a gubernatorial appointment.
- Changed DMS to the STO as the entity responsible for the state's communications services and information technology resources.
- Required the STO to deploy an integrated electronic system for deploying governmental products, services, and information to individuals and businesses and develop an organizational structure necessary to accomplish.
- Clarified that notwithstanding anything to the contrary, the STO shall take no action affecting the supervision or control of the personnel or data-processing equipment that the Cabinet officers deem necessary for the exercise of his or her official constitutional or statutory duties.
- Required DMS, in consultation with the STO, to develop a program for online procurement of commodities and contractual services.
- Clarified the establishment and role of the TRW within the Legislature and deleted the requirement of the State Technology Council providing recommendations to the EOG.

2001

Chapter 2001-261, LOF, continued the re-write of chapter 282, F.S. (and other related chapters) to implement the centralized, consolidated structure for information technology governance.

Specifically the law:

- Established the STO as a separate budget entity within DMS
- Reclassified certain STO employees from the Career Service Class to the Select Exempt Class
- Clarified the STO's role in reviewing and reporting recommendations to the EOG and the TRW's role in reviewing and reporting recommendations to the LBC
- Authorized agency information technology positions and appropriations identified in signed service agreements to be transferred to the STO
- Changed "agency head in consultation with STO", to "STO in consultation with agency head", as having primary responsibility and accountability for information resources management
- Authorized STO to adopt rules implementing policies
- Authorized STO, in consultation with DMS, to establish State Strategic Information Technology Alliances
- Eliminated any remaining references to DMS and replaced with STO
- Required the STO's Enterprise Project Management Office to report to EOG and the Legislature any IT projects that should be identified for special project monitoring

2005

Legislature passed CS/CS/SB 1494, to transfer operational responsibilities for wireless communications, SUNCOM, and data center management to the Department of Management Services, and to place the strategic planning and policy responsibilities of the STO with a successor entity, the Florida Technology Council.

In the staff analysis completed for CS/CS/SB 1494, it stated, "The State of Florida and its executive branch agencies have had a checkered experience in the organization, management, and operation of technology. Several Auditor General reports have examined government management structures and operations over recent years and reported significant financial commitments made in excess of reasonable expectations of need. Twenty state agencies have had one or more technology financial post-audits completed in the past three years. Fifteen additional audits have been completed on technology operations in educational entities while three additional ones covered multi-jurisdictional public organizations.[52]

CS/CS/SB 1494 was vetoed by the Governor and the STO underwent de facto dissolution as the FY 2005-06 General Appropriations Act made no appropriation for the funding of positions in the STO budget entity and for FY 2006-07, the Department of Management Services did not request funding for the re-establishment of the STO budget entity.

DMS has subsequently provided for the operational responsibilities of the STO through an entity called Enterprise Information Technology Services (EITS). The EITS is headed by a deputy secretary and is comprised of the Telecommunications Services, Information Services, and Wireless budget entities. This action has been taken by the department but is not aligned with current law.

[52] State of Florida, Office of the Auditor General, www.state.fl.us/audgen/pages/subjects.infotech/htm

Appendix C: Current Florida Statutes Pertaining to Enterprise IT Governance, Management Structures, and Practices

Agency-based (statutorily created offices, programs, divisions, boards, centers, councils, or committees)

#	Statute/Law/ Rule	Agency/ Branch	IT-Related Entity/Responsibility
1	20.10(2)(d)	State	Division of Library and Information Services
2	20.121(2)(l)	Financial Services	Division of Information Systems
3	20.165(2)(j)	Business and Professional Development	Division of Technology, Licensure and Testing
4	20.201(2)(b)	Law Enforcement	Criminal Justice Information Program
5	20.21(2)(b)	Revenue	The information systems and services responsibilities are to develop, maintain, and manage all information systems for tax return processing and taxpayer registration activities. Information systems and services functions include, but are not limited to, automation of all information systems.
6	20.22(2)(b) 20.22(3)	Management Services	State Technology Office[53] STO shall manage and operate the Technology Resource Center[54]
7	20.23(3)(b)	Transportation	Program Office for Information Systems
8	20.315(3)(c)4.	Corrections	Administrative services shall provide budget and accounting services, including construction and maintenance of correctional institutions, human resource management, research, planning and evaluation, and technology.
9	20.315(10)	Corrections	Offender-based information and records system managed through the Justice Data Center, which is hereby transferred to the department under this act pursuant to a type two transfer authorized under s. 20.06(2).
10	20.331(5)(c)	Fish and Wildlife Commission	Information Technology Office in Administrative Support Services
11	20.37(2)(a)	Veterans' Affairs	Bureau of Information and Research in Division of Administration and Public Information
12	20.41(6)	Elder Affairs	The department shall have overall responsibility for information system planning. The department shall ensure, through the development of equipment, software, data, and connectivity standards, the ability to share and integrate information collected and

[53] See Appendix C, Miscellaneous State Technology Office Statutes and Rules in this document for specific IT powers, duties, and responsibilities statutorily authorized and assigned to the State Technology Office.
[54] Entities in **bold, blue font** are data centers.

#	Statute/Law/ Rule	Agency/ Branch	IT-Related Entity/Responsibility
			reported by the area agencies in support of their contracted obligations to the state.
13	20.43(3)(i)	Health	Division of Information Technology
14	215.95	Florida Cabinet	Financial Management Information Board – oversees the action of the coordinating council and manages the development of the Florida Financial Management Information System.
15	215.96	Chief Financial Officer	Establishes Florida Financial Management Information System Coordinating Council and describes its duties and responsibilities.
16	216.0446	Legislature	Technology Review Workgroup
17	216.235(6)	Executive	Creates State Innovation Committee and states that when an agency develops an innovation investment project proposal that involves IT resources, the agency may consult with and seek technical assistance from the STO. The STO is responsible for evaluating these projects and for advising the State Innovation Committee on their technical feasibility.
18	216.272(1)	Executive	Working Capital Trust Fund (WCTF) – creates funds for providing sufficient funds for the operation of data processing centers, which may include the creation of a reserve account within the WCTF to pay for future IT resource acquisitions as appropriated by the Legislature. Funds allocated shall be in an amount sufficient to finance the data center's operation; however, each agency served by the data center shall contribute an amount equal to its proportionate share of the cost of operating such a center.
19	282.102	Management Services	State Technology Office
20	282.1095(1)	State Technology Office	Joint Task Force on State Agency Law Enforcement Communications
21	282.20	State Technology Office	Creates the Technology Resource Center. The Center shall serve the STO and other customers as an information-system utility. As used in this section, customer means a state agency or other entity which is authorized to utilize the SUNCOM Network and information-system utility means a full-service information-processing facility offering hardware, software, operations, integration, networking, and consulting services.
22	282.315	Executive/Judicial	Agency Chief Information Officers Council
23	282.318(4)	Management Services	Office of Information Security (expires July 1, 2007)
24	381.0271(5)	Florida Patient Safety Corporation (statutorily created not-for-profit)	Technology Advisory Committee whose duties shall include the implementation of new technologies, including electronic medical records, completing an inventory of IT capabilities related to patient safety of health care facilities and practitioners and recommending a plan for expediting the implementation of patient safety technologies statewide.

#	Statute/Law/ Rule	Agency/ Branch	IT-Related Entity/Responsibility
25	381.90	Health	Health Information Systems Council
26	408.05(1)	Health Care Administration	Florida Center for Health Information and Policy Analysis – duties include the establishment of a Comprehensive Health Information System.
27	413.011	Executive (Education)	Division of Blind Services – duties include providing technical assistance to agencies within the state in order to assure that IT purchased or used by such agencies is accessible to and usable by individuals who are blind, at the time the technology is purchased or used.
28	413.271	Health	Florida Coordinating Council for the Deaf and Hard of Hearing – duties include reviewing state agencies to determine if they are in compliance with state and federal statutes, rules, and regulations that establish agency requirements, including equipment and communication accessibility standards, in the provision of services to deaf, hard of hearing, and late-deafened persons.
29	413.407	Executive (Education)	Assistive Technology Advisory Council – created to ensure consumer involvement in the creation, application, and distribution of technology-related assistance to and for persons who have disabilities.
30	445.049	State Technology Office	Digital Divide Council
31	943.06 943.08	Law Enforcement	Criminal and Juvenile Justice Information Systems Council Describes duties of Council
32	1001.02(2)(s)	State Board of Education	Among its general duties, establish a detailed procedure for the implementation and operation of a system wide K-20 technology plan that is based on a common set of data definitions.
33	1001.02(7)(c)	State Board of Education	Among its general duties, establish effective information system that will provide composite data concerning the community colleges and state universities and ensure that special analyses and studies concerning the institutions are conducted, as necessary, for the provision of accurate and cost-effective information concerning the institutions.
34	1001.20(4)(a)	Education	Office of Technology and Information Services
35	1001.64(45)	Community College System	Each board of trustees may adopt rules and procedures related to data or technology, including information systems, communications systems, computer hardware and software, and networks.
36	1001.74	State University System	Each board of trustees shall maintain an effective information system to provide accurate, timely, and cost-effective information about the university and may adopt rules and procedures related to data and technology, including information systems, communications systems, computer hardware and software, and networks.
37	1002.37	Education (with	Florida Virtual School

#	Statute/Law/ Rule	Agency/ Branch	IT-Related Entity/Responsibility
		statutorily created Board)	
38	1002.415	Education	K-8 Virtual School
39	1004.77	State Board of Education	Centers of Technology Innovation at community colleges – for purposes of providing specific instructional support in a designated area of technology.
40	1004.78	Community Colleges	Technology Transfer Centers – for purposes of providing institutional support to local business and industry and governmental agencies in the application of new research in technology.
41	1010.81	Education	Knott Data Center Working Capital Trust Fund

Principle Statements (statutorily established IT-related principles)

#	Statute	IT System/ Entity	Principles
1	23.22(1)(a)	Paperwork Reduction Act/Executive Branch	(1) In order to reduce the amount of paperwork associated with the collection of information from individuals, private-sector organizations and local government and to promote more efficient and effective assistance to such individuals and organizations in completing necessary paperwork required by government, each department head shall, to the extent feasible: (a) integrate information systems between programs and departments to reduce the paperwork burden
2	187.201(5)(d) 2.b.	State Comprehensive Plan	*(Health)* The state shall promote the development of a rational financing system for health care that minimizes the shifting of costs, discourages inappropriate utilization, reduces administrative costs, and contains the costs of new technology.
3	187.201(20) (b)9.	State Comprehensive Plan	*(Governmental Efficiency)* Encourage greater efficiency and economy at all levels of government through adoption and implementation of effective records management, information management, and evaluation procedures.
4	287.005	State Technology Office	(3) An office must be created to provide support and guidance to enhance the state's use and management of IT and to design, procure, and deploy, on behalf of the state IT. (4) The cost-effective deployment of IT by state agencies can best be managed by a Chief Information Office. (7) The state, through the STO, shall provide, by whatever means is most cost-effective and efficient, the IT, enterprise resource planning and management, and enterprise resource management infrastructure needed to collect, store, and process the state's data and information, provide connectivity, and facilitate the exchange of data and information among public and private parties. (8) A necessary part of the state's IT infrastructure is a statewide communications systems for all types of signals, including, but not limited to, voice, data, video, radio, telephone, wireless, and image. (9) To ensure the best management of the state's IT and notwithstanding other provisions of law to the contrary, the functions

#	Statute	IT System/ Entity	Principles
			of IT are assigned to the university boards of trustees for the development and implementation of planning, management, rulemaking, standards, and guidelines for the state universities; to the community college boards of trustees for establishing and developing rules for the community colleges; to the Supreme Court, for the judicial branch; to each state attorney and public defender; and to the STO for the executive branch of state government.
5	282.111(1)	State Technology Office	It is the intent and purpose of the Legislature that a statewide system of regional law enforcement communications be developed whereby maximum efficiency in the use of existing radio channels is achieved in order to deal more effectively with the apprehension of criminals and the prevention of crime generally. To this end, all law enforcement agencies within the state are directed to provide the STO with any information the office requests for implementing a statewide system of regional law enforcement communications.
6	282.22(1)	State Technology Office	It is the intent of the Legislature that when materials, products, information, and services are acquired or developed by or under the direction of the STO, through research and development of other efforts, including those subject to copyright, patent, or trademark, they shall be made available for use by state and local government entities at the earliest practicable date and in the most economical and efficient manner possible and consistent with chapter 119.
7	282.3032	State Technology Office – Guiding Principles	To ensure the best management of the state's IT resources, the following guiding principles are adopted: (1) Enterprise resource planning by state governmental entities is a prerequisite for the effective development and implementation of information systems to enable sharing of data and cost-effective and efficient services to individuals. (2) The enterprise resource planning process, as well as coordination of development of efforts, should include all principals from the outset. (3) State governmental entities should be committed to maximizing information sharing and participate in enterprise-wide efforts when appropriate. (4) State governmental entities should maximize public access to data, while complying with legitimate security, privacy, and confidentiality requirements. (5) State governmental entities should strive for an integrated electronic system for providing individuals with information to the extent possible. (6) To the extent that state government entities charge each other for data, this practice, insofar as possible, should be eliminated. Further, when the capture of data for mutual benefit can be accomplished, the costs for the development, capture, and network for access to that data should be shared. (7) The redundant capture, storage, and dissemination of data should, insofar as possible, be eliminated. (8) Only data that are auditable, or that otherwise can be determined to be accurate, valid, and reliable, should be maintained.

#	Statute	IT System/ Entity	Principles
			(9) Methods of sharing data among different protocols should be developed without requiring major redesign or replacement of individual systems. (10) Integration of data elements should be achieved by establishing standard definitions, formats, and integrated electronic systems, when possible.
8	282.315	Agency Chief Information Officers Council	The Legislature finds that enhancing communication, consensus building, coordination, and facilitation of statewide enterprise resource planning and management issues is essential to improving state management of such resources.
9	282.601(1)	Executive, Legislative, and Judicial Branches	In order to improve the accessibility of electronic information and IT and increase the successful education, employment, access to governmental information and services, and involvement in community life, the executive, legislative, and judicial branches of state government shall, when developing, competitively procuring, maintaining, or using electronic information or IT acquired on or after July 1, 2006, ensure that state employees with disabilities have access to and are provided with information and data comparable to the access and use by state employees who are not individuals with disabilities, unless an undue burden would be imposed on the agency.
10	282.601(2)	Executive, Legislative, and Judicial Branches	Individuals with disabilities, who are members of the public seeking information or services from state agencies that are subject to this part shall be provided with access to and use of information and data comparable to that provided to the public who are not individuals with disabilities, unless an undue burden would be imposed on the agency.
11	408.913(1)	Health Care Administration	The agency shall develop a comprehensive, automated system for access to health care services. This system shall, to the greatest extent possible, use the capacity of existing automated systems to maximize the benefit of investments already made in IT and minimize additional costs.
12	445.010(1)	Workforce Innovation	The following principles shall guide the development and management of workforce system information resources: (a) Workforce system entities should be committed to information sharing. (b) Cooperative planning by workforce system entities is a prerequisite for the effective development of systems to enable the sharing of data. (c) Workforce system entities should maximize public access to data, while complying with legitimate security, privacy, and confidentiality requirements. (d) When the capture of data for the mutual benefit of workforce system entities can be accomplished, the costs for capturing, managing, and disseminating those data should be shared. (e) The redundant capture of data should, insofar as possible, be eliminated.

#	Statute	IT System/ Entity	Principles
			(f) Only data that are auditable, or that otherwise can be determined to be accurate, valid, and reliable, should be maintained in workforce information systems. (g) The design of workforce information systems should support technological flexibility for users without compromising system integration or data integrity, be based upon open standards, and use platform-independent technologies to the fullest extent possible.
13	943.081	Law Enforcement	The following guiding principles adopted by the Criminal and Juvenile Justice Information Systems Council are hereby adopted as guiding principles for the management of public safety system IT resources: (1) Cooperative planning by public safety system entities is a prerequisite for the effective development of systems to enable sharing of data. (2) The planning process, as well as coordination of development efforts, should include all principals from the outset. (3) Public safety system entities should be committed to maximizing information sharing and moving away from proprietary positions taken relative to data they capture and maintain. (4) Public safety system entities should maximize public access to data, while complying with legitimate security, privacy, and confidentiality requirements. (5) Public safety system entities should strive for electronic sharing of information via networks versus a reliance on magnetic and other media. (6) The practice by public safety system entities of charging each other for data should, insofar as possible, be eliminated. Further, when the capture of data for mutual benefit can be accomplished, the costs for the development, capture, and network for access to that data should be shared. (7) The redundant capture of data should, insofar as possible, be eliminated. (8) With respect to statewide databases: (a) Only data that can best be compiled, preserved, and shared through a central database should be captured at the state level. (b) Remote access to distributed databases should be considered and provided for, instead of central repositories. (c) Statistical data that may be required infrequently or on a one-time basis should be captured via sampling or other methods. (d) Only data that are auditable, or that otherwise can be determined to be accurate, valid, and reliable should be maintained. (9) Methods of sharing data among different protocols must be developed without requiring major redesign or replacement of individual systems.

Statutorily Created Systems and Applications (jurisdictional and functional)

#	Statute/Law/ Rule	Agency/Entity	System/Application (jurisdictional or functional)
1	20.21(2)(e)	Revenue	Information systems and services responsibilities of the department are to develop, maintain, and manage all information systems for tax return processing taxpayer registration activities. Information systems and services functions include, but are not limited to, automation of all information systems.
2	20.315(10)	Corrections	There shall be only one offender-based information and records system maintained by the department for the joint use of the department and the Parole Commission. The department shall develop and maintain, in consultation with the Criminal and Juvenile Information Systems Council such offender-based information system designed to serve the needs of both the department and the Parole Commission.
3	20.316(4)	Juvenile Justice	Department of Juvenile Justice shall develop, in consultation with the Criminal and Juvenile Justice Information Systems Council, a Juvenile Justice Information System that shall provide information concerning the department's activities and programs. In establishing the computing and network infrastructure for the development of the information system, the department shall develop a system design to set the direction of the information system. That design shall include not only the department system requirements but also data exchange requirements of other state and local juvenile justice system organizations.
4	28.24(12)	Clerks of the Court	Establishes dedicated funding source for the deployment of the Comprehensive Case Information System and requires all clerks to participate in this system on or before January 1, 2006.
5	28.008(1)(f)2.	State Courts System	Establishes an integrated computer system to support the operations and management of the state courts system, the offices of the public defenders, the offices of the state attorneys, and the offices of the clerks of the circuit and county courts and the capability to connect those entities and reporting data to the state as required for the transmission of revenue, performance accountability, case management, data collection, budgeting, and auditing purposes. The integrated computer system shall be operational by July 1, 2006 and at a minimum, permit the exchange of financial, performance accountability, case management, case disposition, and other data across multiple state and county information systems involving multiple users at both the state level and within each judicial circuit and be able to electronically exchange judicial case background data, sentencing score sheets, and video evidence information stored in integrated case management systems over secure networks.
6	120.55(2)	State	Creates the Florida Administrative Weekly Internet website to allow users to search for notices, search databases for a period of at least 5 years, subscribe to an automated email notification of selected notices, view agency forms incorporated by reference in proposed rules, and comment on proposed rules.

#	Statute/Law/ Rule	Agency/Entity	System/Application (jurisdictional or functional)
7	215.93(1)	Executive/Legislative	Establishes the Florida Financial Management Information System. The principal unit of the system shall be the functional owner information subsystem, and the system shall include, but not be limited to, the following: (a) Planning and Budgeting Subsystem (b) Florida Accounting Information Resource Subsystem (c) Cash Management Subsystem (d) Purchasing Subsystem (e) Personnel Information Subsystem
8	253.0325(1)	Environmental Protection	The department shall initiate an ongoing computerized information systems program to modernize its state lands records and documents that relate to lands to which title is vested in the Board of Trustees of the Internal Improvement Trust Fund. The system shall include, at a minimum, document management component, land records management component, evaluation component, and a mapping component.
9	282.102(23)	State Technology Office	Authorizes an integrated electronic system (portal) for deploying government products, services, and information to individuals and businesses.
10	282.103	State Technology Office	The SUNCOM Network shall be developed to serve as the state communications system for providing local and long-distance communications services to state agencies, political subdivisions of the state, municipalities, state universities, and nonprofit corporations. The SUNCOM Network shall be developed to transmit all types of communications signals, including, but not limited to, voice, data, video, image, and radio. State agencies shall cooperate and assist in the development and joint use of communications systems and services.
	60DD-4.001 - 4.006	State Technology Office	Regulated Communications Services Rule
11	287.057(23)	Management Services	The department, in consultation with the STO, shall develop an online procurement system.
	60A-1.030	Management Services	MyFloridaMarketPlace Vendor Registration Rule
	60A-1.031	Management Services	MyFloridaMarketPlace Transaction Fee Rule
	60A-1.032	Management Services	MyFloridaMarketPlace Transaction Fee Exceptions Rule
12	282.1095	State Technology Office	Authorizes the STO to acquire and implement a statewide radio communications system to serve law enforcement units of state agencies, and to serve local law enforcement agencies through mutual aid channels.

#	Statute/Law/ Rule	Agency/Entity	System/Application (jurisdictional or functional)
	60DD-8.001 - 8.006	State Technology Office	Florida Statewide Law Enforcement Radio System Rule
13	282.111	State Technology Office	Authorizes the STO to develop and maintain a statewide system of regional law enforcement communications with the CIO, or his or her designee, designated as the director of the statewide system.
14	288.109	State Technology Office	Requires STO to establish the One-Stop Permitting System by January 1, 2001. System must provide individuals and businesses with information concerning development permits; guidance on what development permits are needed for particular projects; permit requirements; contact information concerning a particular development permit for a specific location; and allow an applicant to complete and submit applicant forms for development permits to agencies and counties. Identifies the types of permits and agencies that are required to participate.
15	320.03(4)(b)	Highway Safety and Motor Vehicles	Florida Real Time Vehicle Information System shall be installed in every tax collector's and license tag agent's office in accordance with a schedule established by the department in consultation with the tax collectors and contingent upon the state making funds available for the system.
16	334.048	Transportation	The department shall implement accountability and monitoring systems to evaluate whether the department's goals are being accomplished efficiently and cost-effectively, and ensure compliance with all laws, rules, policies, and procedures related to department operations. The secretary shall ensure that systems are fully integrated, that systems provide useful information for department managers to assess program performance and that department managers take corrective actions when necessary.
17	334.60	Transportation	Implement and administer 511 services with telecommunications service providers and develop uniform standards and criteria for the collection and dissemination of traveler information using the 511 number or other interactive voice response systems.
18	383.14(1)(b)	Health	Screening for metabolic disorders – Procedures established for reporting information and maintaining a confidential registry must include a mechanism for a centralized information depository at the state and county levels. The department must ensure, to the maximum extent possible, that the screening information registry is integrated with the department's automated data systems, including the FLORIDA system.
19	394.77	Health	The department shall establish a uniform management information system and fiscal accounting system for use by providers of community substance abuse and mental health services.
20	394.9082(4)(d)5.	Children and Family Services and Health Care Administration	Establish or develop data management and reporting systems that promote efficient use of data by the service delivery system. Data management and reporting systems must address the management and clinical care needs of the service providers and managing entities and provide information needed for required state and federal reporting.

#	Statute/Law/ Rule	Agency/Entity	System/Application (jurisdictional or functional)
21	401.015	Management Services	Department is authorized and directed to develop a statewide system of regional emergency medical telecommunications. For purposes of this system, the term "telecommunications" means those voice, data, and signaling transmissions and receptions between emergency medical service components.
22	408.05(1)	Health Care and Administration	The Florida Center for Health Information and Policy Analysis shall establish a Comprehensive Health Information System to provide for the collection, compilation, coordination, analysis, indexing, dissemination, and utilization of both purposefully collected and extant health-related data and statistics. The center shall be staffed with public health experts, biostatisticians, information system analysts, health policy experts, economists, and other staff necessary to carry out its functions.
23	408.062(5)	Health Care Administration	Agency shall develop and implement a strategy for the adoption and use of electronic health records, including the development of an electronic health information network for the sharing of electronic health records among health care facilities, health care providers, and health insurers. The agency may develop rules to facilitate the functionality and protect the confidentiality of electronic health records.
24	408.913(1)	Health Care Administration	Agency shall develop a Comprehensive Health and Human Services Eligibility Access System. The system shall, to the greatest extent possible, use the capacity of existing automated systems to maximize the benefit of investments already made in IT and minimize costs.
25	408.918	Health Care Administration	Establishes the Statewide Florida 211 Network to serve as the single point of coordination for information and referral for health and human services and electronically connecting local information and referral systems to each other, to service providers, and to consumers of information and referral services.
26	409.146(1)	Children and Family Services	Department shall establish a children and families client and management information system which shall provide information concerning children served by the children and families programs and an integrated service delivery information system to implement comprehensive screening, uniform assessment, case planning, monitoring, resource matching, and outcome evaluations.
27	409.912(16) (b)4.	Health Care Administration	By September 30, 2002, agency shall contract with an entity in the state to implement a wireless handheld clinical pharmacology drug information database for practitioners.
28	409.912(16) (b)5.	Health Care Administration	By April 1, 2006, agency shall contract with an entity to design a database of clinical utilization information or electronic medical records for Medicaid providers. The system must be web-based and allow providers to review on a real-time basis the utilization of Medicaid services.
29	411.01(5)(c)1e	Workforce Innovation	The agency shall establish a single statewide information system that integrates each early learning coalition's single point of entry and each coalition must use the statewide system.

#	Statute/Law/ Rule	Agency/Entity	System/Application (jurisdictional or functional)
30	411.203(9)	Education and Children and Family Services	Resource information systems on services and programs available for families and information sharing system among Education and Children and Family Services, local education agencies, and other appropriate entities, on children eligible for services.
31	430.205(6)(a)	Elder Affairs and Health Care Administration	Notwithstanding other requirements of this chapter, the Department of Elder Affairs and the Agency for Health Care Administration shall develop an integrated long-term-care delivery system that shall include organizing and administering service delivery for the elderly, obtaining contracts for service providers, monitoring the quality of services provided, and determining levels of need and disability for payment purposes.
32	430.205(6)(c) 3.	Elder Affairs and Health Care Administration	The department, in consultation with the Agency for Health Care Administration, shall integrate the database systems for the Comprehensive Assessment and Review for Long-Term Care Services (CARES) program and the Client Information and Referral Tracking System (CIRTS) into a single operating assessment information system by June 30, 2006.
33	445.009(1) 445.009(9)(a)	Workforce Innovation and Workforce Florida, Inc.	The one-stop delivery system is the state's primary customer-service strategy for offering every Floridian access, through service sites or telephone or computer networks, to job search, referral and placement assistance; career counseling and educational planning; consumer reports; recruitment and eligibility determination; support services; employability skills training; adult education and basic skills training; technical training; unemployment compensation claims filing; temporary income, health, nutritional, and housing assistance; and other appropriate workforce development services. AWI and Workforce Florida, Inc. shall coordinate among agencies a plan for a One-Stop Electronic Network made up of one-stop delivery system centers and other partner agencies that are operated by authorized public or private for-profit or not-for-profit agents. The plan shall establish and support this electronic network for service delivery that includes Government Services Direct.
34	445.011	Workforce Florida, Inc.	Workforce Florida, Inc., shall implement, subject to legislative appropriation, automated information systems that are necessary for the efficient and effective operation and management of the workforce development system. These systems shall include an integrated management system for the one-stop service delivery system and an automated job-matching information system that is accessible to employers, job seekers, and other users via the Internet.
35	445.045(1)	Workforce Florida, Inc.	Workforce Florida, Inc., is responsible for directing the development and maintenance of a website that promotes and markets the IT industry in this state. The website shall be designed to inform the public concerning the scope of the IT industry in the state and shall also be designed to address the workforce needs of the industry.
36	455.2286	Business and Professional Regulation	By November 1, 2001, the department shall implement an automated information system for all certificate holders and registrants under part XII of chapter 468, chapter 471, chapter 481, or chapter 489.

#	Statute/Law/ Rule	Agency/Entity	System/Application (jurisdictional or functional)
			This system shall provide instant notification to local building departments and other interested parties regarding the status of the certification or registration.
37	553.781(3)	Business and Professional Regulation	The department, as an integral part of the automated information system provided under s. 455.2286, shall establish, and local jurisdictions and state licensing boards shall participate in, a system of reporting violations and disciplinary actions taken against all licenses, certificate holders, and registrants under this section that have been disciplined for a violation of the Florida Building Code. Such information shall be available electronically.
38	943.03(12)	Law Enforcement	The department may establish, implement, and maintain a statewide, integrated violent crime information system capable of transmitting criminal justice information relating to violent criminal offenses to and between criminal justice agencies throughout the state.
39	943.03(13)	Law Enforcement	Subject to sufficient annual appropriations, the department shall develop and maintain, in consultation with the Criminal and Juvenile Justice Information Systems Council, an information system that supports the administration of the state's criminal and juvenile justice system in compliance with this chapter and other provisions of law. The department shall serve as custodial manager of the statewide telecommunications and data network developed and maintained as part of the information system authorized by this subsection.
40	943.0544(2)	Law Enforcement	The department may develop, implement, maintain, manage, and operate the Criminal Justice Network, which shall be an intra-agency information and data-sharing network for use by the state's criminal justice agencies. The department, in consultation with the Criminal and Juvenile Justice Information Systems Council, shall determine and regulate access to the Criminal Justice Network by the state's criminal justice agencies.
41	943.08(2)(k)	Criminal and Juvenile Justice Information Systems Council Law Enforcement	Authorizes the installation and operation of a statewide telecommunications and data network, to be called the Florida Criminal Justice Intranet Service Network, for which FDLE will serve as custodial manager and which will be capable of electronically transmitting text and image data, including electronic mail and file transport, among criminal justice agencies within the state.
42	948.061(2)	Correction and OSCA	To facilitate the information available to the court at first appearance hearings and at all subsequent hearings for these high-risk sex offenders, the department shall, no later than March 1, 2006, post on FDLE's Criminal Justice Intranet, a cumulative chronology of the sex offender's prior terms of state probation and community control, including all substantive or technical violations of state probation or community control. The courts shall assist the department's dissemination of critical information by creating and maintaining an automated system to provide the information as specified in this subsection and by providing the necessary technology in the courtroom to deliver the information.

#	Statute/Law/ Rule	Agency/Entity	System/Application (jurisdictional or functional)
43	985.046(1)	Education and Juvenile Justice Law Enforcement	These departments shall create an information-sharing workgroup for the purpose of developing and implementing a workable statewide system of sharing information among school districts, state, and local law enforcement agencies, providers, the Departments of Juvenile Justice and Education. The system shall build on processes previously authorized in statute and on any revisions to federal statutes on confidentiality. The participating agencies shall implement improvements that maximize the sharing of information within applicable state and federal statutes and rules and that utilize statewide databases and data delivery systems to streamline access to the information needed to provide joint services to disruptive, violent, and delinquent youth.
44	1001.03(9)	State Board of Education (SBE)	Listing of specific powers and duties to include "Management Information Databases". SBE shall continue to collect and maintain the management information databases for state universities and all other components of the public K-20 education system as such databases existed on June 30, 2002.
45	1008.385(2)	Education	The Commissioner of Education shall develop and implement an integrated information system for educational management. The system must be designed to collect, via electronic transfer, all student and school performance data required to ascertain the degree to which schools and school districts are meeting state performance standards and must be capable of producing data for a comprehensive annual report on school and district performance. The system shall be managed and administered by the Commission and shall include a district subsystem component to be administered at the district level, with input from the reports-and-forms control management committees.
46	1008.39	Education	The department shall develop and maintain a continuing program of information management named the Florida Education and Training Placement Information Program, the purpose of which is to compile, maintain, and disseminate information concerning the educational histories, placement and employment, enlistments in the United States armed services, and other measures of success of former participants in state educational and workforce development programs. The department shall implement an automated system that matches the social security numbers of former participants in state educational and training programs with information in the files of state and federal agencies.
47	1008.40	Education	The department shall design specifications for the collection and reporting of data and performance specifications for the Workforce Development Information System. This design must be capable of providing reports necessary to comply with other program performance documentation required by state or federal law. The department must develop the computer programs, software, and edit processes necessary for local and state users to produce a single, unified Workforce Development Information System.
48	1008.41(1)(c)	Education	Commissioner shall coordinate uniform program structures, common definitions, and uniform management information systems for

#	Statute/Law/ Rule	Agency/Entity	System/Application (jurisdictional or functional)
			workforce education for all divisions within the department. Such systems must provide for maximum use of automated technology and records in existing databases and data systems. To the extent feasible, the Florida Information Resource Network shall be employed for this purpose.

Position-Related Investment (Statutory Issue)

#	Statute	Issue	Description of Statute
1	110.205(2)(e)	IT positions exempt from career service	Chief Information Officer, deputy chief information officers, chief technology officers, and deputy chief technology officers in the STO. Unless otherwise fixed by law, STO shall set the salary and benefits for these positions in accordance with rules of Senior Management Service.
2	110.205(2)(w)	IT positions exempt from career service	All managers, supervisors, and confidential employees of the STO. The STO shall set the salaries and benefits of these positions in accordance with the rules established for the Selected Exempt Service.

Total Funding (Statutorily Authorized IT-Related Funding Sources)

#	Statute	Issue	Description of Statute
1	28.24(12)(e)1.	Dedicated funding source for court-related technology costs (counties)	If the counties maintain legal responsibility for the costs of the court-related technology needs as defined in s. 29.008(1)(f)2. and (h), 10 cents shall be distributed to the Florida Association of Court Clerks for the cost of development, implementation, operation, and maintenance of the clerks' Comprehensive Case Information System; $1.90 retained by the clerk and deposited into the Public Records Modernization Trust Fund and used exclusively to fund court-related technology; and $2.00 distributed to the board of county commissioners to be used exclusively to fund court-related technology and court technology needs as defined in s. 29.008(1)(f)2. and (h) for the state trial courts, state attorney and public defender in that county. If the counties retain legal responsibility to pay for court technology as defined in s. 29.008(1)(f)2. and (h), the county is not required to provide additional funding beyond that provided herein for the court-related technology needs of the clerk.
2	28.24(12)(e)2.	Court-related technology costs (state)	If the state becomes legally responsible for the costs of court-related technology needs as defined in s. 29.008(1)(f)2. and (h), whether by operation of general law or court order, $4 shall be remitted to the Department of Revenue for deposit into the General Revenue Fund.
3	29.008(1)(f)2.	Authorization for counties to assume costs for court-related technology	Counties are required to fund the cost of all communications services of the state courts system, state attorneys, public defenders, and the clerks of court.
4	212.12(1)(c)1.	Funding for school district technology	A dealer entitled to the collection allowance may elect to forego the collection allowance and direct that amount to be transferred into the Educational Enhancement Trust Fund. The DOE shall distribute the appropriate amount from the trust fund to the school districts that

#	Statute	Issue	Description of Statute
			have adopted resolutions stating that those funds will be used to ensure that up-to-date technology is purchased for the classrooms in the district and that teachers are trained in the use of that technology. Revenues collected in districts that do not adopt such a resolution shall be equally distributed to districts that have adopted such resolutions.
5	402.185	Specific unobligated funds available to DCF	In accordance with the provisions of chapter 216, 20 percent of any unobligated GR or any trust fund appropriation for salaries and benefits, expenses, OPS, OCO, and special categories remaining at the end of a fiscal year shall be available to the Department of Children and Family Services for purchases of productivity-enhancing technology, to improve existing services initiatives. Funds used for such purposes may be certified forward.
6	1011.62(6)	Public schools technology funding	Creates categorical funding for public school technology
7	1009.23(10)	Community college technology fee	Authorizes each board of trustees to establish a technology fee, which may not exceed $1.80 per credit hour for residents and $5.40 per credit hour for non-residents to be expended according to technology improvement plans.

Miscellaneous IT-Related Statutes

#	Statute	Issue	Description of Statute
1	11.43(3)(b)	Components included in Auditor General audits	Authorizes audits and other engagements of Auditor General to include IT programs, activities, functions or systems of any governmental entity created or established by law.
2	11.90(7)	IT-related responsibility of LBC	LBC shall review IT resources management needs identified in agency LRPP for consistency with State Annual Report on Enterprise Resources Planning and Management and statewide policies adopted by the STO. LBC shall also review proposed budget amendments associated with IT that involve more than one agency, that have an outcome that impacts another agency, or that exceed $500,000 in total cost over a 1-year period.
3	25.375	Creation of unique identifier	Supreme Court may create a unique identifier for each person by which to identify all court cases related to that person or his/her family previously in court. To implement a unique identifier, Supreme Court may require the revision of only those IT systems that are directly operated and funded by the State Courts System.
4	29.008(1)(h)	Definition	Defines existing multi-agency criminal justice information systems
5	119.011(9)	Definition	"Information technology resources" means data processing hardware and software and services, communications, supplies, personnel, facility resources, maintenance, and training.
6	120.54(5)(b)2.	Definition	"Communication media technology" means the electronic transmission of printed matter, audio, full-motion video, freeze-frame video, compressed video, and digital video by any method available.

#	Statute	Issue	Description of Statute
7	186.022	Required IT reports submitted to STO	Requires Financial Management Information Board, Criminal and Juvenile Information Systems Council, and Health Information Systems Council to develop and submit to the STO an IT strategic plan in a form and manner prescribed by the STO in consultation with the EOG and legislative appropriations committees.
8	213.755	Definition	"Electronic means" to include, but not limited to, electronic data interchange, electronic fund transfer, use of Internet, telephone, or other technology specified by the Department of Revenue.
9	216.163(2)(f)	Components of Governor's recommended budget	Recommendations for high-risk IT projects that should be subject to monitoring under s. 282.322 and requires proviso directing agency to contract for a project monitor.
10	216.181(5)	LBC amendments relating to IT	An amendment to an original operating budget for an IT project or initiative that involves more than one agency, has an outcome that impacts another agency, or exceeds $50,000 in total cost over a 1-year period, except for those projects that are continuation of hardware or software maintenance or software licensing agreements, or that are for desktop replacement that is similar to the technology currently in use, must be reviewed by the TRW for the executive branch and by the Chief Justice for the judicial branch.
11	282.0041(7)	Definition	"Information technology" means equipment, hardware, software, firmware, programs, systems, networks, infrastructure, media, and related material used to automatically, electronically, and wirelessly collect, receive, access, transmit, display, store, record, retrieve, analyze, evaluate, process, classify, manipulate, manage, assimilate, control, communicate, exchange, convert, converge, interface, switch, or disseminate information of any kind.
12	282.101	Definition	Any reference in this part to "information technology" or "information technology system" means any transmission, emission, and reception of signs, signals, writings, images, and sounds of intelligence of any nature by wire, radio, optical or other electromagnetic systems and includes all facilities and equipment owned, leased, or used by all agencies and political subdivisions of state government, and a full-service information-processing facility offering hardware, software, operations, integration, networking, and consulting services.
13	282.601-605	Accessibility of electronic information and information technology	Authorizes and describes the requirements for ensuring that state employees and members of the public with disabilities have access to and are provided with information and data comparable to the access used by state employee/public members who are not disabled.
14	287.0731	Chief negotiator for IT procurements	Contingent upon funding in the GAA, DMS shall establish a team that includes a chief negotiator to specialize in conducting negotiations for the procurement of IT with an invitation to negotiate.
15	408.061(1)	Health Care Administration and data collection	The agency shall require the submission by health care facilities, health care providers, and health insurers of data necessary to carry out the agency's duties. Specifications for data to be collected under this section shall be developed by the agency with the assistance of technical advisory panels including representations of affected

#	Statute	Issue	Description of Statute
			entities; consumers, purchasers, and such other interested parties as may be determined by the agency.
16	408.0615	Secure data center site for Health Care Administration	For purposes of protecting and ensuring the safety and security of the data held by the agency as described in s. 408.016, the agency shall be responsible for ensuring that data and data backup systems are housed at a secure facility that meets or exceeds certain statutorily defined requirements.
17	413.271(4)(a)	Florida Coordinating Council for the Deaf and Hard of Hearing	Council shall prepare a report to EOG and Legislature by January 1 2005, which must include review of state agencies to determine if they comply with accessibility standards that relate to services for deaf, hard of hearing, and late-deafened persons.
18	443.163(4)	Definition	"Electronic means" to include, but not limited to, electronic data exchange, electronic fund transfer, and use of Internet, telephone, or other technology specified by AWI or its tax collection service provider.
19	445.046	Network Access Point	The state actively supports efforts that enhance the IT industry in this state, particularly those efforts that increase broadband technology. A critical initiative to enhance this industry in this state is determined to be the development of a network access point, which is defined to be a carrier-neutral, public-private Internet traffic exchange point.
20	668.001-.006	Electronic Signature Act of 1996	Statutorily authorizes and defines the control procedures for the use of electronic signatures.
21	668.50	Uniform Electronic Transaction Act	Statutory requirements that deal with electronic record or electronic signatures created, generated, sent, communicated, received, or stored by state agencies and commercial providers.
22	1004.52	Community computer access grant program	Creates Community-High Technology Investment Partnerships to assist distressed urban communities in securing computers for use by youth between 5 – 18 years of age.

Miscellaneous State Technology Office Statutes and Rules

#	Statute	STO - Statutorily Authorized IT Powers, Duties, Responsibilities
1	215.322(2)	When the Internet or other related electronic methods are to be used as the collection medium, STO shall review and recommend to Chief Financial Officer whether to approve the request with regard to the process and procedure to be used.
2	282.005(3)	An office must be created to provide support and guidance to enhance the state's use and management of IT and to design, procure, and deploy, on behalf of the state, information technology.
3	282.005(5)	The STO has primary responsibility and accountability for the planning, budgeting, acquisition, development, implementation, use, and management of IT within the state. Each agency head has primary responsibility and accountability for setting agency priorities, identifying business needs, and determining agency services and programs to be developed as provided by law. The STO, through service level agreements with each agency, shall provide the IT needed for the agency to accomplish its mission.
4	282.005(7)	The STO shall provide, by whatever means is most cost-effective and efficient, the IT,

#	Statute	STO - Statutorily Authorized IT Powers, Duties, Responsibilities
		enterprise resource planning and management[55], and the enterprise resource management infrastructure[56] needed to collect, store, and process the state's data and information, provide connectivity, and facilitate the exchange of data and information among both public and private parties.
5	282.005(9)	To ensure the best management of the state's IT and notwithstanding other provisions of law to the contrary, the **functions of IT are assigned** to the university boards of trustees for the development and implementation of planning, management, rulemaking, standards, and guidelines for the state universities; to the community college boards of trustees for establishing and developing rules for the community colleges; to the Supreme Court, for the judicial branch; to each state attorney and public defender; and **to the STO for the executive branch of government**.
6	282.005(10)	The STO shall take no action affecting the supervision, control, management, or coordination of IT and IT personnel that any Cabinet officer listed in s. 4, Art. IV of the State Constitution deems necessary for the exercise of his or her statutory or constitutional duties.
7	282.102	Creates the STO within DMS as a separate budget entity, headed by a Chief Information Officer (CIO) who is appointed by the Governor and is in the Senior Management Service. The CIO shall be an agency head for all purposes. DMS shall provide administrative support and service to the extent requested by the CIO. The STO may adopt policies and procedures regarding personnel, procurement, and transactions for STO personnel. **Among the duties assigned to the STO, the following are included:**
	282.102(2)	To adopt rules implementing policies and procedures providing best practices to be followed by agencies in acquiring, using, upgrading, modifying, replacing, or disposing of IT.
	60DD-5.001 – 5.005	Communications Procurement of Customer-Owned Equipment Rule
	60DD-6.001 – 6.008	Eligibility and Use of State Communications System Rule
	60DD-7.001 - 7.014	Information Technology Life Cycle Policies and Standards Rule
	282.102(5)	To integrate the IT systems and services of state agencies.
	282.102(6)	To adopt technical standards for the state IT system which will assure the interconnection of computer networks and information systems of agencies.
	282.102(7)	To assume management responsibility for any integrated IT system or service when determined by the STO to be economically efficient or performance-effective.
	282.102(14)	To delegate to state agencies the authority to purchase, lease, or otherwise acquire and to use IT or, as necessary, to control and approve the purchase, lease, or acquisition and the use of all IT, including, but not limited to, communications services provided as part of any other total system to be used by the state or any of its agencies.

[55] Section 282.0041(6) defines this term to mean the planning, budgeting, acquiring, developing, organizing, directing, training, control, and related services associates with government IT. The term encompasses information and related resources, as well as the controls associated with their acquisition, development, dissemination, and use.

[56] Section 282.0041(5) defines this term to mean the hardware, software, networks, data, human resources, policies, standards, facilities, maintenance, and related materials and services that are required to support the business processes of an agency or state enterprise.

#	Statute	STO - Statutorily Authorized IT Powers, Duties, Responsibilities
	(16)	To adopt rules pursuant to ss. 120.536(1) and 120.54 relating to IT and to administer the provisions of this part.
	(23) (23)(b)	To provide an integrated electronic system for deploying government products, services, and information to individuals and businesses. The STO shall provide a method for assessing fiscal accountability for the integrated electronic system and shall establish the organizational structure required to implement this system.
	(30)	To designate a State Chief Privacy Officer who shall be responsible for the continual review of policies, laws, rules, and practices of state agencies that may affect the privacy concerns of state residents.
8	Section 31(4), ch. 2001-261	STO is authorized to charge back to each participating agency an amount equal to the total of all direct and indirect costs of administering the agreement with the agency and the total of all direct and indirect costs of rendering the performances required of the STO under such agreements.
	Section 31(5), ch. 2001-261	Any resources transferred to the STO that were dedicated to a federally funded system shall remain allocated to that system until the appropriate federal agency or authority confirms in writing that another plan for supporting the system will not result in federal sanctions.
9	282.103	Creates the SUNCOM network within the STO and requires all state agencies and the state universities to use the network for agency or university communications services. If the network does not meet the agency or university requirements, the agency or university shall notify the STO and detail the requirements for that communications service. If the STO is unable to meet these requirements, the STO may grant the agency or university an exemption from the required use of the SUNCOM network.
10	282.104	Allows municipalities to request STO to provide any or all of the SUNCOM network services.
11	282.105	Allows nonprofit corporations under contract with state agencies or political subdivisions of the state to use the SUNCOM network with certain qualifications.
12	282.106	Allows STO to provide SUNCOM network services to any library in the state, including libraries in public schools, community colleges, state universities, and nonprofit private postsecondary educational institutions and libraries owned and operated by municipalities and political subdivisions.
13	282.107	Requires STO to review periodically the qualifications of SUNCOM subscribers.
14	282.109	Authorizes the Governor to direct emergency management assumption of control over all or part of the state communications system.
15	282.1095	Authorizes the STO to acquire and implement a statewide radio communications system to serve law enforcement units of state agencies, and to serve local law enforcement agencies through mutual aid channels.
16	282.111	Authorizes the STO to develop and maintain a statewide system of regional law enforcement communications with the CIO, or his or her designee, designated as the director of the statewide system.
17	282.21	Authorizes the STO to collect fees for providing remote electronic access pursuant to s. 119.07(2).
18	282.22	Authorizes and describes the STO's production, dissemination, and ownership of materials and

#	Statute	STO - Statutorily Authorized IT Powers, Duties, Responsibilities
		products.
19	282.23	Authorizes the STO, in consultation with DMS, to establish a State Strategic Information Technology Alliance for the acquisition and use of IT and related material in accordance with competitive procurement provisions of chapter 287. Authorizes the STO to adopt rules implementing the policies and procedures applicable to establishing the strategic alliances.
20	282.3031	For purposes of ss. 282.303-282.322, to ensure best management of state IT resources and notwithstanding other provisions of law, **the functions of information resources management are assigned** to the university boards of trustees for the development and implementation of planning, management, rulemaking, standards, and guidelines for the state universities; to the community college boards of trustees for establishing and developing rules for the community colleges; to the Supreme Court for the judicial branch; to each state attorney and public defender; and **to the STO for the agencies within the executive branch of state government**.
21	282.3055	Establishes the position of Agency Chief Information Officer and authorizes the state CIO to appoint or contract for each position. Describes the duties and responsibilities of the agency chief information officer.
22	282.3063	Establishes the Agency Annual Enterprise Resource Planning and Management Report and requires each agency chief information officer to prepare and submit to the STO by September 1 of each year.
23	282.310	Establishes the State Annual Report on Enterprise Resource Planning and Management and requires STO to prepare and submit to the EOG, Legislature, and Chief Justice by February 15 of each year.
24	282.318(2)	STO, in consultation with each agency head, is responsible and accountable for assuring an adequate level of security for all data and IT resources of each agency and, to carry out this responsibility shall designate an information security manager who shall administer the security program of each agency of its data and IT resources.[57]
	60DD-2.001 - 2.010	Florida Information Resource Security Policies and Standards Rule
25	282.322	Establishes special monitoring process for designated information resources management projects and requires TRW to contract with the project monitor. Also requires the STO's Enterprise Project Management Office to report on any identified high-risk IT project to the EOG and Legislature.
26	287.042(4)(b)	Duties of DMS to include, prescribing, in consultation with the STO, procedures for procuring IT and IT consultant services which provide for public announcement and qualification, competitive solicitations, contract award, and prohibition against contingent fees. Such procedures shall be limited to IT consultant contracts for which the total project costs, or planning or study activities, are estimated to exceed the CATEGORY TWO threshold amount.
27	287.042(15)(a)	DMS can enter into joint agreements with governmental agencies for pooling funds for the purchase of IT that can be used by multiple agencies. However, the department shall consult with the STO on joint agreements that involve the purchase of IT. Agencies entering into joint purchasing agreements with the department or the STO shall authorize the department or the STO to contract for such purchases on their behalf.

[57] Section 18, ch. 2006-26, added subsections (3) and (4) in order to implement Specific Appropriation 2969A of the 2006-07 General Appropriations Act. These two subsections not withstand subsection (2) and expire July 1, 2007.

#	Statute	STO - Statutorily Authorized IT Powers, Duties, Responsibilities
28	287.042(16)(b)	For contracts pertaining to the provision of IT, the STO, in consultation with DMS, shall assess the technological needs of a particular agency, evaluate the contracts, and determine whether to enter into a written agreement with the letting federal, state, or political subdivision body to provide IT for a particular agency.
29	287.057(24)(a) through (d)	The STO shall establish, in consultation with DMS, state strategic IT alliances for the acquisition and use of IT and related material with pre-qualified contractors or partners to provide the state with efficient, cost-effective and advanced IT. In consultation with and under contract to the STO, the state strategic IT alliances shall design, develop, and deploy projects providing the IT needed to collect, store, and process the state's data and information, provide connectivity, and integrate and standardize computer networks and information systems of the state. The partners in the state strategic IT alliances shall be industry leaders with demonstrated experience in the public and private sectors. The STO, in consultation with DMS, shall adopt rules pursuant to ss. 120.536(1) and 120.54 to administer the state strategic IT alliances.
30	288.1092	Creates within the STO the One-Stop Permitting System Grant Program. The STO shall review grant applications and, subject to available funds, if a county is certified as a Quick Permitting County under s. 288.1093, shall award a grant of up to $50,000 to provide for such integration.
31	288.1093	There is established within the STO, the Quick Permitting County Designation Program.
32	365.171	The STO shall develop a statewide emergency telephone number "911" system plan. The STO shall be responsible for the implementation and coordination of such plan and shall adopt any necessary rules and schedules related to public agencies for implementing and coordinating such plan. The director of the STO, or his or her designee, is designated as the director of the statewide emergency telephone number "911" system, and for the purpose of carrying out the provisions of this section, is authorized to coordinate the activities of the system with state, county, local, and private agencies. The director is authorized to employ not less than 5 persons, 3 of whom will be at the professional level, 1 at the secretarial level, and 1 to fill a fiscal position, for carrying out the provisions of this section. The director in implementing the system, shall consult, cooperate, and coordinate with local law enforcement agencies.
	60DD-1.001 – 1.003	Wireless 911 Board Rule
33	365.172	Establishes the E911 service and fee. The STO shall oversee the administration of the fee imposed on subscribers of statewide E911 service. The Wireless 911 Board is established to administer, with oversight by the STO, the fee imposed, including receiving revenues derived from the fee; distributing portions of such revenues to providers, counties, and the STO; accounting for receipts, distributions, and income; and providing annual reports to the Governor and the Legislature for submission by the STO on amounts collected and expended, the purposes for which expenditures have been made, and the status of wireless E911 service in the state.
34	365.173	All revenues derived from the E911 fee levied in s. 365.172, must be paid into the State Treasury on or before the 15th day of each month. Such moneys must be accounted for in a special fund to be designated as the Wireless Emergency Telephone System Fund, a fund created in the STO and invested by the Chief Financial Officer. All moneys in such fund are to be expended by the STO for the purposes provided in this section and s. 365.172.
35	943.0313	Chief Information Officer of the STO is a member of the Domestic Security Oversight Council

Appendix D: Summary of Other States' Statutory Approach to Enterprise IT Governance Structures and Processes

State	Governance Structure	CIO Position	IT Strategic Plan	IT Project Approval and Management
North Carolina[58]	Office of Information Technology Services (OITS) established within the Office of the Governor with duties and responsibilities limited to executive branch agencies. OITS: procures all IT for state agencies submits for approval all rates and fees for common, shared IT services provided by Office conducts annual assessment of state agencies' compliance with statewide IT policies develops standards, procedures, and processes to implement policies approved by CIO reviews agency implementation compliance of statewide IT management efforts develops project management, quality assurance, and architectural review processes operates information resource centers and services	State CIO established to manage and administer OITS. Governor appoints CIO to: develop and administers a comprehensive long-range plan to ensure the proper management of the state's IT resources set technical standards for IT review and approve major IT projects, review and approve agency IT budget requests establish IT security standards provide for the procurement of IT resources develop schedule for the replacement or modification of major IT systems	CIO submits biennial IT plan to General Assembly that includes: inventory of current IT assets and major projects evaluation and estimation of the significant unmet needs for IT resources over a 5-year period statement of financial requirements posed by unmet needs and recommended funding schedule analysis of opportunities for statewide initiatives Agencies biennially develop agency IT plan that includes above components and submit to CIO for inclusion in state plan.	For IT projects that cost more than $500,000, whether the project is a single phase / component or multiple phases / components, the following applies: CIO reviews and approves and no agency may proceed with an IT project that is subject to CIO review and approval until such approval is provided. CIO may suspend approval of IT project that does not continue to meet required quality assurance standards. All IT project contracts must include provisions for vendor performance review and accountability and CIO may require the inclusion of monetary penalties for IT projects that are not completed within the specified time period or cost estimates. Agency must provide for a project manager who is subject to the review and approval of CIO. Project manager submits periodic project reports to OITS.

[58] North Carolina has statutorily established a Joint Legislative Oversight Committee on Information Technology. The Committee reviews current IT that impacts public policy, including electronic data processing and telecommunications, software technology, and information processing. Specifically, the Committee: 1) evaluate the current technological infrastructure of state government and determines potential demands for additional staff, equipment, software, data communications, and consulting services; 2) evaluate IT governance, policy, and management practices; 3) study, evaluate, and recommend statutory changes; 4) study, evaluate, and recommend action regarding reports received by Committee; 5) study, evaluate, and recommend any changes proposed for future development of the information highway system of the state; and 6) consult with the state CIO on statewide technology strategies and initiatives and review legislative proposals and other recommendations of the Office of Information Technology Services.

State	Governance Structure	CIO Position	IT Strategic Plan	IT Project Approval and Management
	analyze legacy IT systems and develop plan to ascertain needs, costs, and time frame to progress to more modern IT systems Information Technology Board established in OITS for organizational, budgetary, and administrative purposes. Board consists of 12 members with the following duties: review and comment on State IT Plan review and comment on agency IT plans review and comment on statewide technology initiatives developed by state CIO OITS, in collaboration with the Office of State Budget and Management and the State Controller's Office, shall jointly develop a system for budgeting and accounting of expenditures for IT operations, services, projects, infrastructure, and assets.			CIO designates project management assistant from OITS who advises the agency on initial planning, request for proposal contents, contract development, procurement, and architectural/technical reviews. Statute provides agency/CIO dispute resolution process for IT projects denied or suspended by CIO. Review committee, consisting of State Controller, State Budget Officer, and Secretary of Administration, has authority for resolving disputes.
Virginia	Information Technology Investment Board (Board) has authority and responsibility for IT for executive branch agencies. Comprised of 10 members, has ultimate authority for the planning, budgeting, acquiring, using, disposing, managing, and administering of IT for state agencies. Virginia Information Technologies Agency (VITA) established as the	Board appoints state CIO to oversee operations of VITA. CIO is employed under special contract for a 5-year term and operates under the direction and control of the Board. CIO: monitors trends and advances in IT and develop 4-year strategic plan that includes specific projects to implement the plan directs formulation and promulgation	All agencies submit IT plans to the state CIO for review and approval. State CIO submits 4-year strategic IT plan to Legislature.	A Division of Project Management is established within VITA and has the following duties: 1) implement the approval process for IT projects which involves final approval provided by the Board 2) assist CIO in development and implementation of project management methodologies 3) provide support and assistance to state agencies

State	Governance Structure	CIO Position	IT Strategic Plan	IT Project Approval and Management
	state's consolidated, centralized IT organization responsible for the administration and enforcement of the Board's rules and policies. VITA staff worked at the pleasure of the Board. VITA: plans and forecasts future IT needs and identify best practices assists state agencies in development of IT plans develops statewide technical and data standards analyzes all IT procurements reviews and approves all IT agreements and contracts develops and administers system to monitor and evaluate contracts manages and coordinates telecommunications facilities and communications services, centers, and operations	of policies for purchase, development, and maintenance of IT for state agencies reviews IT budget requests develops approval process for proposed major IT projects establishes methodology for oversight of IT projects directs development of any statewide or multi-agency enterprise project directs, suspends, or recommends termination of any major IT project that has not met the agreed to performance measures		4) review IT plans submitted by agencies 5) monitor implementation of IT plans 6) provide agency assistance with project management 7) provide oversight for agency IT projects Whenever a statewide or multi-agency project has received approval from the Board, the primary project oversight is conducted by a committee composed of representatives from agencies impacted by the project. State CIO establishes oversight committees.
Washington	Information Services Board is the policy-making body for IT for executive branch agencies. Comprised of 15 members, has ultimate authority for the operation, management, and procurement of IT, and provides direction, duties, and responsibilities to the Department of Information Services (department). The department is established as a Cabinet-level agency, headed by a Director, who is appointed by the Governor with Senate confirmation. The department performs all duties	Director of department is appointed by Governor and confirmed by Senate. Director: appoints deputy directors maintains and funds strategic planning and policy component reports to Governor and Board any matters relating to abuses and evasions of IT law recommends statutory changes to Governor and Board	Department prepares strategic IT plan which establishes statewide mission, goals, and objectives for the use of IT. Board approves plan and submits to Governor and Legislature. The department prepares a biennial state performance report on IT based on agency performance reports and minimally includes: analysis of state's IT infrastructure evaluation of IT performance assessment of progress made toward implementing state's strategic IT plan	Department establishes standards and policies governing the planning, implementation, and evaluation of major IT projects. The director may terminate a major IT project if he/she determines that the project is not meeting or is not expected to meet anticipated performance standards. Governor's Office of Financial Management (OFM) establishes policies and standards consistent with portfolio-based IT management to govern the funding of projects.

State	Governance Structure	CIO Position	IT Strategic Plan	IT Project Approval and Management
	and responsibilities delegated by the Board to include: establish rates and fees for department-provided services develop strategic IT plan develop and implement training programs identify opportunities for effective use of IT assess agency projects, acquisitions, plans, IT portfolios, and overall information processing performance develop planning, budgeting, and expenditure reporting requirements evaluate IT budget requests that must be consistent with portfolio-based IT management		analysis of the success or failure, feasibility, progress, costs, and timeliness of implementation of major IT projects identification of benefits, cost avoidance, and cost savings generated by major IT projects inventory of state information services, equipment, and proprietary software Agencies are also required to develop an IT portfolio that serves as the basis for making IT funding and operational decisions. IT portfolios must reflect 1) links among an agency's objectives, business plan, and technology; 2) analysis of the effect of an agency's proposed new IT investments; and 3) analysis of the effect of proposed IT investments on state's IT infrastructure.	Policies and standards provide for: funding of an IT project under terms/conditions agreed to my director, OFM, and agency head acceptance testing of product to assure products perform satisfactorily before accepted and final payment made other elements deemed necessary by OFM
Georgia	Georgia Technology Authority (GTA) is established as a body corporate to provide for procurement of technology resources, technology enterprise management, and technology portfolio management for state agencies. GTA is comprised of 12 members with majority appointed by Governor. GTA is assigned for administrative purposes to the Department of Administrative Services and the Attorney General provides legal services. GTA: establishes the enterprise architecture for the state to bring interoperability in a cost effective manner	Executive director of the GTA is the state CIO and is appointed and removed by a majority vote of the GTA. In addition to the duties and responsibilities assigned by GTA, the state CIO: provides assistance to agency heads in evaluating agency information officer performance establishes project management standards submits annual and 3-year IT plan	State CIO must submit 3-year strategic plan for GTA approval. The GTA prepares the State Technology Plan and an implementation plan.	GTA establishes policies and standards regarding IT project approval and management. All agencies must comply with GTA approved standards and templates when requesting IT project approval. For all IT projects exceeding $50,000 in total costs, all agencies must utilize the GTA approved project management standards/methodology.

State	Governance Structure	CIO Position	IT Strategic Plan	IT Project Approval and Management
	establishes policies and standards for IT and security operates the state's data center and telecommunications network develops and manages state's portal promotes interoperability of state systems through the portal, project management, and procurement coordinates the purchase of IT with all purchases exceeding $100,000 required to be contracted through the GTA oversees IT projects costing more than $1 million reviews and approves IT budget request, IT project requests, and strategic plans facilitates statewide strategic planning			
Texas	Department of Information Resources (DIR) is established as a state agency to coordinate and direct the use of IT by state agencies. DIR: requires agencies to report on use and cost of IT and effect on the agency's duties and functions provides agency technical and managerial assistance identifies opportunities for state agencies to coordinate in the	Board employs an executive director for the DIR who is the state CIO. State CIO has authority for all aspect of IT for state agencies to include: use of technology to support state goals functional support to state agencies technology purchases deployment of new technology delivery of technology services	State CIO submits strategic IT plan for Board approval and must be prepared in coordination with the quality assurance teams. Board submits plan to the Legislative Budget Board (LBB).[59] Components include: strategic direction of IT in state government for next 5 years outline of state's information architecture critical IT projects to be directed by DIR	State Auditor, LBB, and DIR establish quality assurance teams to perform statutorily identified duties (as listed below). Quality assurance teams may recommend major IT projects for oversight by DIR. Quality assurance teams evaluate major IT projects to determine if they are operating on time and within budget. If major IT project is determined to be poorly managed or has excessive cost overruns, quality assurance team may:

[59] The Legislative Budget Board (LBB) is a permanent joint committee of the Texas Legislature that develops recommendations for legislative appropriations for all agencies of state government.

State	Governance Structure	CIO Position	IT Strategic Plan	IT Project Approval and Management
	adoption and implementation of IT projects conducts training programs establishes and administers clearinghouse for information relating to protecting security of state information prepares state strategic IT plan for approval develops rules and guidelines for reviewing major IT projects provides oversight of major IT projects as identified by Governor DIR is governed by a Board comprised of 7 members appointed by Governor with Senate confirmation. The Board develops and implements policies that clearly separate the policymaking responsibilities of the Board and the management responsibilities of the executive director of the DIR.	provision of leadership on technology issues	best practices to assist state agencies in adopting effective information management methods guidelines for state agencies to report their agency strategic plans long-range policy guidelines for IT major issues faced by state agencies related to the procurement of IT IT priorities for the state Agency strategic plans must be consistent with the state strategic plan, approved by the quality assurance teams and submitted to the DIR. Agencies also submit biennial operating plans to the DIR, Legislature, and Governor in accordance with the directions provided by the Legislative Budget Board.	establish a corrective action plan or discontinue the project subject to LBB approval Quality assurance teams may review and analyze a project's risk to determine whether to approve a project for funding. Quality assurance teams may require an agency to provide information on: status of IT project costs for major IT project risk associated with IT project IT project's general potential for success Quality assurance teams may request State Auditor to audit IT projects. Annually, the quality assurance teams report on the status of major IT projects to the Legislature and Governor. DIR establishes model guidelines for agencies to use in developing their own internal quality assurance procedures.[60] Agencies are required to use their internal quality assurance procedures to evaluate IT projects that are not otherwise exempt. Agencies may request permission from the LBB and Governor's Division of Budget to delay implementation of an IT project or initiative.

[60] "Internal quality assurance procedures" is statutorily defined to mean methods that an agency employs to identify and mitigate risks on its projects, to ensure that it follows established state technology standards, and to provide accountability for the money spent on its projects.

State	Governance Structure	CIO Position	IT Strategic Plan	IT Project Approval and Management
				For major IT projects, agency must complete business case and cost-benefit analysis and file documents with the LBB, State Auditor, and DIR. Agencies must develop project plan for each major IT project and file plan with quality assurance team. After implementation of major IT project, agency must prepare post-implementation review and provide review to agency head, DIR and State Auditor.
New York	Office for Technology (OFT) established as a state agency to serve as the state's planning and coordinating agency for IT services to include: a) centralized data center, b) statewide network infrastructure, c) data and voice services, and d) other IT related services. Additional duties and responsibilities include: advise and assist agencies in developing policies, plans, and programs for improving statewide coordination of IT perform technology reviews and make recommendations for improving IT management review and coordinate IT purchases for agencies establish, oversee, manage, coordinate, and facilitate planning, design, and implementation of common IT networks undertake IT projects with statewide or multi-agency impact	The head of the OFT is the Director who serves as Chief Technology Officer.	OFT publishes a 3-year strategic IT plan. First published in 2000, OFT shifted its primary focus from setting statewide policy to a more operational role. This shift was primarily driven by 3 large organizational initiatives: completion of centralized data center creation of Human Services Network transfer of Division of Telecommunications to OFT	OFT has established a statewide policy for project management and published a *Project Management Guidebook* that defines a common, standard methodology for managing IT projects by state agencies.

State	Governance Structure	CIO Position	IT Strategic Plan	IT Project Approval and Management
	establish statewide IT policies conduct selective evaluations of IT activities in agencies complete comprehensive review of existing state infrastructure and recommend improvements establish multi-year statewide strategic IT plan Within OFT is an advisory council comprised of 9 information resource management directors appointed by Governor. Advisory council: a) reviews and comment on rules and regulations developed by OFT, b) provide guidance and support to OFT, and c) recommend surveys and reports to be completed by OFT.			
Michigan	Department of Information Technology (DIT) was created by *Executive Order #2001-3*.[61] Through a Type II transfer, all the authority, powers, duties, functions, responsibilities, personnel, equipment, and budgetary resources involved in or related to the provision of information technology services[62] located within the executive branch departments of agencies were transferred to the DIT. DIT is the centralized, consolidated	DIT is headed by a Director appointed and serving at the pleasure of Governor. Director also serves as state CIO.	DIT is required to develop unified strategic IT plan for executive branch; however, neither the Executive Order nor statute identify any required components or approval process.	DIT is required to oversee expanded use and implementation of project management within executive branch; however, neither the Executive Order nor statutes identify any required components or approval process.

[61] Executive order was codified in statute in 2001 (s. 18.41).

[62] Executive order and statute define "information technology services" to mean services involving all aspects of managing and processing information, including but not limited to: a) application development and maintenance; b) desktop computer support and management; c) mainframe computer support and management; d) server support and management; e) local area network support and management; f) information technology contract, project and procurement management; g) information technology planning and budget management; and h) telecommunication services, security, infrastructure, and support.

State	Governance Structure	CIO Position	IT Strategic Plan	IT Project Approval and Management
	IT agency for executive branch and serves as the general contractor between the state's IT users and private-sector providers of IT products and services. DIT: leads state efforts to re-engineer IT infrastructure to achieve the use of common technology across executive branch coordinates unified executive branch strategic IT plan identifies best practice and develop plan to replicate best practices throughout executive branch oversees expanded use and implementation of project management within executive branch develops application development standards assists State Budget Office with development of IT budgets for executive branch agencies			
California[63]	Department of Technology Services (DTS) established in 2005 by the Governor's Reorganization Plan Number 2 and subsequently codified	DTS Director: manages all affairs, duties and IT services of the department develop department operational plan	The DTS publishes a strategic IT plan that identifies their major goals, activities, and direction.	No specific statute or DTS reference addressing IT project approval or management.

[63] As documented by the Legislative Analyst's Office, California has struggled with implementing an IT governance model. From the 1980's to mid-1990, the Department of Finance was solely responsible for approving and overseeing state IT operations and projects. In 1994, after a series of failed IT projects, the Legislature enacted legislation for the planning, implementation, and oversight of the state's IT activities by creating the Department of Information Technology (DOIT). This legislation included a sunset date of July 1, 2000, which was subsequently extended, to July 1, 2002. During the 2002 legislative session, two key factors resulted in the Legislature's decision not to extend DOIT's sunset: 1) Legislative Analyst's Office report on DOIT citing several areas of non-performance and 2) State Auditor General audit of a controversial $95 million enterprise contract with Oracle. Lacking legislation to extend, the 7-year agency closed its doors on July 1, 2002. The Governor issued an Executive Order stipulating how IT operations and projects would be handled for state agencies and authorizing the creation of a technology oversight board. In 2004, the new Governor established within his office a new Special Advisor on IT and established and chartered the Information Technology Council to develop a strategic IT plan for the state. The Special Advisor and the Council developed a strategic plan that the Governor has begun to implement through his 2005 Reorganization Plan Number 2.

State	Governance Structure	CIO Position	IT Strategic Plan	IT Project Approval and Management
	in statute. DTS is the general technology services provider to serve the common technology needs of executive branch entities. DTS is headed by a Director. The reorganization plan and subsequent law consolidated the Stephen P. Teale Data Center, the California Health and Human Services Agency Data Center, and the Department of General Services' Office of Network Services. DTS serves the common technology needs of executive branch agencies. The Technology Services Board (Board) was also established in 2005 to provide governance and guidance to DTS and is comprised of 13 members.	to include operational policies and procedures propose for Board annual operating budget propose for Board approval all rates and fees manages the telecommunications network and services manages the consolidated data center State CIO is established as a Cabinet-level position appointed by the Governor and confirmed by the Senate. CIO: advises Governor on the strategic management and direction of state's IT resources minimizes overlap, redundancy, and cost in state operations by promoting efficient and effective use of IT Coordinates activities of agency CIOs and Director of DTS for purposes of integrating statewide technology initiatives, ensuring compliance with IT policies and standards, and promoting alignment of IT resources and effective management of IT portfolios		
Illinois	Executive Order #5 established the Illinois Technology Office (ITO) within the Office of the Governor as an "IT policy" unit. The ITO is responsible for a) providing direction and recommendations for coordinated and integrated management in order to provide services and standardized operations	The ITO is headed by a Chief Technology Officer appointed by Governor.	The ITO has established Illinois Technology Enterprise Planning System (ITEPS), an enterprise-wide technology planning system that consists of six planning components: Strategic planning and new initiatives (annual) EDP exception requests (daily)	No specific statute or ITO reference addressing IT project approval or management.

State	Governance Structure	CIO Position	IT Strategic Plan	IT Project Approval and Management
	among state agencies and b) coordinating the policy development and deployment of technology networks and initiatives throughout state agencies. The Department of Central Management Services (department) is the IT and telecommunications service provider for the state and is authorized to direct the transfer, to the department, those agency IT functions that may be suitable for centralization. The ITO assists in setting the policy direction for the state's IT initiatives. The department, through its Bureau of Information Services, operationalizes these policies.		HIPAA assessment (one-time) HIPAA status reports (quarterly) GIS assessment (ongoing) Business services assessment (ongoing) All agency IT plans, requests, survey responses, and other relevant documentation is inputted and available through ITEPS. Information from the ITEPS provides the metrics for measuring progress on a variety of projects as well as strategic planning and new technology initiatives.	
Nebraska	Nebraska Information Technology Commission (Commission) established comprising of 9 members to include the Governor. Commission: adopts policies and procedures used to develop, review, and annually update statewide IT plan creates an IT clearinghouse to identify and share best practices and new developments, as well as identify existing problems and deficiencies	Office of Chief Information Officer created with the CIO appointed by the Governor with majority approval of Legislature. For administrative and budgetary purposes, Office is located in the Department of Administrative Services. CIO: maintains IT inventory for state government entities recommends policies and guidelines for effective use of IT in state	Commission is responsible for annually publishing a statewide IT plan. Commission is responsible for reporting annually to the Governor and Appropriations Committee concerning enterprise IT projects funded through the Information Technology Infrastructure Fund (ITIF).[66] CIO is responsible for reporting on	Commission is responsible for establishing guidelines for project planning and management. The Legislature authorizes enterprise IT projects to be funds if: project improves the efficiency of and reduces the cost of state government and its various agencies improves the technical capabilities and productivity of state employees and students, faculty, and administrators in state educational institutions

[64] Enterprise IT project is defined in statute to mean an endeavor undertaken over a fixed period of time using IT, which would have a significant effect on core business functions and would affect multiple government programs, agencies, or institutions. Enterprise project includes all aspects of planning, design, implementation, project management, and training relating to the endeavor.

[65] As defined in statute, Director must have not less than 6 years experience in a position that includes responsibility for management, purchase, lease, or control of communications for a private or governmental enterprise.

[66] Statutorily created fund containing the revenues from the special privilege tax as provided in s. 77-2602, gifts, grants, and such other money as is appropriated or transferred by the Legislature. The fund shall be used to attain the goals listed for enterprise IT projects and included in the statewide IT plan. Fund is administered by CIO.

State	Governance Structure	CIO Position	IT Strategic Plan	IT Project Approval and Management
	reviews and adopts policies to provide incentives for investments in IT infrastructure services determines a broad strategy and objectives for developing and sustaining IT development adopts minimum technical standards, guidelines, and architectures recommends IT investments to Governor and Legislature approves awards/grants from the Community Technology Fund, Government Technology Collaboration Fund, and Information Technology Infrastructure Fund adopts guidelines regarding the review, approval, and monitoring of enterprise IT projects[64] assists CIO in developing and maintaining Network Nebraska "Enterprise" is defined in statute to mean the entirety of all departments, offices, boards, bureaus, commissions, or institutions in the state for which money is to be appropriated for communications or data processing services, equipment, or facilities, including all executive, legislative, and judicial departments, the Nebraska state colleges, the University of Nebraska, and all other state institutions and entities.	government implements a strategic, tactical, and project planning process for state government IT that is linked to budget process assists in evaluating IT-related budget requests recommends methods for improving the organization and management of data establishes and maintains Network Nebraska completes other tasks assigned by Governor Within Office of the Chief Information Officer is created a Division of Communications, headed by a Director[65], who is appointed by the CIO.	the status of enterprise IT projects and shall provide the Legislature a semiannual progress report for enterprise IT projects funded through the ITIF.	addresses enterprise-wide IT issues clearly identifies and provides accountability for costs and benefits of IT in state government Legislature may allocate money from the ITIF for enterprise projects. No contract or expenditure for the implementation of an enterprise project may be initiated unless the Commission has approved a project plan.

Appendix E: Gartner Research Studies

Case Study: Ernst and Young Builds IT Services Portfolio[67]

Ernst and Young's leadership team wanted to change the nature of the relationship between the IT organization and the business stakeholders. Appropriate governance and a service catalog were central to achieving this goal. Ernst and Young also wanted to ensure that the IT organization and the business took responsibility and were jointly accountable for the relevance, efficiency, and, more importantly, the effectiveness of the services delivered. The company wanted to get away from the "us vs. them" mentality and to escape the view that the IT organization's only responsibility was to manage servers, disks, data centers, and software.

Ernst and Young's approach was to create service portfolios that listed services being delivered both to its external and internal customers and to then develop a governance structure for the service portfolios that aligns IT with the business and shapes everything the IT organization does. For each service portfolio, there are three governance roles: a) portfolio sponsor, b) portfolio manager, and c) portfolio management lead. These roles are jointly staffed by IT and business units.

One unusual aspect of Ernst and Young's approach is they do not have explicit service level agreements (SLAs) in place. Ernst and Young strongly believes that mutual understanding, collaboration, good communication, and clear ownership of services lower the need for explicit SLAs in its enterprise. If stakeholders demand explicit SLAs, then Ernst and Young believes it would reflect a breakdown in governance, communication, and trust. Each service has a service description document that describes the service, its responsibilities and references to policies, and a customer satisfaction index that measures the overall consumer experience. Gartner states that it agrees that mutual understanding, effective governance, and communication are more effective than simply making SLAs explicit. However, explicit SLAs form an important part of performance management systems and help service organizations continually improve.

Increase the Value of IT Demand Governance: Add Investment Risk Management[68]

This Gartner research study states that to encourage greater participation by the business in IT demand governance, create more value by adding an investment risk management process to ensure that all IT-related investments realize their full business benefits.

IT demand governance (ITDG) is a process that defines "what IT should work on". This includes which business projects will be approved and with what priority, including funding priority. Gartner recommends that to complement an entity's use of ITDG, an investment risk management process also be utilized. Such a process includes:

1. Risk identification and classification – identify potential risks and categorize them into one of three classes
2. Business investment risk – if the project is successfully executed, will the business conditions still exist to generate promised benefits?
3. Technology investment risk – if project is managed successfully, will the technology choices economically support the required capabilities?
4. Management investment risk – if the project was correctly conceived and the right technology choices have been made, will it be successfully executed and deliver the promised benefits?

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[67] *Case Study: Ernst and Young Builds IT Services Portfolio.* Gartner, Publication Date: June 19, 2006. ID Number G00141472.
[68] *Increase the Value of IT Demand Governance: Add Investment Risk Management.* Gartner, Publication Date: December 15, 2005. ID Number G00136350.

5. Risk weighting and assessment – assess each risk for impact and probability and develop prioritized list.
6. Risk mitigation and contingency planning – identify mitigation and contingency options for each risk.
7. Risk trigger tracking – define the triggers for the contingency options and incorporate into project management and tracking process. Check to determine if any triggers have been pulled.
8. Risk hedging – evaluate potential benefits in light of the investment risks for a project and make a management assessment that considers potential benefits versus risks and whether the project meets the organization's risk tolerance criteria.

The ITDG review and approval process is then used to evaluate the investment risk, determine an appropriate quantitative or subjective risk premium, and compare investment alternatives.

Addressing the More-Intractable Issues of IT Governance[69]

In the second half of 2005, Gartner undertook a survey of 44 U.S. CIOs in large businesses. The results of the survey pointed to an apparent major disconnection between how important CIOs believe it is for business management to be involved in IT governance and the importance that business managers apparently attached to their involvement. The CIOs believed that business management "didn't understand" and relegated IT governance to a relatively low priority. Gartner concluded that if business management saw IT governance as largely a mechanism to control IT and IT-related activities, then it was not surprising that they turned to it only when they perceived underperformance by the IT organization.

Since relatively small incremental changes had apparently not produced much improvement, Gartner offered the following recommendations as significant cultural and procedural changes that might mitigate the issue:

Make IT governance work by creating demand via investment performance analysis. Focusing on the upfront review and approval part of the IT governance process appears to result in little incentive or compulsion for the business to assign the priority necessary to cause it to change its behavior and commitment to engage. Instead, consider conducting a back-end analysis of the investment performance of IT-related projects. Focus on creating a retrospective "fact base" of actions, results, and opportunities taken and missed in order to create transparency and encourage more front-end participation by the business.

Reposition IT governance as a component of managing change to the business operating and control model. IT governance includes oversight of the evaluation, selection, and funding of investment alternatives and oversight of the management of implementation projects and resultant business change. Business agility has become a critical competitive capability. CEOs have viewed IT systems and infrastructure as inhibitors of change. Conventionally, IT-related change has been seen as an IT issue. However, IT governance can be a key lever that business management can use to better understand the implications of proposed projects, evaluate the readiness of all the elements that contribute to effective change management and provide an oversight window to monitor the effectiveness of execution.

Evolve the CIO role as a business change leader. Arguably, the single most important role for IT leaders in the long term is to identify the business agenda for change and to create preparedness in the enterprise to face threats and exploit the opportunities during this period of technology-enabled complexity. Gartner sees the emergence of a new "business change leader" role in IT leadership, with CIOs playing this role and being politically active in their enterprise, with full engagement in business issues.

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[69] *Addressing the More-Intractable Issues of IT Governance.* Gartner, Publication Date: October 20, 2005. ID Number G00131819.

Appendix F: MIT-Sloan Center for Information Systems Research/Gartner IT Governance Process

To develop and evaluate alternative IT governance models, we first must have an overall framework for enterprise IT governance. For this, we draw upon research conducted by Gartner and the Sloan School of Management at MIT.

Governance is defined as the **assignment of decision rights** and the creation of an **accountability framework** to **achieve desirable behavior and outcomes** in the use of IT. Decision rights describe who has authority to make specific decisions and who has role of providing input /advice. Structure describes the membership of IT governance entities that provide the framework to ensure accountability for achieving specific objectives relating to the use of IT. Governance mechanisms describe how decisions are made and the means for encouraging desired behavior within the governance structure. Governance mechanisms can include work groups, processes, or tools.

IT management involves the discharge of IT-related decisions that have been made and the implementation of the framework to promote desirable behaviors relating to the use of IT.

IT Governance Spans Five Major IT Domains

We used five basic topic areas to categorize what needs to be governed:

IT policies are high-level policy statements about how IT will be used to add value to state agency operations. An IT principle describes the rationale for the policy, implications of compliance (or noncompliance), and metrics for determining progress against those implications

IT investment decisions relate to IT strategic planning, IT investment/funding priorities and IT portfolio management. This domain also includes decisions relating to IT project initiation and termination.

Business application decisions relate to IT operations and IT projects that directly support state services to citizens. Each IT project should have a "business case" that identifies the business problem or need that needs to be addressed. This is the type of information considered in the business application domain.

IT architecture decisions relate to business standards and technical guidelines that govern technology choices. This domain involves decisions that enable an organization to share information efficiently and effectively.

IT infrastructure decisions relate to standards and definitions of IT services that are common to all agencies, regardless of branch of government. This domain can relate to IT projects or operations that involve the provision of utility IT services as efficiently and cost-effectively as possible.

Major IT Governance Problems

The Senate Interim Study group identified the major IT governance problems they saw facing the state. The problems fell into four main areas:

1. IT projects – lack of consistent project planning, management and implementation standards and processes to deal with projects. The lack of these standards and processes results in many projects not achieving their stated business objectives or producing intended benefits within the planned

budget and schedule. There is no formal mechanism at the enterprise level where decisions to delay, recover or stop non-performing or "run-away" IT projects must be made.

2. IT strategic planning – lack of statewide policy, direction and timeline that requires alignment of IT investment with the strategic business needs of the state.
3. IT Resource Management – lack of policy that ensures efficient and effective utilization of IT resources to improve the value and services received from the state's IT investment. There is no effective governance mechanism that can decide whether an IT service should be provided at the agency level (distributed) or at the enterprise level (consolidated).
4. Governance structure/ process – lack of effective enterprise management and oversight of large multi-jurisdictional or multi-agency IT projects or operations.

It should be noted that based on the historical research, most of these problem areas have been identified before and have been attempted to be addressed through various IT governance structures. It was clear that developing a new "structure" likely would not resolve the state's IT governance problems. Therefore, we attempted a more thorough analysis of the problems, alternative IT governance mechanisms, and implementation strategies.

Desirable IT Behaviors

Since IT governance is defined as the creation of a framework to encourage desirable behavior in the use of IT, the group identified the desired IT governance behaviors related to the problems to identify the gaps in the current framework. The table on the following pages contains the prioritized problems and desired behaviors.

The following strategic behaviors were identified as desirable:

1. Use of standard processes and criteria for starting new IT projects so that project scope, schedule, and total cost are well-understood, reliable, verified, and aligned with business needs
2. Establishment and consistent analysis and scrutiny of performance and cost targets for IT projects and operations
3. Implementation and use of IT service management (Schedule IV-C data) to plan and manage IT services and operations in agencies
4. **Agency heads and executive managers** should:
    a. Understand and participate in enterprise/agency IT governance process
    b. Articulate and use business priorities to guide and drive IT investments
    c. Involve the enterprise or agency CIO in strategic planning and management activities to enable IT to help accomplish the agency mission
    d. Require visibility into the effectiveness and cost of the strategic IT services that enable priority business processes.
5. **Enterprise/Agency CIOs** should:
    a. educate, advise, and recommend appropriate IT solutions to meet stated business priorities
    b. use IT service management data to ensure that IT operations and investment priorities align with agency business priorities
    c. understand and explain the ramifications of technologies that are posed by vendors
6. Enterprise IT resource management
    a. Efficient use of internal & external business & IT resources
    b. Identification of services/systems that are unnecessarily duplicative among agencies
    c. Establishment and use of standards and guidelines for data center utilization
    d. Identification and reuse of excess capacity in IT hardware (servers, network, and storage) and facilities

IT Governance Issues List

Priority	Problem Statement	Desired Behavior	Decision Types
High Short-range	I. IT projects. Lack of statewide policy and multi-agency or multi-jurisdictional governance structures and processes for planning, managing, and implementing large IT projects There is inadequate or incomplete assignment of responsibility for IT planning, management and oversight to support the Constitutional functions of the three branches of government	a. Establishment and use of business priorities to guide and drive IT investments b. Use of portfolio management perspective that balances and manages investments in more innovative/risky IT projects with more tested technology (less risky) projects c. Consistent consideration of solution alternatives, including 1. COTS systems versus in-house software development 2. Transfer or use of systems from other agencies 3. Enterprise service provision d. Establishment and use of enterprise project management and oversight structures and processes for multi-jurisdictional or multi-agency projects e. Consistent use of standard project planning and management methods and processes for IT projects 1. To ensure project fundamentals (e.g., scope management and functional requirements definition and documentation) are carried out 2. To measure and evaluate progress toward expected outcomes and timelines for IT projects (e.g., earned value analysis) f. Consistent use of standards and processes for measuring and realizing benefits from IT projects g. Management-level actions to delay, recover, or stop non-performing or "run-away" IT projects	(1) **Who is responsible for deciding** how IT will be used and who will perform oversight over IT projects (a) in each branch of government and (b) Spanning multiple branches? (2) **Who is responsible for deciding** what enterprise-level projects the state should undertake? • Standards and process for cost-benefit and business case analyses of enterprise IT projects • Criteria and process for evaluating, prioritizing, and making IT investment decisions (3) **Who is responsible for deciding** how IT projects that span branches of government will be planned and managed? *(How should multi-jurisdictional project teams be established?)* (4) **Who is responsible for deciding** what type of project management processes and structures agencies must have before initiating an IT project? (5) **Who is responsible for deciding** when an enterprise-level project should be delayed, recovered, or stopped? (6) **Who is responsible for deciding** the priorities for IT investment, based on the state's business priorities?
High Short-range	II. IT projects. With few exceptions, most large IT projects do not receive specific policy direction from the legislature that prescribes business objectives and timelines for implementation	Legislature to authorize large IT initiatives in law, including policy direction, business objectives and timelines, with regular measurement, reporting, and follow-up to ensure achievement	**Who is responsible for deciding** the policy direction for IT projects?

Priority	Problem Statement	Desired Behavior	Decision Types
High Short-range	III. IT projects. State uses an "all or nothing" approach, authorizing large IT projects before functional, technical, and business process requirements are adequately defined; and before total scope, schedule, and cost are well-understood and reliable	a. Use of standard processes and criteria for starting new IT projects so that project scope, schedule, and total cost are well-understood, reliable, and verified b. Establishment and consistent use of "gated" process or structure that requires functional, technical, and business process requirements are adequately defined before significant investment in project hardware, software, or integration services	**Who is responsible for deciding** what criteria or "gates" must be met before release of project funding? • Are business process requirements adequately defined? If not, what is the consequence? • Are functional requirements for the proposed system complete? If not, what is the consequence? • Are technical requirements for the proposed system complete? If not, what is the consequence? • Is the planned timeframe for the project realistic? If not, what is the consequence?
High Short-range	IV. IT strategic planning. State lacks the structure and assignment of responsibility for developing an IT strategic plan that can be authorized by the Governor and Cabinet and the Legislature a. No locus of responsibility for coordination of IT strategies	Establishment and use of a strategic plan for the state's business functions that can provide enterprise direction and timeline for implementation of IT to support and improve government services	(1) **Who is responsible for deciding** the state's strategic business objectives for IT? (2) **Who is responsible for deciding** what process the state should use for IT strategic planning?
High Short-range	V. IT Resource Management (operations and projects). Most C-level executives at the enterprise level (agency heads and above) do not have interest or experience in planning and implementing IT resources • Most C-level executives are not required to manage IT • In most agencies, CIO does not hold C-level seat despite having responsibility for large-scale IT projects and operations • While most agencies have established CIO positions, management and span of management control varies among agencies	**C-level executives** a. Articulate the business priorities for the enterprise that should drive IT investment b. Require visibility into the effectiveness and cost of the strategic IT services that enable the priority business processes c. Involve the enterprise or agency CIO in strategic planning and management activities to enable IT to facilitate accomplishment of agency mission d. Understand and participate in enterprise/agency IT governance process 1. require all IT projects to demonstrate alignment with business priorities before project initiation 2. require large IT projects to report progress toward completion 3. take action to delay, recover, or stop troubled projects **Enterprise/Agency CIOs** a. Use IT service management data to ensure that IT operations and investment priorities align with agency business priorities b. Educate, advise, and recommend appropriate IT solutions to meet stated business priorities c. Understand and explain the ramifications of technologies that are posed by vendors	(1) **Who is responsible for deciding** what responsibilities C-level executive managers should have re: IT planning and implementation? (2) **Who is responsible for deciding** what type of experience C-level executive managers should have re: IT planning and implementation? (3) **Who is responsible for deciding** the specific IT-related responsibilities for an enterprise CIO? (4) **Who is responsible for deciding** what role an enterprise CIO should play in state operations and management? (5) **Who is responsible for deciding** what role the agency CIO should play in agency management? (6) **Who is responsible for deciding** what experience and qualifications agency IT leaders and managers should have?

Priority	Problem Statement	Desired Behavior	Decision Types
High Mid-range	VI. IT Resource Management (operations). Lack of effective and consistently utilized agency structures and processes for planning, managing, and implementing IT resources	Implementation and use of IT service management (Schedule IV-C data) to plan and manage IT services and operations in agencies	(1) **Who is responsible for deciding** what the standards and policy for IT service provision should be? (2) **Who is responsible for deciding** how IT service level agreements between agencies should be enforced?
High Mid-range	VII. Governance structure/ process. On a statewide basis within each branch of government, there exists no entity or entities responsible for ensuring: • Effective and efficient utilization of IT resources • Specifically skilled or surplus IT staff resources are shared among agencies in need of those skills • Effective processes/skills for IT contract negotiation and contract management capabilities • Effective processes/skills for IT acquisition	a. Enterprise IT resource management 1. Identification of services/systems that are unnecessarily duplicative among agencies 2. Establishment and use of standards and guidelines for data center utilization 3. Identification and reuse of excess capacity in IT hardware (servers, network, and storage) and facilities b. Establishment and use of a process and structure for cross-organization (and cross-branch) planning, management, implementation, and operation of common IT applications c. Use (in-house or for-hire) experts with specific experience in IT contract negotiations and contract management to develop contracts for large IT initiatives 1. Use of certified contract negotiator for contracts of $1 million or more, plus a certified project manager for contracts > $10 million (s. 287.057(14), F.S.) 2. Large-scale IT contracts should clearly define deliverables, services and state/vendor division of responsibilities d. Establishment and use of minimum IT planning and management/operational standards	(1) **Who is responsible for deciding** what services/systems are unnecessarily duplicative among agencies? *What IT services/systems should be shared among all or some state agencies?* (2) **Who is responsible for deciding** what standards of technical resource utilization will be used to determine whether requested capacity increases are justified? (3) **Who is responsible for deciding** what the standards and guidelines for data center utilization are? (4) **Who is responsible for deciding** when new data centers should be built or created? (5) **Who is responsible for deciding** when a new service should be authorized? (6) **Who is responsible for deciding** what type of negotiation and management skills are needed for IT contract management? (7) **Who is responsible for deciding** what critical components of IT contracts are required to protect the state's financial and operational interests? (8) **Who is responsible for deciding** the minimum planning and management standards for IT operations?
High Long-range	VIII. Governance structure/process. There are few specific statutory provisions that provide guidance for operating the state's "IT program"; where statute does exist, it is not part of a cohesive governance structure or approach for IT operations	a. Establishment and consistent analysis and scrutiny of standards and performance targets for IT operations b. Provision of visibility into requirements and resources needed for agency IT operations (through the Schedule IV-C)	(1) **Who is responsible for deciding** recurring funding needs for existing IT operations? (2) **Who is responsible for deciding** the standards and performance targets for IT operations?

Priority	Problem Statement	Desired Behavior	Decision Types
High Long-range	IX. Governance structure/ process. Too much turnover in enterprise IT staff and lack of stability in IT governance structures and processes • Authority is not aligned with responsibility	a. Establishment and consistent use of enterprise process and structure to oversee large IT projects and operations b. Conduct and semi-annual review of current and needed IT workforce capabilities in agencies and across the enterprise; incorporation of findings into IT service and resource planning cycle (Schedule IV-C)	(1) **Who is responsible for deciding** who should oversee enterprise IT operations? (2) **Who is responsible for deciding** needed IT workforce capabilities? • Whether to build or buy the IT workforce (3) **Who is responsible for deciding** how to attract and maintain experienced IT staff needed for IT projects and operations in • Executive branch? • Judicial branch? •Legislative branch?
Low *(accomplishable)*	X. Since there is a gap between strategic policy statements in law and their execution, a rethinking of how we appropriate IT funds may be needed	a. Fund common IT services at the enterprise level rather than in agencies or line-items b. Appropriate funds for enterprise initiatives where decisions should be made rather than in each agency	**Who is responsible for deciding w**here and how to fund enterprise IT projects and operations?

The following project-related behaviors were identified as desirable:

1. Consistent use of standard project planning and management methods and processes for IT projects
2. To ensure project fundamentals (e.g., scope management and functional requirements definition and documentation) are carried out
3. To measure and evaluate progress toward expected outcomes/ benefits and timelines for IT projects (e.g., earned value analysis)
4. **Agency heads and executive managers** should:
    a. require all IT projects to demonstrate alignment with business priorities before project initiation
    b. require large IT projects to report progress toward completion
    c. take action to delay, recover, or stop troubled projects
5. Use (in-house or for-hire) experts with specific experience in IT contract negotiations and contract management to develop contracts for large IT initiatives
6. Establishment and consistent use of "gated" process or structure that requires functional, technical, and business process requirements to be adequately defined before significant investment in project hardware, software, or integration services
7. Establishment and consistent use of enterprise project management and oversight structures and processes for multi-jurisdictional or multi-agency projects
8. Legislature to authorize large IT initiatives in law, including policy direction, business objectives and timelines, with regular measurement, reporting, and follow-up to ensure achievement

Existing Governance Mechanisms

We then identified the governance mechanisms, which are ways of encouraging desired behavior within a governance structure. Existing governance mechanisms include:

1. Laws of Florida (LOF) – highest level governance mechanism for large enterprise IT projects
2. Legislative Budget Request (LBR) – submitted by agencies to the Legislature and Governor to request funding for agency operations and projects. It includes the Schedule IV-B (Business Case/Feasibility Study) for IT projects and the Schedule IV-C, which describes the agency's plans for using base budget to meet the agency's IT needs.
3. General Appropriations Act (GAA) – passed by the Legislature and approved by the Governor w/ line-item veto to provide funding for state agency operations and projects.
4. Legislative Budget Commission (LBC) – legislative body that reviews and approves/disapproves funding requests after the GAA becomes law.
5. Agency Long-Range Program Plan (LRPP) – statewide planning framework for designing and interpreting the agency budget request reflecting agency functions and associated costs.
6. Enterprise Resource Planning & Management (ERPM) – an annual report required by law that (1) provides IT inventory by major category, (2) estimates prior and current year expenditures for IT, (3) identifies opportunities for shared enterprise IT projects and initiatives, and (4) forecasts a 2-year outlook of IT priorities and initiatives.
7. Agency IT Governance - processes at the agency level that identify input and decision rights relating to IT planning, investment, implementation, management, and operations

New and Modified Florida Governance Mechanisms

New and modified mechanisms approved with passage of constitutional amendment #1 (and enactment of SB 1716) are:

1. Legislative Budget Commission (LBC) and staff – issues long-range financial outlook; reviews IT needs identified in agency long-range program plans for consistency with the state ERPM report; reviews and approves/disapproves proposed budget amendments associated with IT that involve more than one agency, that have an outcome that impacts another agency, or that exceed $500,000 in total cost over a 1-year period.
2. Government Efficiency Task Force – constitutional entity required to recommend to LBC methods for improving governmental operations and reducing costs; identify IT services/systems that are unnecessarily duplicative among agencies; identify opportunities to reuse excess capacity in IT hardware (servers, network, and storage) and facilities.
3. Strategic Plan - Agency long-range planning documents that identify statewide strategic goals and objectives and forecast future needs and resources consistent with the long-range financial outlook adopted by the LBC. IT initiatives should directly align and facilitate achievement of the state's priorities identified in the strategic plan.
4. Enterprise Resource Planning & Management (ERPM) – identifies IT resources needed to support statewide strategic goals and objectives identified in the agency long-range program plans.

Desired Governance Mechanisms

The following IT governance mechanisms were identified as necessary to promote desired behaviors, but do not yet formally exist:

1. IT Service Level Management (IT SLM) - Defines IT operations in terms of a portfolio of IT services; establishes framework for supporting and delivering IT services to meet specific business needs; provides visibility into the effectiveness and cost of strategic and non-strategic IT services; IT and business capacity planning to anticipate and plan for future IT service needs; enables IT Portfolio Management to maximize the business value of existing and proposed new IT services; identifies the need to create new IT Services and retire IT Services that are no longer of value.
2. Enterprise Standards determination and management – establishes standard processes and criteria for starting new IT projects; standard project planning and management methods and processes for IT projects; minimum standards and performance targets for planning, management, and operations of IT; standards and processes for identifying, measuring, and realizing business benefits of IT projects; standards and guidelines for data center utilization; standards and processes for contract negotiations, contract management, project planning and management, and project oversight for very large multi-jurisdictional or multi-agency IT projects.
3. Quality Assurance (QA) function – assesses compliance with enterprise standards; assesses effectiveness and cost of IT services; performs semi-annual IT workforce capability assessment; recommends specific process improvement programs for implementation.
4. "Gated" process for IT investment decisions - Process or structure that supports IT Portfolio Management to balance and manage risk associated with investments in more innovative IT projects with more tested technology (less risky) projects; requires all IT projects to demonstrate alignment with business priorities before project initiation; requires functional, technical, and business process requirements to be adequately defined before significant investment in project hardware and software or integration services; requires large IT projects to report progress toward completion; requires action to delay, recover, or stop troubled projects. Any formal "gated" process for IT investments would have to be dependent on appropriations provided in the GAA.
5. Central IT Operations - Structure and process to plan, manage, and consistently and reliably deliver common "utility" IT services at a level needed to meet agency business needs. This function would support the planning, development, implementation, and management of IT services/applications that cross-organizational boundaries or branches of government.

Appendix G: Alternative IT Governance Models Evaluation Criteria

Criteria	Current Model	Central IT Model	Governor and Cabinet Model	Consensus Model
1. The powers, duties, responsibilities of constitutional officers must be				
a. Effectively utilized?	No	No	Yes	Yes
b. Adequately represented/incorporated across IT decision domains?	No	No	As appropriate	As appropriate
2. Governance model must				
a. Involve all governance mechanisms relating to constitutional responsibilities for each branch?	No	No	Yes	Yes
b. Address IT as a strategic resource supporting the business of government? or as an administrative function?	Administrative	Administrative	Strategic	Strategic
3. Agency/business unit input and decision rights must be clearly defined and adequately represented in the governance model.	De facto	No	Yes (handled in tiered governance)	Yes (handled in tiered governance)
4. Governance model must assign decision authority relating to IT policy separately from operational provision of IT services.	No	No	Yes	Yes
5. Governance model must facilitate funding and oversight of large IT projects and systems that cross agency boundaries.	No	Yes	Yes	Yes
6. Governance model must clearly scope/define:				
a. Types of decisions that must be made?	No	By domain	By domain	By domain
b. Who has decision making authority and input rights?	No	Yes	Yes	Yes
c. How decisions will be formed and implemented?	No	No	Somewhat	Somewhat
d. Who has authority to initiate, suspend, and/or terminate IT projects?	No	Yes	Yes	Yes
7. Governance model must provide a strong basis for:				
a. More effective strategic planning?	No	Somewhat	Yes	Yes

Criteria	Current Model	Central IT Model	Governor and Cabinet Model	Consensus Model
b. Enterprise IT project planning, management and implementation?	No	Yes	Yes	Yes
c. Shared application planning, management and implementation?	No	Yes	Yes	Yes
d. Effective identification and management of business risk, technology risk, and financial risk?	No	Maybe	Somewhat (at lower levels)	Yes
8. Governance model must:				
a. Require statewide IT strategic planning?	No	Yes	Yes	Yes
b. Enable reduced complexity and unnecessary cost and redundancy?	No	Yes	Yes	Yes
c. Enable more effective utilization of existing IT resources?	No	Yes	Yes	Yes (at policy level only)
d. Enable consolidation and system integration between agencies?	No	No	Yes (at lower levels)	Yes
e. Balance centralized (enterprise-level) and distributed (agency-level) IT responsibilities?	No	No	Yes	Yes
9. Conflict resolution and exception mechanisms must be defined and clearly understood by all parties to the IT governance process.	No	No	Yes	Yes
10. If multiple governance models are needed to solve current priority problems, describe how they should be organized to fit together.	Yes; preserve strong role of agency regarding IT services requirements	Yes; preserve central IT service provision for common IT services	Yes; preserve high-level decision maker involvement	Yes; preserve multi-branch involvement and required agreement

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