IDAHO
OFFICE OF INFORMATION TECHNOLOGY SERVICES

Governor's FY2024 Budget Recommendation
Office of Information Technology Services

PRESENTED BY ALBERTO GONZALEZ, ITS ADMINISTRATOR

ABOUT ITS

IDAHO
OFFICE OF INFORMATION TECHNOLOGY SERVICES

PRESENTED BY ALBERTO GONZALEZ, ITS ADMINISTRATOR

ITS Statutory Authority, Mission & Vision

The Statutory Authority for the Office of Information Technology can be found in **Title 67, Chapter 8**.

Our Mission:
To connect citizens with their government.

Our Vision:
To inspire trust and confidence in state government through modern solutions for technical services.

IDAHO | OFFICE OF INFORMATION TECHNOLOGY SERVICES

Summary of Services

44 Agencies
7,000+ Users

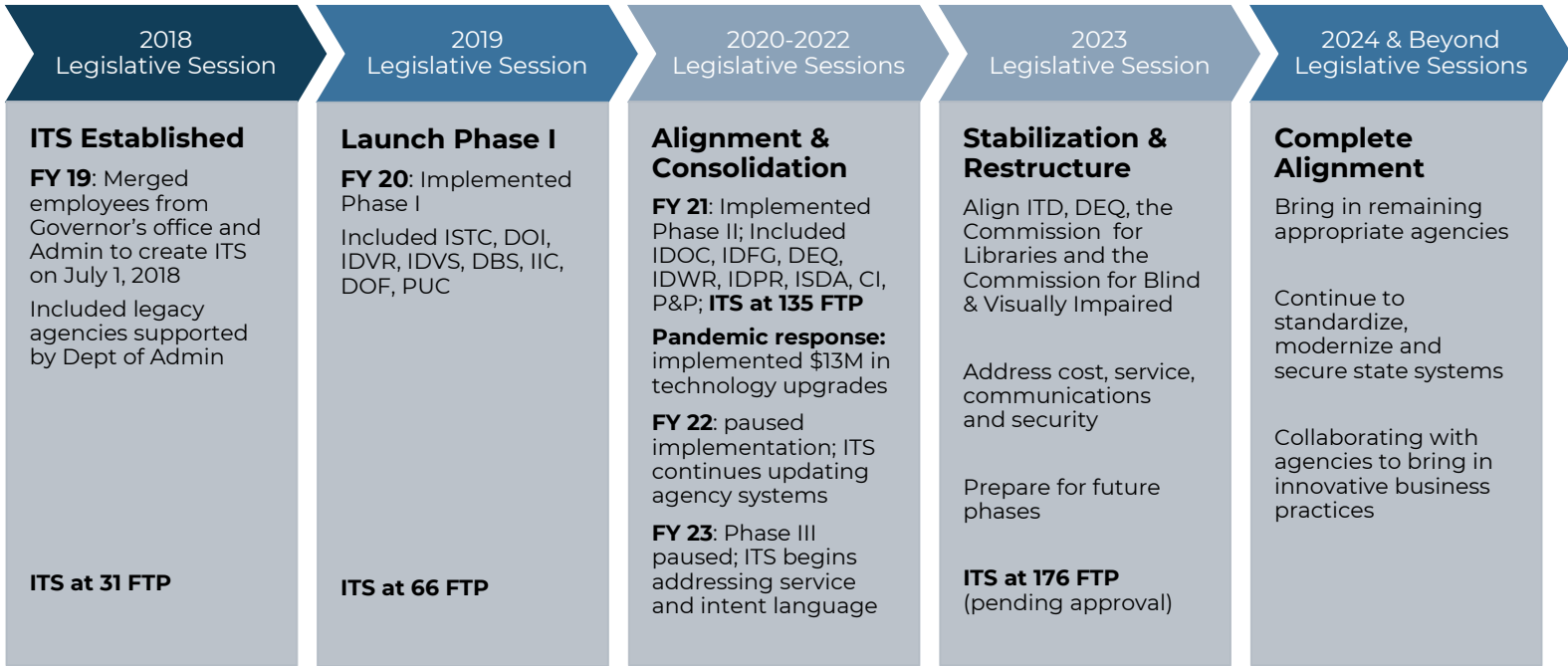| Administration & Operations	• Computer Support Services • Procurement, Inventory, Budget, Disposal
Communications, Productivity & Collaboration	• Email, Messaging, Video, Telephone • Mobile Devices, Licensing
Security Management	• Cybersecurity, Incident Response • Compliance, Policies & Standards
Applications & Hosting	• Website & Application Hosting • Database Administration
Consulting, Training & Project Services	• Project Services, Agency Move Support • Consulting, Application Training
Accounts & Access	• Identity & Access Management, Internet • VPN Access, Active Directory
Network, Telecom & Connectivity Services	• Network Operations, Telecom Services • Datacenter Support

IDAHO | OFFICE OF INFORMATION TECHNOLOGY SERVICES

Timeline

2018 Legislative Session	2019 Legislative Session	2020-2022 Legislative Sessions	2023 Legislative Session	2024 & Beyond Legislative Sessions

ITS Established

FY 19: Merged employees from Governor's office and Admin to create ITS on July 1, 2018

Included legacy agencies supported by Dept of Admin

ITS at 31 FTP

Launch Phase I

FY 20: Implemented Phase I

Included ISTC, DOI, IDVR, IDVS, DBS, IIC, DOF, PUC

ITS at 66 FTP

Alignment & Consolidation

FY 21: Implemented Phase II; Included IDOC, IDFG, DEQ, IDWR, IDPR, ISDA, CI, P&P; **ITS at 135 FTP**

Pandemic response: implemented $13M in technology upgrades

FY 22: paused implementation; ITS continues updating agency systems

FY 23: Phase III paused; ITS begins addressing service and intent language

Stabilization & Restructure

Align ITD, DEQ, the Commission for Libraries and the Commission for Blind & Visually Impaired

Address cost, service, communications and security

Prepare for future phases

ITS at 176 FTP (pending approval)

Complete Alignment

Bring in remaining appropriate agencies

Continue to standardize, modernize and secure state systems

Collaborating with agencies to bring in innovative business practices

IDAHO | OFFICE OF INFORMATION TECHNOLOGY SERVICES

2022 JFAC & GOV's Office Agreement

IDAHO OFFICE OF INFORMATION TECHNOLOGY SERVICES

PRESENTED BY ALBERTO GONZALEZ, ITS ADMINISTRATOR

2022 Legislative Session

1. Security Penetration Test
2. Third-Party Assessment on Service and Cost
3. Service Level Agreements
4. Meetings with Stakeholders

IDAHO | OFFICE OF INFORMATION TECHNOLOGY SERVICES

Security Penetration Test

- Idaho National Guard conducted test April 2022
- Report provided to ITS June 2022
- Weekly progress meetings continue with Idaho National Guard

Four Major Efforts Identified

- Threat Detection/Situational Awareness
- Network Segmentation
- Attack Surface Reduction
- Least Privilege Access Control Principle

ITS Created Plan for Remediation

- 3 of 5 Urgent Efforts COMPLETE
- Remaining 2 Urgent Efforts are 88% complete
- Less-critical Efforts are actively in progress
- New CISO in place and combined Security Operations with Compliance & Audits
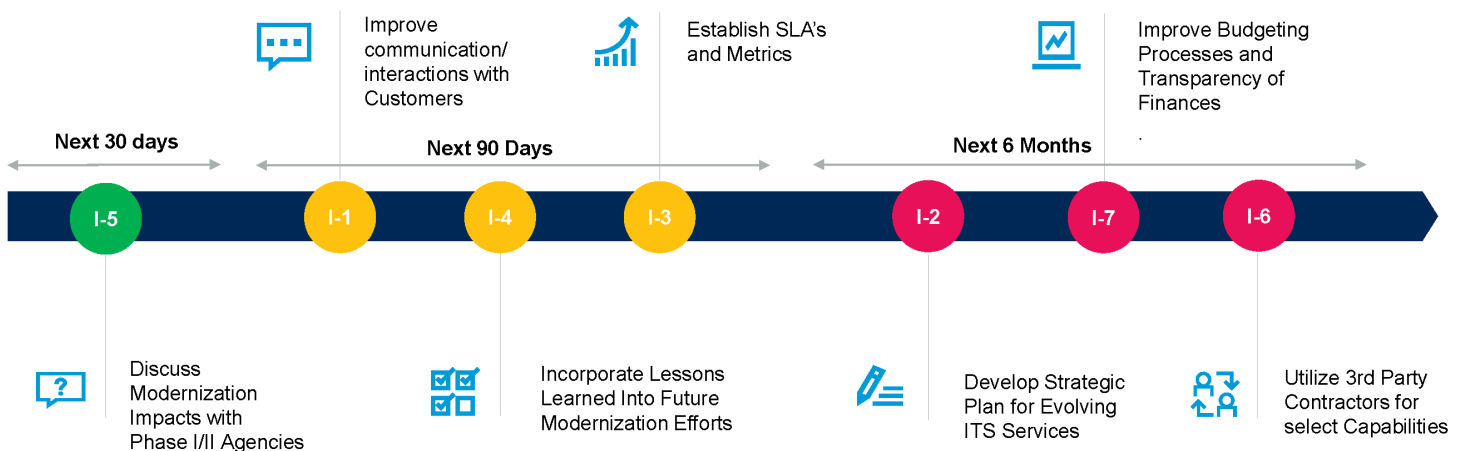
Key Takeaways from Gartner Assessment

- Customers support IT Alignment but demand better services

- Agency Budget and Billing need improvements and more transparency

- Develop a strategic plan for evolving IT services

- IT Spend in Idaho is lower than our peer groups

IT Spending compared to peer groups

4.2%
4.1%

3.5% $99.1 million

3.1%

2.6%

2.2% $62.1 million

= Peer Range	= Peer Middle Quartiles
= ITS & Supported Agencies	= Peer Average

IDAHO | OFFICE OF INFORMATION TECHNOLOGY SERVICES | **Third-Party Assessment**
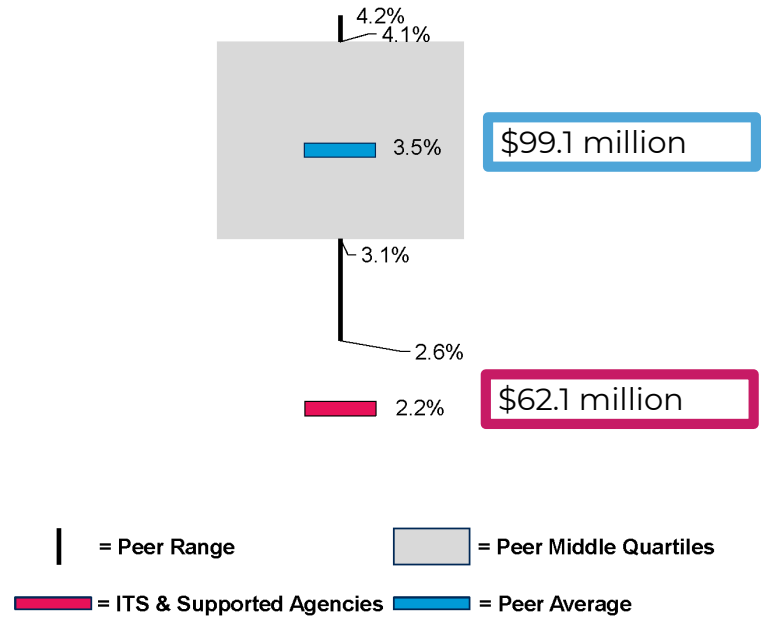
Prioritized Action Plan

Improve communication/ interactions with Customers

Establish SLA's and Metrics

Improve Budgeting Processes and Transparency of Finances

Next 30 days

Next 90 Days

Next 6 Months

I-5   I-1   I-4   I-3   I-2   I-7   I-6

Discuss Modernization Impacts with Phase I/II Agencies

Incorporate Lessons Learned Into Future Modernization Efforts

Develop Strategic Plan for Evolving ITS Services

Utilize 3rd Party Contractors for select Capabilities

Insight

As Idaho ITS proceeds with the modernization efforts, future activities should expand beyond the consolidation of IT resources and assets to prioritize enterprise IT initiatives. These initiatives should identify opportunities to increase business productivity within customer agencies while also improving customer engagement and satisfaction.

Gartner

SLA Process

- Spring 22 – ITS drafts and shares proposed SLAs

- Summer 22 –
  - ITS/Agency meetings to outline SLA process
  - Incorporated feedback to SLAs
  - Agency specific follow up as-needed

Current Status of SLAs

- October 22 – SLAs start to come in

- Fall 22 – Additional agency follow ups mostly to discuss billing models in SLA

- **30 of 44** agencies have signed SLAs with ITS and we continue to have dialogue with remaining agencies

IDAHO | OFFICE OF INFORMATION TECHNOLOGY SERVICES **Service Level Agreements**

SERVICE DELIVERY (ONSITE AND REMOTE)

- Need more valuable presence, faster response, end-point deployment

ITS COSTS

- Utilization model, asset management, billing, and procurement

COMMUNICATION

- Single points of contact, more communication to agencies, priorities and planning
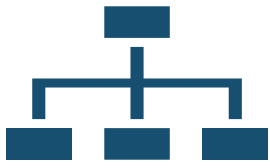
SECURITY

- Ensure that citizen data and systems are protected and that ITS adapt to growing security threats

FEEDBACK IS CLEAR

IDAHO | OFFICE OF INFORMATION TECHNOLOGY SERVICES Meetings with Stakeholders
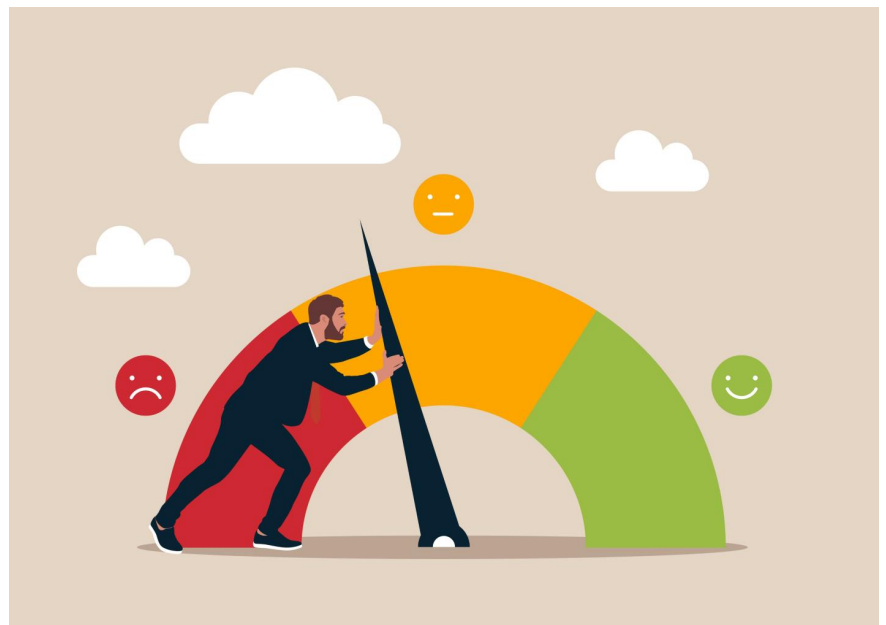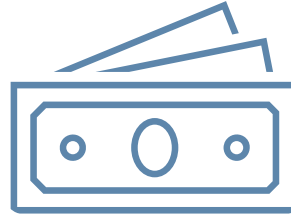
Recent Actions

Reorganization
Spans of control, clear areas of focus and filling vacancies

Backlog
Prioritized and staffed to get this cleared up

Cost Model
Collaboration has begun with agency fiscal staff, LSO & DFM

Security
TikTok ban, Pen Test remediation, audits

IDAHO | OFFICE OF INFORMATION TECHNOLOGY SERVICES

2023 Focus Areas

Stabilize & Restructure
- Service, Cost, Communications, Security

IT Alignment
- Next iteration starts with focus on agency needs

Agency Roadmaps
- Understanding their goals and priorities

Technology Roadmaps
- Clear future with cloud, collaboration & application modernization

Threat Detection
- Continue to adapt and be more proactive

IDAHO | OFFICE OF INFORMATION TECHNOLOGY SERVICES

Legislative Services Office Audit Findings

IDAHO
OFFICE OF INFORMATION TECHNOLOGY SERVICES

Presented by ALBERTO GONZALEZ, ITS Administrator

FY 2023 LSO Audit Findings:

Finding 1: ITS does not perform a lookback review of annual interagency billings

> **Note:** ITS will establish procedures to perform lookback reviews of all agencies' billings

Finding 2: ITS calculated annual charges based on inconsistent agency Full-Time Position (FTP) Counts

> **Note:** Changes to Cost Model are underway but ITS will adopt the recommended controls whenever agency FTP is a factor in calculating agency bills

IDAHO | OFFICE OF INFORMATION TECHNOLOGY SERVICES

FY 2023

OFFICE OF INFORMATION TECHNOLOGY SERVICES

PRESENTED BY ALBERTO GONZALEZ, ITS ADMINISTRATOR

FY 2023 Line Items:

FY 23 Line Item:
- $28,500 (vehicle purchase)
Complete

FY 2023 Supplemental: Restructure

Governor's Recommendation: $374,800 (LBB 6-102)

ITS Restructuring of Business Operation Services

- 4.00 FTP Net General Funds: $202,400 (7 Pay Periods)
- 3.35 FTP Transfer to General Fund
  - New Cost Model, Billing Methodology, Asset Management, Procurement and Communication
- Our ITS budget also includes an annualization of the 4.0 FTP

FY 2023 Supplemental: Restructure

Governor's Recommendation: $675,000 (LBB 6-103)

4.32 Preparation for FY 24 IT Alignment and Increased Capacity

- Net General Funds: $675,000
  - 6.00 FTP Early Hires
  - Prepare for 43.00 FTP and new technologies
  - Prepare for facilities and equipment for new staff

FY 2024 LINE ITEMS

IDAHO
OFFICE OF INFORMATION TECHNOLOGY SERVICES

PRESENTED BY ALBERTO GONZALEZ, ITS ADMINISTRATOR

FY 2024 Line Items:
Governor's Recommendations

$610,000 (LBB 6-105)

IT Licensing and Software

- Net Dedicated Funds: $610,000 (ongoing)
- Continued maintenance and support:
  - Cloud storage for data analytics
  - Microsoft licenses
  - Common server environment
  - ITSM (ticketing) system

$1,228,000 (LBB 6-105)

IT Statewide Security

- Net Dedicated Funds: $1,228,000 (ongoing)
- Continued maintenance and support for critical cybersecurity tools and platforms:
  - Network Security Capabilities
  - Extended Detection, Response and Threat Hunting
  - Vulnerability scanning

IDAHO | OFFICE OF INFORMATION TECHNOLOGY SERVICES

FY 2024 Line Items:

Governor's Recommendation: $900,000 (LBB 6-105)

Data Center Expansion

- Net Dedicated Funds: $900,000
  - $800,000 one-time
  - $100,000 ongoing
- Our customer needs exceed current systems capacity, this allows us to expand capabilities including migrating to cloud services

FY 2024 Line Items:

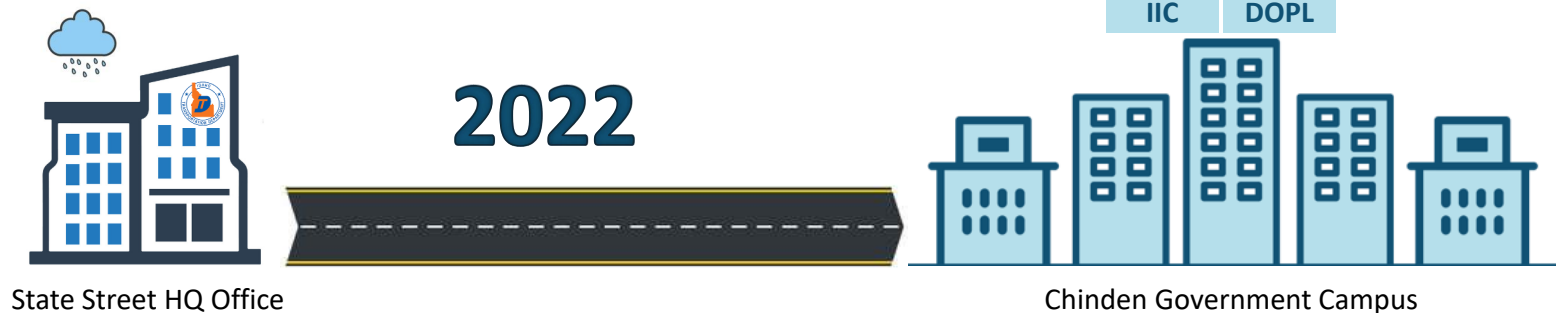## Governor's Recommendation: $20,000 (LBB 6-106)

Fleet Vehicles

- Net Dedicated Funds: $20,000 (ongoing)
- Fuel, lease, insurance, and maintenance for two leased vehicles; replacing two owned vehicles

FY 2024 Line Items: (IT Alignment)

Governor's Recommendation: $4,528,800 (LBB 6-106)

LINE ITEM	AGENCY	POSITIONS IMPACTED	PERSONNEL COSTS	OPERATING EXPENSES
12.71	Idaho Transportation Dept.	36	$3,899,300	$314,300
12.72	Commission for the Libraries	0.5	$42,200	$3,800
12.73	Idaho Commission for the Blind and Visually Impaired	0.5	$42,200	$3,800
12.74	PERSI	0	$0	$0
12.75	Dept. of Environmental Quality	2	$208,000	$15,200
12.76	Dept. of Labor	0	$0	$0
TOTALS		**39**	**$4,191,700**	**$337,100**

IDAHO | OFFICE OF INFORMATION TECHNOLOGY SERVICES

Why ITD :

State Street HQ Office

2022

Tax   PUC   DOF

IIC   DOPL

Chinden Government Campus

1. Decision to move ITD HQ to Chinden Government Campus
2. Data Center Consolidation w/ITS
3. Elimination of Duplicative Services
4. Utilization of existing infrastructure
5. **ITD volunteering made sense for Idaho**

Questions ?

IDAHO
OFFICE OF INFORMATION
TECHNOLOGY SERVICES

Presented by ALBERTO GONZALEZ, ITS Administrator