

OFFICE OF TECHNOLOGY

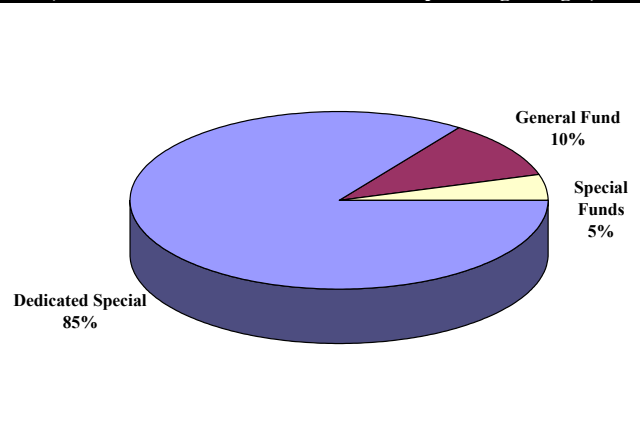
The Honorable Aneesh P. Chopra, Secretary of Technology

The agencies in the Technology secretariat are responsible for ensuring that the Commonwealth is at the forefront of innovation by cultivating emerging technologies such as nanotechnology and biotechnology, fostering the efficient and effective use of information technology to best serve state government, developing strategies for the deployment of broadband communications, and supporting Virginia's growing multibillion dollar technology industries.

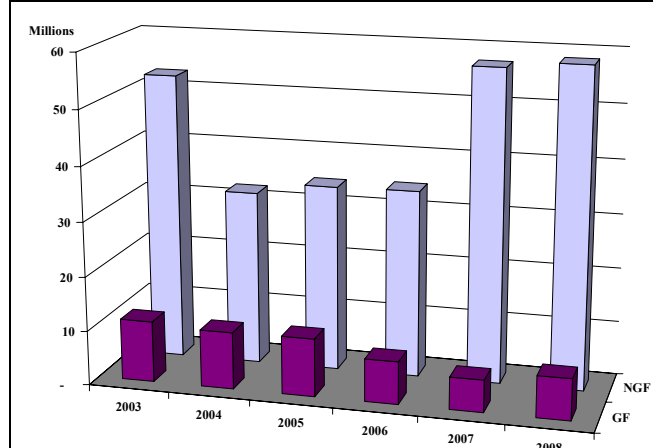
TECHNOLOGY AGENCIES INCLUDE:

- Innovative Technology Authority
- Virginia Information Technologies Agency

Financing of Technology Agencies* (Based on FY 2006 - 2008 Biennial Operating Budget)



Office of Technology Operating Budget History



*Funds with totals less than 1% have not been included in the graph.

Improving the State's technology

After a major restructuring of the Commonwealth's information technology (IT) operations in the prior biennium, this past biennium has seen the Technology Secretariat complete the consolidation phase of the restructuring plan. The consolidation phase involved the transfer of over 700 technology positions, along with associated information technology functions, from Executive Department agencies to the Virginia Information Technologies Agency (VITA). Now that these transfers have been completed, the focus of the secretariat during this biennium has been on the transformation phase of restructuring, with a primary purpose to integrate and further consolidate VITA's IT infrastructure.

The Commonwealth entered into a private-public venture agreement has been made with Northrop Grumman Corporation to run VITA's front-line computer operations. This 10 year agreement encompasses a wide range of IT activities from building secure data centers, to platform and operations consolidation, to staff transition, to ongoing operations and is expected to achieve VITA's objectives of cost reduction; improved service; manageable operation; and a scalable, responsive infrastructure. Proposed budget recommendations would further move the Commonwealth's IT systems toward a successful transformation.

The Governor recommends an additional \$4 million for technology agencies. The bulk of these funds will be used to stabilize VITA's general fund operating budget. Currently, VITA's operating budget is set to be drawn from VITA-initiated operational efficiency savings achieved in agencies, but with the Northrop Grumman agreement, VITA will no longer have control of, nor be able to, track the savings. Funding is also provided to assist state agencies with new charges for geospatial information services consistent with language approved by the 2006 Special Session I. Revenues collected from these charges will be used for updating aerial photography for the Virginia Base Mapping Program. Local governments and state agencies use this program for wireless E-911, homeland security, tax assessments, transportation planning, and economic development.

Secretary of Technology

<http://www.technology.virginia.gov/>

Mission Statement:

The Secretary of Technology and its agencies are responsible for efficient and effective government operations, instilling public sector excellence, and promoting Virginia's growing multi-billion dollar technology economy.

Agency Goals:

- Achieving 80% customer satisfaction rate with centralized IT infrastructure services. (20%).
- Decreasing government transaction time for constituents by 30% in selected agency or enterprise initiatives. (20%).
- Increasing the physician adoption rate of electronic medical records by 20%. (15%).
- Enrolling 25% of Virginia's eligible state workforce in telework and/or alternative work schedules programs and developing resources and programs to assist the private sector with telework adoption. (10%).
- Ensuring broadband access for every Virginia business. (10%).
- Increase the number of innovative technology startup companies that receive seed stage funding by 100%, including promoting start up technology companies with a specific emphasis in markets experiencing above average unemployment. (10%).
- Developing a low-cost model for distributing workforce development content. (5%).
- Increasing Virginia's investment in energy-related research and development by 20% (5%).
- Achieving \$1 BN in research and development activity across Virginia's public universities. (5%).

Customers Served:

Technology councils ♦ State agencies ♦ Technology related industries ♦ Citizens of the Commonwealth

Operating Budget History:

	General Fund	Nongeneral Fund	TOTAL	Personnel Costs	Other Costs	Positions
FY 2003	\$496,425	\$36,150	\$532,575	\$513,452	\$19,123	5.00
FY 2004	\$478,086	\$48,782	\$526,868	\$468,232	\$58,636	5.00
FY 2005	\$503,810	\$48,782	\$552,592	\$461,121	\$91,471	5.00
FY 2006	\$505,882	\$48,782	\$554,664	\$490,898	\$63,766	5.00

New Operating Budget Summary:

	General Fund	Nongeneral Fund	TOTAL	Personnel Costs	Other Costs	Positions
FY 2007 Appropriation	\$542,502	\$53,977	\$596,479	\$529,823	\$66,656	5.00
FY 2007 TOTAL	\$542,502	\$53,977	\$596,479	\$529,823	\$66,656	5.00
FY 2008 Appropriation	\$542,916	\$53,977	\$596,893	\$529,823	\$67,070	5.00
FY 2008 TOTAL	\$542,916	\$53,977	\$596,893	\$529,823	\$67,070	5.00

Innovative Technology Authority

<http://www.cit.org/>

Mission Statement:

CIT accelerates the next generation of technology and technology companies.

Agency Goals:

- Create new industry clusters in advanced technologies.
- Solve national technological challenges through world class R&D solutions.
- Secure global leadership in the development of entrepreneurial technology ventures.
- Secure global leadership in the identification and assimilation of innovative technologies.
- Achieve national recognition as the top identifier of innovative technology companies.
- Expand the use and application of broadband technologies in rural and underserved areas.
- Advance Virginia technology commissions and policy initiatives.

Customers Served:

Technology Entrepreneurs ♦ Federal Government Agencies ♦ Commonwealth Universities ♦ Technology Councils ♦ Secretary of Technology ♦ Commonwealth Commissions ♦ Technology Corporations

Operating Budget History:

	General Fund	Nongeneral Fund	TOTAL	Personnel Costs	Other Costs	Positions
FY 2003	\$8,221,767	\$0	\$8,221,767	\$0	\$8,221,767	0.00
FY 2004	\$7,650,955	\$0	\$7,650,955	\$0	\$7,650,955	0.00
FY 2005	\$7,748,153	\$0	\$7,748,153	\$0	\$7,748,153	0.00
FY 2006	\$6,087,085	\$0	\$6,087,085	\$0	\$6,087,085	0.00

New Operating Budget Summary:

	General Fund	Nongeneral Fund	TOTAL	Personnel Costs	Other Costs	Positions
FY 2007 Appropriation	\$6,122,989	\$0	\$6,122,989	\$0	\$6,122,989	0.00
FY 2007 Amendments	\$0	\$0	\$0	\$0	\$0	0.00
FY 2007 TOTAL	\$6,122,989	\$0	\$6,122,989	\$0	\$6,122,989	0.00
FY 2008 Appropriation	\$6,159,337	\$0	\$6,159,337	\$0	\$6,159,337	0.00
FY 2008 Amendments	\$0	\$0	\$0	\$0	\$0	0.00
FY 2008 TOTAL	\$6,159,337	\$0	\$6,159,337	\$0	\$6,159,337	0.00

Key Objectives and Performance Measures:

Objective 1. Accelerate funding for very early-stage technology firms

Measure 1: We will assist a significant number of firms to receive institutional and angel funds.

Objective 2. Establish and operate a connecting service that links government requirements with innovative start-up company technology solutions

Measure 1: We will connect a significant number of clients to Federal contract revenue.

Virginia Information Technologies Agency

<http://www.vita.virginia.gov/>

Mission Statement:

To provide information technology that enables government to better serve the public.

Agency Goals:

- Transform and revolutionize delivery of services to citizens through IT using an enterprise approach and collaborative partnerships.
- Deliver reliable and cost effective enterprise IT infrastructure and services to our customers.

Agency Goals:

- Establish VITA as the IT provider of choice for the Commonwealth through customer focus and service excellence.
- Earn public trust through the use of secure technology, facilities, solutions and assurance services.
- Grow the business and promote economic development by developing VITA’s markets and service offerings.
- Promote financial stewardship of the Commonwealth’s IT resources by managing from an investment perspective to provide best value in citizen services.

Customers Served:

Transitioned state agencies ♦ Out-of-scope agencies ♦ Localities ♦ Institutions of higher education ♦ Other public entities (schools, authorities, commissions, etc.) ♦ VITA Employees

Operating Budget History:

	General Fund	Nongeneral Fund	TOTAL	Personnel Costs	Other Costs	Positions
FY 2003	\$0	\$0	\$0	\$25,879,049	(\$25,879,049)	339.00
FY 2004	\$2,344,456	\$32,040,469	\$34,384,925	\$25,798,210	\$8,586,715	367.00
FY 2005	\$2,380,324	\$34,146,621	\$36,526,945	\$21,540,176	\$14,986,769	367.00
FY 2006	\$1,241,187	\$34,360,027	\$35,601,214	\$21,833,734	\$13,767,480	1,076.00

New Operating Budget Summary:

	General Fund	Nongeneral Fund	TOTAL	Personnel Costs	Other Costs	Positions
FY 2007 Appropriation	(\$747,903)	\$57,184,411	\$56,436,508	\$90,334,103	(\$33,897,595)	1,078.00
FY 2007 Amendments	\$3,288,000	\$0	\$3,288,000	\$0	\$3,288,000	-653.00
FY 2007 TOTAL	\$2,540,097	\$57,184,411	\$59,724,508	\$90,334,103	(\$30,609,595)	425.00
FY 2008 Appropriation	\$897,295	\$58,331,411	\$59,228,706	\$90,481,103	(\$31,252,397)	1,078.00
FY 2008 Amendments	\$0	\$0	\$0	\$0	\$0	-678.00
FY 2008 TOTAL	\$897,295	\$58,331,411	\$59,228,706	\$90,481,103	(\$31,252,397)	400.00

Recommended Operating Budget Amendments

► **Remove the first year technology and operational efficiency savings**

Provides funding to this agency in the first year to replace the assessment against state agencies to transfer their technology and operational efficiency savings. For 2007, \$3.3 million (GF).

► **Decrease position level to reflect Northrop Grumman contract**

Decreases the agency's position level to account for the transfer of infrastructure support personnel to Northrop Grumman Corporation per the Public-Private Education Facilities Infrastructure Act agreement begun July 1, 2007. For 2007, a reduction of 653 positions. For 2008, a reduction of 25 positions.

► **Provide access to working capital funds**

Provides access to working capital funds to assist the agency in addressing cash flow shortages that are likely to be incurred due to continuing agency start-up costs, costs associated with the implementation of the comprehensive information technology infrastructure agreement with Northrop Grumman Corporation, and delays in revenues associated with new service rates.

Key Objectives and Performance Measures:

Objective 1. Lead the VITA Partnership Transformation

Measure 1: We will achieve positive ratings on our External Customer Satisfaction Survey.

Visit <http://vaperforms.virginia.gov/agencylevel/> for updated objective and measure data

Key Objectives and Performance Measures:

Objective 2. Implement COV Information Security and Public Safety Programs

Measure 1: We will provide access to local E-911 emergency services to all telecommunications users.

Objective 3. Increase effectiveness of IT project oversight and monitoring

Measure 1: The Commonwealth will complete major IT projects on time and on budget against their managed project baseline.