Trends

No Data Available

Legend:
⬆ Increase, ⬇ Decrease, ➹ Steady

Key Performance Areas

No Data Available

Productivity

No Data Available

Legend:
⬆ Improving, ⬇ Worsening,
➹ Maintaining

For more information on administrative key, and productivity measures, go to
www.vaperforms.virginia.gov
/agencylevel/index.cfm

EXECUTIVE PROGRESS REPORT	March 2014

Background & History

Overview:

VITA's Vision is to be Virginia's "go to" government information technology partner.

The Virginia Information Technologies Agency (VITA) is the Commonwealth's consolidated information technology organization. VITA's responsibilities fall into five primary categories:

1. Governance of the Commonwealth's information security programs in support of the responsibilities of the Chief Information Officer of the Commonwealth;

2. Operation of the IT infrastructure, including all related personnel, for the executive branch agencies declared by the legislature to be "in-scope" to VITA;

3. Governance of IT investments in support of the duties and responsibilities of the Information Technology Advisory Council and the Chief Information Officer of the Commonwealth;

4. Procurement of technology for VITA and on behalf of other state agencies and institutions of higher education.

5. Working with Executive Branch agencies in the identification and exploitation of enterprise, collaborative and agency business solutions which provide improved services and/or reduce expenses

VITA is a unique organization, pioneering a 21st century model for information technology governance and operational excellence. The creation of VITA represents the most comprehensive reform of state government information technology in the nation and firmly establishes Virginia as a leader in the use of technology in government. VITA's vision to be Virginia's preferred government IT partner encompasses the following core goals:

-Create value; Provide enterprise IT services supporting the business of state government at the best return on investment for our customers, stakeholders and Virginia's taxpayers.

-Improve the Commonwealth's competitive position in the national and world marketplace; Harness opportunities to utilize technology to improve the availability, quality and responsiveness of state services- seamless, friendly, anywhere, anytime; for our citizens and customers.

-Create accountability for how public funds are spent on technology for VITA as well as for the entire executive branch.

-Grow our employees; Embed opportunities for professional growth and development into the agency's organization and operations. Recognize and reward accomplishments.

-Serve as the model for transforming state government; Pursue streamlined business processes and innovative partnerships that revolutionize service delivery at significantly lower costs.

VITA provides outstanding service and technology solutions to support customers and address their business needs. Our services can be thought of as the information technology utility that supports specific agency requirements as they endeavor to deliver citizen services. While the agency works directly with the citizen, VITA works with the agency as a 'behind-the-scenes' service provider.

Primary Product & Services

VITA is currently providing its customers 72 discrete information technology-related services in four general categories…IT Infrastructure Services; Information Security and Risk Management Services; Enterprise and Collaborative Solutions Services; and IT Supply Chain and Procurement Services.

Customer Base

As the state's IT infrastructure utility, VITA supports 89 executive branch agencies, with over 2,200 customer locations distributed in every county of the Commonwealth. VITA's customer base also includes some local governments, school boards and libraries, which are primarily users of statewide telecommunications contracts as well as other qualified state contracts for IT products and services.

State and local government entities are also prospective customers for the expanded infrastructure and back-up services to be offered via VITA's partnership with Northrop Grumman. Through its business development activities, VITA is gathering and analyzing data about current and potential customers and their needs to develop marketing and customer service strategies.

Customer Listing

No Data Available

Key Agency Statistics

The following Statistical Data Table illustrates the depth and breadth of the service, support and oversight provided by VITA to the 89 agencies and 2,200+ locations. That service, support and oversight extends to thousands of computers, printers, phones, hand-held devices, networks and e-mailboxes; and to IT projects estimated to cost hundreds of millions of dollars.

Finances

VITA's financial resources include appropriations from the Internal Service Fund, Dedicated Special Revenue Fund, General Fund, and Special Revenue Fund.

The Internal Service Fund (ISF) accounts for the financing of services to other state agencies, institutions, and local governments. The services furnished -- (Network Services -- Data, Voice, and Video; Data Center Services; Desktop and End User Services; Computer Operations Security Services; and Technology Security Oversight Services) -- are charged to the recipient agency, institution, or local government to recover costs through user charges. In the Appropriation Act the ISF is recorded as a sum sufficient appropriation, with budget language describing the estimated costs to be incurred in each service area, as supported by projected revenues from customers. The amount in the sum sufficient language for FY 2014 is $341,781,151, which was requested by VITA as a start-up appropriation for the fiscal year. An additional administrative adjustment will need to be made during FY 2014 to ensure that an adequate amount is budgeted to meet operational obligations.

Fund Sources

No Data Available

Revenue Summary Statement

A significant portion of VITA's collections are not categorized as revenue in CARS; rather, they are identified as "recovery of cost". For this reason, the Fund Sources table (above) and the Revenue Collections table (below) appear to be inconsistent with one another. Accurate assessment of the relationship between the nongeneral fund sources [appropriations] and collections depends upon the addition of cost recoveries to revenues.

Key Risk Factors

VITA faces several challenges in the coming biennium.

- Maintaining a secure Commonwealth IT environment;
- Completing and maintaining a stable, modernized IT infrastructure environment;
- Establishing agency and Commonwealth level IT investment management processes;
- Addressing applications in the IT enterprise and collaborative applications arena; and
- Improving customer relations, customer service and customer outreach

Performance Highlights

The Virginia Information Technologies Agency (VITA) is the Commonwealth's consolidated technology services and solutions provider, responsible for:

- information technology security governance;
- the operation of the state's technology infrastructure;
- governance and oversight of major information technology (IT) projects;
- procurement of technology-related goods and services on behalf of state and local governments; and
- promotion of collaborative and enterprise-wide application solutions

 A summary of recent performance in each of these five areas of responsibility follows:

IT Security Governance: Improved the information security posture of the Commonwealth for protection of government information by updating Information Security policies, standards, guidelines and templates to address new security issues and federal information security requirements, developing an Information Security Officers orientation program, educating the information security community monthly via an Information Security Officers Advisory Group meeting, providing security awareness information to all branches of state government and localities and maintaining an Information Security Officers Council that focuses on current trending information security topics.

Infrastructure: 193 service level objectives for availability, response, time to repair and other similar quality of service measures for IT infrastructure services have been established since 2008. Continuing efforts in transforming the Commonwealth to these infrastructure services will support increased service coverage as well as the ability to monitor and sustain service level targets to assure satisfactory service performance.

IT Project Governance and Oversight: In coordination with the Joint Legislative Review and Audit Commission (JLARC), the Senate Finance Committee, and the Information Technology Investment Management (ITIM) Customer Council, PMD and the ITIM Division implemented the Commonwealth Project Governance Assessment (CPGA) methodology. CPGA revised the Commonwealth IT Project Complexity Model in order to analyze risk and complexity over the life of the project, and apply the appropriate levels of governance and oversight. A risk and complexity assessment tool was developed, revisions to the Commonwealth Project Management Standard and the Commonwealth Project Management Guideline were published, and system changes were made in the Commonwealth Technology Portfolio. New project categories and associated oversight and governance provisions were introduced, based on assessments performed at key points in the project's lifecycle. Over 200 Project Managers and Agency IT Resources (AITRs) received training on the new methodology. Prioritization of technology projects across the Commonwealth was also improved through refinements to the Recommended Technology Investment Projects Report (RTIP).

Procurement of IT-related Goods and Services: VITA continues to establish statewide contracts for use by all public bodies of the Commonwealth, supporting broad procurement initiatives such as SWaM and bringing efficiency and effectiveness to IT and Telecommunications contracts. Recent contract awards include: e-Gov solutions, IT research and advisory services, network equipment and audio and data conferencing services. Going forward, VITA will continue to work to employ best practices and tools and is working to establish contracts to support electronic health records, authentication services, data and long inter-exchange telecommunication services and IT contractors and consultants.

Collaborative and Enterprise-wide Applications Solutions: VITA continues to work with customer agencies on current projects (Performance Budgeting, Virginia Longitudinal Data System) while gearing up new enterprise/collaborative opportunities, such as the Medicaid Information Technology Architecture (MITA) Program. Efforts with several agencies to improve their workplace productivity are now being formalized into a "private cloud" service for workplace process improvement tools and services. An expanded workplace collaboration service is also being prepared for rollout by the end of 2012.

…specific measurement information is included in the "Performance Hightlights Table…

Performance Measures

Management Discussion & Analysis

General Information about the Ongoing Status of the Agency

VITA continues to pursue its mission of providing information technology services to our customers that enable Virginia's government to better serve the public.

COMMONWEALTH IT SECURITY

VITA is responsible for the 24 X 7 X 365 protection of Commonwealth data. This protection is being provided via:

- Intrusion detection and vulnerability scanning;
- Antivirus and firewalls;
- Spam and web content filtering
- Centralized and automated software patching
- Secure remote network access
- Encrypted internal e-mail; and
- Intelligence and information sharing in collaboration with the FBI, Department of Homeland Security and others

Future plans call for improving security analysis and risk assessment; enhancing the security related to accessing data and networks; and increasing the emphasis on, and application of, security monitoring and compliance.

IT INFRASTRUCTURE TRANSFORMATION AND MODERNIZATION

VITA efforts remain focused on completing transformation of IT in the Commonwealth—the actual consolidation of technology and movement to a standards-based, common, reliable, agile and secure 21st century IT infrastructure that can be leveraged to improve citizen services and associated business processes. At the end of September 2012, 86 of the 89 agencies involved have been transformed which achieves the "critical mass" which enables the enterprise approach to IT services and facilitates them as "shared services" going forward.

COMMONWEALTH IT INVESTMENT MANAGEMENT

VITA is continuing to establish and implement agency and Commonwealth level IT investment management ITIM) processes that leverage infrastructure transformation, enterprise systems development strategies, and collaboration in the acquisition and development of agency business applications.

Although a fundamental aspect of these ITIM processes is the agency-level IT strategic plan, which is required of each "in scope" agency, it was recently decided to "expand" this approach by developing an IT strategic plan at the secretariat level for the Health and Human Services (HHS) secretariat. The primary motivation for this HHS IT plan was the need to coordinate multiple agencies within…and outside of…HHS in the planning, development and implementation of a multi-million dollar IT program comprised of multiple IT projects. The results: a strong secretariat-level strategic plan that provides a roadmap for all in the Secretariat to follow, as well as a cohesive team. This effort proved to be so successful that VITA is recommending rolling this process out to other Secretariats.

SUPPLY CHAIN MANAGEMENT (SCM)

 SCM continues to establish statewide contracts for use by all public bodies of the Commonwealth, supporting broad procurement initiatives such as SWaM and bringing efficiency and effectiveness to IT and Telecommunications contracts. Recent contract awards include: e-Gov solutions, IT research and advisory services, network equipment and audio and data conferencing services.

Going forward, SCM continues to work to employ best practices and tools and is working to establish contracts to support electronic health records, authentication services, data and long inter-exchange telecommunication services and IT contractors and consultants.

ENTERPRISE AND COLLOBORATIVE APPLICATION DEVELOPMENT

The Enterprise Applications Division is focused on overseeing the Commonwealth's efforts to modernize the planning, development, implementation, improvement, and retirement of Commonwealth applications, including the coordination and development of enterprise-wide or multi-agency applications.

1) As VITA's provider of multi-agency and enterprise applications to the Executive Branch of Government, EAD is committed to working with Executive Branch agencies in the identification and exploitation of enterprise, collaborative and agency business solutions which provide improved services and/or reduce expenses. EAD has adopted different supporting models to enhance the state of the Commonwealth's applications. These models include the use of a "lead agency" to spearhead enterprise and collaborative application technology solutions, and employment of "shared services" where multiple agencies collaborate to identify and develop value producing application technology solutions.

2) The Enterprise Applications Division supports four major enterprise applications modernization efforts, they include:

a. Financial Management. EAD is supporting the Department of Accounts (DOA) and Virginia Department of Transportation (VDOT) in the development and implementation of a Statewide Financial Management System (FMS) to replace the current Commonwealth Accounting and Reporting System (CARS).

b. Performance Budgeting. EAD is supporting the Department of Planning and Budget in the selection, development, and implementation of a new Performance Budgeting application.

c. Virginia Longitudinal Data System (VLDS). EAD is providing project management and development services to the Department of Education and other participating agencies in the development of VLDS.

d. Health Information Technology/Medicaid Information Technology Architecture (HIT/MITA) Program. EAD is setting up Enterprise Data Management and Service Oriented Architecture services for the Department of Medical Assistance Services and other participating agencies.

CUSTOMER RELATIONSHIP MANAGEMENT

Budget reductions of the last several years, coupled with financial projections for the next biennium, have increased interest in the potential efficiencies and service improvements technology can support. Consequently, VITA must be prepared to work with it customers to explore and quickly put into operation the kinds of information technology products, services, tools and applications that provide such improvements, with near-term returns-on-investment, for agencies of all sizes and missions.

In response to, and in recognition of, this continuing challenge, VITA has undertaken a significant Customer Relationship Management (CRM) Program effort that will significantly increase its focus on customers. Specific goals and related objectives and measurements have been defined for this program and execution of the Program has begun. The overarching goals include:

- Position VITA as a strategic partner with customer agencies
- Develop agile business processes that recognize VITA's diverse customer base
- Increase the number of services used by existing and new customers
- Develop customer loyalty
- Support VITA's mission and strategic goals through consistent, positive and effective communications
- Enhance the image of VITA using a variety of communications tools aimed at target audiences
- Communicate that Virginia and VITA are national leaders in IT

BUSINESS DEVELOPMENT

VITA is reaching out to localities and other public bodies that can leverage VITA's considerable buying power and use VITA services to save money and increase efficiencies. An outreach program has been launched by VITA that includes a monthly electronic subscription-based Service Bulletin to apprise localities of VITA services of interest to and potential business value for them. Marketing of new or expanded services to the existing state agency customer base is also being expanded through a monthly Network News alert distributed electronically and posted online for that customer group.

Information Technology

Current IT Operational Investments:

Many of the agency's back-office functions are reliant on 30-year old legacy systems, stand-alone desktop applications or manual paper-driven processes. The agency also suffers from disparate systems across functional teams that contribute to inefficiency and unnecessary delay in responding to customer needs. As demands on the agency are changing (e.g., standing up new enterprise shared services), the status quo has become an impediment to providing the service and support customers require. Investment opportunities have been identified to address the most critical deficiencies.

VITA Billing Systems - Comprehensive Services (CSB), Computer Services (CSCS), and Telecommunications (TIBS and VIPR)

VITA currently uses four legacy billing systems, two of which are over 30 years old; the technical personnel supporting these systems are retirement eligible. The current billing process involves manual paper invoice delivery of separate bills from each of these legacy systems and there is no automated capability for billable labor, now an entirely manual process. Enhancements to existing legacy systems to provide on-line delivery and presentation to meet federal and APA requirements for transaction transparency and APA requirements for reconciliation controls cannot be made without additional investment that will become cost prohibitive over time due to the age of the existing systems. In FY12 VITA began an effort to plan for replacement of these legacy systems. Funding has been included for FY13 to gather requirements for replacement of the Telecommunications Billing systems and to issue a procurement for a

replacement solution.

Customer Relationship Management (CRM)

In FY12 VITA funded an initiative to support its customer relationship objectives and maintain information about our customers in a single shared area. The proposed solution will provide a central view of our customers and their issues and the ability to automate workflow through the organization. The Customer Relationship Management Program was established in FY12 and an auto mated tool piloted. Funding is included for the continued roll out and expansion of its use.

Commonwealth Technology Portfolio (CTP)

As an enterprise application, the CTP is a repository for reportable Commonwealth information technology investments. Over time, the accumulation of information, particularly project-related documents, retained in the CTP has placed increasing demands on the application itself. Maintenance is becoming labor-intensive and the performance of the application is deteriorating. Additional investment is needed in order to ensure continuity. VITA has funded an evaluation and selection of alternatives to address this need.

Enterprise Shared Services (EDM/SOA)

As described elsewhere in this plan, during the 2010-2012 biennium VITA initiated the creation of new Enterprise Shared Services (i.e., Enterprise Data Management and Service Oriented Architecture) in support of the Health and Human Resources Secretariat's MITA Program. The roll out of these services continues through FY13.

 Proposed IT Solutions

 Enterprise Shared Services
As described above, VITA continues development and implementation of new Enterprise Shared Services (i.e., Enterprise Data Management and Service Oriented Architecture) in support of the Health and Human Resources Secretariat's MITA Program. The agency expects the trend towards the expanded usage of these new services to continue through the 2012-2014 biennium as agencies seek ways to leverage shared services and collaborative solutions to reduce overall cost. The costs associated with these new services will be reflected in service fees charged to agencies that utilize the services and thus budget amounts will appear in customer agency strategic plans. VITA will manage the creation and implementation of new Enterprise Shared Services as projects in the CTP. Specific new services will be addressed separately in the Commonwealth IT Strategic Plan for the upcoming biennium.

Implement a single, unified billing solution (UBS) for Commonwealth information technology services

The proposed investment would replace the four legacy billing applications and automate invoicing for billable labor through a unified, enhanced billing system. An enhanced replacement billing solution would satisfy state and federal audit requirements for transaction-transparency and strengthened reconciliation controls, be more cost-effective to operate and maintain, reduce VITA's vulnerability to a disruption in service resulting from the departure of key technical staff, be more customer friendly (providing web-accessible billings with greater detail), and potentially offer savings in VITA charges associated with more efficient/reduced manual processing of bills. VITA has funded the initial planning effort focused on Telecommunications and expects to continue with the development and replacement based on the results of the initial planning effort.

Implement Customer Relationship Management Software

Rollout of the VITA Customer Account Support Tool (VCAST) to the entire agency will be completed in 2012. Funding has also been included in the FY12-FY14 budget to develop and implement an additional phases of functionality in 2013.

Workforce Development

VITA is facing many of the same challenges as other employers, including rising retirements and a shrinking supply of younger workers. In addition, VITA, along with all of Virginia' s government agencies, is forced to address revenue shortfalls through resources reductions, both human and financial.

Workforce Composition and Demographics
According to the Department of Human Resource Management' s "Human Resources At-A-Glance" report, dated June 30, 2012, VITA' s workforce is composed of 54.1% males and 45.9% females. The current average age of VITA employees is 51.3 years, 4.7 years older than the overall average state worker (46.6). VITA' s average years of service are 15.7 years. The average education level is 15.4 years. Minorities comprise 26.7% of the population, while non-minorities comprise 73.3%. VITA' s statistics in all these areas are not far out of line with the demographics for the entire state agency workforce which reflects an aging workforce throughout the Commonwealth.

Retirement
Again, according to DHRM' s report, approximately 49 VITA employees (19.1%) are eligible to retire immediately with full benefits. Approximately 98 employees (38.3%) are currently retirement-eligible in five years. If these eligible employees do retire, VITA could experience a significant knowledge gap that most likely would impact its ability to deliver the products and services expected by our customers. Thus far, however, VITA' s fiscal year 2012 retirement rate of 3.5% was felt primarily among its employees managed by Northrop Grumman. VITA is attempting to address this knowledge gap by providing educational opportunities to its current employees, as described in Workforce Development and Succession Planning below.

Turnover

VITA' s turnover rate dropped significantly in FY 2012 to a rate of 6.7%. This compares to 15.7% in FY 2011 and 15.8% in FY 2010. Much of the turnover can be attributed to reorganizations and subsequent layoffs as well as managed employees reaching retirement age and retiring. VITA has seen a steady decline in the number of employees (255.3 salaried employees in FY 2012, 261.3 in FY 2011, and 295.3 in FY 2010. However, it is anticipated that trend in the numbers of employees will change upward, at least within the retained organization, as VITA expects to continue to fill positions in the Health IT/Medicaid IT Architecture (HIT/MITA) program as well as hire staff for other service offerings that VITA has developed. What is a continuing issue within VITA is the length of time it takes to get authority to hire.

Regarding the turnover rate, it is anticipated that turnover will remain about the same. With an improvement in the economy, employees are seeking increases in compensation which, since working with the State, have not occurred since 2007. VITA can only attempt to fill the holes with on-going recruitments.

Recruitment

VITA conducted 24 recruitments in fiscal year 2012 as opposed to six in fiscal year 2011. For fiscal year 2013, classified recruitments are anticipated to increase, primarily for positions already approved to handle the new programs mentioned in this strategic plan as well as to backfill promotions and transfers.

VITA, thus far, has not experienced a drop in the number of applications received; however, the quality of applicants still appears to be declining, as many more unemployed are casting their nets in the hopes of being considered, despite not being qualified. VITA primarily uses DHRM' s Recruitment Management System augmented by outside job boards and professional organizations to supplement its recruitment efforts.

In the past two, VITA participated in the Mayor' s Youth Academy, hiring interns from the program. This year VITA worked with higher education institutions and had six interns for the summer. The internships were very successful. VITA has an on-going intern obtained through the L. Douglas Wilder School of Government and Public Affairs at Virginia Commonwealth University.

Hiring contractors has ebbed and flowed. This is due to the short-term need for experienced persons to implement program plans for the new services being offered as well as the inability to timely hire classified employees.

To ensure that VITA is able to recruit the right people, it has used and will continue to do so as appropriate, the tools DHRM provides for exceptional recruitment and retention incentive options. These include sign-on bonuses, retention bonuses, project-based incentives, compensatory leave, annual leave, and payments for referrals.

Work Life Balance

VITA has encouraged the use of work life balance tools to improve employee satisfaction and retention. Particularly, VITA has been a strong proponent of telework. In fiscal year 2012, 92.9% of its positions were eligible to telework; of those, 75.3% actually teleworked. The same is true with employees using alternate work schedules. In VITA, 92.9% of the positions were eligible to use alternate work schedules and 68.4% actually used them. With alternate work schedules, employees use the full gamut of work alternatives (e.g., 4 10-hour days, 5 9-hour days with a day off, etc.).

Workforce Development and Succession Planning

VITA does not have a formal succession plan. However, whenever a position has become vacant, it has been analyzed to determine whether it was appropriate to fill with a like-person, or to use the vacancy to further address future needs identified by the agency. To date, gap analyses have been conducted on an informal basis, as well.

However, VITA has begun taking a more formalized approach to workforce development and succession planning. HR has conducted a skills inventory of all the employees in the retained organization. Employees have over 30 certifications, as well as 200 KSA' s, on which they can rate their proficiency level from, "Basic" to "Trainer – capable of or experienced in training others in use and application." From this skills inventory, we have begun identifying employees' strengths and knowledge, as well as where additional training might be needed. Employees are requested to update their skills profiles annuallyat the beginning of each performance management cycle.

To enhance the ability to provide meaningful training and development for our employees, VITA has purchased a technical training suite from SkillSoft. This suite contains thousands of current on-line and audio books, courses, simulations, test/prep exams and job aids. Topics included are: Business Analysis, Finance and Accounting, Human Resources, Management and Leadership, Project Management, and Technology in Business, just to name a few. For the performance management cycle of 2012 to 2013, managers will be asked to continue to incorporate development needs for their employees and identify SkillPort or DHRM Knowledge Center programs to address some of these needs.   HR will also continue to identify outside training opportunities.

Actions Plans for fiscal year 2013

HR hopes to implement an electronic process flow for all hiring requests--classified, wage and contractor-- that will track the recruitment process from its initial request, through employment, through separation. If possible, this system will be integrated into any updated system or systems provided by DHRM.

HR will continue its skills assessment and begin the tasks of identifying developmental strategies for its employees. The ultimate goal is to have an agency training plan for all of its employees

HR will begin presentation of a Leadership Training Program. Potential courses have been identified and work will begin on implementing them throughout the organization.

Physical Plant

VITA's primary office facilities are located at the Commonwealth Enterprise Solutions Center (CESC), 11751 Meadowville Lane, Chester, VA. 23836.