State of Alaska
FY2019 Governor's Operating Budget

Department of Administration
Office of Information Technology
Results Delivery Unit Budget Summary

Office of Information Technology Results Delivery Unit

Contribution to Department's Mission

To enable the Department of Administration's achievement of its core strategic objectives through the efficient use of Information Technology.

Major RDU Accomplishments in 2017

- Administrative Order No. 284 (AO-284) signed on April 25, 2017 centralizing all telecommunication and information technology (IT) services under the authority of a single Office of Information Technology (OIT) headed by the Chief Information Officer (CIO).
- The CIO put together a key leadership team to drive the centralization and optimization outcomes expressed in AO-284. The OIT leadership team consists of five Chief Technology Officers (CTOs), each heading up a major functional subdivision of the organization: Information Security, Portfolio/Plans/Policies (P3), Data Center Operations, Telecommunications/Network, and Customer Service.
- The OIT leadership team was assembled without increasing the OIT budget.
- Lead IT managers in each Department were converted to Department Technology Officers (DTOs) who serve as the main interface between the departments and the OIT. The key function of the DTO is to ensure departmental IT needs are met while taking advantage of the efficiencies available through a centralized IT entity.
- The OIT launched an extensive baseline effort to determine the current state of IT including expenditures, staffing, technology footprint, and operations. The baseline results will help inform centralization and optimization strategy as well as establish a reference for evaluating future performance.
- Starting July 1, the first wave of commodity IT staff transitioned from their department to the OIT as part of Phase I of the transition. To date, this includes staff from DOA, DOR, DEC, DNR, DEED, DOC, DPS and LAW, with the remaining departments to transition to the OIT by June 30, 2018.
- The OIT initiated development of an optimization strategy comprised of short, medium, and long-term opportunities. Short-term opportunities include standardization, right-sizing certain hardware and software resources, and ensuring compliance with best available pricing.

Key RDU Challenges

Transition – The main challenge for the OIT has been transforming an agency-centric culture into a centralized organization with a strategic enterprise approach. During this first stage of convergence, the OIT must understand the technologies developed under the historical model and introduce new reporting structures and statewide standards to components that previously enjoyed more autonomy. Adapting to this new reality means changing models that were developed within departmental boundaries. Special care must also be taken to assure there is proper knowledge transfer. It takes time to build the trust needed to solidify these new working relationships.

Recruitment – Recruiting talent for the higher-level leadership positions with the requisite experience and IT proficiency is a challenge in Alaska. We conducted a widespread search, and were fortunate to find many internal candidates that could be promoted. We also were able to bring people in from outside, including the current CIO. The CIO selection was the culmination of many months of deliberation and screening hundreds of candidates. Designating the five CTO positions posed similar challenges.

Significant Changes in Results to be Delivered in FY2019

At the start of FY2019, the Office of Information Technology (OIT) will close out Phase I transition with the successful migration of all commodity IT staff and begin Phase II by reallocating IT staff who support line-of-business IT services to the OIT.

Commodity IT staff already transitioned into the OIT during FY2017 and FY2018 will complete mapping to the new hierarchy under the Chief Technology Officers (CTOs) representing a new reporting structure. Additionally, baseline

projects will have concluded an extensive inventory of all State IT assets. By housing all IT resources within the OIT, the enterprise will be able to optimize resources allowing the State to ensure that high priority projects are resourced effectively.

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Office of Information Technology
RDU Financial Summary by Component

All dollars shown in thousands

	FY2017 Actuals				FY2018 Management Plan				FY2019 Governor			
	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
Chief Information Officer	0.0	0.0	0.0	0.0	0.0	1,487.7	0.0	1,487.7	0.0	1,488.2	0.0	1,488.2
Alaska Division of IT	0.0	0.0	0.0	0.0	0.0	46,021.4	0.0	46,021.4	0.0	46,066.5	0.0	46,066.5
ALMR	0.0	0.0	0.0	0.0	2,453.1	0.0	1,900.0	4,353.1	2,363.1	0.0	1,900.0	4,263.1
SATS	0.0	0.0	0.0	0.0	4,462.0	0.0	0.0	4,462.0	4,555.0	0.0	0.0	4,555.0
Totals	**0.0**	**0.0**	**0.0**	**0.0**	**6,915.1**	**47,509.1**	**1,900.0**	**56,324.2**	**6,918.1**	**47,554.7**	**1,900.0**	**56,372.8**

Office of Information Technology
Summary of RDU Budget Changes by Component
From FY2018 Management Plan to FY2019 Governor

All dollars shown in thousands

	Unrestricted Gen (UGF)	Designated Gen (DGF)	Other Funds	Federal Funds	Total Funds
FY2018 Management Plan	**6,765.1**	**150.0**	**47,509.1**	**1,900.0**	**56,324.2**
Adjustments which continue current level of service:					
-Chief Information Officer	0.0	0.0	0.5	0.0	0.5
-Alaska Division of IT	0.0	0.0	45.1	0.0	45.1
-ALMR	0.0	-90.0	0.0	0.0	-90.0
-SATS	3.0	90.0	0.0	0.0	93.0
FY2019 Governor	**6,768.1**	**150.0**	**47,554.7**	**1,900.0**	**56,372.8**