

Worksession

MEMORANDUM

March 3, 2011

TO: Government Operations and Fiscal Policy Committee

FROM: Dr. Costis Toregas, Council IT Adviser

SUBJECT: Organizational Reform Commission Recommendations on MC311 and Technology

Expected to attend:

Fariba Kassiri, Assistant CAO

Mike Ferrara, Executive Director of Enterprise Projects, Office of the CAO

Other subject matter experts will be available to comment on issues as appropriate.

Summary of staff recommendations to the GO Committee for each ORC recommendation:

- #15 MC311 - Agree with CE; secure benefits within MCG, deploy dashboards, and consider expansion later when more sure of competitive advantages of the system.
- #16 "Single CIO" - Disagree with CE; interpret title as way to make coordinated IT budget decisions across agencies on a non-optional basis using ITPCC/CARS Committee framework. Explore need for additional legislation to permit line-item authority by Council and other budgeting efficiencies.
- #24 Thin Client and Cloud Computing - Disagree with CE; move now with pilots in cloud computing with full transparency of operations and cost reductions in each agency. Given nature of Cloud Computing, interagency strategies will be easy to deploy later.
- #26 Consolidate IT platforms - Agree with CE; once #16 is implemented, can move with consolidation of IT platforms using FiberNet as foundation and building basic infrastructure of data centers, office apps (e-mail, Word Processing) and security/backup as next tier of shared services delivered on FiberNet

Overview

There are four technology-related recommendations in the Organizational Reform Commission's report:

- # 15 Expand 311 to other agencies
- # 16 Consolidate IT leadership
- # 24 Move to thin client and Cloud Computing
- # 26 Consolidate major IT platforms

The CE's position on each recommendation was provided to Council President Ervin on February 21, 2011. This worksession is intended to review recommendations and assist the Committee in forming an ultimate recommendation to the County Council on these important topics.

Introduction

The technology domain is unlike any other in County government and in all agencies in that it can be broken up into two severable parts: the element which is uniquely attached to the user agency, and that which is purely bits and bytes that have no relationship to end-user needs. For example, the MCPS IT department may be responsible for supporting a teacher grading software, while the County's DTS is charged with the responsibility of deploying a permit tracking system. However, both departments must operate data centers, and both must deploy secure e-mail systems which are not necessarily part of the unique culture of each agency.

The ORC has tried to identify areas where this latter type of activity can be consolidated or managed in a coordinated manner; this initiative is to be commended and supported. With the Interagency Technology Policy Coordinating Committee (ITPCC) and Cross Agency Resource Sharing (CARS) initiative under way, agencies have already begun to investigate this collaborative, consolidation/coordination approach, so the ORC recommendations are fairly obvious and work has already begun on several.

Detailed analysis by topic

EXPAND 311 INTO OTHER AGENCIES

ORC recommendation:

We would like to see the functionality of the 311 system expanded to automate select processes, with the goal of reducing workyears. We recommend the consolidation of County information distribution and call center activities, by expanding the use of the 311 system to other agencies.

CE response to ORC recommendations:

County Executive's Position: **Support with Conditions**

I agree with the ORC recommendations. The County's MC311 program has the technical capability to support other agencies. However, incorporation of the other agencies call-taking and service response needs would require significant shifts of resources to appropriately plan and implement such integration as well as increase in call center staffing to respond to the needs of all County agencies. Additional work would have

to be undertaken with each agency to understand its customer service methodology, document call intake procedures and use of existing resources for this function, and identify areas for increased efficiency. In addition, it would be necessary to develop a knowledge base of information for each agency so that call-takers could readily and appropriately respond to calls for service and information.

Council analyst discussion:

The MC311 system is still in its learning stage. Staff training issues are being addressed, and linkages between call-taking and actual ticket creation, dispatch, and task completion have not yet been completed nor funded. It would be useful to allow the system to mature and develop a strong performance track record before expanding it to other users.

Once the system is ready for expansion, the good work of the ORC can help guide the effort. Issues of accrued savings and how to capture them and transfer them into a centralized call-taking operation will be the most important policy driver for this expansion. The County's experience is that, through careful pre-planning and Business Process Reengineering, a \$10m savings across all user departments will be experienced for each year of the center's operation. Similar results could be expected from agency and municipality implementation, so care must be taken to develop a strong and viable governance model for the deployment.

Suggestion for Committee consideration: Agree with CE recommendation.

#16 CONSOLIDATE IT LEADERSHIP

ORC recommendation:

- *We recommend the consolidation of the County's information technology leadership into a single independent Chief Information Officer position with budget formulation and execution authority(p29)*
- *As noted above, we recommend the creation of a permanent Chief Information Officer position for the County that is answerable to the Council and has the authority, responsibility and accountability to make IT decisions for all agencies. (p49)*

CE response to ORC recommendations:

County Executive's Position: **Support with Further Review**

The proposal of a single, independent Chief Information Officer (CIO) concept has merit and should be explored to determine what this leadership restructuring would entail and validate the benefits articulated in the ORC report.

I believe that to fully explore this recommendation, the CARS Information Technology Subcommittee that consists of the current agency CIOs, along with an outside subject matter expert, conduct a full assessment. I suggest that the CARS IT Subcommittee complete its assessment of this recommendation and report back to the CARS Executive Committee within the next six months. Immediately after the Subcommittee report, the CARS Executive Committee will make its final recommendation to the County Council regarding the next steps.

Council analyst discussion:

I believe that the intent of the ORC was to suggest a unified way of making IT resource allocation and management decisions. The single CIO proposed can certainly do that, but would face time-consuming hurdles of legal and cultural nature. A more convenient and practical way to get to the same goal might be to focus not on the organizational, but on the financial management aspects (an area where the Council has some say). A three-phase approach to a coordinated IT management strategy might be as follows:

Phase I: Coordinate existing IT investments made by MCG in other agencies through a coherent budget review and analysis and unified decisions. The CIP budget contains both MCPS and MC IT budgets (MC IT and Network projects for \$16.8m and MCPS TechMod \$21.2m projects) along with MCG projects. The Committee could organize a discussion of all budgets and decide collectively.

Phase II: Coordinate budgets across agencies. Given differing timelines for budget development and approval, it is imperative that an early start for coordinated IT budgeting occur, and that CIOs be given explicit budget boundary discussions within which to operate. Once collective decisions on shared items are made, each agency budget process can revert to its own operating environment.

Phase III: Develop a single IT budget across agencies by giving authority and funding to a Cross Agency entity such as CARS or ITPCC. This final move would be the move conceptualized by the ORC, but may require legislation to permit organizations to adopt a unified, collaborative budget process.

Such a staged approach could start immediately with the CIP recommendations in FY12 developing a familiarity with terminologies and processes of differing agencies. The CE's recommendation to study additional processes does not fit well with the budget imperative, where a coordinated IT investment strategy could indeed find savings of the order foreseen by the ORC.

Suggestion for Committee discussion: Disagree with CE recommendation and begin review of IT budgets across agencies, while exploring organizational options such as a single CIO or the use of CARS/ITPCC as a funding and decision vehicle for IT.

THIN CLIENT AND CLOUD COMPUTING

ORC recommendation:

Embolden all County departments and agencies to move in the direction of Cloud and Thin Client computing.

CE response to ORC recommendations:

County Executive's Position: **Support with Further Review**

I agree with the part of the ORC report which states that governments need to embrace the innovations that allow for efficient and lowest cost operational capabilities. As already implemented in the Executive Branch, cloud computing compatibility should become an integral part of the delivery solution alternatives. We must ensure that it is included in all of the County's new or upgraded systems. With regard to thin client computing, to implement this recommendation it will be necessary to develop a project plan and identify a

funding model that will support the assembly of the appropriate architecture (or outsourced solution identification) that provides for the foundation of the technology to begin a transition to a thin client, totally web based delivery model for current and future applications.

I believe that to fully explore this recommendation, the CARS Information Technology Subcommittee that consists of the current agency CIOs, along with an outside subject matter expert, conduct a full assessment. I suggest that the CARS IT Subcommittee complete its assessment of this recommendation and report back to the CARS Executive Committee within the next six months. Immediately after the Subcommittee report, the CARS Executive Committee will make its final recommendation to the County Council regarding the next steps.

Council analyst discussion:

I agree with the ORC and strongly disagree with the CE'e response. The time for Cloud Computing and other creative, less expensive solutions has come, and additional studies are not warranted. Jurisdictions surrounding Montgomery County are already moving to Cloud Computing in simple operations such as e-mail and are appreciating significant savings. The federal government declared a "Cloud first" strategy for all CIT applications, meaning that agencies must explain why they would not move to Cloud platforms and be expected to do so under normal conditions. In addition, the federal mandate required each agency to identify three "must move" services within three months, and actually move one of these services to the Cloud within 12 months and the remaining two within 18 months! Clearly, the time to study is well past; we need to bring on new solutions through the procurement and implementation cycle.

Suggestion for Committee discussion: **Disagree** with CE and request aggressive move to the Cloud and other creative technologies be used in new applications and be adopted as a replacement strategy.

CONSOLIDATE IT PLATFORMS

ORC recommendation:

We recommend that following the implementation of a new IT governance model, the County begin the consolidation of major IT platforms and provide for a migration path starting in FY12.

CE response to ORC recommendations:

County Executive's Position: **Support with Further Review**

I agree that as a unified government, we should advocate the use of common platform, support and implementation services which can provide long-term fiscal benefits.

The agency CIOs need complete support of the agency principals and County Council to develop a business requirements process and long-term strategy for this convergence. The agency principals will need to drive the requirements for centralization.

I believe that to fully explore this recommendation, the CARS Information Technology Subcommittee that consists of the current agency CIOs, along with an outside subject matter expert, conduct a full assessment. I suggest that the CARS IT Subcommittee complete its assessment of the recommendation and report back to the CARS Executive Committee within the next six months. Immediately after the Subcommittee report, the

CARS Executive Committee will make its final recommendation to the County Council regarding the next steps.

Council analyst discussion:

In order to deploy enterprise-wide solutions and consolidate IT platforms, it is necessary to address the governance model issue in #16. Once this is complete, the move to consolidation should be undertaken using the FiberNet model, technology, and governance model. The agencies already use a collaborative governance mechanism, joint funding, and a shared priority setting mechanism to support the major connectivity highway across the County. It is easy to imagine additional layers of functionality, such as e-mail, Word processing, or cyber security deployed as service offerings of FiberNet. This future potential can be explored while recommendation #16 is being implemented.

Suggestion for Committee discussion: **Agree** with the Executive.