

Chief Information Officer Council – Meeting Minutes

September 19, 2007

approved October 30, 2007

The Chief Information Officer Council and Administrative Business Service Directors met at 2:00 p.m. at Forestry Department, 2600 State St. Salem, Oregon

Present: Ben Berry, Kris Kautz, John Margaronis, Dugan Petty, David Almond, David Poston, Toni Rogers, John Koreski, Tami Dohrman, Cindy Booth, Barbara Benda, David Yandell, Bob DeVyldere, Trygve Larson, Fariborz Pakseresht, Rick Howard, Kathryn Naugle, Stan McClain, Paul Bell, Sandy Jefferson, Clark Seely, Mark Hubbard, Marc Williams, Sarah Meyer, Mike Schuft, Dorothy Oliver, Laurie Byerly, Linda Gesler, Marty Adolf, Dick Pederson, Dennis Wells, Lloyd Lowry, Mark Reyer, Bret West, Sally Caplan (Gartner) and John Kost (Gartner)

EISPD Staff Present: Sean McSpaden, Scott Riordan, Darren Wellington, Nick Betsacon, Paula Newsome, Matt Matson, and Charlene Wood

Review of Agenda

Ben Berry reviewed the agenda for the meeting.

1. Approval of Minutes/Action Item Follow Up – Ben Berry

The minutes from August 21, 2007 were approved.

The members welcomed new CIOs Trygve Larsen, Oregon Parks and Recreation Department and Rick Howard, Oregon Department of Human Services.

2. Signing of the Enterprise Information Resource Management Strategy – Ben Berry, Dugan Petty and Stan McClain

Stan McClain, (former Revenue CIO), Ben Berry, and Dugan Petty signed the 2007-11 Enterprise Information Resource Management Strategy (EIRMS). The strategy is a collaborative effort with the Administrative Business Service Managers (ABSM) and the CIOs. The EIRMS strengthens the relationship and dependencies between IT and the Business. Kris Kautz thanked the ABSM and the CIO's for their efforts to complete the strategy. We will continue to work together to keep the connection going. Dugan recognized Sean McSpaden and Scott Riordan for their extra efforts towards completing the strategy. Dugan presented Scott Riordan with a "Cinderella" pen for his contribution to the EIRMS.

3. The Governance of Government IT – John Kost

John Kost, Managing Vice President, Gartner Government Research, presented "*The Governance of Government IT.*" Gartner's definition of governance is, "the processes that ensure the effective and efficient use of IT in enabling an organization to achieve its goals." There is not one model that fits all; it is what makes sense and what works for your agency.

IT governance establishes who has decisional rights and decisional input into IT investment and oversight decisions. Without effective working governance structures and mechanisms, it is difficult to determine whether IT spending is focused on investments which best support an agency's performance, goals and strategies. In creating a governance structure, government leaders must all agree on what their respective roles are. The challenge IT professionals must address is how best to educate non-IT leaders about the role they must play in the management of IT.

Not everyone understands what is meant by “governance” and the role governance plays in an organization executing on its mission. If the governance model is wrong, the business leaders (to include IT leaders) who are benefiting from IT may not even realize it. IT and business leaders must understand what the existing governance processes are in order to know what needs to be changed to make the governance process(es) more effective.

The constitutional structure of government has a strong bearing and influence on the governance model. John said we have to understand the structure of our government,(who’s in charge), and how the leadership pieces fit together. There are four major leadership constructs: Strong Executive, Cabinet, Board, and Commission.

In government, there are six degrees of innovation, each requiring commensurately more effort, but the increased effort results in a proportionally greater impact:

1. Within a program: innovation is limited to improving a particular program;
2. Across programs: collaboration across programs within an agency occurs;
3. Across agencies: collaboration across agencies within a government occurs;
4. Across governments: multiple governments collaborate;
5. Across partners/industries: governments enter into partnerships with industry that transform how a service or societal need is met, as well as potentially the source of the solution;
6. Societal transformation: society goes through a transformation in which the behavior or expectations of citizens are radically transformed due to a new need, or the elimination of a need.

The higher the degree of innovation, the higher the levels of participants in the governance process are and the more they must be engaged on an ongoing basis. At the same time they (or, we) must be mindful of the political impact. Communication with, understanding and talking to, each other is the utmost importance.

There are three different types or layers, of IT activities:

1. Utility/Infrastructure: the IT organization focuses on supporting current IT infrastructure. Portfolio decisions are almost entirely within the IT organization.
2. Modernization: the portfolio of IT projects begins to span the enterprise, involving IT decision making by multiple departmental IT organizations.
3. Business Transformation: the IT portfolio affects the performance of the business (of government); business transformation requires the involvement of departmental and political leadership across the enterprise in setting priorities and making IT investment decisions.

All three layers are important. All three layers have different constituencies. All three layers may have/require a different governance model. Separate IT decisions affecting the portfolio into the appropriate layers in order to make it part of an appropriate governance model.

John said we need to understand: 1) where we are, 2) where we want to go, and 3) the expectations of the enterprise. IT organizations appear in one of these stages during their evolution:

Silos - each operating department or agency manages its technology with little involvement from the enterprise.

Partial Consolidation - some agencies have pooled their infrastructure into consolidated data centers or networks, but major silos remain.

Extensive Consolidation - most infrastructures has been consolidated and only a small number of silos remain, but there is some level of involvement in governance by all.

Shared Services - infrastructure that all operating agencies are compelled to use, unless they outsource.

Application Development - applications and systems integration is no longer within the exclusive purview of user agencies, as considerable enterprise involvement in standards, project management and centralized development becomes widespread.

Quasi-Commercial Enterprise - the IS organization, while still a public entity, offers a broad range of services, but must compete with others to win and retain business.

The capabilities and the approach of the IT organization must be aligned with the ambitions and expectations of the political leadership. The breadth and depth of the change agenda has a strong bearing on who should be participating in governance. The more transformational the agenda, the more political leadership must be engaged in day-to-day decision-making.

Organizations that are undergoing aggressive change require tighter governance and clearer lines of decision-making authority than organizations that are not changing. Alignment with the intent of the leadership is also critical. This approach will increase accountability for executing the content of the strategic plan. The IT component will link IT to policy goals, thereby helping to ensure the political relevance of IT in the actions government takes to execute it. A strategic planning process should be implemented so that it is clear what the agency will accomplish.

Also of importance is the acceptance of IT as a contributor to change. For IT to contribute to change, it must be business focused, moving beyond being pre-occupied with maintaining infrastructure or even modernization of existing back office systems. The critical elements of a successful strategic plan include:

Policy goals - a clear set of objectives for what the government in power wants to achieve in the near term.

Key Metrics - a series of metrics associated with each goal by which success is measured.

Action Items - what actions will be taken to achieve the desired metrics.

Who/When - specific responsibility for execution by operating agencies of government.

IT Action Items - what IT could/should do to support the business action items.

Who/When - specific responsibility for execution of the IT elements of the strategic plan.

Effective IT governance spans five IT domains:

- 1) IT principles (or maxims) are high-level statements about how IT will be used to create business value;
- 2) IT infrastructure strategies describe the approach to building shared and standard IT services across the company;
- 3) IT architecture is about the set of technical choices that guide the company in satisfying business needs;

- 4) Business application needs refer to applications that need to be acquired or built;
- 5) IT investment and prioritization covers the process of approving, justifying and managing IT-enabled initiatives.

The patterns of high-governance performers together with effective mechanisms provide examples of effective IT governance arrangements and their representations.

Failure to get the governance model right can create all sorts of perceptions and points of view about the capability and responsiveness of the IT organization. IT is often poorly understood across the leadership of government. That does not absolve leadership of their obligation of the need to understand what IT is, how it can be managed and used, or a role in prioritization and the management of government assets. If governance structures are not done right, the alternative is NOT having the CIO become the default decision maker. The alternative is taking the time to educate leadership to be engaged in their decision-making responsibilities.

John said it is important to get the engagement of leaders, understand what the customer wants, and focus on relationships.

4. ERMS CoP Endorsement Request – DoD 5015.2 – Paula Newsome

Paula Newsome requested, but did not receive, CIO Council endorsement to require all Electronic Record Management Systems (ERMS) and related components purchased by state agencies be Department of Defense (DoD) 5015.2 certified. The Council members requested additional DoD 5015.2 information before a decision would be made. Paula reported she has received a 34 percent return rate on the survey sent to the CIOs requesting agency ERMS information.

Mary Beth Herkert requested additional information be included in the minutes:

The DoD 5015.2 Standard was developed by the DoD and first released in June of 2002. It was designed to standardize records management applications and its components so that the software would be updatable, portable and accessible for the entire length of the records retention periods set forth by the National Archives. The certified Records Management Applications and their component parts (i.e. document management, content management, workflow, e-mail archiving, etc.) can “talk to” (compatible, interoperable) one another and is the first step in allowing us (State Archives) to allow digital records to be retained long-term in a digital format.

A DoD 5015.2 certified product also provides some assurance that if a certified product's company goes out of business or is absorbed by another company, the information already being managed by the old certified product will be able to be managed by the new certified product without having to re-configure everything or start over from square one - saving agencies hundreds of thousands of dollars in new development cost. For example, if the Archives were to select Tower Trim as its solution, and, we know that ODOT has FileNet and that DOJ just purchased OpenText, the records in any one of these systems can be imported and managed by any of the competing software products because they are all DoD 5015.2 certified.

Mary Beth can neither confirm nor deny that the certified product may be more

expensive to purchase on the front-end. A price comparison for DoD 5015.2 certified products versus DoD 5015.2 compliant products, or other products that may do one function or the other has not been conducted. However, it is expected that because DoD 5015.2 certified products have the updatable, portable and accessible requirements, they will be less expensive in the long run. In addition, all of these applications run on platforms and architecture that is commonplace. An additional plus for these certified products is that they are required to have a component for security/data asset classification.

It is our goal to allow for all current systems within the state to continue. However, once we do get approval from the CIO Council and an Administrative Rule(s) are developed and approved, a date will be established requiring all future purchases of Records Management Applications and their component parts (i.e. document management, content management, workflow, e-mail archiving, etc.) to be DoD 5015.2 certified.

Action: ERMS CoP Endorsement Request – DoD 5015.2 will be scheduled at a future CIO Council meeting.

Action: Paula will send a reminder to the CIO Council members to respond to the ERMS survey.

5. Open Source CoP Report: Open Source in Government Updated Inventory Report – Ben Berry

Ben Berry reviewed the latest revisions to the Open Source Inventory with the Council members. The agencies participating in the inventory increased from 14 to 16. We had different versions of the same product so the inventory was rationalized on naming conventions in the data points. The OS environment showed Java Runtime Environment at 63.9% of the aggregate OS inventory. Ben explained this is high because Java Runtime is a common tool in application development. The inventory now includes the number of products and the names of the products.

Ben requested and received CIO Council approval to present the OS inventory report at the GOSCON conference, October 15, 2007.

The meeting adjourned at 4:02 p.m.