LOB #138:

ASSET AND POLICY MANAGEMENT

Purpose

The Asset and Policy Management group provides technology program policy, and governance support, acquisition, resource and fiscal management, and, administrative services for all the divisions, programs and services in the DIT. It is the responsibility of this LOB to ensure coordination of all programs, to provide administrative support, develop County technology policies, provide fiscal, human resource and logistics management, coordinate information technology audits, and manage the IT Investments Fund (10040) portfolio and processes, and regional inter-jurisdictional programs management.

This LOB provides support oversight for countywide information technology planning, standards, policy and procedure development, programmatic, business process and fiscal audits, and IT budgeting and fiscal management for seven funds and federal grants. It supports the work of the Deputy County Executive related to the information and innovation initiatives, Chief Technology Officer/Director of DIT, staffs the Senior IT Steering Committee and the Information Technology Policy Advisory Committee (ITPAC), which is appointed by the Board of Supervisors to review and advise the Board regarding the County's information technology strategy and direction.

Description

Asset and Policy Management is not an independent Line of Business (LOB); it is a single, consolidated administrative and resources support group for all divisions/lines of business (LOBs) in DIT, with several specific agency support activities. There are **no** other administrative resources directly within the technology program divisions and branches, and is organized for efficient execution of required functions and affective sharing of limited resources. For example, over the past sixteen years, responsibilities in fund management and fiscal accountability activities have doubled while resources assigned to the core work have remained at the same level.

The LOB includes executive management of the agency, including strategic planning to support the County's information technology needs, leadership and participation in senior management steering committees and boards; enterprise-wide and departmental policy development; executive oversight for special projects; regional initiatives and programs such as the Council of Governments (COG), National Capital Region (NCR) Interoperability projects and others; management of IT equipment replacement programs; administration of DIT's budgets, procurement, and financial accounting, human resources management and workforce planning; grant management for regional initiatives; Project Management oversight administration; coordination of audits (Internal Audit, Board of Supervisors Auditor; KPMG Annual IT audit, UASI audits); development of performance measurements; studies, and, awards programs, marketing and acceleration of best practice implementation of IT in government.

Resource Management
The fiscal management program is responsible for the preparation of expenditure plans and execution of the DIT budgets and grants which total approximately $125 million in FY 2016, including the General Fund, Information Technology Fund, Document Services Fund, Technology Infrastructure Services Fund and portions of Fund 40090 (E-911), the I-Net program appropriation transferred to DIT from Department of Cable Communications, and technology infrastructure tasks for capital construction projects in Fund 30010 (General Construction and Contributions). Revenues and expenditures are monitored and analyzed and required financial reports are completed and provided to staff. The financial team works closely with DIT's management, and County departments such as the Department of Management and Budget (DMB),Department of Finance (DOF), Internal Audit, Department of Human Resources, and the Facilities Management Department to develop budgets, perform financial monitoring, produce invoices and customer account statements, collect revenues, ensure compliance with federal and state requirements, conduct appropriate asset/inventory management requirements, and manage physical workspace and transport needs including the unique needs of the technology galleries, and coordinates the DIT employee

emergency response teams. Staff conducts vendor management, acquires, reviews, and analyzes DIT contract information and services which requires specialized expertise dealing with the fast changing technology industry provisioning business models and products. In addition, staff prepares the necessary correspondence and documentation to ensure that viable contracts are in place and are correctly utilized to minimize delays in materials and or service availability. Also provided is consulting support on major technology acquisitions, including formulation of requests for proposals, assessments of product and vendor viability, formulation and execution of negotiating strategies, evaluation of best-value proposals, and consultations on licensing models, pricing structures and other key terms and conditions of major contracts.

The human resources area provides personnel administration support, including payroll and processing of all personnel actions, workforce needs and succession planning, IT expert compensation studies, DIT employee training and development, internships, departmental awards events, policy compliance and employee matters. The contracts management activity supports program development, performance management and monitoring activities on behalf of the IT programs.

IT Portfolio Management
This group manages the County's Information Technology (Investments) Fund (Fund 10040) where major technology initiatives and projects with the highest priority for the County are budgeted. An IT program director with project and fiscal management experience conducts these activities and monitors, and reports progress of the portfolio to the Chief Technology Officer and the Senior IT Steering Committee. The IT PMO manages the expenditures process and provides guidance to the County agencies assigned project managers on establishing project and expenditure plans, works with Project Steering Committees and evaluates the overall utility and progress of the IT Investments Fund. Other activities include development of relevant comprehensive, strategic performance measures. The staff also supports the Senior IT Steering Committee, and the Board' Information Technology Policy Advisory Committee (ITPAC) activities.

Benefits

The Asset and Policy Management support function in DIT provides an efficient and cost effective consolidated practice for required fiscal stewardship and management for all divisions of the Department, specifically designed to increase business process effectiveness, and leverage resources instead of having staff resources assigned to each unit. While required segregation of duties is maintained in fiscal processing, staff are cross trained to assure coverage, consistency and that fiscal cycle processing schedules can be met. This also increases the valuable work time for the technology staff in reducing administrative overhead work.

Mandates

This Line of Business is not mandated.

Trends and Challenges

Trends in the area of IT solution acquisition, products and services are moving toward subscription and 'cloud' based services when appropriate which will influence the way IT is budgeted. The benefit is that automatic refresh can be built into the contracts and cost models, however, as ITPAC has advised, the County should proceed with caution as many firms that initially offer such services may end up out of business leaving customers without services, or get acquired by other firms that may alter the offerings and contracts going forward. Often such contracts are not compatible with government contract requirements. Also, moving toward subscriptions, while often lowering initial acquisition costs, can increase the County's ongoing operational costs. This phenomena requires specific contract expertise so the County is in the most advantageous position to take advantage of the new models.

Another emerging trend is in entering into contracts for IT commodities that change rapidly. Instead of specifying specific items, the trend is to contract with a vendor/provider's entire relevant catalogue of products and services. This provides far better agility and ability to more quickly obtain required technology products without having to go through inefficient and time consuming contract modification processes that often within a few months are already obsolete. In the past, overly cumbersome procurement processes have caused major project implementation delays and increased operational risk for downtime in the IT environments. The national trend is to find ways for increased agility in the IT procurements process to benefit both the supplier and customer, ultimately significantly reducing costs, and more and more, IT Departments who have the technical subject matter expertise are being given procurement authority. Several governments locally use this model for IT. Regardless of model, more agility is needed.

A major challenge is to keep up the baseline IT investment goals even in times of fiscal constraints. IT investments have been a cornerstone for County agencies to realize efficiencies and to be able to accommodate service demand growth. Fairfax is a best practice example among peers in the IT Portfolio Management area and the central IT investment fund process, and often times DIT has consulted with other governments that want to adopt this model which is a growing trend.

DIT has major challenges in recruitment and retention of human resources. It is becoming increasingly difficult to compete for contemporary IT talent with the current general governmental pay scales. Trends in government (there are committees looking at this in NACO and NASCIO) are working to develop separate, modern classification structures and flexible pay scales to be more competitive. For certain essential IT specialties, DIT is reliant on more expensive contractors where the job is not always best performed by contractor staff due to marketplace churn, and cyber security and oversight considerations. And for many new hires in the higher level expert position, the minimum offer is above mid-point. In hiring future generation workers, DIT will need to offer a more mobile workplace, less tied to traditional workplace management policies.

Finally, the DIT Fiscal area has and will continue to enhance internal business processes to effectively manage fiscal process with greater agility. For example, fiscal processing of chargebacks to agencies is a cumbersome drain on limited resources and is of little value in carrying out DIT's mission.

Department of Information Technology

Resources

Category	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted
LOB #138: Asset and Policy Management			
FUNDING			
Expenditures:			
Compensation	$1,674,237	$1,953,565	$2,018,366
Operating Expenses	5,992,634	6,431,066	3,823,518
Total Expenditures	$7,666,871	$8,384,631	$5,841,884
General Fund Revenue	$0	$0	$0
Net Cost/(Savings) to General Fund	$7,666,871	$8,384,631	$5,841,884
POSITIONS			
Authorized Positions/Full-Time Equivalents (FTEs)			
Positions:			
Regular	31 / 31	31 / 31	31 / 31
Total Positions	31 / 31	31 / 31	31 / 31

Metrics

Metric Indicator	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate	FY 2017 Estimate
Total $ spent on Procurement Card	$494,613	$509,237	$592,235	$651,459	$716,604
Unique PO documents processed	1,909	1,660	1,606	1,700	1,700
Invoice payments made/Value (in millions)	3,411 / $72.6	3,149 / $71.0	2,743 / $75.4	3,000 / $75.0	3,000 / $75.0

DIT is pushing more transactions to P Card as appropriate which increases processing efficiencies and accuracy. For example, use of the P Card for telecomm invoices payment has reduced time required in the past, thus saving potential late fees from the vendors.

DIT has a growing portfolio of specialized contracts associated with IT, however the use of national cooperative contract vehicles have reduced the need for some individual Fairfax IT contracts. Nonetheless, the overall number of discrete contracts is projected to stay in the current range as there are many IT specialty areas where these cooperative-type contracts are not an option.