

Information Technology

#253
Information
Technology Initiatives

Fund Overview

Fund 10040, Information Technology (IT), supports the County's strategic IT investments in major technology projects that improve access to County services, promote government operational efficiencies and effectiveness, enhance customer service and increase performance and security capabilities. These investments include automation of business processes and operations for County agencies, initiatives aligned with countywide strategic importance, enterprise-level or inter-agency corporate systems, enterprise technology infrastructure and security. Fund 10040 was established in FY 1995 to strengthen centralized management of available resources by consolidating major IT projects in one fund. A General Fund transfer including revenue from the State Technology Trust Fund for Circuit Court projects, and other internal revenue funds, agencies' operating funds as appropriate, and interest earnings are sources for investment in IT projects.

The County's technological improvement strategy has two key elements: to provide an adequate technology infrastructure for agencies in making quality operational improvements and efficiencies, and, to redesign business processes and apply technology to achieve large-scale improvements in service quality, achieve functional efficiencies, and promote innovation. The County's long-term commitment to providing quality customer service through the effective use of technology is manifested in service enhancements, additional transparency, expedited response to citizen inquiries, improved operational efficiencies, better information for management decisions, and increased performance capabilities.

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Fund Resources

Category	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted
FUNDING			
Expenditures:			
IT Projects	\$15,371,563	\$11,220,925	\$6,424,000
Total Expenditures	\$15,371,563	\$11,220,925	\$6,424,000
Revenues:			
Interest	\$33,171	\$36,487	\$43,760
Other Revenue	957,950	1,526,258	0
Total Revenue	\$991,121	\$1,562,745	\$43,760
Transfers In:			
Transfer In from General Fund	\$9,763,280	\$11,251,260	\$2,700,000
Transfers In from Other Funds	2,900,000	2,900,000	3,680,240
Total Transfers In	\$12,663,280	\$14,151,260	\$6,380,240

Lines of Business Summary

LOB #	LOB Title	FY 2016 Adopted	
		Disbursements	Positions
253	Information Technology Initiatives	\$6,424,000	0
Total		\$6,424,000	0

Lines of Business

LOB #253:

INFORMATION TECHNOLOGY INITIATIVES

Purpose

Fund 10040 is a specialized capital fund that provides a county-wide portfolio of investments in major IT projects supporting County agencies and County-wide strategic and operational goals that improve access to County services, promote government operational efficiencies, enhance customer service, and increase performance. The fund leverages County IT investments to optimize project management oversight, engage strategic thinking for new opportunities, promote consistent IT solution delivery practices, moderate overall cost of IT and reduce potential technology support redundancies. This LOB optimizes oversight of IT investments into one fund under the management and authority of the Department of Information Technology (DIT). Projects in the IT investment portfolio are aligned with County strategic and business goals; they enable and promote innovation, foster quality customer service, web-based online public access to information and services, transparency, efficient cross agency business processes, enterprise technology infrastructure and cybersecurity initiatives. A General Fund transfer, revenue from the State Technology Trust Fund, other internal revenue funds, agencies' operating funds as appropriate, and interest earnings are sources for investment in IT projects. See Annual IT Plan for more information regarding Fund 10040 investments and process.

Description

Fund 10040 is a single program for management and oversight of the County's portfolio of large and/or enterprise IT projects. Currently there are over 50 individual, active IT Projects in Fund 10040. These projects are at various points in development and implementation.

Fund 10040 does not have any employees. DIT is responsible for management and oversight of Fund 10040 IT projects. Staff across multiple program areas in DIT perform duties related to this LOB. All project plans and financial commitments are authorized by the County's Chief Technology Officer/Director of DIT. All projects and potential solutions are reviewed by various technical experts in DIT for technical feasibility and completeness and compliance with IT and cyber-security standards.

This LOB ensures IT projects are managed consistently through established levels of governance and approval for technical design, project management, expenditure authority, and fiscal and procurement compliance. Program activities include development of the annual IT investment fund guidelines, prioritization and recommendations of the annual information technology project funding request process, development and publication of the County's annual IT Plan, general oversight and assistance to agency project managers, analysis of project progress and status reports to County senior management. All project expenditure requests are coordinated through multiple levels of review and authorization for business, technical and fiscal alignment with project plans and receive approval from the Chief Technology Officer/Director of DIT.

The Department of Management and Budget (DMB) collaborates with DIT in the annual IT Project Funding Submission Process. DIT and DMB senior management staff conduct rigorous reviews of the technical feasibility and business justification submitted in each funding request. Agency sponsors/project managers provide further clarification or justification as needed. The annual selection process culminates in a list of IT projects presented to the County Executive and Deputy County Executives for funding in the County Executive's Advertised Budget. These projects are also presented to ITPAC (Information Technology Policy Advisory Committee), one of the key governance structures that provide input and guidance to DIT and the Board of Supervisors (BOS) on the County's IT direction and strategy. ITPAC conveys their support in an annual letter to the BOS. Projects approved by the BOS are included in the County's Adopted Budget and become part of the County's portfolio of IT projects in Fund 10040. The DIT Project Management Office

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(PMO) provides project management guidance, templates and standards, and fiscal oversight and accountability. For each project DIT assigns a technical lead and approves selection of an agency business project manager who work jointly under the guidance of the project Steering Committee and DIT Management to deliver IT solutions to meet project goals. All major projects are required to have an executive sponsor (agency-head or Deputy County Executive), and form a Steering Committee for the project of key stakeholders and DIT leadership. DIT's Architecture Review Board, consisting of DIT senior technical managers, reviews and approves proposed technical designs, safeguards compliance with County IT standards, and ensures optimal leveraging of existing IT platforms, systems and licenses and any new enterprise-wide infrastructure capabilities.

Benefits

Fund 10040 is designed to provide a centralized, transparent decision process and mechanism to strategically promote innovation and enable business improvements, and manage risk, consolidate resources, avoid duplication, and concentrate resources on major IT projects.

Fund 10040 IT Projects have contributed to improved efficiencies and successful automation of County business operations and on-line information and services for the public. Since nearly all County functions rely on technology, this LOB has facilitated major technology initiatives that have enhanced service delivery to the County's tech savvy population, and fueled the County's ability to serve a growing population with increasingly limited staff resources.

In addition, this fund specifically supports growth for enterprise-wide core capabilities such as e-Government, GIS, evolving technology infrastructure, and dynamically growing IT security requirements. The fund has facilitated modernization for agencies' key systems -replaced and refreshed major business applications in Public Safety, Human Services, Land Development and Enterprise applications that are used by all agencies to ensure efficient provision of core services to the community and County staff. IT Projects have also enabled the County to keep pace with increasing public demand for 24x7 online access to County information and services. The County's E-gov and digital access programs, which are partially supported by this LOB, include web, mobile apps, customer relationship management, and content management that provide an integrated platform for citizen interaction with their government and easy access to information and services. Expansion of secure social media supported by this LOB now provides additional interactive avenues between agencies and constituent groups. Continued development of County mobile applications such as real estate, elections, voter registration, libraries, on line permits, and many others have further advanced the community's access to government services. IT Security initiatives safeguard County systems and networks against persistent cybersecurity threats and enable quick detection and protection from sophisticated and evolving cyber threats.

Finally, Fairfax County is noted by the IT and Governmental industry associations (such as National Association of Counties (NACO) and the Center for Digital Government) as a best practice for its centralized IT Investments fund structure, management and governance. This has contributed to Fairfax being named in the Top Ten Digital Counties since 1999.

Mandates

This LOB is not a state or federal mandate, however, IT projects in Fund 10040 have supported implementation of technology solutions that may support state or federal mandates in agencies. The LOB also supports compliance policies which must be performed under County, state, and/or federal guidelines. The LOB is part of County policy, established by the Board of Supervisors upon the recommendation of a citizen advisory group (ITAG) in 1995.

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Trends and Challenges

At a time of increasing reliance on technology to meet citizen demands and perform core County functions, annual funding for the IT investment portfolio has declined to a less-than-ideal level. In 1996 a citizen's group commissioned by the BOS advised that maintenance of a modern and supportable technology infrastructure requires commitment and County investment of approximately \$20 million annually in IT projects. The FY 2016 funding of \$6.4 million represents a nearly 70 percent decline from that recommendation. During the FY 2015 – FY 2016 budget cycles only 50 percent of agency requests for IT projects were funded due to limited resources. Investment in IT projects will require additional funding in the near future as legacy and unsupported agency systems must be replaced/refreshed to meet and maintain the County's fundamental functions. This includes opportunities to consolidate legacy applications that cut across multiple agencies into new systems that have built-in mobility and web support with significant return on investment. Additionally, demand for newer and support intensive technologies continues to grow, for example between 2012 -2014 the County experienced a 19 percent increase in the use of the County's web site, 48 percent increase in use of on-line GIS map transactions, 9 percent increase in on-line/web transactions, and 62 percent increase in County mobile applications available on all mobile platforms. Budget constraints present a major challenge to DIT as reduced funding for IT projects in the investment portfolio makes it difficult to meet the continuing demand for critical technology services.

The key challenge is a rationalized approach which allows the County to keep pace with technology changes as benefits are obvious that also considers budgetary constraints. IT investments support and strengthen the ability to perform while reducing resources.

IT Projects support tactical and strategic goals; not replacing aging technology costs more in the long run, and delaying new technology slows down opportunities for innovation, supporting goals, and effective service delivery.

Resources

As this line of business encompasses all activities of the fund, please refer to the table in the Fund Resources section above.

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Metrics

Metric Indicator	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate	FY 2017 Estimate
Number of projects funded in the Adopted Budget per fiscal year:	10	13	12	13	14
• Percent of projects in the "Completion of Prior Investments" category	30.00%	30.77%	8.33%	30.77%	21.43%
• Percent of projects in the "Improved Service and Efficiencies" category	30.00%	23.08%	41.67%	23.08%	42.86%
• Percent of projects in the Enhanced County Security" category	0.00%	15.38%	8.33%	7.69%	7.14%
• Percent of projects in the "Maintaining a Current and Supportable Technology Infrastructure" category	40.00%	30.77%	41.67%	38.46%	28.57%
Number of projects put on hold or cancelled	0	1	1	1	0
Fund 100-C10040 Annual Recommended vs. Actual Investment					
• Funding total in Adopted Budget	\$8.8 million	\$6.1 million	\$6.8 million	\$6.4 million	\$6.8 million
• Percent of Adopted Funding compared to 1996 Citizen Group Annual IT Investment Funding Recommendation target of \$20 million)	44.00%	30.50%	34.00%	32.00%	34.00%

Number of projects funded in the Adopted Budget per fiscal year:

This metric breaks down the investments by percentage in the following strategic priority categories:

- Completion of Prior Investments
- Improved Service and Efficiencies
- Enhanced County Security
- Maintaining a Current and Supportable Technology Infrastructure

It should be noted that many projects fit in multiple categories; however, each project is assigned to one primary category for this tabulation.

Number of projects put on hold or cancelled:

Fairfax County excels in determining the right time, conditions, and readiness to take on IT projects. In addition to funding commitments, projects require an investment in up-front planning, and staff time to complete. The general industry average for cancelled and/or failed IT projects in government is approximately 28 percent. These are usually due to poor planning, vendor performance or project management. In Fairfax County, projects are generally only cancelled due to changing business and/or statutory requirements or vendor performance based on efforts to pre-plan, provide intensive project management, ensure proper timing, and the ability to execute a vision successfully.

Fund 100-C10040 Annual Recommended vs. Actual Investment:

Based on fiscal challenges over the past years, the amount of dollars available for new IT investments has been limited. There have been many County agency innovation needs and system replacement needs that have had to be deferred or delayed as a result. This is an issue as it requires the County to utilize outdated technology and deferring or delaying a project can cost more in the long run. Another impact has been agencies using internal operating savings to fund projects that at best may partially fulfill a projects scope. This sometimes results in the cobbling of technologies together just to conduct business and potentially inferior solutions.