



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873
Email: fiscal.bureau@legis.wisconsin.gov • Website: <http://legis.wisconsin.gov/lfb>

May 13, 2013

Joint Committee on Finance

Paper #222

Information Technology Staffing and Funding (Corrections -- Departmentwide)

[LFB 2013-15 Budget Summary: Page 126, #4]

CURRENT LAW

Current base funding for IT programming in the Department of Corrections' Bureau of Technology Management is \$13,095,600 GPR and 82.0 GPR positions annually.

GOVERNOR

Provide \$1,871,500 GPR and 17.9 GPR positions in 2013-14 and \$2,456,100 GPR and 18.4 positions in 2014-15 for information technology services. The information systems positions would include: 0.9 supervisor, 1.0 technical services senior, 1.0 technical services specialist, 1.6 services consultants/administrators, 2.0 services professionals, 7.6 services seniors, and 4.3 services specialists.

According to the Department of Administration, increased funding and staffing are needed in order to upgrade, develop, and maintain the Department's software services and computer systems.

DISCUSSION POINTS

1. Base funding for IT programming in the Corrections' Bureau of Technology Management (BTM) is \$13,095,600 GPR and 82.0 GPR positions annually. In addition, the Department receives program revenue in its interagency and intra-agency appropriation from chargebacks from departmental divisions to fund divisional IT costs. The PR funding is utilized to support BTM supplies and services costs for contracting, equipment repair, and fees to the Department of Administration's Division of Enterprise Technology (DET).

2. In 2011-12, the Department of Corrections was responsible for an average daily population of 90,122 individuals, including 22,351 incarcerated adults and 67,771 in the community. The Department operates 36 adult correctional facilities, including 20 prisons and 16 correctional centers, as well as two juvenile schools. Corrections' total base budget and positions for 2012-13 is \$1.3 billion with 10,254.37 positions, including \$1,158,182,600 GPR and 9,655.22 GPR positions. In 2011-12, the Department expended a total of \$22.8 million for IT services within the Department, including \$14.1 million GPR and \$8.7 million PR. Corrections' IT funding accounts for 1.7% of total funding, and 0.85% of total GPR positions.

3. The Department of Corrections' IT systems support many types of applications, such as offender and probation management systems, administration and office systems, personnel data, recidivism and victim notification, juvenile justice information and reporting, offender active tracking, offender payments and supervision fees, medical records, the software supporting prison surveillance system devices, the software support prison security systems, and the sex offender registry. The Department identified 300 total applications supported by the Bureau of Technology Management, with "approximately 40% of the 300 needing to be retired and replaced because they are no longer supported due to their age and becoming unserviceable because of frequent crashes."

4. Corrections contracted with an information technology research firm, Gartner Incorporated, to conduct a third-party analysis on IT support within the Department. In 2012, Gartner completed and submitted its analysis related to Corrections' "various aspects of IT (staffing, spending, and business models) as compared to four different peer groups." The analysis made the following "Observations and Key Opportunities":

- Overall spending levels in WDOC's IT organization are significantly below those of the government peer group who are supporting similarly sized state agencies with similar characteristics (multiple lines of operations, multiple locations).

- WDOC's overall staffing levels are even more dramatically below peer group averages.

- A shortfall in the Run-the-Agency spend category frequently indicates that appropriate investments in refreshing and maintaining legacy systems and core IT services are not being made, which increases the risk of future service disruptions and reduces the options for adding future functionality.

- Although our analysis did not assess relative service levels or other characteristics of IT service delivery, we are confident that the current level of IT funding will have an impact on the ability of the WDOC to satisfactorily achieve the mission and goals of the agency;

- We do not currently see significant cost reduction opportunities for WDOC, nor would we recommend that any be considered. The areas of application support and help desk that may appear to be proportionally high (based on FTE percentages) are, in our opinion, due to the thin resources in other areas, and represent key support areas that must be maintained."

5. According to the Department, the Gartner analysis "demonstrated DOC had a need in excess of 100 positions. However, DOC focused on the most critical issues with the longest or greatest demand for resources. [DOC] intentionally under estimated FTE levels to ensure full-time staffing was appropriate. After these estimates were defined, a cross-divisional steering group and executive team reviewed and refined the list, reducing total staffing levels even further."

6. The Department determined the need for 42 IT positions at cost of \$8.4 million in the first year, and \$11.2 million in the second year. The positions were organized into four priority groups: (a) enterprise application team, data warehouse, eForms/content management, retirement of applications, life cycle management-licensed software; (b) upgrades application management, data exchange, base service delivery, network capacity, life cycle management-desktops; (c) quality assurance application management, life cycle management-multi-function devices, Ed Net, intra/internet support, life cycle management-security; and (d) transition application management, external access, mobile device management, disaster recovery, division projects, productivity tools and training.

7. The bill would provide \$1,871,500 GPR and 17.9 GPR positions in 2013-14 and \$2,456,100 GPR and 18.4 positions in 2014-15 for information technology services, based on the first priority group identified by the Department. Positions would include: 0.9 supervisor, 1.0 technical services senior, 1.0 technical services specialist, 1.6 services consultants/administrators, 2.0 services professionals, 7.6 services seniors, and 4.3 services specialists. The Department indicates that this staffing is needed to meet the Department's most critical areas of need for IT services.

Corrections IT Funding and Position Increases, 2013-15

	2013-14				2014-15			
	Staffing	Supplies/ Services	Total	FTE	Staffing	Supplies/ Services	Total	FTE
Licensed Software	\$133,400	\$225,000	\$358,400	2.00	\$156,800	\$300,000	\$456,800	2.00
Retirement of Applications/ Enterprise Team	519,100	84,300	603,400	8.00	605,400	224,700	830,100	8.00
eForms/Content Management	237,400	206,800	444,200	3.70	276,400	275,700	552,100	3.70
Data Warehouse	<u>285,000</u>	<u>180,500</u>	<u>465,500</u>	<u>4.20</u>	<u>376,400</u>	<u>240,700</u>	<u>617,100</u>	<u>4.70</u>
Total	\$1,174,900	\$696,600	\$1,871,500	17.90	\$1,415,000	\$1,041,100	\$2,456,100	18.40

8. The Department provided the following description of the items identified under the first priority group:

"• Life Cycle Management/Licensed Software: This item is to essentially upgrade desktops and server license software; which will allow BTM to have access to updates, patches and support services to keep our IT products running. Currently about 40% of DOC products are out of date. Out of date software increases the risk of failure and impacts productivity for everyone in the department. The additional FTE slated for life cycle management will handle the department's most urgent ongoing needs.

- Application Management/Retirements: These additional FTE will help BTM to retire approximately 30 applications, removing them from our systems and replacing them with new ones. The additional FTE slated for application management/retirements will focus on application development activities necessary to address the department's most critical applications to reduce the risk of service failure and disruption of operations. In addition, data integrity is compromised when new systems have been developed and the replaced system continues to be supported. Retiring outdated application software is an ongoing need, given the large number of applications involved and the pace of technology change (which continues to make older applications obsolete).

- Enterprise Team: The Department is transitioning on-going support for our mission critical offender management system (WICS) and offender case management system (COMPAS) from external vendors to BTM. By bringing the maintenance in-house, the increased FTE will allow us to perform the necessary tasks more quickly and accurately. The department is not in a position to continue support and maintenance with the vendor supporting WICS. WICS and COMPAS fill a growing need, as each application system continues to add functionality for DOC. Both of these applications are critical to the department's core mission and are accessed by thousands of users. These additional FTE will improve the efficiency and effectiveness of the department as a whole.

- eForms/Content management: The electronic forms (eforms) and content management FTE's will focus on digitizing many of the paper forms DOC uses and streamlining the underlying business processes tied to each form. DOC currently has about 2,000 different paper forms that delay processes, present quality control issues and ultimately cost more than if they were digital. The department plans to automate 20-30 forms each year to reduce cycle time, improve accuracy and controls, and eliminate paper.

- Data Warehouse: As DOC moves to a more performance based culture based on metrics, this item provides resources to replace our infrastructure, establish new data feeds and data measures. Together these new features will be the components of the Data Warehouse and provide current data/analytics to help us make better decisions within key business areas and quickly identify areas needing attention. This would include being able to generate data used for fiscal estimates and other analysis. At the current rate DOC is working to incorporate these new features within our infrastructure; it will take a significant amount of time and these resources will allow us to expedite that process to meet the urgent needs arising from this area."

9. Given the IT needs identified under the third-party analysis, and that funding and staffing would address only the first of four priority groups identified by the Department, the Committee may wish to approve the provision. Alternatively, the Committee may wish to modify the provision, to provide a lower level of staffing and funding for Corrections' IT needs. If, for example, half of the Governor's recommended funding were provided, Corrections would receive \$962,100 GPR in 2013-14 and \$1,286,800 GPR and 10.0 GPR positions annually. Under this alternative, Corrections would receive increased IT resources, at a level lower than provided in AB 40, and could determine how to most appropriately allocate the new positions among its priorities. [Alternative 2]

10. The Department indicates that if it were to receive only half the positions or less, public safety and departmental operations IT systems could be negatively impacted, in that older and/or "mission-critical" systems may not be sufficiently maintained: "Receiving a reduced level of

resources specified within the Governor's budget would place the department at a greater risk of computer failure impacting day-to-day operations of the business."

ALTERNATIVES

1. Approve the Governor's recommendation to provide \$1,871,500 GPR and 17.9 GPR positions in 2013-14 and \$2,456,100 GPR and 18.4 positions in 2014-15 for information technology services.

2. Modify the Governor's recommendation and instead provide \$962,100 GPR in 2013-14 and \$1,286,800 GPR in 2014-15 and 10.0 GPR positions annually for information technology services.

ALT 2	Change to Bill	
	Funding	Positions
GPR	- \$2,078,700	- 8.40

3. Delete provision.

ALT 3	Change to Bill	
	Funding	Positions
GPR	- \$4,327,600	- 18.40

Prepared by: Chris Carmichael