



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>

September 18, 2013

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Corrections: Section 13.10 Request for Information Technology Staffing and Funding
-- Agenda Item III

REQUEST

On September 4, 2013, the Department of Corrections submitted a s. 13.10 request for the creation of 17.9 permanent GPR positions in 2013-14 and 18.4 permanent GPR positions in 2014-15, and the transfer of \$1,871,500 GPR in 2013-14 and \$2,456,100 GPR in 2014-15 from the Joint Committee on Finance's supplemental appropriation [s. 20.865(4)(a)] to the Department's general program operations appropriation [s. 20.410(1)(a)] for information technology programming.

ANALYSIS

The 2013-15 biennial budget bill introduced by the Governor included a provision to provide \$1,871,500 GPR and 17.9 GPR positions in 2013-14 and \$2,456,100 GPR and 18.4 GPR positions in 2014-15 for information technology (IT) services. During budget deliberations, the funding was instead placed in the Joint Committee on Finance's supplemental appropriation, requiring the Department to submit a plan with the specifics of its IT programming.

Base funding for IT programming in the Department's Bureau of Technology Management (BTM) is \$13,095,600 GPR and 82.0 GPR positions. According to the request, the BTM "provides technology support for DOC's 10,000+ employees. The support includes server, desktop, and applications development and technical operations provided to 24/7 and regular facilities amounting to 164 locations in the Department."

The Department's 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 BTM, with approximately 40% needing "to be retired and replaced because they are no longer supported due to their age; they are becoming unserviceable because of frequent crashes or other factors."

In 2011, the Department contracted with an information technology research firm, Gartner Incorporated, to conduct a third-party analysis on IT support within Corrections. 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."

Corrections indicates that 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." Based on these deliberations, the Department determined the need for 42 IT positions at a cost of \$8.4 million in the first year, and \$11.2 million in the second year.

The planned use for the new funding and positions was 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 recorder, division projects, productivity tools and training.

Under the request, \$1,871,500 GPR and 17.9 GPR positions in 2013-14 and \$2,456,100 GPR and 18.4 positions in 2014-15 would be provided 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 | | | |
|--|-----------------|-------------------------------|----------------|-------------|-----------------|-------------------------------|----------------|-------------|
| | <u>Staffing</u> | <u>Supplies/ Services</u> | <u>Total</u> | <u>FTE</u> | <u>Staffing</u> | <u>Supplies/ Services</u> | <u>Total</u> | <u>FTE</u> |
| 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 |

Regarding the specifics of the first priority group programming, the Department provided the following details:

- 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."

Given the IT programming needs specified by the third-party analysis, and that the funding and staffing would address only the first of four priority groups identified by Corrections, the Committee may wish to approve the request.

Alternatively, rather than release funding for both years of the biennium, the Committee could provide funding and positions for 2013-14. Under this option, the Department could return for release of funding 2014-15 at a later date. This would give the Committee the opportunity to evaluate the development of the project before committing the entire two-year amount at this time. Under this alternative, the Department would be provided \$1,871,500 GPR in 2013-14 and 17.9 GPR positions. The Department could then report to the Committee on the status of the projects begun with the 2013-14 funding and positions, and seek 2014-15 funding at a subsequent meeting of the Committee.

The Department indicates that if funding and staffing were not provided, that public safety and departmental operations IT systems could be negatively impacted and that older and/or "mission-critical" systems may not be sufficiently maintained.

ALTERNATIVES

1. Approve the request for the creation of 17.90 permanent GPR positions in 2013-14 and 18.40 permanent GPR positions in 2014-15, and the transfer of \$1,871,500 GPR in 2013-14 and \$2,456,100 GPR in 2014-15 from the Joint Committee on Finance's supplemental appropriation [s. 20.865(4)(a)] to the Department's general program operations appropriation [s. 20.410(1)(a)] for information technology programming.

2. Release \$1,871,500 GPR in 2013-14 from the Joint Committee on Finance's supplemental appropriation [s. 20.865(4)(a)] to the Department's general program operations appropriation [s. 20.410(1)(a)] for information technology programming. Create 17.9 GPR positions in 2013-14 Corrections' general program operations appropriation.

3. Deny the request.

Prepared by: Chris Carmichael