



# Information Technology Advisory Council (ITAC) August 8, 2024 - 1:00 pm



**Hybrid meeting:** WebEx link on [Virginia Regulatory Town Hall](#)  
Physical meeting location: VITA, 7325 Beaufont Springs Dr, Richmond, VA 23225  
Mary Jackson Conference Room

## Agenda

### Call to Order and Welcome

Rollcall Staff

Review of Agenda Staff

Approval of Minutes Staff

Approval of Electronic Participation Policy Staff

Presentation and Discussion: Dan Wolf  
IT Modernization in Other States Director of State Programs  
Alliance for Digital Innovation

### IT Governance Presentations and Discussion

Project Management Governance Chris Hinkle  
Director of Project Management Oversight and  
Governance, VITA

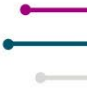
Enterprise Architecture Governance Stephen Smith  
Director of Enterprise and Security Architecture  
VITA

Cyber Governance Amy Braden,  
Director of Security Governance  
VITA

Other Business

Adjourn

[itac@vita.virginia.gov](mailto:itac@vita.virginia.gov)

**Call to Order and Welcome**

The Information Technology Advisory Council meeting was called to order at 10 a.m. Mr. Craft welcomed all the members. Mr. Heslinga called the roll.

**Presiding:**

John A. Craft, Chair

**Members Present:**

Bob Osmond, CIO of the Commonwealth

Constantina Kozanas, Vice Chair

Lyn McDermid, Secretary of  
Administration

Adam S. Lee

Goutam Gandhi

Dr. Timothy M. Tillman

Cherif Kane

Phea Ram

James S. Kraemer

Robert I. Turner

**Virtual Members:**

Senator Bill DeSteph of Virginia Beach

Anthony T. Gitalado

**Members Not Present:**

George "Bryan" Slater, Secretary of  
Labor

Senator Jennifer B. Boysko of  
Northwestern Fairfax

Senator John J. Bell of Loudoun

**Staff Present:**

Leslie Allen, Senior Assistant Attorney,  
Office of the Attorney General

Jason Brown, Chief Administrative  
Officer, Virginia IT Agency

Stephanie Benson, External  
Communication & Outreach Manager,  
Virginia IT Agency

Mary Lou Bulger, Strategic Sourcing  
Manager, Virginia IT Agency

Joshua Heslinga, Director, Legal and Legislative Services, Virginia IT Agency

Mylam Ly, Legal Compliance & Policy Specialist, Virginia IT Agency

Melinda Stewart, Chief Executive of Enterprise Solutions, Virginia IT Agency

Beth Levermore, Deputy Chief Administrative Officer, Strategy and Transformation, Virginia IT Agency

Cynthia Cordova-Edwards, Chief Financial Officer, Virginia IT Agency

Naveen Abraham, Chief of Core Infrastructure Services, Virginia IT Agency

Richard Matthews, Chief of Customer Experience, Virginia IT Agency

Lindsay LeGrande, Communications Director, Virginia IT Agency

Trey Stevens, Deputy CISO, Virginia IT Agency

Mike Watson, CISO, Virginia IT Agency

## **Review of Agenda**

Ms. Ly provided an overview of the agenda and corresponding items in the digital meeting packets.

## **Minutes**

Mr. Lee initiated a motion to approve the minutes, which was duly seconded by Mr. Gandhi. The motion was unanimously approved through a voice vote.

## **Commonwealth of Virginia Technology Strategy**

Opening remarks were provided by Secretary McDermid and CIO Bob Osmond. Mr. Nichols provided an overview of Gartner and presented on the strategic plan, which sparked discussions regarding commonality and standardization versus the differences between agencies. The importance of collaboration and cybersecurity was emphasized, acknowledging the involvement of numerous stakeholders from state agencies, localities, and private partners. Strategies such as the zero-trust strategy and the IIJA cyber grant program were highlighted to protect Virginians through enhanced cybersecurity measures. Attention was also given to driving better and faster decision-making processes by leveraging data, with focus on linking data and increasing data literacy through the Office of Data Governance and Analytics (ODGA). Furthermore, cultivating statewide IT take capability was identified as a crucial objective, addressing the need to fill open IT jobs, support STEM programs and promote awareness at all educational levels. The balance between career, staff, vendors, and suppliers was discussed. Considering the risk of outsourcing and the importance of strategic

workforce planning. Other topics of discussion included blockchain technology, generative AI, data privacy, citizen awareness campaigns for cybersecurity, and measuring success and performance in the industry.

### **VITA's Zero Trust Strategy and Roadmap**

The next presentation focused on VITA's Zero Trust Strategy and Roadmap. Mr. Hankinson delivered the presentation, highlighting the key aspects of VITA's approach. The presentation emphasized the interconnection of various products and systems, underscoring that zero trust is not solely focused on cybersecurity but encompasses a broader scope. During the discussion, Mr. Gandhi inquired about Visibility & Analytics item and raised concerns regarding potential audit challenges. Secretary McDermid mentioned that Secretary Cummings has been working to establish a governance structure and holistic architecture that encourages collaboration among agencies. Mr. Kraemer suggested the involvement of a third party to ensure monitoring and alignment are properly executed. Additionally, he recommended conducting audits and reviews of the implementation process to ensure adherence to the Zero Trust Strategy and Roadmap.

### **Website Modernization**

Mr. Osmond highlighted the need for improved structure and trustworthiness of digital real estate, as there were instances of fake websites and search result manipulation. It was emphasized that a programmatic approach was necessary to consolidate and enhance the websites, instilling more trust in the process. VITA formed a team to assist agencies in this endeavor, and Mr. Amani presented on Website Modernization.

Ms. Kozanas commended the presentations and inquired about the availability of sufficient resources and legislative authorities to implement the modernization efforts. Secretary McDermid clarified that resources and legislative authorities were separate but related considerations. Support from stakeholders and policymakers was deemed crucial, and the recent General Assembly provided additional funding for cybersecurity investments.

Mr. Osmond highlighted the significant collaboration taking place and the relationship between VITA and agencies. Both website modernization and the zero-trust strategy were collaborative efforts involving multiple stakeholder interviews. Secretary McDermid stressed the importance of reviewing, auditing, and ensuring compliance in the modernization process.

Mr. Kraemer acknowledged the positive partnerships with private entities showcased in the presentations and suggested their involvement in reviewing the implementation. Chair Craft raised the question of website and web application security scanning and inquired about the existence of a baseline. CISO Mike Watson explained that the process involved agency input and allowed for adjustments based on agency needs, representing an improvement from the previous approach of VITA solely conducting scans and providing reports to agencies. Secretary McDermid concluded by mentioning the intention to elevate those who are lagging in modernization efforts to ensure prompt action.

### **Public Comment Period**

There were no public comments.

### **Other Business**

Ms. Ly addressed travel forms for the council members. It was announced the next meeting September 5th at 1 pm. There was a discussion on how the council could best support the administration.

### **Adjourn**

At 11:57 am, a motion to adjourn the meeting was made by Dr. Tillman and seconded by Mr. Kraemer. The motion was carried unanimously, and the meeting was officially adjourned.



Information Technology Advisory Council

April 25, 2024 – 1pm

VITA, Mary Jackson Boardroom



### Call to Order and Welcome:

The meeting was called to order at 1:00pm by Mr. Craft. Mr. Craft welcomed back the members and acknowledged Senator Salim and Delegates Srinivasan, Feggans, Martinez, and Thomas, who have been appointed to the Council. Mr. Craft welcomed Commissioner Melis, attending on behalf of Secretary Slater.

### Presiding:

John Craft, Chair

### Members Present:

Secretary of Administration Lyn McDermid

John Craft, Chair

Chief Information Officer of the Commonwealth  
Bob Osmond

Adam Lee

Dr. Timothy Tillman

### Members participating remotely:

Anthony Gitalado

Goutam Gandhi

Cherif Kane

James S. Kraemer

Delegate Fernando J. Martinez

Senator Bill DeSteph

Delegate Joshua E. Thomas

Senator Jennifer Boysko

Delegate Kannan Srinivasan

Senator Saddam Azlan Salim

Delegate Michael Feggans

Mr. Gitalado, Mr. Kraemer, Mr. Ghandi and Ms. Kozanas participated virtually due to work reasons. Senators Salim, DeSteph, and Boysko, and Delegates Srinivasan, Feggans, Martinez, and Thomas participated virtually because their primary residence is more than 60 miles away.

### Members Not Present:

Dena Kozanas

Robert Turner

Phea Ram

Secretary Slater

Committee Email - [itac@vita.virginia.gov](mailto:itac@vita.virginia.gov)

## Also Present:

Demetrios Melis, Commissioner, Virginia Employment Commission (for Secretary Slater)

Joshua Heslinga, Director, Legal and Legislative Services, Virginia IT Agency

Leslie Allen, Senior Assistant Attorney, Office of the Attorney General

Mylam Ly, Legal Compliance & Policy Specialist, Virginia IT Agency

Naveen Abraham, Chief of Core Infrastructure Services, Virginia IT Agency

Patrick Disney, Coordinator, Legal and Legislative Services, Virginia IT Agency

Richard Matthews, Chief of Customer Experience, Virginia IT Agency

Sam Taylor, PR & Marketing Specialist, Virginia IT Agency

## Review of Agenda

Mr. Disney provided an overview of the agenda.

## Approval of Minutes

The approval of minutes was postponed to the next meeting due to the lack of a physical quorum.

## Legislative Update

Mr. Heslinga presented on technology-related legislation in the 2024 Legislative Session. Bills discussed involved government technology, artificial intelligence, procurement, accessibility, surveillance, FOIA, and social media. See presentation for more details.

## Artificial Intelligence (AI) Current State

Mr. Osmond presented on the current state of AI in the Commonwealth. The presentation involved everyday examples of AI in the Commonwealth, operating under Executive Order 30, and AI policies and standards. Mr. Osmond also gave an overview of the AI registry process. VITA takes a holistic view of the use of AI and makes recommendations which then goes to the agency's secretary for approval. Once the secretary approves notification is sent to the agency and VITA. The registration process has been designed to be streamlined and quick. For more details, see the presentation.

There was discussion on:

- Trustworthiness and AI risk management framework.
- Providing equitable access to AI tools to ensure AI is not benefiting one population of the COV.
- Ensuring all stakeholders are involved and there is nondiscrimination and expansion of ethical use.
- Threat actors using AI in attacks.

- If an agency is using a company that is using AI is that being looked at. How to evaluate the contractors.
- There was a discussion on whether the registration and approval process would slow down needed business. The registry ensures that, if a crisis occurs, we know where we're at.

## **Managing and Funding the Modernization of Commonwealth Systems and Applications**

Mr. Osmond presented on Managing and Funding the Modernization of Commonwealth Systems and Applications. Mr. Osmond discussed the current state of system and application funding in Virginia and some of the most critical technology modernization needs. Ideas for improving modernization, and the need for partnership, were discussed. For more details, see the presentation.

There was a discussion on:

- Executive leadership (in administrations and often at agencies) is only there for 4 years.
- Agencies understand IT but don't become part of the IT strategy because of missing modernization. If VITA had more information, it would help agency heads get up to speed.

## **Public Comment Period**

There were no public comments.

## **Other Business**

Mr. Craft opened the floor for other business. Mr. Disney discussed travel forms and the next meeting on August 8 at 1pm.

## **Adjourn**

Upon a motion by Mr. Lee and duly seconded by Dr. Tillman, the committee unanimously voted to adjourn the meeting at 2:28pm.





The following is the remote or electronic participation policy of the Information Technology Advisory Council (ITAC).

#### Member Remote Participation

Individual ITAC members may participate in meetings of ITAC by electronic communication means to the full extent permitted by applicable law, including § 2.2-3708.3 of the Code of Virginia. (As of July 2024, when such individual participation is due to a personal matter, such participation is limited by law to two meetings per calendar year or 25 percent of the meetings held per calendar year rounded up to the next whole number, whichever is greater.)

This shall apply to the entire membership and without regard to the identity of the member requesting remote participation or the matters that will be considered or voted on at the meeting.

Whenever a member wishes to participate from a remote location, the law requires a quorum of ITAC to be physically assembled at the primary or central meeting location. A member with a disability shall count toward the quorum as physically present, in accordance with law.

#### Virtual Meetings

ITAC may hold all-virtual public meetings to the full extent permitted by applicable law, including Virginia Code § 2.2-3708.3(C). As of July 2024, such all-virtual public meetings are limited by law to two meetings per calendar year or 50 percent of the meetings held per calendar year rounded up to the next whole number, whichever is greater, and may not be held consecutively with another all-virtual public meeting.

When audio-visual technology is available, a member of a public body shall, for purposes of a quorum, be considered absent from any portion of the meeting during which visual communication with the member is voluntarily disconnected or otherwise fails or during which audio communication involuntarily fails.

## Requests and Minutes

Requests for remote participation or that ITAC conduct an all-virtual public meeting shall be conveyed to VITA staff, who shall then relay such requests to the Chair of the ITAC. A record of such a request should be submitted via email to [itac@vita.virginia.gov](mailto:itac@vita.virginia.gov). If a request is made in another manner, staff shall ensure a record exists of the request and its handling.

The Chair shall approve individual participation from a remote location unless a member asserts that such participation would violate this policy or the provisions of the Virginia Freedom of Information Act (Va. Code § 2.2-3700 *et seq.*). If a member's participation from a remote location is challenged, then ITAC shall vote whether to allow such participation.

The request for remote participation or that ITAC conduct an all-virtual public meeting shall be recorded in the minutes of the meeting. If ITAC votes to disapprove of the member's participation because such participation would violate this policy, such disapproval shall be recorded in the minutes with specificity. The minutes shall include other information as required by law (see Va. Code §§ 2.2-3707 and 2.2-3708.3), depending on the type of remote participation or all-virtual public meeting.

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The following additional explanation is intended to be informative as to current legal requirements and is not required by this policy independent of the requirements of law.

### Additional Explanation of Current Requirements for Remote Participation by Members

When a meeting is scheduled to be held in person, there are four circumstances set out in subsection B of § 2.2-3708.3 where individual members of ITAC may participate from a remote location instead of participating in person. In order to use these provisions, the member must notify the chair of the public body of one of the following four reasons for remote participation:

1. The member has a temporary or permanent disability or other medical condition that prevents the member's physical attendance;
2. A medical condition of a member of the member's family requires the member to provide care that prevents the member's physical attendance, or the member of the body is a caregiver who must provide care for a person with a disability at the time of the meeting, thereby preventing the member's physical attendance;

3. The member's principal residence is more than 60 miles from the meeting location identified in the required notice for such meeting; or
4. The member is unable to attend the meeting due to a personal matter and identifies with specificity the nature of the personal matter. However, the member may not use remote participation due to personal matters more than two meetings per calendar year or 25 percent of the meetings held per calendar year rounded up to the next whole number, whichever is greater.

The limitations to two meetings per calendar year or 25 percent of the meetings held per calendar year does not apply to the first three types of remote participation (member's disability or medical condition, need to provide medical care for a family member or principal residence distance from the meeting location), it only applies when the member participates due to personal matter.

#### Additional Explanation of Current Requirements for Minutes

- If an individual member remotely participates in a meeting, a general description of the remote location must be included in the minutes (it does not need to be an exact address— for example, the minutes might read that "[Member] participated from his home in [locality]" or that "[Member] participated from her office in [locality]."). The remote location does not have to be open to the public.
- If a member remotely participates due to a (i) temporary or permanent disability or other medical condition that prevented the member's physical attendance or (ii) family member's medical condition that required the member to provide care for such family member, thereby preventing the member's physical attendance, that fact must be included in the minutes. While the fact that a disability or medical condition prevents the member's physical attendance must be recorded in the minutes, it is not required to identify the specific disability or medical condition.
- If a member remotely participates because the member's principal residence is more than 60 miles from the meeting location, the minutes must include that fact.
- If a member remotely participates due to a personal matter, the minutes must include the specific nature of the personal matter cited by the member.
- As stated above, if remote participation by a member is disapproved because it would violate the participation policy adopted by the public body, such disapproval must be recorded in the minutes with specificity. Note that even if remote participation is disapproved, the member may continue to monitor the meeting from the remote location but may not participate and may not be counted as present at the meeting.

Examples of disability or medical condition that prevents physical attendance:

- Temporary hospitalization or confinement to home;

- Contagious illness; or
- Any temporary or permanent physical disability that physically prevents travel to the meeting location.

Examples of personal matters that may prevent physical attendance:

- Flat tire or other mechanical failure on the way to the meeting;
- Traffic congestion or stoppage;
- Personal, family, or business emergency;
- Blizzard, flood, or other severe weather conditions that prevent travel to the meeting location;
- Business trip;
- Family trip; or
- Scheduling conflict.

#### Additional Explanation of Current Requirements for All-Virtual Meetings

The provisions under Virginia Code § 2.2-3708.3(C) and the following must be met for all-virtual meetings.

1. An indication of whether the meeting will be an in-person or all-virtual public meeting is included in the required meeting notice along with a statement notifying the public that the method by which a public body chooses to meet shall not be changed unless the public body provides a new meeting notice in accordance with the provisions of § 2.2-3707;
2. Public access to the all-virtual public meeting is provided via electronic communication means;
3. The electronic communication means used allows the public to hear all members of the public body participating in the all-virtual public meeting and, when audio-visual technology is available, to see the members of the public body as well;
4. A phone number or other live contact information is provided to alert the public body if the audio or video transmission of the meeting provided by the public body fails, the public body monitors such designated means of communication during the meeting, and the public body takes a recess until public access is restored if the transmission fails for the public;
5. A copy of the proposed agenda and all agenda packets and, unless exempt, all materials furnished to members of a public body for a meeting is made available to the public in electronic format at the same time that such materials are provided to members of the public body;
6. The public is afforded the opportunity to comment through electronic means, including by way of written comments, at those public meetings when public comment is customarily received;

7. No more than two members of the public body are together in any one remote location unless that remote location is open to the public to physically access it;
8. If a closed session is held during an all-virtual public meeting, transmission of the meeting to the public resumes before the public body votes to certify the closed meeting as required by subsection D of § 2.2-3712;
9. The public body does not convene an all-virtual public meeting (i) more than two times per calendar year or 25 percent of the meetings held per calendar year rounded up to the next whole number, whichever is greater, or (ii) consecutively with another all-virtual public meeting; and
10. Minutes of all-virtual public meetings held by electronic communication means are taken as required by § 2.2-3707 and include the fact that the meeting was held by electronic communication means and the type of electronic communication means by which the meeting was held. If a member's participation from a remote location pursuant to these requirements is disapproved because such participation would violate the policy adopted pursuant to subsection D of § 2.2-3708.3, such disapproval shall be recorded in the minutes with specificity.

If an individual member had already reached his limit on participation due to personal matters, but the public body scheduled an all-virtual public meeting, the member could still participate in all virtual public meeting because these numerical limits are counted separately for the different types of electronic meetings.

This policy was originally adopted at the ITAC meeting on August 8, 2024, and shall be reviewed and adopted once annually by recorded vote at a public meeting.



# How Do We Pay for IT? An Overview of State Technology Modernization Funds

Dan Wolf  
Director of State Programs, ADI

Virginia Information Technology Advisory Council  
August 8, 2024



# Who We Are

ADI is focused on advancing policy initiatives and partnering with federal and state technology, cybersecurity, and procurement leaders to:



Effectively resource, implement, and oversee government technology to deliver the modern, secure digital experience citizens deserve;



Develop cutting-edge research and facilitate deeper collaboration between government leaders and commercial solutions-providers;



Educate the Administration, Congress, and Federal agencies on the effective purchase and secure deployment of commercial technology; and



Educate state-level policymakers on critical issues related to IT modernization, cybersecurity, IT procurement, and IT workforce development.



# Who We Are







# ADI Legislative Priorities

Advancing a "Whole of State" Approach to Cybersecurity

Responsible Use of Artificial Intelligence



Investments in Modern Commercial Technology

More Effective and Efficient Acquisition Policies

Expand the technology workforce



## Goal:

To effectively resource, implement, and oversee government technology to deliver the modern, secure digital experience citizens deserve

## Benefits of Modernization

- 1 Increase operational efficiency
- 2 Elimination of legacy IT costs
- 3 Improved cybersecurity
- 4 Greater opportunities for citizen services

Move from risk aversion to embracing opportunities!



# Public Sector IT Funding Mechanisms

## General Fund/Pay As You Go

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- Inconsistent funding and budget constraints
- Risk of underinvestment
- Impedes strategic planning and impairs shared services programs

## Federal/Grant Funding

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- Fund matching and compliance requirements
- Funding is intermittent, insufficient, and limited to program terms
- Subject to congressional limits/revocation

## Dedicated Funds

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- Internal service funds enable cost-recovery approach
- Centralized IT management reduce overall costs

# State IT Funding



**45%**

Cybersecurity  
funding



**33%**

Other, one-  
time capital  
investment



**29%**

Technology  
modernization  
fund



**22%**

We did not  
receive  
supplemental  
funding for this  
fiscal year



**12%**

One-time  
operating  
investment



**8%**

Innovation  
fund

*Source: NASCIO State CIO Survey (2023)*

*<https://www.nascio.org/resource-center/2023-state-cio-survey>*



# U.S. Technology Modernization Fund



- Established in 2018 by the Modernizing Government Technology Act (MGT Act)
- Centralized fund available for all civilian federal agencies
- Overseen by the seven-member Technology Modernization Board



# How the US TMF Works



## Project Investments

- Competitive, merit-based proposal process
- Current portfolio: 62 investments across 33 agencies totaling \$950M
- Incremental transfers
- Majority of investments from American Rescue Plan funding
- New focus on AI



## Repayment Structure

- Flexible for each investment
- Intended to align with budget cycles and financial benefits from projects
- Repayments begin within a year of initial transfer
- Often span several years
- Partial repayments are permitted
- Repayments create revolving fund that can be reinvested in future projects



# How the US TMF Works



## **Governance – TMB**

- Overseen by the Technology Modernization Board
- Seven voting members plus alternates
- Three permanent members based on role and four fixed term members
- Expertise in IT, cybersecurity, and modernization practices
- Responsible for oversight and evaluation of agency proposals



## **Administration – OMB/TMF**

- Managed within the Office of Management and Budget
- Responsible for budgetary planning and project oversight
- Establishes repayment agreements



# State Modernization Funds

State	Source	Loan?	Summary
California	Cal. Gov Code § 11546.45	N	California Technology Modernization Fund <ul style="list-style-type: none"> <li>- Aimed at small, low risk/cost projects (Less than \$5M)</li> <li>- Target project delivery less than 12 months</li> <li>- Initial investment of \$25M through FY 28</li> </ul>
Virginia	Va. Code §§ 2.2-2022 through 2.2-2024	N	Virginia Technology Infrastructure Fund <ul style="list-style-type: none"> <li>- Open to various funding sources, including savings accrued from reductions in cost of services and other IT projects</li> <li>- Revised in 2022 but has not been funded (yet)</li> </ul>
Texas	Texas Gov. Code § 2054.577	N	Texas Technology Improvement & Modernization Fund <ul style="list-style-type: none"> <li>- Oversight committee from legislative &amp; executive branches</li> <li>- Initial investment of \$200M in 2021</li> </ul>





# State Modernization Funds

State	Source	Loan?	Summary
Illinois	Appropriations Act SB 2406 (103 <sup>rd</sup> General Assembly)	N	Illinois Capital Facility and Technology Modernization Fund <ul style="list-style-type: none"> <li>- Applies to real property and IT modernization</li> <li>- Newly created in 2023</li> </ul>
Minnesota	Appropriations Act HF 1830 Art. 1 § 10(d) (2023)	N	Targeted Application Modernization Program <ul style="list-style-type: none"> <li>- \$40M to modernize targeted applications through FY 27</li> <li>- Managed by the state CIO</li> </ul>
Massachusetts <i>(pending)</i>	Senate Bill 26 (2023); Senate Bill 2539 (2024)	Y	Massachusetts Innovation Fund <ul style="list-style-type: none"> <li>- <i>Still under consideration by legislature</i></li> <li>- Modeled on combination of US TMF, Texas, and Virginia</li> <li>- Loan repayment within seven years</li> </ul>



# State Modernization Funds

State	Source	Loan?	Summary
Maryland	Senate Bill 982 / House Bill 1188 (2024) MD Code § 2-302	TBD	Maryland IT Investment Fund <ul style="list-style-type: none"> <li>- Includes funding for all major IT development projects</li> <li>- Created a new category of "expedited projects" w/ 20% of fund allocated yearly</li> <li>- Authorizes Secretary to adopt regulations establishing a revolving loan process</li> <li>- Gov authorized to include up to \$10M/year in budget</li> <li>- Sets aside up to \$1M yearly for educationally-related IT projects and IT pilots/prototypes</li> <li>- Involvement of Modernize Maryland Commission</li> </ul>

Additional information on state TMFs can be found in Modernize Maryland Oversight Commission Report: <https://doit.maryland.gov/Documents/MMC/MMOC-InitialReport-12202023.pdf>

1

## No “One Size Fits All” Approach

- Specific mechanism can vary to fit needs
- Initial financial investments can start small, then scale up

2

## Stakeholder Involvement & Commitment

- Oversight & collaboration matters! Include legislative & executive stakeholders in planning/oversight
- Maintain commitment to funding the program
- Include end user input into modernization projects

3

## Strategic Planning is a MUST

- Long-term goal alignment and financial projections
- Project and risk management
- Comprehensive cost-benefit analysis to assess total costs and ROI



# Questions?

Ross Nodurft

Executive Director

Alliance for Digital Innovation

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Dan Wolf

Director of State Programs

Alliance for Digital Innovation

[dwolf@alliance4digitalinnovation.org](mailto:dwolf@alliance4digitalinnovation.org)



# VIRGINIA IT AGENCY

## State IT Governance

### Information Technology Advisory Council (ITAC)

VITA staff

August 8, 2024

## Governance overview

- VITA's governance definition: The development and management of consistent, cohesive policies, processes, and decision-rights for a given area of responsibility.
- Governance impacts every state agency and crosses multiple disciplinary lines.
- Three main areas will be covered and open for guidance today:
  - Project management governance
  - Enterprise architecture governance
  - Cybersecurity governance



# Project Management Governance

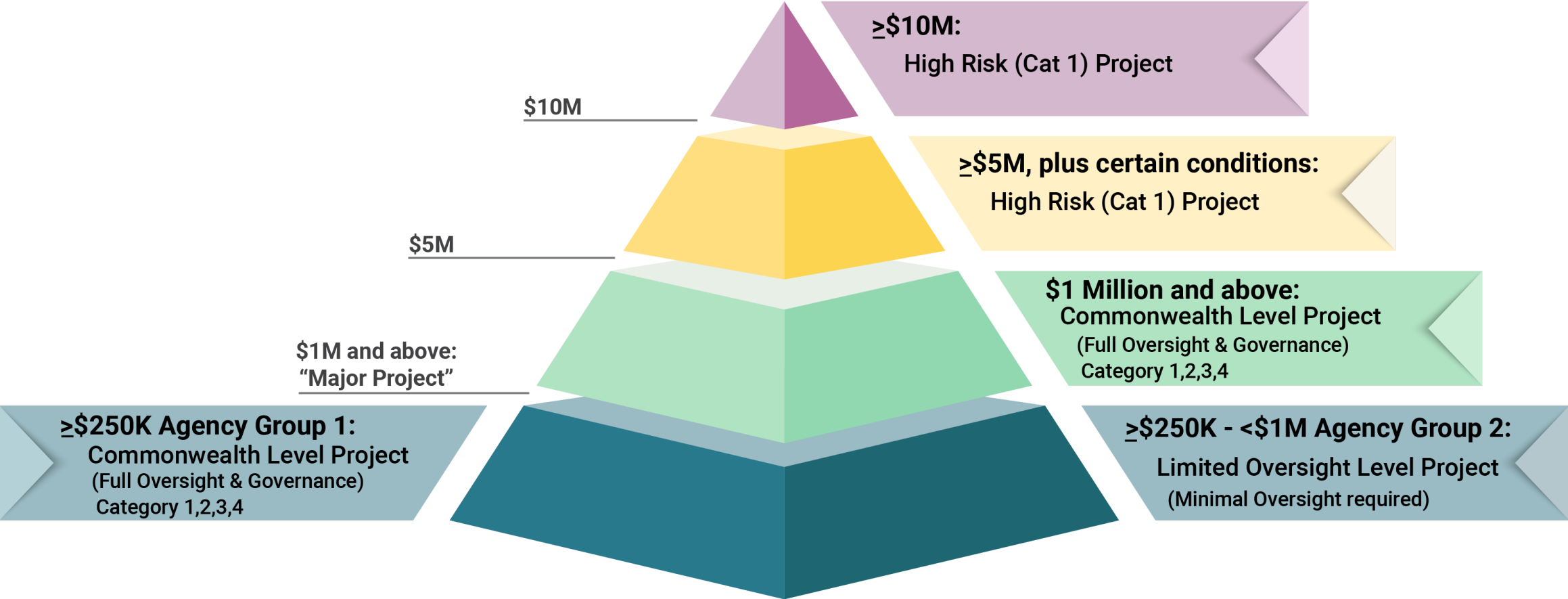
**Chris Hinkle**

Director of Project Management Oversight and Governance



# Project management (PM) governance

## Governance Model: Project Cost vs O&G Requirements

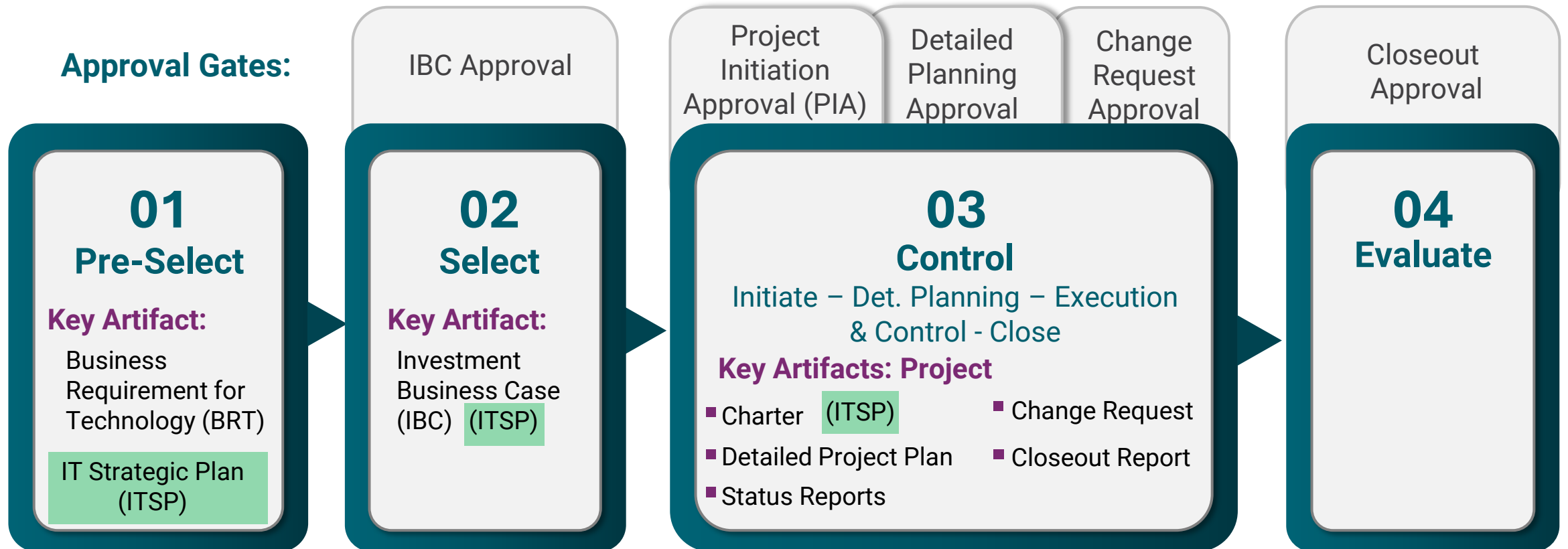




# Project management (PM) governance

## IT Project Lifecycle: Key Approval Gates and Documentation

### Secretariat Oversight Committee (SOC)



# How's it working?



# What's working well

- PMD developed training program, including introductory PM for aspiring PMs
- Mature project manager development program (PMDP)
- Project Manager Qualification Record (PMQR) database
- Enterprise portfolio management system, Planview (system of record)
- Strong agency relationship and trust including agency leadership
- Clearly defined processes that agencies trust and understand
- PM clearinghouse for lessons learned and best practices
- Coaching, leadership and consulting
- Updated methodology that scales according to risk and complexity (CPGA)
- Annual PM Summit forum for Commonwealth PMs (offsite, keynote, break-out sessions)



# What challenges are we facing?

## Situation:

IT projects (in the Commonwealth & elsewhere) often require change requests in schedule, costs, or scope. In 2022, [McKinsey noted](#) that 81% of public sector IT projects run over schedule, 45% exceed budget, and that bigger and longer projects are more at risk.

When applied to the Commonwealth's high-risk projects (generally projects \$5M+ in value), the financial and operational risks are great.

VITA has identified **16 high-risk** IT projects (many over \$50M+ in value) that are in various stages of planning and delivery with many more in the pipeline. VITA Project Management Division ("PMD") is **not** sufficiently budgeted or resourced to support the daily project and vendor management of these projects; agencies depend on third-party system integrators and independent verification and validation (IV&V) vendors for solution oversight and accountability.

## Complication:

The 16 high-risk IT projects **totaling \$661M** are rare and outside the general skillsets of agency IT leaders and project managers. There is often **misalignment** on solution expectations among agency leadership, business partners, agency IT and VITA. Once approved, VITA monitors but does not directly assist agencies in project delivery.

## Current high-risk project portfolio

**\$660,682,824**

**16  
Projects**

**13  
Agencies**

Name	Agency	Current EAC
Primary Election System - Project	132 Department of Elections (ELECT)	28,423,499
DPOR Systems Replacement - Project	222 Dept of Professional & Occupational Regulation	11,347,523
CRIS - Criminal and RapBack Information System	156 Department of State Police (VSP)	29,096,093
Electronic Healthcare Records	799 Department of Corrections (DOC)	22,231,750
DOLI Dynamics Deployment Project	181 Department of Labor & Industry	5,597,496
STARS Infrastructure and Subscriber Upgrade	156 Department of State Police (VSP)	132,475,530
VSP Transformation Program	136 Virginia IT Agency (VITA)	44,361,225
Electronic Health Record Project	601 Department of Health	33,870,950
DBHDS Proj - Enterprise Data Warehouse	720 Department of Behavioral Health and Development	11,008,278
VA Child Support & Mgmt Process System (vCHAMPS).	765 Department of Social Services (DSS)	102,685,480
AI-Based System for Incident Management PROJ	501 Department of Transportation (VDOT)	11,314,000
Fuel Hardware and Software Replacement PROJ	501 Department of Transportation (VDOT)	12,100,000
VeraSmart Project	136 Virginia IT Agency (VITA)	2,471,000
IRMS	161 Department of Taxation	88,700,000
DMV Mainframe	154 Department of Motor Vehicles	80,000,000
Case, Records Management & Dispatch System	156 Virginia State Police	45,000,000
		<b>\$660,682,824</b>

Another 10 potential high-risk projects (\$300M - \$500M) have been identified from DSS, DBHDS, TAX, DOA, and others.

# What's not working well

## Risk assessment and planning

As **projects become riskier with higher costs and greater complexity**, these problems are exacerbated, highlighting the critical need to improve planning and execution strategies and manage high risks more effectively.

The average budget for high-risk projects can exceed **\$32 million** per project.

Some high-risk project budgets can be up to more than **\$130 million**.



Project managers must plan thoroughly when assessing possible future project risk factors.

# What's not working well

Ongoing risk assessment, post initiation planning, and execution



## Project warning signs

- Time constraints
- Unexpected delays
- Cost overruns
- Insufficient resources or expertise
- Quality issues
- Missed objectives
- Stakeholder dissatisfaction

Caused by  
inadequate



Delivery Planning and  
Execution Support



Risk Management

**How can we  
do better?**





# How to do better

## 1. Identification of high-risk projects

## 2. Improve risk management

- Requirement for a risk manager
- Formalized risk reviews

## 3. Improve Execution

- Project Management Center of Excellence
- Review and approve project managers assigned to High-Risk projects

## 4. Improve Reporting

- Monthly reporting of all projects and procurements
- Identification of projects and change requests



**What can the  
Council  
recommend to  
improve?**



# Enterprise Architecture Governance

**Stephen Smith**

Director of Enterprise and Security Architecture (Acting)

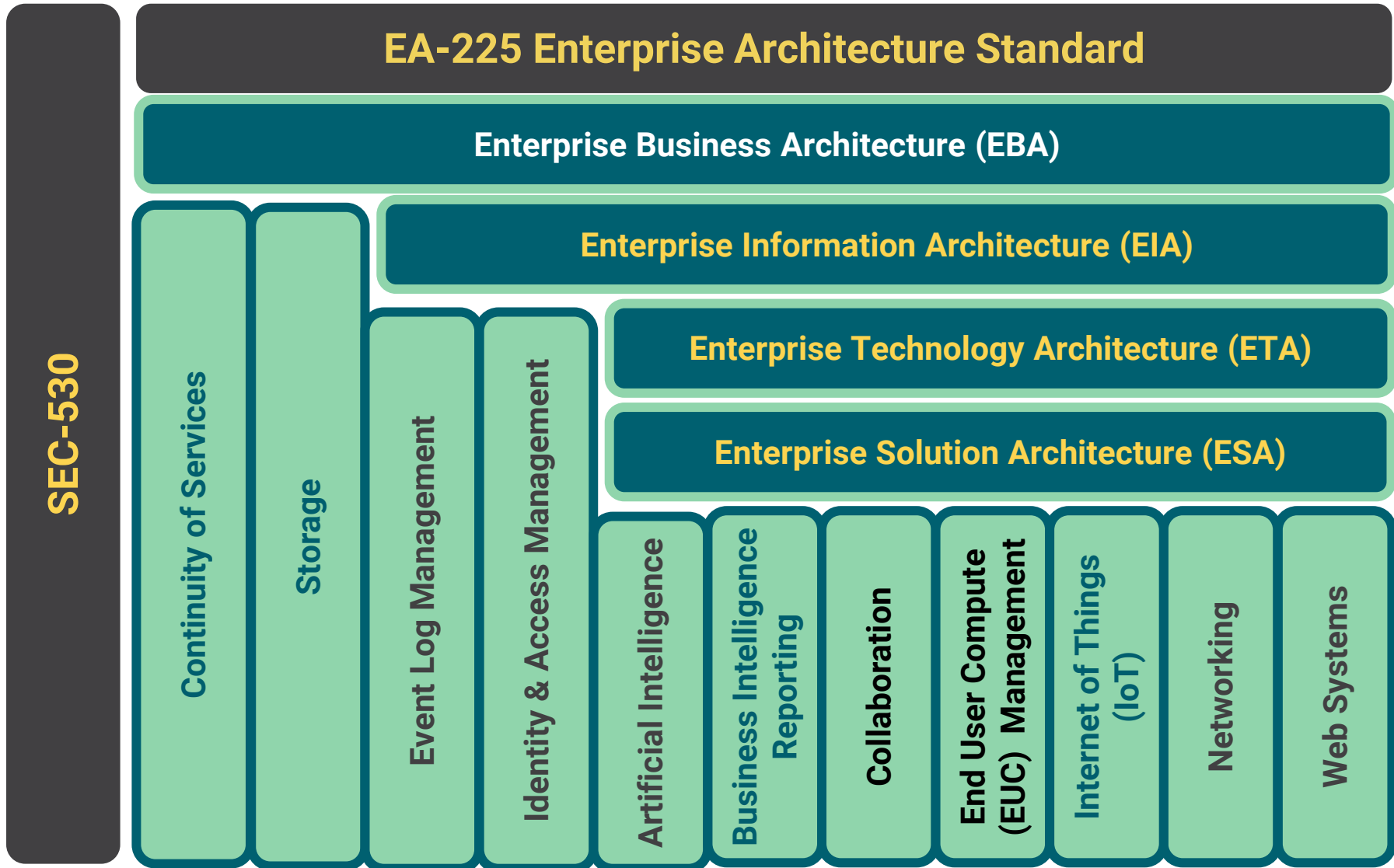


# What EA does



# Standards

• LEGEND



# Roadmaps



# How's it working?



# What is working well: Overall Governance

## Direct


- AI Registry
- Exceptions
- Architecture Review (Agency)
- Refresh & Currency Plans

## Indirect


- Architecture Review (Supplier)
  - IT Strategic Plans (ITSP)
- Investment Business Cases (IBC)
- Procurement Governance Requests (PGR)
  - Procurements




# What we're not doing so well



**Document-centric**



**Manual**



**Disconnected**



**Reactive**

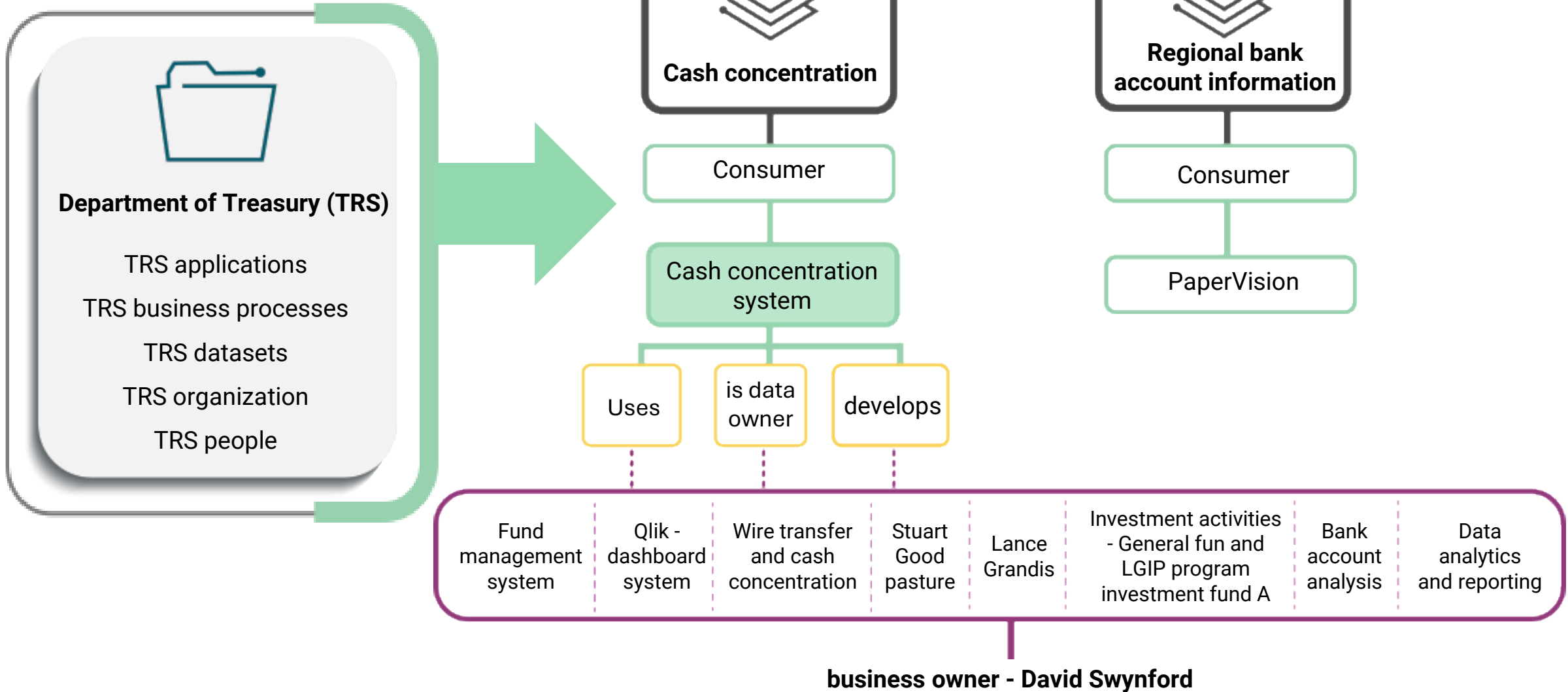
# How we can do better



# Automated, data driven, and proactive



# Show connections





**What can the  
Council  
recommend to  
improve?**



# Cyber Governance

**Amy Braden**  
Director of IT Security Governance



## Authority and scope

**Virginia Code § 2.2-2009** creates a scope of cybersecurity governance that is broader than VITA's core executive branch agencies: "executive, legislative, and judicial branches and independent agencies"

- But does NOT apply throughout state government, with exclusions for higher ed and authorities
- Much less visibility, from both technical and compliance perspectives, outside the executive branch



Primary objectives are to assess security risk, determine appropriate security measures and perform security audits of government electronic information.



# Key policies and standards

In 2023, Cybersecurity and Risk Management (CSRM) published SEC530 a consolidation of SEC501 and SEC525 and update to the NIST 800-53

## 7 key policies and standards addressing cybersecurity:

- Information Security Policy (SEC519)
- Information Security Standard (SEC530)
- IT Risk Management Standard (SEC520)
- IT Security Audit Standard (SEC502)
- Security Awareness Training Standard (SEC527)
- IT Standard Use of Non-Commonwealth Computing Devices to Telework (SEC511)
- Removal of Commonwealth Data from Electronic Media Standard (SEC514)



Key deliverable guidelines and templates are available on the VITA website.

# The edit and review process

- Document revision process involves collaboration and review with agency ISOs informally and formally.
- Documents are posted to ORCA\* for a minimum of 30 days for non-administrative changes. If unable comply by the effective date, agencies may submit a security exception outlining that includes a plan to satisfy requirements.



*CSRM shares regular updates in monthly forums such as ISOAG and ISO Council*

*(\*VITA's Online Review and Comment Application (ORCA) requires registration but is available to persons outside the executive branch, and even those outside state government entirely.)*

# How's it working?



## Policy and standards provide Commonwealth flexibility



Policy and standard language is intentionally technology agnostic and non-prescriptive. Agency defined controls are available to accommodate agency needs.

For example, SEC530 has 244 agency defined controls. Applying broad language may be a challenge for some agencies.

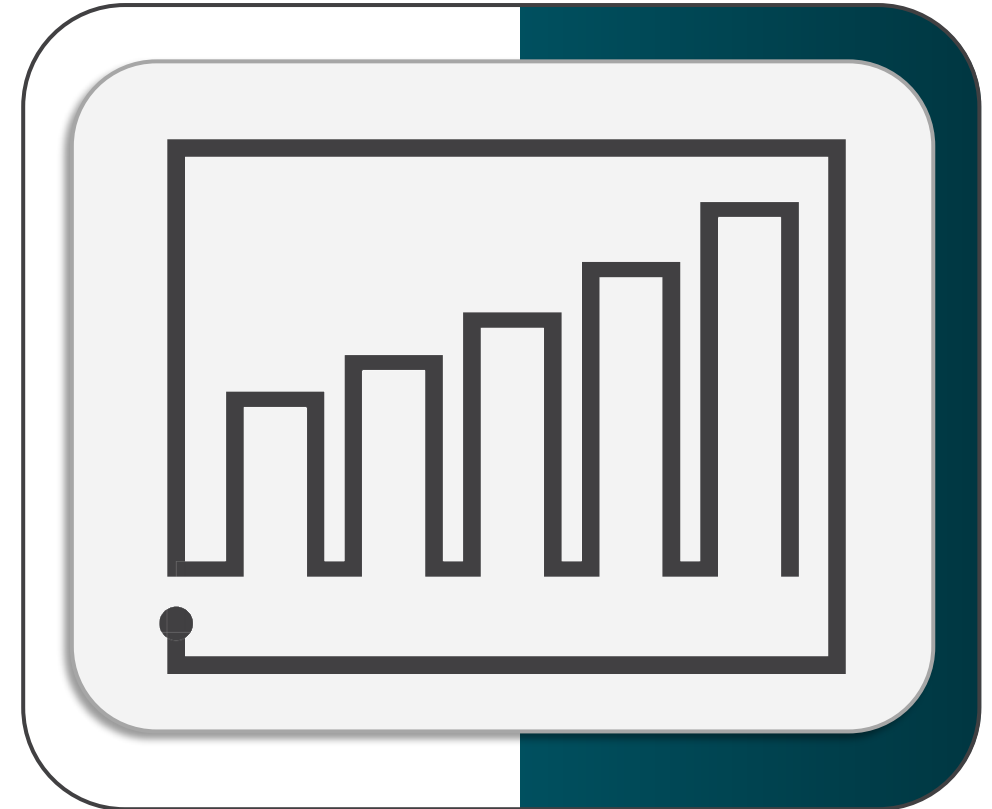


Alignment with federal standards (e.g., NIST 800-53), ensures Commonwealth policies and standards meet needs of agencies with additional requirements and meets industry standards. This baseline makes it easier to assess security amid a variety of organizations.

- Federal compliance will streamline Commonwealth compliance too (e.g., FedRAMP).
- But strict federal alignment may appear more restrictive and overburdensome and not necessarily applicable at the state level.

# Opportunity for improvements

- Resources permitting, CSRM could provide more standards and guidelines to meet specific needs.
- Be more prescriptive on how to meet standards.
- Provide more training to agencies on how they can leverage current policies and standards to meet their needs.
- Better agency and customer engagement as we need robust input.



**What can the  
Council  
recommend to  
improve?**



**Thank you**

