**NEW YORK STATE
DIVISION OF THE BUDGET
ALL FUNDS BUDGET REQUEST FY 2016-2017
STATE OPERATIONS**

AGENCY   Office of Information Technology Services

The 2016-17 Governor's Executive Budget includes $567M in General Fund support to enable ITS to provide consolidated statewide Information Technology services. The Executive Budget also includes $85M in capital funds for IT innovation in enterprise-level applications and programs.

This funding will allow ITS to continue the progress of the State's multi-phase, multi-year IT transformation to make Government work smarter for citizens, to spur economic growth, and make the State more accessible to business.

We have encountered, and will continue to encounter, challenges in this multi-year journey. But those challenges do not deter us; rather they inspire us to be even more creative, innovative, and dedicated to achieving service excellence and the best possible citizen experience.

Our transformation progresses in multiple phases. First consolidation, then stabilization and now transformation of the citizen experience.

At every stage plans have been created based on the best information available at the time. We have been agile in adapting these plans where needed as we learn more about the challenges we face.

Each phase requires a different focus, different capabilities and different partners but builds inexorably on the previous one.

Having made significant progress with building a sound technology and infrastructure foundation we are beginning to shift our focus to transforming the whole life cycle experience of our citizens to one they have a right to expect in the digital era.
We are bringing together what was once a highly decentralized, inefficient IT structure

across more than 50 disparate agencies into a single agency (ITS). We can now work to maximize the tremendous talent in the workforce, standardize the myriad systems and applications implemented in each agency, and create an environment in which ITS can leverage IT investments across all state government, adopt industry best-practices, and enhance service delivery to our partner agencies, businesses interacting with the state, and the citizens New York State serves providing needed services more rapidly and cost-effectively, to fuel the innovation economy.

In FY 16/17, in addition to our continuing program of work to support the mission of agencies our transformation program will focus on a number of broad areas.

Operational Excellence

We will continue to drive up the maturity continuum of operational excellence adopting standard best practice processes and tools to deliver reliable, secure services at minimum cost to the taxpayer.

One of the benefits of the Governor's IT transformation program which created ITS is that we now have visibility to the risks inherent in our infrastructure. During the consolidation and stabilization phases of the IT transformation, it became clear that a significant technology debt had accumulated over many decades of under-investment across the state, creating operational, legal and financial risks. During FY 16/17 we will be prioritizing a significant investment of funds (approximately *$40m*) and resources to eliminate this debt.

Cyber Security

ITS continues cyber security improvements in 2016 with key programs to address cyber risk and comply with Industry best practice standards of the National Institute of Standards and Technology (NIST, part of the U.S. Department of Commerce) 800.53 and ISO27001, and regulatory rules for all agencies supported by ITS.

ITS carries over a comprehensive NIST 800.53 assessment from 2015 into 2016 and

a comprehensive NIST Top 20 Cyber Controls Assessment. These two assessments will be the primary baseline used to guide risk-based investment and cyber security best practice improvement through 2016 and beyond.

ITS is engaging key suppliers and organizations, and the New York State Intelligence Center (NYSIC), to assist in implementation of our enterprise-wide programs, close high risk gaps, and guide the deployment of cyber security best practices.

With the cyber security function centralized under ITS, the State can implement the policies consistently, and react swiftly across all the IT assets when we receive intelligence about potential threats.

Application Transformation

Our current technology landscape has been created over decades by more than 50 different agencies each entirely focused on their own mission without a unifying vision of the citizen experience or the underlying technology or data strategies.

The resulting environment is massively complex and expensive to support reliably and securely.

We also have significant staffing challenges due to this complexity. The skills of our staff are locked into silos leading to excessive spend on third parties and an inability to offer the most exciting career paths to our brightest and best, too many of whom are stuck supporting legacy technologies.

Most importantly this complexity leads to a negative Citizen experience.

To address these issues, we are building a set of strategic platforms comprising a portfolio of tools and services which not just individually but as an integrated set will deliver an enhanced Citizen experience across all agencies.

Staff Development

Our staff are a vital asset in delivering the best possible service to our citizens, businesses, partner agencies and all other digital visitors to New York State.

We have much to do to ensure that all team members have the opportunity to reach their potential and make the greatest contribution to our transformation program. We plan to focus on a number of key initiatives.

- Communication. We will increase the frequency and quality of our team communication at all levels to ensure all team members understand the overall ITS strategy and how their work contributes to the mission of ITS and our partner agencies

- Development and Training. We will ensure our training and development plans are closely aligned with our transformation strategy and that team members have the skills needed to be effective and to progress in their careers.

- Recruitment. We will implement an intensive hiring program to ensure we are bringing in sufficient new team members to allow us to fulfill our objectives and allow existing team members to progress in their careers

- Performance Management. We will continue to seek ways we can reward and promote outstanding talent.

Thank you for the opportunity to speak today and share our plans.
I welcome your questions and comments.