

**Department of Information Technology
Testimony before the
Commission on Enhancing Agency Outcomes**

December 14, 2009

My name is Diane S. Wallace and I am the Chief Information Officer of the Department of Information Technology.

DOIT appreciates this opportunity to provide testimony on several of the proposed areas of focus issued by the Commission.

As the state's lead technology agency, the Department of Information Technology (DOIT) provides direct services and supports to agencies, identifying and pursuing opportunities for common solutions and reducing costs where possible.

DOIT has successfully expanded use of central and shared services since 2005, delivering centralized IT services across the executive branch that enable agencies to avoid the expense of providing their own.

Overall spending on IT goods and services has risen by less than one half of one percent over FY 2005 levels – or less than \$300,000. At the same time, demand for IT services continues to rise.

The Commission proposed saving \$20 million through the use of managed competition for information technology services.

Revisiting privatization – including targeted privatization, through managed competition - would undermine the progress made to date and I do believe, based on my own private sector experience, ultimately cost the State more over the long run.

Ten years ago, the State pursued, and ultimately abandoned, an outsourcing effort when it became clear that \$50 million in expected savings would not be attainable within an acceptable scope of certainty.

Since then, the State set about building its own infrastructure and capabilities from the ground up, and today is in a much better position, with more centralized services provided by a dedicated, experienced state workforce and at costs that are less expensive than the marketplace charges.