

Evaluating Major IT Projects in Idaho

BUDGET & POLICY ANALYSIS, LEGISLATIVE SERVICES OFFICE

Challenges

No consistent process for evaluating and vetting large IT requests

- State technology advisory board sets policies and procedures, does not provide budget analysis
- No statewide authority evaluating cost-effectiveness or alternative technologies
- No formal vetting process

No in-house technical expertise on the budget staff

- Agencies can provide very little detail about the research behind the budget request or,
- Agencies can provide large amounts of highly technical detail not understandable to the layman

No statewide tracking of major IT expenditures

- Projects tracked within individual agencies, but no monitoring of expenditures statewide
- No centralized tracking of appropriations, reversions, and carryover from year to year

Legislative Solution

During the 2018 legislative session, the Joint Finance-Appropriations Committee introduced House Bill 612 which:

- 1) Established a dedicated funding source (Technology Infrastructure Stabilization Fund) for major IT appropriations
- 2) Authorized the Legislative Services Office to utilize moneys from the fund to evaluate and provide analysis of IT budget requests (hiring outside expertise to help review requests)
- 3) Transferred \$22 million from the General Fund to the newly created Technology Infrastructure Stabilization Fund for FY 2019's major IT appropriations
 - Subsequent appropriation bill provided \$150,000 to Legislative Services for IT consultants

Concerns from the Executive Branch

- 1) Duplicates and conflicts with executive branch functions and authority
- 2) Potential influence or conflict of interest if consultants hired for IT review
- 3) Concern that new dedicated fund was for legislature only and not executive branch
- 4) Arbitrary definition of what constituted a “major” IT project

Year One of New Process

Dedicated funding source allows for improved expenditure tracking

- At year end, reversions to the fund could be used for future funding requests
- Future revenue stream for the fund to be determined

Consultants hired prior to agency budget submission deadline

- Contract terms prohibit consultants from bidding on state IT projects

Budget staff identified largest and most complex IT requests

- Consultants helping staff to develop questions for agencies

Re-organization of IT administration within the executive branch

- New state IT Administrator
 - New approval process in place for IT requests over \$5,000
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