



CALIFORNIA TECHNOLOGY AGENCY

April 16, 2012

Mr. Daniel W. Hancock, Chairman
Executive Director, Little Hoover Commission
925 L Street, Suite 805
Sacramento, CA 95814

Dear Chairman Hancock:

Thank you for the opportunity to respond to the Little Hoover Commission's questions regarding the Governor's Reorganization Plan (GRP) submitted to the Commission on March 30, 2012.

California is home to many of the world's leading technology companies and is considered a world leader for high-tech innovation and development. As the State's Chief Information Officer (CIO), I believe the effective use of technology in government provides an extraordinary opportunity for California to improve the effectiveness and efficiency of government, as well as provide quality and convenient services to its citizens. The Governor's Reorganization Proposal provides an opportunity to enhance the State's effectiveness in taking on technology initiatives.

Overview

As you are aware, the GRP reduces the total number of state agencies by replacing five existing agencies with three new agencies – the Government Operations Agency, the Transportation Agency and the Business and Consumer Services Agency. Under the provisions of the GRP, the Technology Agency will become a department within the new Government Operations Agency. We will retain our responsibilities as a control agency and as a service provider. The Director of the Department of Technology will remain the statewide Chief Information Officer (CIO), appointed by the Governor and confirmed by the Senate. The Department of Technology will retain the same statutory authority, mission and function. The Agency's current policies and plans, such as the State's annual information technology strategic plan released in January 2012, will also remain unchanged and their momentum will continue.

The single difference will be the location of technology within the executive branch. This new Government Operations Agency will be comprised of the:

- Department of General Services
- Human Resources (CalHR)
- **Department of Technology** (*currently the Technology Agency*)
- Office of Administrative Law
- Public Employee's Retirement System
- State Teachers' Retirement System
- State Personnel Board
- and Government Claims Board.

The GRP proposes a sensible restructuring of state agencies. The proposed reorganization of control agencies provides a uniform chain of command that will streamline how California delivers core services including procurement, information technology and human resources. The GRP will make state government more efficient, less costly and more accessible for all Californians.

Mission Unchanged

The mission of the California Technology Agency is to oversee and guide the State's technology portfolio and to support state programs and departments in the delivery of state services and information to constituents through cost-effective, reliable and secure technology.

Under the GRP, the Technology Agency's mission would not change.

Authority of State CIO Unchanged

As proposed in the GRP, the Technology Agency will become a department under the new Government Operations Agency. This is an organizational restructure only and the Technology Agency's current authority, jurisdiction and mission remain intact. The Director of the Department of Technology will remain the State's CIO, with the same authority and responsibilities exercised today.

The GRP maintains the Technology Agency's current powers and authorities to:

- Provide oversight of the technology portfolios of departments and agencies within the executive branch
- Review and approve technology proposals from departments and agencies
- Set technology policy for executive branch agencies and departments
- Set information technology security policies for executive branch agencies and departments

The GRP is a win-win for California's technology portfolio and future. Not only will the State CIO's authority remain intact, it is strengthened by the GRP and the additional resources it provides. As the Governor's appointee, the State CIO will remain California's gatekeeper on technology and accountable for the success and failure of the state's technology portfolio. The State CIO is the taxpayer's watchdog on information technology initiatives and projects, responsible for safeguarding the taxpayer's interests. It will remain the State CIO's job to make certain that any investment of public funds results in tangible benefits to the people of California and that state agencies as well as the technology vendors that work on state projects, are accountable for keeping projects on schedule and on budget.

Under the GRP, the State CIO will retain the authority to aggressively impact an IT project during its conception, and oversee the project to completion. The State CIO will continue to be responsible for knowing the status of all of the existing projects. As a department, the State CIO will continue to provide the governance and oversight necessary to keep IT projects on track and on budget. Should an IT project encounter issues, the State CIO will retain the authority to intervene, identify the problems and find the most cost effective and efficient solutions. Should a project be beyond repair, the State CIO will continue to have the authority to not allow it to move forward.

The GRP will provide the State CIO with an opportunity to more easily collaborate with other organizations that can have a significant impact on the success of an IT initiative. By aligning the Department of Technology together with the Department of General Services and CalHR, we significantly improve the State's ability to address issues such as effective procurements, strong contracts and a capable state IT workforce which are key components to success on technology initiatives. Issues such as these can be more efficiently managed and streamlined within the same agency.

Governor Brown recognizes the importance of technology as a powerful tool to achieve efficiencies, improve government and provide service to consumers. Unifying the Department of Technology with like control agencies in the new Government Operations Agency is a significant step in making state government more efficient, providing a collaborative organizational structure to ensure IT projects are successful. Therefore, I respectfully urge the Little Hoover Commission and the Legislature to support the Governor's Reorganization Plan.

Sincerely,



CARLOS RAMOS
Secretary, California Technology Agency