

Item 7

Information Item

Update on the Grant Delivery System Modernization Project

This item discusses the status of the current Grant Delivery System (referenced from now on as “Baseline GDS”) and the status of the Grant Delivery System Modernization Project (GDSM Project). It also addresses questions raised at the November 2015 Commission meeting about the status of the GDSM project, especially if our 2016-17 budget change proposal (BCP) for the GDSM were not approved. It is the intent of this Item to provide a better understanding of the total GDS status, not the priority of this program’s BCP relative to all other Commission BCPs. That discussion will be done in Item 11.1.

Current Year 2015-16 Baseline GDS and GDSM Project Budget

In 2015-16 the total budget for the Baseline GDS and the GDSM totals about \$4.4 million and 32 positions in the IT Division, of which about \$3.5 million and 28 positions are for the Baseline GDS, and about \$840,000 and 4 positions (funded for ¾ of the year) are for the GDSM.

Background on 2016-17 Request

BCP 01, the BCP relating to the Baseline GDS and the GDSM submitted by the Commission had two components: 1) security and IT operational needs of the Baseline GDS; and 2) the needs relating to the continuation of the GDSM Project.

Here is a summary of the original BCP request:

<i>Original BCP 01</i>	Funding Requested	Positions Requested
BASELINE GDS		
Security	\$2 million	9
IT Operations	\$1 million	8
Subtotal	\$3 million	17
GDSM PROJECT		
Funding for positions	\$850,000	3 IT 5 PASD
One-time funding for contractors	\$2.57 million	
Subtotal	\$3.4 million	8
Total	\$6.4 million	25

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However, recent developments justify that we request additional funding for security needs for the Baseline GDS.

A contractor will soon complete a Risk Management and Privacy Program Certification consistent with State requirements. Anvaya Solutions, Inc. began this 16-week certification activity in late November 2015, with final results expected as scheduled by early March 2016.

Preliminary findings indicate that security mitigation is required now and will require additional funding to implement. Since the security mitigation findings relate to current CSAC activities, they will be added to the original Baseline GDS funding requests.

At this time, we cannot identify the number of positions or contractors these Baseline GDS security mitigation measures will require, nor can we provide anything but broad estimates of costs to implement the security mitigation measures. The estimates for security mitigation would be an additional \$2.5 million in 2016-17, and \$1.5 million in 2017-18. These estimates of additional costs assume that CSAC receives the amount of funding and the number of positions already included in the original BCP request for Security and IT Operations. We will realign that funding and those positions to conform to the newly identified security mitigation needs. If the originally requested funding and positions are not forthcoming, the estimated additional costs for security mitigation will increase.

The increases in security mitigation funding and positions we will request do *not* involve the GDSM Project funding or positions; no additional funding or positions would be added to the amount originally requested for the GDSM Project.

Thus, our requests for funding for 2016-17, updated to reflect the needs related to security mitigation in the Baseline GDS, will be as follows (*changes in italics*):

<i>Updated request</i>	Funding Requested	Positions Requested
BASELINE GDS		
<i>Security</i> ¹	\$2 million	9
<i>IT Operations</i> ¹	\$1 million	8
<i>New Security Mitigation</i>	<i>\$2.5 million</i>	<i>not yet identified</i>
Subtotal	<i>\$5.5 million</i>	17
GDSM PROJECT		
Funding for positions	\$850,000	3 IT 5 PASD
One-time funding for contractors	\$2.57 million	
Subtotal	\$3.4 million	8
Total	<i>\$8.9 million</i>	25

1. *The purposes of these requests will be realigned to conform to the security mitigation needs identified in the Risk Management and Privacy Program Certification.*

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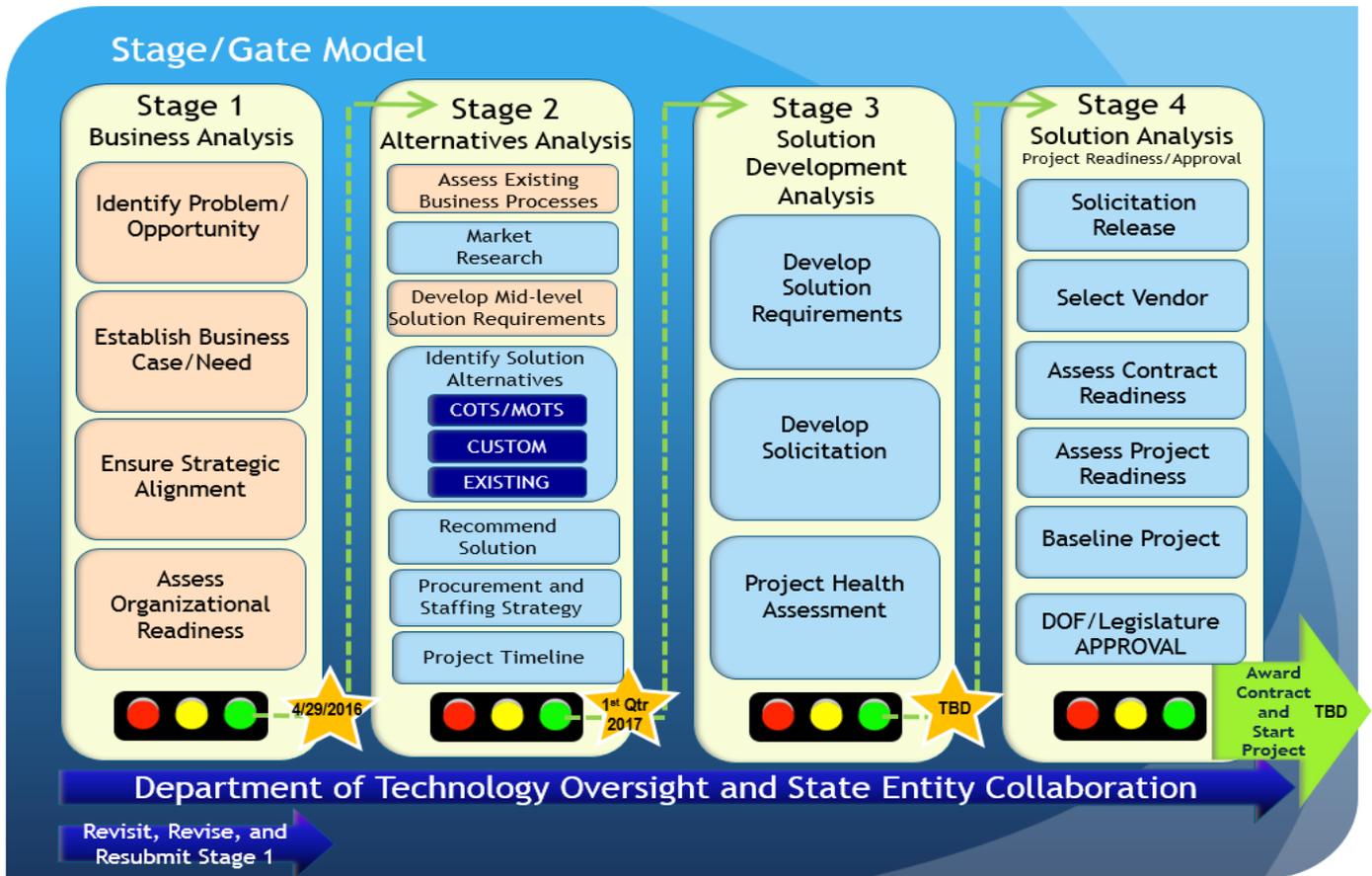
Questions about the GDSM Project

How much will the GDSM Project cost and how long will it take?

The final GDSM Project cost and timeline cannot be known until we complete all the stages of the State Department of Technology's mandatory Project Approval Lifecycle, diagrammed below, governing the project.

A high-level estimate of the cost and timeline would be possible upon completion of Stage 2 (Alternatives Analysis). The GDSM Project is currently completing Stage 1 (Business Analysis) and has started two components of Stage 2.

Our BCP for the GDSM Project is for funding that would allow us to complete Stage 2. Our timeline for completion of Stage 2 would be March 2017. Thus, without the \$3.4 million requested in 2016-17 for the GDSM Project, Stage 2 and the project will be delayed. Further, without Stage 2, there is no way to estimate the costs of Stages 3 and 4, and no way to determine the final cost and timeline of the project, which would be determined at the completion of Stage 4. Under the Department of Technology's Project Approval Lifecycle, this would occur about January 2019.



Staff will be available at the meeting to discuss the security issues of the Baseline GDS, the progress of the GDSM Project, and this BCP. All BCPs and their relative priority will be discussed by the LAB Committee under Item 11.1.

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