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*Jeb Spaulding, Secretary*

## MEMORANDUM

TO: Agency and Department Heads  
FROM: Jeb Spaulding, Secretary of Administration  
RE: Information Technology Optimization Program (I-TOP).  
DATE: May 17, 2011

A handwritten signature in black ink that reads "Jeb Spaulding".

Thank you for your constructive comments and suggestions regarding the State's information technology initiatives at the Extended Cabinet meeting yesterday. We will keep your comments in mind as we move forward and update you on our CIO/Commissioner recruitment efforts in the coming weeks. At the meeting I mentioned I would be forwarding additional information regarding the server consolidation efforts across the State referred to as the I-TOP Program (Information Technology Optimization Program).

As many of you are aware, the Agency of Administration completed an internal IT optimization project, consisting of consolidation and process reengineering in 2008 - 2009. Great benefit was realized from this effort including cost savings, better leveraging of existing resources, more secure systems, and increased depth of IT support to end users.

In late 2009, we contracted with TPI Inc. to deliver a broader assessment of State IT infrastructure which included 22 agencies and departments. TPI provided recommendations to the State outlining further opportunities in the management of our IT systems. Increased consolidation of infrastructure, reducing the number of data centers, application consolidation, more server virtualization and network enhancements were recommended as significant cost savings areas. This led to a multi-year consolidation initiative, beginning in FY2011, called I-TOP.

I-TOP is an important piece of our continuing effort to support improvements and efficiencies in technology delivery, and it is a vital component of our State strategy. The economy of scale created by sharing hardware in fewer data centers is significant. As we continue to consolidate, build and maintain new infrastructure, agencies and departments will be able to increase their focus on the unique software applications that support service delivery to their customers. The transition from where we are to where we are going demands a high level of collaboration. We are committed to this initiative and the cost savings and cost avoidance that will be realized.

Many of you have already been involved and continue to work on the projects associated with I-TOP. One of the most visible projects underway is consolidation of email systems. This project will bring AHS, DPS, and the Legislature in to the central email system provided by DII. I know this type of change is not easy, and I sincerely appreciate the collaborative spirit employed to date.

The State is already realizing cost savings as legacy servers are redesigned, virtualized or moved and as new systems are designed through the Enterprise Architectural (EA) process. The following I-TOP projects have been completed:

- Server moves from the 133 State Street Data Center to the National Life Data Center.
- Completion of 6 network assessments in preparation for server virtualization.
- Initial server data collection at 9 Agencies/Departments (this will assist us in identifying which servers will be virtualized first.)
- Completion of the data center assessment and roadmap to improvements.
- Completion of the Vermont State Managed Services (VSMS) Active Directory health check and improvements.

Additional projects in process are:

1. Infrastructure/virtualization design, implementation, and strategic roadmap:
  - a. Infrastructure build out and expansion
  - b. Capacity planning and collection (by agency/department)
  - c. Complete SOV system inventory
  - d. Server virtualization migration roadmap
2. Exchange migrations with AHS, DPS and Legislative Branch into the statewide email system. This effort includes the creation of an Enterprise Exchange Governance Board.
3. VSMS Active Directory Upgrade, in preparation for further consolidation.
4. Continued work on a wide variety of projects by the Enterprise Architecture team. (Tax data warehouse, DPS Spillman database and systems, VCGI GIS (**geographic information system**), BGS (Heating, Ventilating, and Air Conditioning) HVAC, FIN/DHR PeopleSoft, AHS (Service Oriented Architecture) SOA and MES, AOT Storage, etc.)

To continue on this path, I require the following processes to continue within the Executive Branch:

1. As in previous years, no department other than DII may purchase or authorize purchase of any infrastructure hardware or software or server hardware upgrades. Background: Bulletin 3.5, CONTRACTING PROCEDURES, states "...The Chief Information Officer must review and approve all information technology and telecommunications contracts with a cost of \$150,000 or more, unless the Secretary of Administration has waived this requirement".... As written, this would allow agencies and departments to purchase technology equipment without approval of the CIO if the cost was under the \$150,000 threshold. To ensure purchases of infrastructure hardware or software are consistent with the enterprise technical architecture, we are continuing the current supplemented Bulletin 3.5 guidance contained in a June 10, 2010 Agency of Administration memo stating:

"Effective immediately, no department other than DII may purchase or authorize purchase of any server hardware or software or server hardware upgrades for any purpose whatsoever. Finance & Management may authorize limited exceptions for completing purchases where a legal commitment exists. Any other exceptions must be approved in advance by the Secretary of Administration on recommendation from DII; it is not anticipated that there will be significant exceptions."

2. Departments requiring additional infrastructure or system capacity of any kind shall make a request, along with the funding source available to support the requirement, to the Enterprise Architecture (EA) group at [DII-EnterpriseArchitecture@state.vt.us](mailto:DII-EnterpriseArchitecture@state.vt.us). This applies to new servers (for example, a new application), the expansion of an existing use, or a replacement of existing servers/storage.

3. The Chief Technology Officer, Michael K. Morey and his team at DII will engage in the system design process which typically includes an EA Assessment for business and system requirements, a 5 year cost model reflecting hardware/software life cycle costs, a Detailed Design documenting what is being built, and a Security Assessment ensuring the system is designed to meet appropriate security and privacy standards such as those outlined in the National Institute of Standards and Technology (NIST), Internal Revenue Service (IRS) Publication 1075, the Payment Card Industry's Data Security Standard (PCI DSS), and the Health Insurance Portability and Accountability Act (HIPAA). It is through this assessment and design process that the State of Vermont will be able to more efficiently provision data center space, processing and storage capacity, and realign or consolidate application services to meet business demands while reducing redundancy and cost.
4. Budgeting and indentifying funding that would otherwise have been expended on data center resources including servers and storage remains the responsibility of the department or agency making the request. As such any infrastructure purchases made by DII will be billed back to the respective department or agency. As a reminder, the Commissioner of Finance and Management has been authorized to capture department savings related to information technology consolidation efforts. Email Michael at [Michael.Morey@state.vt.us](mailto:Michael.Morey@state.vt.us) for more information.

On a schedule to be announced soon, SharePoint and other file sharing servers, print servers, and application servers will be consolidated. DII has received approval from the Sharepoint Governance Board to perform an upgrade to Sharepoint 2010. As stated in previous communications, SharePoint is an enterprise application and no additional development of other SharePoint resources outside of the enterprise solution, which is already available through DII, may continue.

This message regarding infrastructure consolidation of server, storage, networking etc. has been consistent over the past several years and is an important project essential to making state government more effective in a time of limited resources. As systems are consolidated to more centralized locations, staffing issues will need to be addressed. These issues will be managed and resolved as part of project planning and execution. Thank you for giving this initiative your full attention and cooperation.

If you have questions regarding the I-TOP program, please visit the I-TOP website here: <http://dii.vermont.gov/itop>. Additionally, feel free to reach out to Ruthann Sullivan, the interim Commissioner of DII at [Ruthann.Sullivan@state.vt.us](mailto:Ruthann.Sullivan@state.vt.us).