

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 4, 2006

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER

SUBJECT: BUDGET MEMO #69: INFORMATION TECHNOLOGY COMMISSION
REVIEW OF THE CITY'S FY 2007 PROPOSED INFORMATION
TECHNOLOGY PLAN

Attached is the Information Technology Commission's report to Council after they reviewed in detail the City's FY 2007 proposed Information Technology (IT) Plan. The Commission unanimously adopted the attached report.

Attachment

**City of Alexandria
Commission on Information Technology**

**Report on the Proposed FY 2007
Information Technology Plan**

R. Mark McLindon, Chair
Juan Bocanegra
Daniel Brooks
Marc DeCoursey
Mark S. Feldheim
James Giordano
George Hagen
Catherine Hogan Lewis
Brian Hunt
K. Rob Krupicka
Patrick O'Brien
Redella S. Pepper
R. Heather Planey
Marie Schuler
Dale Wurzer

In accordance with provisions of The Code of the City of Alexandria, Section 2-4-113(a)(1), the Information Technology Commission has reviewed the City Manager's Proposed FY 2007 Information Technology Plan and makes the following findings and recommendations:

The proposed plan adequately addresses the City's established IT goals as referenced in the plan. The 6-year Capital Improvement Plan (CIP) priorities are well articulated and appear achievable. Projects that are unlikely to be completed have again been deferred to later years. However, it is important to closely monitor those CIP projects that are scheduled for funding in FY 2008 in light of the challenges identified by the City Manager associated with the City's overall planned \$100 million CIP expenditure in that year. It is also noteworthy that the FY 2007 – 2012 plan reflects the second year of the two-year detailed plan that was implemented as part of the City's focus on a biennial CIP planning process. The identified projects in this year's IT Plan also indicate a statement of the project's relationship to the City's adopted Strategic Plan which will be helpful to Council in determining and justifying CIP budget priorities. Although the specific benefits of proposed projects and changes from prior years are generally well-described, it would be helpful to have more detailed justifications for some projects.

The Information Technology Steering Committee and its Chartered Committees, Groups and Task Forces are an integral part of the City's IT planning, prioritization and use of new technology to deliver services that are cost effective and provide public access to services and information. The IT Plan is clearly indicative of a disciplined and coordinated approach to the City's IT planning.

The FY 2007-2012 IT Plan is a reflection of the City's changing business needs, changes in the technology environment, and the need to replace aging and inefficient IT infrastructure. Notwithstanding the City's long-standing commitment to investment in IT systems and technology, a number of outdated systems in need of replacement have been identified. (Budget Memo #6, March 1, 2006). It is imperative that the annual IT Plan reflect coordination of needed projects so as to ensure that deferral to later years will not have an adverse impact on essential IT systems. Some of the software replacement costs are a result of outdated, non-standard software that is no longer supported. The IT plan should encourage the use of widely used, "off the shelf" software whenever practical, but pursue custom development as deemed necessary.

The Information Technology Commission renews its prior recommendation that additional project prioritization descriptors may be helpful in establishing IT Plan priorities and would be of assistance to the City Council in its annual budget deliberations. While rating a project as "essential", "very desirable" or "desirable" is of some assistance, the addition of objective rating information would be of assistance in determining a project's priority. Last year we noted that projects with anticipated cost-savings should have a projected return on investment (ROI) date and state or federal mandates should be specified. The contemplated

replacement of the Payroll/Personnel System (015-015-2-5) includes a planned ROI assessment. Projects that do not lend themselves to ROI calculations should continue to focus on cost avoidance and service improvements.

The Information Technology Commission expresses its appreciation for the time, effort and professionalism of the ITS staff and looks forward to continue working with ITS in ways that will help achieve the stated goals of the ITS Department, improve the budget process, and provide assistance to Council in future reviews.