

LONG-RANGE INFORMATION TECHNOLOGY PROGRAM

Program Description

The Long-Range Information Technology Program (LRITP) is a program developed to fund large information technology (IT) projects in compliance with 17-7-123, MCA. The LRITP consolidates large IT investments in one appropriation bill and defines major IT enterprises as capital projects. All projects included in the LRITP bill are overseen by the state chief information officer (CIO) within the Department of Administration (DOA).

The consolidation of major IT projects is intended to achieve several goals. First, IT projects are complex and require significant and time intensive planning, design, and management efforts, and by designating the projects as “capital projects,” the appropriation continues until completion of the project, as statutorily authorized in 2-17-560, MCA. Second, centralized project oversight is intended to enhance project management and foster stronger partnerships between agencies and the state CIO. Finally, having all the major projects in one piece of legislation facilitates a broad vision of the state IT program and related investments.

Program Budget Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Figure 9

Program Comparison - Long-Range Information Technology Program				
Budget Item	Budget 2021 Biennium	Budget 2023 Biennium	Biennium Change	Biennium % Change
	<u>Appropriated</u>	<u>Proposed</u>		
Projects Cost	\$38,595,285	\$57,969,037	\$19,373,752	50.2%
Total Costs	\$38,595,285	\$57,969,037	\$19,373,752	50.2%
Capital Project Fund ¹	7,313,366	4,969,037	(2,344,329)	-32.1%
State Special	18,392,531	5,500,000	(12,892,531)	-70.1%
Federal Special	12,889,388	47,500,000	34,610,612	268.5%
Other/Proprietary	0	0	0	-
Total Funds	\$38,595,285	\$57,969,037	\$19,373,752	50.2%

¹The capital project fund consists of transfers from the general fund

Program Discussion

As seen in Figure 9, the executive proposes \$58.0 million in appropriations for the 2023 biennium in the LRITP. The proposal, presented in HB 10, is a 50.2% increase from the 2021 biennium. The proposal includes a transfer of \$5.0 million from the general fund to the LRITP fund to support major IT projects. A complete listing of the LRITP projects is seen in appendix item A-3 of this report. The full detail of the projects included in the executive budget will be available during the legislative hearings in Section F.

Project Highlights

This section provides high level details of the 2023 biennium LRITP projects, which includes the following:

- Department of Administration, Montana Cybersecurity Enhancement Project. Tasks proposed in this project include:
 - Upgrading the internal network from Layer 4 to Layer 7 firewalls

LONG-RANGE INFORMATION TECHNOLOGY PROGRAM

- Providing backup and classify all state agency data to ensure it can be recovered after an incident
- Augmenting the existing micro-segmentation solution with Layer 7 firewall policies and technology to enable zero trust measure restricting network access to and between servers
- Implementing an enterprise 3rd party patching solution to simplify, standardize, and automate patching 3rd party applications
- Implementing an enterprise password manager, prioritizing those with the biggest risk of compromised credentials
- Implementing a SIEM (a tool associated with the amount of data that is processed) data stream processor to reduce the amount of data sent to the SIEM tool and to reduce related ongoing costs
- Implementing SOAR, Security Orchestration, Automation, and Response, solutions with other states to combine resources and to share intelligence, playbooks, and augment specialized expertise
- Implementing application security tools, an enterprise code analysis tool, to analyze source code and identify application security vulnerabilities
- Enhancing geolocation identification capabilities by subscribing to a dedicated service
- Department of Administration, General Services Div., HVAC Systems Network and Monitoring. Tasks proposed in this project include:
 - Upgrading outdated controllers and wiring and resolving programming issues
 - Implementing an alarm management system for heating, ventilation, and air-conditioning (HVAC) systems
 - Providing physical security to critical HVAC in rooms
 - Upgrading utility analytics
- Department of Labor and Industry, STAARS Version Upgrade. Tasks proposed in this project include:
 - Moving the UI Contributions system (STAARS) to a newer version of the vendor software
- Department of Labor and Industry, UI Benefits System Replacement. Tasks proposed in this project include:
 - Replacing the current legacy unemployment benefits system due to age of system and risks associated with future lack of support for an Oracle-based system
 - Improving customer experience
- Department of Transportation, Federal Billing System (increase). Tasks proposed in this project include:
 - Implementing internal controls sufficient to determine that federal awards are used in accordance with applicable Federal statutes, regulations, and the terms and conditions of the federal award instrument (the increase is caused by renegotiation of the initial contract to include all necessary functionality)

Funding

Unlike other Long-Range Planning programs, the LRITP does not have a statutorily dedicated source of funding for major IT projects. Instead, state agencies support their project costs through agency administered state and federal special revenue funds. For agencies primarily supported by general fund, transfers are made from the general fund to the LRITP capital projects fund in support of the agency requests. In the 2023 biennium, the executive proposes a transfer of \$5.0 million to the LRITP capital projects fund. The transfer of funds will be included in HB 10.