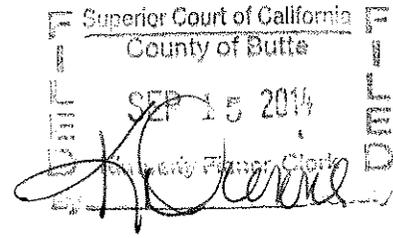ART ROBISON
INTERIM DIRECTOR

August 9, 2014

Honorable Kristen Lucena, Presiding Judge
One Court Street
Oroville, CA 95965

Honorable Judge Lucena,

Pursuant to Penal Code 933 et. seq., attached is my response to the 2013-2014 Grand Jury Final report on Butte County Information Systems.

Butte County Information Systems

FINDINGS

F1 – The County's network went live in the late 1990's. It has achieved a greater than 99 percent uptime. The continuous operation of the network is critical to all departments within the County.

The respondent agrees with the finding.

F2 – The Butte County ISD's *Information Technology Strategic Plan* was prepared in 2005 and has not recently been updated.

The respondent agrees with the finding.

F3 – Currently ISD is preparing to launch Lync, a unified messaging system, to leverage the County's fiber data infrastructure and to deploy VoIP technologies onto the BCI network.

The respondent agrees with the finding.

F4 – ISD's strategy is to maintain an Industry standard of a maximum 5-year technology refresh rate of enterprise class server equipment and a 3-5 year refresh rate of network infrastructure routing and switching equipment.

The respondent partially agrees with the finding.

A maximum 5 year refresh rate for enterprise class server equipment is correct. For the most part, ISD has been able to meet this.

A 5-8 year refresh rate for network infrastructure routing and switching equipment is a more reasonable target. Limited resources and the absence of an Information Technology Strategic Plan and have made this a more difficult goal to achieve. Extending the use of network infrastructure routing and switching equipment beyond 8 years increases the risk of technical obsolescence and equipment failure. Ultimately, the most significant negative impact of obsolescence and failure is that it diminishes the ability for the County to deliver services to the public.

F5 – Since the FY2008-2009 budget reductions, most of the infrastructure hardware life has been extended to 10+ years (core router and switching equipment), which is beyond its normal life span.

The respondent partially agrees with the finding.

A number of assets have remained in service beyond their useful life in order to meet fiscal challenges. The core router and some switching equipment have been replaced. Additional switching equipment is scheduled for replacement in the current fiscal year.

F6 – The core router was replaced in FY 2013 with funds made available from Homeland Security Grants.

The respondent agrees with the finding.

F7 – With the implementation of Microsoft Lync unified messaging system, the County networked devices will increase to over 12,000+ units.

The respondent partially agrees with the finding.

The total number of devices will increase and may double their current count. However, the final number cannot be accurately assessed at this time due to a number of endpoint options available through Lync. For instance, if end users elect to use a headset for telephony instead a VoIP handset, then the total number of network devices would not increase.

F8 – Without additional staff resources, ISD will continue to be overburdened with support issues.

The respondent agrees with the finding.

Given the nature of local government funding and the financial constraints all departments must work within, the IS Department must continue to reprioritize work and re-evaluate processes in order to meet expanded hours of support coverage as well as deployment of new technologies like unified communications (Lync). If money was not an issue and resources were plentiful, the IS Department would certainly welcome additional support staff to provide optimal service levels. However, that is not, nor will it ever be, the County's reality. The Requested Budget for FY2014-2015 included a request for one (1) Information Systems Analyst and two (2) Information Systems Technicians. The Recommended Budget provided an allocation for one (1) of the requested positions, an Information Systems Technician. The additional position allows the IS Department to maintain existing services, though not at an optimal level.

F9 – The loss of key ISD employees would be catastrophic to the County. Loss of their valuable knowledge, experience, and commitment would be a major setback to the functionality of the department.

The respondent agrees with the finding.

There will be a significant loss of corporate knowledge with an unanticipated departure of key staff members. Additional effort in documentation, training, and planning will need to be made to reduce the impacts.

F10 – The IS Department provides mission-critical services and support to most County departments. Loss of ISD support to any of these departments would greatly impair their ability to conduct County business.

The respondent agrees with the finding.

F11 – The current adopted budget FY 2013-2014 for ISD is 0.85 percent of the total County budget, down from 1.42 percent in FY 2008-2009.

The respondent agrees with the finding.

F12 – For the last 10 years the IS Department has been given increased duties and responsibilities, and its budget has remained flat (increase of 0.08 percent) while the overall County budget has increased by $200,000,000 (61 percent) (see Appendix B).

The respondent partially agrees with the finding.

The respondent agrees that for the past 10 years the duties and responsibilities of the IS Department have increased. The County business processes depend on technology for service delivery. Additional resources would advance County business and increase the County's responsiveness to the needs of the public.

As an Interim Director the respondent is not yet able to speak with authority regarding the nuances of the budgetary fluctuations which occurred over the past 10 years. During this time period the divisions of Information Systems and Central Communications were combined into a single unit. This modified the budget reporting. These divisions have also moved away from being an Internal Service Fund (ISF). There were also significant changes to the telephone billing pushing these costs directly out to departments and away from Central Communications. Lastly, there was a significant economic downturn in 2008 which greatly affected funding for all departments.

F13 – The County's radio communication relies on outdated equipment installed on St. John Mountain (located in Glenn County) which is costly to support.

The respondent agrees with the finding.

F14 – Of the County's older personal computers 500+ are still operating on the Windows XP system and will require upgrades in order to function in the upgraded Active Directory.

The respondent disagrees with the finding.

At the time that the Grand Jury was researching this issue, there were many computers still utilizing the Windows XP operating system. The County invested funding in FYs 2012-2013 and 2013-2014 to upgrade outdated computer hardware. An investment was also made in a Microsoft Enterprise Licensing Agreement to ensure that the operating systems remain current and functional with future editions of Active Directory services.

F15 – Two full-time employees are dedicated to network security, monitoring against unauthorized users, filtering for SPAM and viruses, while receiving over 800,000 Internet messages monthly.

The respondent agrees with the finding.

RECOMMENDATIONS

R1 – Butte County should develop the ISD Information Technology Strategic Plan to reflect new technology developments and new support services needed. It should be reviewed annually in order to respond to any unanticipated need or development opportunity.

The recommendation has not yet been implemented, but will be in FY2014-2015.

An Information Technology Strategic Plan will be developed during this fiscal year. It will be reviewed and updated on an annual basis to ensure relevance to the business needs of the County.

R2 – Butte County should provide adequate resources to ISD to ensure the network infrastructure is at the industry standard refresh rate of 3-5 years for technology and hardware.

The recommendation has been implemented.

The County has funded the replacement of enterprise class server hardware on a 3-5 year interval. Funding to support a refresh interval of 5-8 years for network infrastructure (routers and switches) will continue to be requested.

R3 – Butte County should diligently search and pursue available grants from any and all sources to fund necessary infrastructure upgrades.

The recommendation has been implemented.

ISD has employed grants in the past and will continue to apply for alternate sources of funding to assist in infrastructure upgrades.

R4 – Butte County should allocate funds to rehire or replace ISD positions eliminated after budget cuts were implemented in FY 2008-2009 and allocate additional positions to support expanding workloads.

The recommendation has been implemented.

One (1) new Information Systems Technician position has been allocated in FY2014-2015. Additional staff positions will continue to be requested through the budget process in order to meet ongoing and future needs.

R5 – Butte County should acknowledge the importance of the IS Department and its role, which is mission critical, to the citizens of Butte County and most County departments.

The recommendation has been implemented.

The County as a whole understands the importance of technology, and more specifically the role the IS Department plays in their daily business.

R6 – Butte County should commit to fund ISD, for the next five years, at a minimum rate of 1.75 percent of the total County budget, with a goal of 3 percent within 10 years.

The recommendation has been implemented.

Establishing the basis for technology funding at 3% of the total budget, requires that the total investment in technology from all departments be considered, not just that of ISD. It must be noted that significant technology investments have been made by the other departments outside of the ISD budget.

The recommendation from the Grand Jury is for a two-fold increase in the ISD budget, based on the numbers provided in the report. Certainly there is a need for additional funding in ISD as technology demands continue to rise, but an increase of this magnitude not realistic. It is more appropriate to establish a funding level based on the General Fund. If the General Fund is used as a basis then over the past decade the ISD budget has met the 3% benchmark. As additional demands for technology are identified then additional analysis must be made to determine the future fiscal impacts. Sufficient funding must be made available to address these demands.

Each year a portion of ISD funding is set aside into an Equipment Replacement Fund. Annual contributions to this fund are based on equipment depreciation schedules. Funding is then drawn out in subsequent years to fund the purchase of replacement equipment when existing equipment reaches the end of its useful life.

R7 – Butte County should acknowledge the problems with the St. John Mountain radio system and take steps to replace the antiquated equipment before total system failure.

The recommendation has been implemented.

The County is actively working on ways to extend the service life of the St. John Mountain radio system to keep it operational until a new solution can be funded, built, and placed into service.

R8 – Butte County must acknowledge that it has in excess of 500 personal computers that have outdated operating systems in use. It is recommended that the County consider a lease arrangement, or the outright purchase, to assist departments in the replacement of outdated machines, which will be required for compatibility with the new Active Directory.

The recommendation has been implemented.

Several months ago the outdated operating systems were eliminated as a result of computer hardware purchases and the Microsoft Enterprise Licensing Agreement entered into by the County. The Enterprise Agreement (EA) will ensure that the operating systems remain current and functional with future editions of Active Directory services.

Sincerely,

Arthur M. Robison
Interim Director of Information Systems