

Governor aims fix for state's tech woes

Ritter says "private- sector expertise" will help in buying and installing computers.

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Gov. Bill Ritter announced a plan Thursday to revamp the state's splintered process for buying and installing new computer systems - a move that is intended to prevent another round of costly meltdowns.

Over the past four years, the state has spent up to \$300 million on failed computer systems, staff time, legal work and other costs related to crashing computers.

"I can't say a bad ideology drove them to make mistakes," Ritter said. "But you wound up seeing a great deal of money that was badly spent, and we're not going to throw good money after bad."

Ritter unveiled the plan to bridge the state's digital divide during a trade group meeting in downtown Denver.

"We're going to do it by tapping into your private-sector expertise," Ritter said in a speech to the Colorado Software and Internet Association.

His proposal would:

Create the Innovation Council to advise him on recruiting technology companies to the state and improving state government's use of computing systems.

Eliminate the department- by-department structure for buying, planning and managing state computer systems by unifying those efforts under the Governor's Office of Information Technology.

Develop a strategy to complete the installation of high- speed Internet connections throughout the state.

Ritter acknowledged that previous efforts to complete the "last mile" of those high-speed connections have been hampered by high costs. He said the **Innovation Council** will seek ways to pay for **"ubiquitous broadband infrastructure."**

Phil Weiser, professor at the University of Colorado Law School and a council co-chair, said broadband is critical for economic development.

"We cannot afford to leave Colorado citizens or businesses behind as other states and countries adopt broadband connections and applications that catapult them ahead in the 21st century," Weiser said.

Ritter said Kansas and Nebraska are jumping ahead of Colorado in making high-speed connections available to residents.

The shake-up in how the state buys and manages computers comes after several multimillion-dollar blunders during the final years of Gov. Bill Owens' administration.

One of the first changes Ritter made was to hire a chief information officer, Michael Locatis, and to elevate him to a Cabinet-level post.

Locatis has been developing new policies that would consolidate buying, planning and management functions in his office. A bipartisan bill to make such changes state law is expected to be introduced next year.

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Colorado's computer troubles

CBMS - The \$223 million welfare-benefits system, developed by EDS and used by the counties and the state, has been hampered by many problems since it was unveiled in 2004. In April, the federal government ordered the state to repay \$11.2 million in overpaid benefits.

CSTARS - The Department of Revenue's new program stalled in April, after the state spent about \$10 million. The program by Avanade was providing incorrect information to some law enforcement officers.

ERP - The department of transportation's computerized paycheck system delivered loads of problems late last year and early this year. The \$38 million system was developed by SAP.

Genesis - The state paid \$24.2 million to Accenture to update its unemployment insurance program. The total contract was \$40.8 million, but officials terminated the program in December 2005. Key parts of the program - monitoring taxes paid by employers and benefits paid to workers - don't work.

SCORE - Accenture was hired to provide the program for computerized voting records, but the contract was canceled in November 2005. The state had spent \$1.5 million on the \$10.5 million contract, but the contractor "missed every deadline." In late December, the company agreed to refund \$2 million.

Colorado Innovation Council

The council includes 34 technology experts from the private, public, nonprofit, venture capital and academic sectors, from big business, small business, urban areas and rural areas. They will volunteer their time.

The co-chairs are:

Phil Weiser - Professor of law and telecommunications and founder of the Silicon Flatirons Program at the University of Colorado. He contributed \$969 to Ritter's gubernatorial campaign. He will oversee the council's broadband working group.

Brad Feld - Managing director of Foundry Group and Mobius Venture Capital. He founded Feld Technologies, which was sold to AmeriData Technologies in 1993. He contributed \$1,000 to Ritter's gubernatorial campaign. He will oversee the council's information management group.

Juan Rodriguez - Founder of StorageTek and Exabyte and a venture capitalist at Appian Ventures. He will oversee the council's entrepreneurship group.