B&CB

SC BUDGET AND CONTROL BOARD

OFFICE OF THE EXECUTIVE DIRECTOR

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March 9, 2015

The Honorable Nikki R. Haley
Office of the Governor
1st Floor State House
Columbia, South Carolina 29201

Dear Governor Haley,

Pursuant to Proviso 117.131 of the FY 2014-15 Appropriations Act, the SC Budget and Control Board submits the attached report of recommendations and estimated costs for the implementation of a statewide disaster recovery plan. The report includes an assessment of state agencies' disaster recovery capabilities in terms of data protection, disaster recovery infrastructure, disaster recovery plan and testing, and fit for purpose.

71 agencies participated in the study. The participating agencies were provided a criticality framework to rate how quickly their applications needed to be restored in the event of a disaster. Using this framework, agencies reported 619 applications as urgent, high, or medium and therefore requiring disaster recovery capabilities. A summary of the assessment follows:

Data Backup and Protection Offsite

- 99% of all critical applications have some form of data backup in place.
- 37% of the critical applications have data stored greater than 75 miles away from the primary site, which provides adequate protection from any disaster recovery events.
- 41% of the applications have data stored offsite, but within 75 miles, leaving agencies and applications vulnerable to local or regional events.
- 22% of the applications do not have data stored offsite, which is not acceptable in any scenario.

Disaster Recovery Plan

- 92% of the critical applications are not covered by disaster recovery plans.
- For the 7% of applications that have disaster recovery plans, the plans were deficient in one or more qualitative aspects that lower the probability of a successful recovery.
- The Division of Technology Operations has disaster recovery plans in place to recover infrastructure and applications for its mainframe and shared services environments.
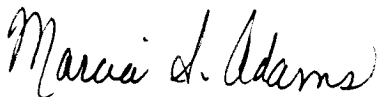
Fit for Purpose
- 20% of the applications have disaster recovery capabilities that meet or exceed their needs.
- 10% of the applications have disaster recovery capabilities, but there is a high risk of failure due to incomplete or missing components.
- 70% of the State's applications have no disaster recovery capability at all.

Solutions Overview
- Coeur Group/Excipio developed four solution options for the State to evaluate different approaches and technologies to address disaster recovery.
- Coeur Group/Excipio evaluated various collocation options in addition to building a state disaster recovery data center.
- Disaster recovery will be more expensive under the current non-standard and decentralized model. The State should consider additional standardization of the IT equipment in order to reduce complexity and disaster recovery costs.
- Coeur Group/Excipio recommends the State consider reducing the number of agency-run server rooms by consolidating server and storage hosting into a smaller number of resilient, purpose-built data center facilities. Ideally, the State should have a long term goal of no more than three data centers, including any disaster recovery and/or collocation sites.

At an appropriate time, I am available to meet with you to discuss the plan in greater detail. If you have any questions or need additional information, please feel free to contact me at 803-734-2320.

Sincerely,

Marcia S. Adams

Enclosure