From: Earley, Jimmy <jearley@cio.sc.gov>

To: Soura, Christian <ChristianSoura@gov.sc.gov>

Date: 6/24/2013 3:31:52 PM

Subject: RE: IBM

Christian,

As you know, the purpose of this proviso is to help ensure some standardization and level of consistency in the procurement and implementation of security related hardware, software and services. The proviso would allow us to help better manage the state's investment in the security solutions and technologies that Deloitte has recommended after completing risk assessments for the first three state agencies. I am sure that there will be future recommendations for security products and services as we work to complete the additional 15 agency assessments over the next year.

We understand that the proviso language is broad and the time to implement such a procedure is short. Perhaps if this proviso is not the best tool to accomplish our goals, the Governor could help us ensure some level of standardization among the cabinet agencies as we move forward with the establishment of the new security division and the procurement and implementation of new security technologies.

Thanks for letting me share my thoughts on this. Let me know if you would like to discuss further.

Jimmy

From: Soura, Christian
Sent: Monday, June 24, 2013 11:13 AM
To: Earley, Jimmy
Subject: RE: IBM

I'll call in a minute...draft text for us to discuss on Proviso 117.124...

The proviso itself:

117.124.   (GP: IT Certifications) Information Technology procurement certifications for all state agencies, departments, boards and commissions, except for the Legislative and Judicial Departments, and institutions of higher learning including technical colleges, shall be suspended for the current fiscal year. All information security and information technology purchases must be approved by the Budget and Control Board, Division of State Information Technology in a manner prescribed by the Division.

Draft line-item veto message:

This well-intentioned proviso clearly has its roots in Deloitte's initial report on how South Carolina should organize its efforts to establish a true statewide approach to information technology and security. One of Deloitte's key findings – with which I am in complete agreement – was that we need to transition from the decentralized model we have today to a federated model in which more decisions about technology policies and standards are made centrally.

Unfortunately, I believe this proviso misses another one of Deloitte's conclusions, which is that this transition cannot be completed overnight. Elsewhere in this budget, we have begun the process of establishing a new security organization under the leadership of a Chief Information Security Officer. We are also taking steps to establish a Privacy Office that will help us classify the records we hold, to ensure that sensitive records are safeguarded properly. It will take time to build these offices, to hire the most qualified personnel, and to define

a new set of policies.

This proviso would suspend – starting less than a week from now – all information technology procurement delegations for all state agencies, with exemptions for the legislature, the judiciary, and our technical colleges and other public institutions of higher education. The closing sentence of this proviso is particularly worrisome: "All information security and information technology purchases must be approved by the Budget and Control Board, Division of State Information Technology in a manner prescribed by the Division."

This overly-broad wording could be interpreted to apply to essentially any software, hardware, or IT service purchase made by a state agency in the coming year. I believe we need to take more time to decide which decisions should be made centrally as opposed to by individual agencies; furthermore, we will need to build capacity within the central administrative agency before we make such a radical change to our purchasing practices. Otherwise, there is great risk that we will add more sign-offs and red tape to our existing processes, without adding any value at the same time.

CLS

Christian L. Soura
Deputy Chief of Staff

(803) 543-0792
ChristianSoura@gov.sc.gov

From: Earley, Jimmy
Sent: Monday, June 24, 2013 10:03 AM
To: Soura, Christian
Subject: RE: IBM

Christian, I am in the office all day today – please call me on my cell at 606-5460 – thanks, Jimmy

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From: Soura, Christian
Sent: Sunday, June 23, 2013 4:46 PM
To: Earley, Jimmy
Subject: RE: IBM

> No, but I'll talk to her about it this week…remind me on Thursday, if I haven't answered in the meantime.
>
> You around tomorrow? I wanna call you briefly about Proviso 117.124.

CLS

Christian L. Soura
Deputy Chief of Staff

(803) 543-0792
ChristianSoura@gov.sc.gov

From: Earley, Jimmy
Sent: Wednesday, June 19, 2013 3:21 PM
To: Soura, Christian
Subject: IBM

Christian,

I know you are slammed but wanted to know if you have any updates on the IBM Global Delivery Center. They did call last week to check on our progress. Thanks, Jimmy