

MTA Information Technology

Audit Committee Report on IT

May 2019

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Agenda

- ▣ 2018 major IT achievements
- ▣ 2019 major IT goals
- ▣ Internal Controls
- ▣ Application Rationalization
- ▣ IT Savings

2018 Major IT Achievements

- ❑ Completed cutover of fare media systems to new banking institution.
- ❑ Complete implementation of Duo 2-factor authentication for MetroNorth. Remaining agencies scheduled to be completed in November 2019.
- ❑ Upgraded Peoplesoft hardware and established new disaster recovery site in Albany.
- ❑ Windows 2010 desktop upgrade – completed 16,234 of 26,208 (62%) of desktops.
- ❑ NextGen network: 219 of 232 (94%) locations completed. 396 of 507 (78%) EAM locations completed.
- ❑ Completed NYCT Ultra Wide Band Proof of concept

2019 Major IT Goals

- ❑ Continue to update cybersecurity platforms.
- ❑ Implement Duo 2-factor authentication for all MTA access.s
- ❑ Complete upgrade of all desktops to Windows 10.
- ❑ Continue implementation of network upgrades at all Agencies.
- ❑ Complete installation of additional mainframe for NYCT AFC redundancy.
- ❑ Continue to analyze redundant applications and rationalize applications where applicable based on business functionality.

Internal Controls

- ❑ MTA IT adopted the Critical Information Security Framework and consolidated the number of Internal Controls.
- ❑ 42 out of 44 controls passed testing (3 controls were under remediation and not fully tested)
- ❑ 2019 Initiatives:
 - Increase the frequency of testing from annually vs. quarterly for some controls, for timely remediation.
 - Vendor oversight will be an area of focus.
 - Leverage new GRC system as system of record.

Application Rationalization Program Recap

- ❑ Decommissioned 26 applications and after analysis, identified additional 35 apps that are in scope for rationalization (298 to 333).
- ❑ Assigned applications to rationalization programs, where applicable.
- ❑ Moved from Portfolio Analysis Phase to Rationalization Phase to perform fit gaps of business feature sets of applications in each program. Actively analyzing a total of 12 programs totaling 259 applications.
 - 45% of apps are in scope for decommission post analysis.
 - 14% of apps no longer in scope for decommission post analysis.
 - Continuing to analyze the remaining 41% of the apps
- ❑ Formed a dedicated team focused on analysis, fit gaps, and creating a repeatable process.
- ❑ Depending on scope of rationalization program and significant upfront investment will be required.

Application Rationalization 2019 Program Plan

- Complete the Fit Gap analysis for all 333 applications and determine # of apps in scope to be rationalized.
- Estimate the number of future targeted apps for each program area.
- Determine the potential savings for each of the program areas.
- Prioritize program areas for decommissioning.
- Obtain project and funding approval to proceed with rationalizing program areas with the first one being presented to the June IT Steering Committee.

	Work Stream (Program)	# of Apps in scope for Rationalization as of May 2019
1	Lost & Found	4
2	Kronos Timekeeping	11
3	Capital Finance	8
4	Enterprise Content Mgmt.	29
5	OMNY	43
6	CTSS	14
7	BSC Shared Service HR	12
8	Efficiency Testing System	3
9	EGIS Project	2
10	CDMS	13
11	EAM Program	84
12	Energy Management System	2
13	Enterprise Health and Safety	19
14	Incident Management	7
15	BSC Financials	4
16	MTA Intranet Review	7
17	MTA Time Rationalization	15
18	Data Warehouse	7
19	PeopleSoft Pension Module	7
20	Others	42
	Total Apps	333

MTA IT continues to drive savings by using resources more efficiently

- 2015 Budget reduction of 6%
 - 59 Positions (\$19.3m)
 - \$3.4m Non Labor
 - \$1.9m Operating Capital
- 2016 Budget reduction of 7%
 - 67 Positions (\$16.2m)
 - \$27.2m Non Labor
- 2017 Budget reduction
 - \$29.1m Non Labor
- 2018 Budget reduction
 - 61 positions (\$2.8m; \$7.6m annually)
 - \$3m annual IT Initiative Reserve Operating Capital

Total Savings 2015-2018 \$181m

Note some staff additions were necessary:

Labor Agreements: Converted consulting positions to 67 permanent positions for technical support and service desk

New Project Requirements: 61 positions added to support cybersecurity, projects approved by IT Governance, EAM, and Capital Programs (e.g., M9s & PTC)



Since 2015, IT Consolidation has yielded substantial savings for MTA

- ▣ Headcount Reductions – 187 positions permanently eliminated
 - ▣ Recurring annual savings: \$21 million (2018 value)
 - ▣ Additional one-time labor savings: \$25 million
- ▣ Operating Budget Non-Labor and Operating Capital Reductions
 - ▣ One-time savings: \$3 million
 - ▣ Recurring annual savings: \$36 million (2018 value)
- ▣ Total Financial Plan savings 2015-2025: **\$634 million**