

PressRelease



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State of Minnesota Launches Data Center Reduction

Today State of Minnesota Chief Information Officer Gopal Khanna and Commissioner Tom Hanson, Minnesota Management and Budget, jointly announced the first step in reducing more than 36 state data centers to 2-4 in five years.

A directive to state agencies to move and co-locate their computer systems was issued in advance of Friday's release of a State of Minnesota Request for Proposals (RFP) for a highly secure, industry-standard, third-party data center service. The data center will, within two years, house the State's most highly critical computer systems - up to 40 percent of combined executive branch business applications. The rest of the State's systems will move within five years to co-location space in several upgraded state facilities.

In a 2008 independent study of state data centers, none were found to meet industry standards, and the risk of failure and loss of data was evaluated to be high for many of the data centers. A co-location of the State's data centers is expected to reduce risks, improve both security and efficiency, and bring down ongoing costs.

"This important business decision for the State," said State CIO Gopal Khanna, "represents a cost-effective way to lower our risks while minimizing investment and move costs. Doing it together provides economies of scale and efficiencies no agency can realize on its own."

The co-location of data centers will produce the following benefits:

- **Greater efficiency** – Current 36+ independently located and managed data centers yield three times the State's combined needed space.
- **Reduced risk** – None of the State's current facilities meet necessary industry standards; the State carries unacceptably high risk.
- **Cost avoidance** – Costs to fix and maintain current data centers at an acceptable level of risk is five times the cost of co-location.
- **Greater agility and performance** – Co-location strategy improves security and interoperability, and opens the door for more economies and efficiencies.

"The benefits of this plan are compelling from a financial perspective," said Commissioner Tom Hanson. "In these economic times, it is hard to argue with the business case for sharing space to cut costs."

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