



March 10, 2014

General Assembly
Government Administration and Elections Committee
Room 2200, Legislative Office Building
Hartford, CT 06106

RE: S.B. 351 – AN ACT CONCERNING THE ASSESSMENT OF PROPOSED PRIVATIZATION CONTRACTS.

Senator Musto, Representative Jutila, and members of the Government Administration and Elections Committee:

I am Ron Capozzi, President of Chapter 87 of the P-4 Council of CSEA SEIU Local 2001. I've worked in IT at the Judicial, Corrections, Social Service, and Public Health agencies as well as various consulting firms for six years. I come before the committee today to **testify in support of SB 351: An Act Concerning the Assessment of Proposed Privatization Contracts.**

Has anyone here ever had some home remodeling done? If you have, many of you likely have horror stories to tell. Perhaps you did not get what you wanted, overpaid, maybe the project took too long, or all of the above. Now add several zeroes to the cost of your typical remodeling project, and have others dependent on you to get it right; that is the pressure IT works under every day.

Cost benefit analysis is important when determining whether to use an outside contractor or a state employee on a project, but in order to come up with an accurate cost benefit analysis we must first have an accurate statement of work. If you don't have a clear statement of work and you hire an outside contractor; that is like tossing your check book and the keys to your house to a contractor who has only a vague sense of what you want and no liability for the outcome.

A statement of work for IT is analogous to the conceptual planning through blueprints in home construction. The design phase sets the stage for the entire future of the project. Computer systems need to grow and evolve with the needs of the end users, and the design stage is where/how that flexibility is defined. The design stage determines the life cycle costs; meaning the costs to maintain and enhance what you are building over time. The more stable and clearly defined the design, the better one can predict the costs.

But every computer project has a number of unknowns and not everyone can be like a Steve Jobs, envisioning where needs will be before the user themselves know. Once a project is underway, small changes can have ripple effects that have the potential to send a project into costly overruns at best and completely fail at worst. When we utilize outside contractors and we have to do change requests, these can be costly. We also need to keep in mind the full life cycle costs vs initial cost of a project. It has been my experience that consultants frequently low-ball the initial costs, knowing that fixing mistakes and/or making future enhancements will be a cash cow later in time. When we utilize our internal state workforce, we have greater latitude.

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