



IT Status Report 2024

The IT Division ended the year 6.9% under budget with annual costs of \$32.9M. We have 81 full-time staff, 19 contractors and nine hourly paid employees. We support the entire infrastructure for ABC operations, including 5,000 users on 1,100 computers and 1,013 registers in 403 locations across the Commonwealth. Our uptime for network, Point of Sale and enterprise services exceeds 99.9% for the year, and we have had no significant service interruptions.

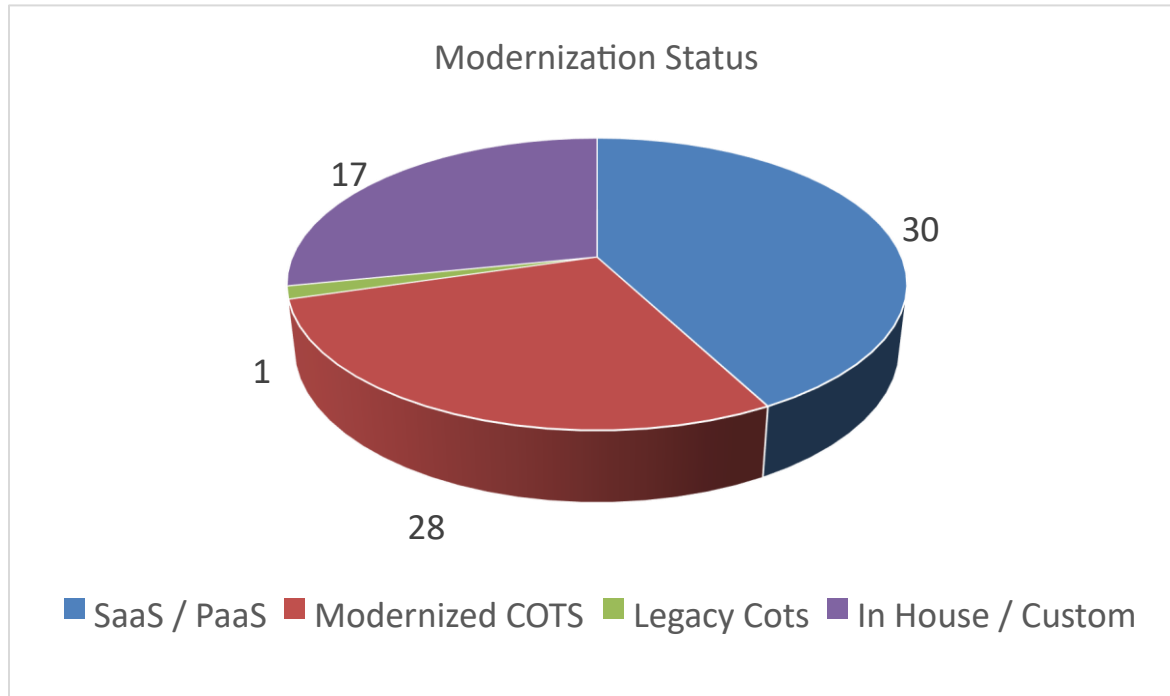
We continued using our Service Desk Solution (ServiceNow) integrated with telephone call center functionality from our phone provider 8x8. This is handling requests for IT, procurement, facilities and several other divisions. We handle 5,000 service requests, nearly one million emails (and 500,000 spam and malware interceptions) each month.

We also migrated our Oracle BI to the Analytics Cloud - Software as a Service (SaaS) application, which delivered significant cost avoidance savings. We also continued to refine our IT strategy this year, further clarifying our approaches to user and enterprise support.

Enterprise Systems:

VABC has Modernized and/or migrated to SaaS / COTS 76% of our enterprise systems. The only three custom developed in-house systems remaining are MIPS (inventory), Tax Management and HR (although these represent almost all the 21 legacy component systems), and we are due to refresh our Web / Ecommerce environment.





Significant efforts this year with our business partners included:

- Migrated the licensing system (VAL) to a SaaS provider and onboarded new licensees to online services, increasing system adoption.
- Developed an online digital lottery system for limited availability products.
- Replaced the credit card terminals across all stores
- Began working on a solution with Verifone to remain PCI Compliant
- Started a project to upgrade the point-of-sale system used across all stores

Security and Risk Management

- Our main focus (and risk) is that an ABC identity will be compromised and expose ABC to being hacked. Our main defense is to ensure system identities and roles are secure.
- The majority of ABC Enterprise systems require an ABC Active Directory identity and/or support multi factor authentication ("MFA") (name, password + another factor) (78%)



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- We have 16 systems that are not linked to ABC Active Directory / Have no MFA (i.e., they have standalone identities that have to be managed separately from the employee record and only require a username and password). Twelve of these contain sensitive data.
- We continue to pursue having 'one identity' (Active Directory) for ABC employees being integrated with HR, converted seven more systems in 2024 and continue to drive to a single secure identity.

