

**DEPARTMENT OF INFORMATION TECHNOLOGY AND TELECOMMUNICATIONS TESTIMONY
BEFORE THE CITY COUNCIL COMMITTEES ON FINANCE, LAND USE AND TECHNOLOGY
FISCAL YEAR 2012 EXECUTIVE BUDGET
WEDNESDAY, MAY 25, 2011**

Good afternoon Chairs Recchia, Comrie and Cabrera, and members of the City Council Committees on Finance, Land Use, and Technology. I am Carole Post, Commissioner of the Department of Information Technology and Telecommunications, or DoITT. With me today are Brett Robinson, our Deputy Commissioner for Financial Management and Administration, and John Winker, our Associate Commissioner for Financial Services. Thank you for the opportunity to testify today. I would like to first walk through a summary of the Fiscal 2012 budget and then discuss several highlights of the agency's plans for the coming year. First, let me share some of the major elements of the upcoming budget.

DoITT's **Fiscal 2012 Executive Budget** provides for operating expenses of approximately \$420 million. This is an increase of \$43 million from the Fiscal 2012 January Budget, and a net decrease of \$27 million from the Fiscal 2011 current modified budget.

The increase is largely due to:

- The extension of Inter-Fund Agreement positions totaling \$15 million;
- Funding of \$11 million added to cover new maintenance costs, primarily associated with the Emergency Communications Transformation Program and New York City Wireless Network; and
- Additional stimulus funding of \$8 million to support the Connected Communities and Connected Foundations programs.

The Fiscal 2012 budget appears less than the current Fiscal 2011 budget primarily due to \$23 million in grants – including Broadband Technology Opportunities Program (BTOP) stimulus and Department of Homeland Security funding – that was reflected in Fiscal 2011. The unspent portion of this funding will be rolled to Fiscal 2012.

DoITT's budget for the coming year includes \$95 million in Personal Services to support 1,165 fulltime positions, and \$325 million for Other Than Personal Services. Of the \$325 million, 34 percent – or \$109 million – represents Intra-City funds to be transferred from other agencies to DoITT for services it provides. Telecommunications costs represent the largest portion of the Intra-City expense; Fiscal 2011 Intra-City telecommunications expenditures are budgeted at \$97.5 million, while total telecommunications costs are budgeted at \$120 million.

Now I would like to update you on the progress of the agency's efforts toward achieving the goals and objectives set out in our strategy report in early 2010. DoITT's agenda is about modernizing, unlocking, and innovating – and details of our progress are available in our first-ever annual report, which was published earlier this year and is available on our website.

As the City's technology agency DoITT's mandate is vast – and we have made important progress on a number of key initiatives since last testifying before these committees. I will provide a brief update today on some of these accomplishments before answering any questions you may have. In addition, we have embedded several images throughout the remarks that provide added insight and explanation into some of the key programs and initiatives we are working on.

First, we continue to make progress on our flagship initiative, the **Citywide IT Infrastructure Services** program, or CITIServ. CITIServ will centralize the technology infrastructure of more than 40 agencies, reduce the City's IT infrastructure footprint and energy consumption, provide a unified set of shared IT services to City entities, strengthen security, and reduce costs associated with IT services across the City.

To date we have completed assessments for more than a dozen agencies, and many others are underway. These assessments provide a roadmap for how and when the agency IT migrations will occur over the coming months and years. At the same time, we are executing on certain migration plans: we have successfully migrated several key IT services across a number of agencies – including service desk and email hosting for the Department of Homeless Services, service desk for Department of Sanitation; the entire IT infrastructure for the Mayor’s Office of Media and Entertainment; and a critical application for the Department of Education known as *HR Connect*.

As Fiscal 2011 concludes we will achieve our targeted \$5 million in cost savings or avoidance associated with CITIServ. As with any consolidation effort, the significant savings are realized upon substantial completion, and as the program continues – including migrations projected for Fiscal 2012 – the associated savings and cost avoidance will increase.



BEFORE CITIServ: Suboptimal agency data center facility at 345 Adams Street



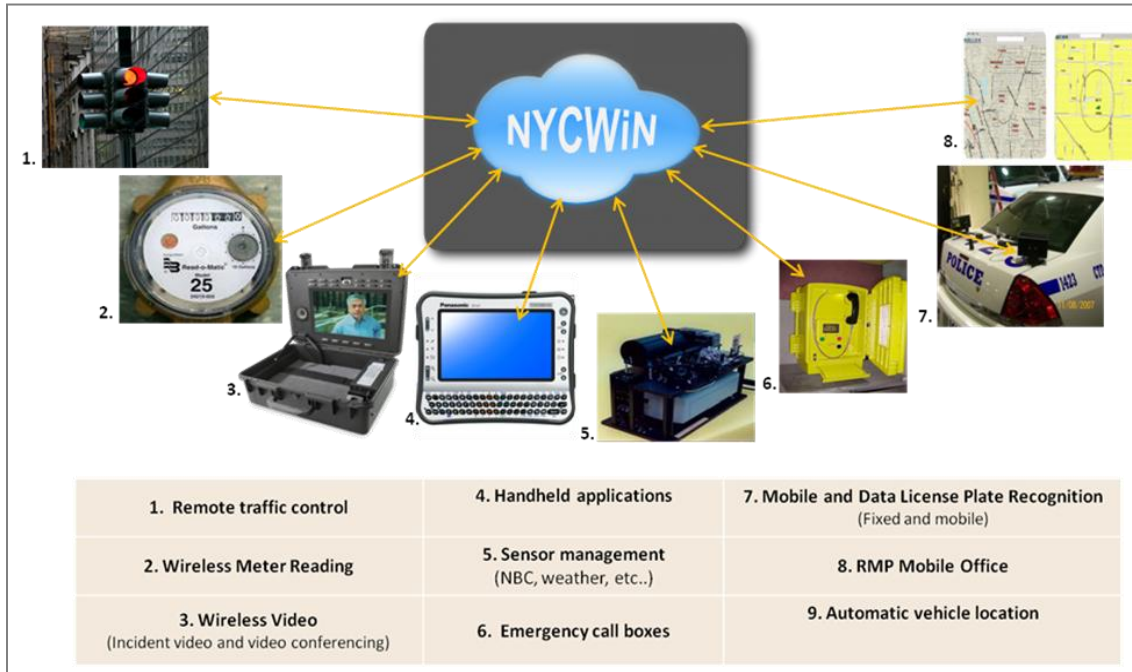
CITIServ: State-of-the-art citywide data center facility in downtown Brooklyn’s 2 MetroTech Center.

In addition to the consolidation of IT infrastructure, DoITT is also introducing several enterprise contracts that will cut costs and provide more modern and streamlined services to City agencies.

This includes an agreement with McAfee to provide enterprise workstation security software and services for a five-year term, **with an estimated savings of \$18 million** over that period. This arrangement provides a wide array of security services and features that are now available to every City agency – including several network monitoring tools that have never been made available before.

We also announced a wide-ranging IT agreement with Microsoft to consolidate dozens of disparate licensing agreements across the City into one and provide more than 100,000 City employees with state-of-the-art computing power. The agreement is **estimated to save New York City a total of \$50 million** over the next five years.

Another part of the City’s critical IT infrastructure is the **New York City Wireless Network**, or NYCWiN. NYCWiN continues to deliver gains for New Yorkers and the agencies that serve them by providing high-speed voice, video and data communications to first responders, the City’s civilian mobile workforce, and a host of other fixed and mobile communications needs. Notably, the Police Department’s license plate reading technology was recently used to assist the FBI in apprehending a series of high profile perpetrators. Other NYCWiN uses include the Department of Environmental Protection’s Automated Meter Reading, the Department of Transportation’s Traffic Management Program, and many more. Some of the many current uses of the NYCWiN system are displayed below.



Large-scale technology initiatives like CITIServ and NYCWiN are possible when the City leverages its size and scale as an enterprise to achieve deep savings and improve efficiencies across agencies. These concepts are also consistent with DoITT's efforts around enhanced project management and vendor management.

DoITT's **Project Management Office** works to leverage existing technologies, establish standards for new technologies, and seamlessly steward projects from concept to execution. These efforts have already resulted in returns for taxpayers as DoITT's project management staff has assumed responsibility for several IT initiatives, eliminating the need for outside project management consultants. Today, every one of the approximately 100 IT implementation projects in DoITT's portfolio – large and small – is directly overseen by, and has a single point of accountability in, a City-employed, DoITT Project Manager.

While there is much IT talent and expertise within the City, there is very often a need for highly-specialized, outside technical expertise. It is appropriate for DoITT to demand rigorous accountability from its vendors, and as such, DoITT has developed a **Vendor Management Office** to monitor vendor accountability and performance. This program incorporates the success of the existing citywide contracts efforts, and expands upon it by implementing appropriate policies, procedures and standards around vendor engagements. It will provide greater scrutiny over vendors and consultants across all City engagements – not solely on a project-by-project basis.

Also related to these efforts is DoITT's **consultant conversion initiative**. Consultant conversions occur when we identify a long-term need for certain skill sets that can be acquired at reasonable market rates, and are significant as an average consultant conversion yields approximately \$215,000 in savings annually.

We currently have 206 budgeted positions as a result of consultant conversions, of which 174 are filled. Based on the current cost for the 174 City staff, this will generate approximately \$37 million in savings per year. In addition to saving taxpayer dollars, this approach allows DoITT to cultivate in-house talent that can then be deployed across multiple projects.

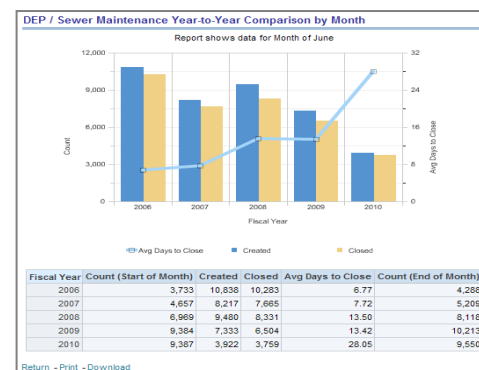
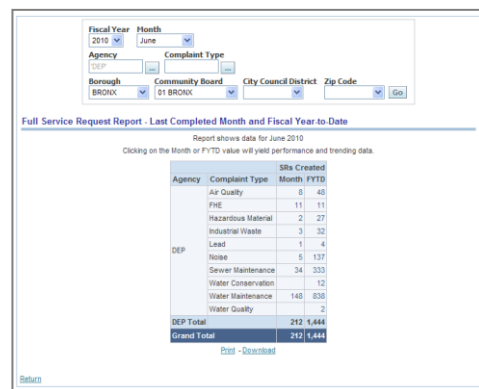
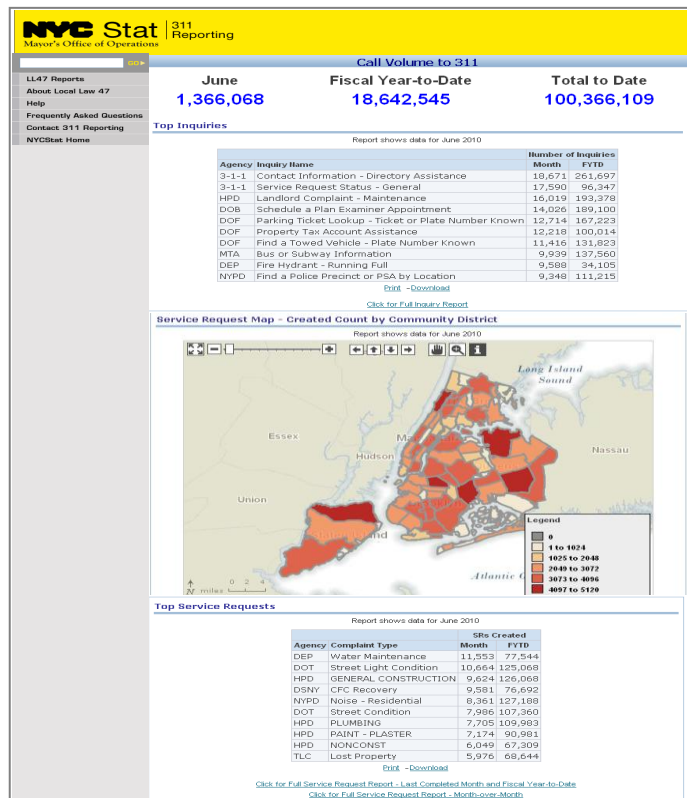
All of these internal-facing efforts are ultimately done to improve the way the City delivers services to the public by making access to City services faster and easier – using innovative IT solutions and methods. Let me wrap up by highlighting some of these public-facing initiatives.

It begins with an important, and increasingly basic, tool: **broadband access**. DoITT continues its work with partners across the city to expand broadband availability and adoption by leading several programs that are made possible due to Federal stimulus grants.

Through the **NYC Connected Learning Program**, for instance, three quarters of participating families – approximately 3,000 – without broadband previously have adopted it for the first time. And an additional 4,000 families have sustained their broadband service.

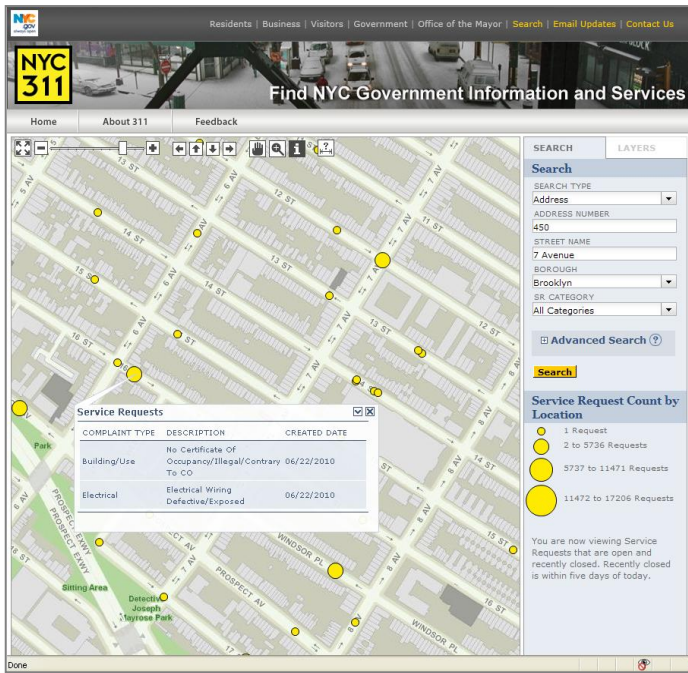
Once someone is online, the tools we have made available to access City information and services far exceed anything previously available in the City's long history – and compare favorably to that of any other city in the world. This was among the findings of the City's *Road Map to the Digital City* report. I was pleased to join the Mayor and the City's Chief Digital Officer recently to announce the report's release. And as DoITT works to increase access to, and usability of, innovative City services, we will work closely with the Chief Digital Officer to promote greater constituent engagement through digital means.

For example, we recently launched an **Enhanced 311 Reporting** tool to improve the transparency of City information. Since 2006, the 311 Customer Service Center has provided a host of reports on *NYC.gov* detailing the totals and types of calls made to, and complaints filed with, 311 on a monthly and fiscal year basis. Now, through an interactive site users can build their own reports about 311 complaints filed citywide, as well as by City Council District, borough, zip code and community board-level, to compare historical trends across time, and, significantly, to download the underlying raw data.



This tool complements the **311 Service Request Map** we launched back in February – which provides location and status information for 311 complaints filed over the past year across 15 categories and more than 100 subcategories – as well as the free **311 Mobile App for iPhone** and **311 text messaging** capability introduced earlier this month. As part of the NYC Simplicity initiative, these efforts continue to make City government more customer-focused, innovative, and efficient.

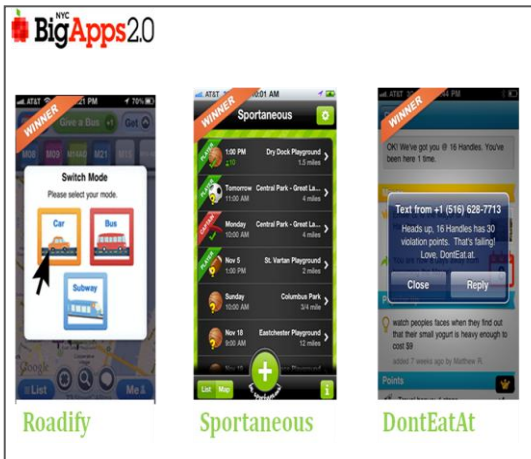
311 Service Request Map



311 Mobile App for iPhone



The availability of raw data augments the City's ongoing efforts *vis-à-vis* the **NYC BigApps** program. Having just completed its second iteration with an award ceremony this spring, NYC BigApps makes hundreds of raw City data sets from dozens of City agencies publicly available – for free – at any time through the **NYC DataMine** on *NYC.gov*. This has resulted in dozens of new applications developed by the public, for the public – at essentially no cost to taxpayers.



- www.nyc.gov/data
- ~ 400 datasets
- Legislation Pending

Building on these efforts, we are now working with the City Council and agencies citywide on legislation that will establish a common set of standards and guidelines for the City's ongoing open government efforts. By codifying open data standards in law, we will ensure for future generations of New Yorkers a City government that is increasingly transparent and accountable.

As the City continues to blaze its path in the digital age, what is increasingly clear is the vast potential to tap the expertise of the growing entrepreneurial and tech-developer community calling New York City home. Accordingly, through our **Speedy Procurements and Rapid Contracts** initiative, known as "SPARK," DoITT is working to reduce the hurdles and time required to work with the City, while maintaining the standards and integrity of its procurement process. By tailoring requirements to small developers, SPARK will establish an ongoing path for the rapid development of low-cost applications to facilitate public access to City information and services.

Finally, at the same time we engage the existing workforce we are working toward developing the next generation of technology leaders. To recruit new talent to the City's skilled, high-tech workforce, DoITT is coordinating with agency partners to launch a New York City **"IT Fellows" program**. This nine-month fellowship would bring recent college graduates into City agencies to gain a strategic perspective.

And earlier this month, DoITT kicked off its **Student "Shadowship"** program in conjunction with the City's academic and not-for-profit sectors. Working with MOUSE, a youth development organization that empowers underserved students to provide technology support and leadership in their schools, DoITT sponsored two local high school students, each of whom spent a number of afternoons, after school, with an executive-level DoITT professional. In this way, we hope to mentor and support many City public school students who are passionate about technology.



DoITT Staff with its first MOUSE student "shadowers" earlier this month.

These are just a few examples of the many initiatives and efforts that are underway at DoITT. From back-office systems to the information superhighway, and many points in-between, DoITT will continue its work in Fiscal 2012 to modernize, unlock, and innovate New York City government – helping save taxpayer dollars and enhancing the delivery of IT services to our residents, employees, businesses and visitors.

Thank you again for your time this afternoon. I would now be pleased to answer any questions you may have.