

**DEPARTMENT OF INFORMATION TECHNOLOGY AND TELECOMMUNICATIONS TESTIMONY
BEFORE THE CITY COUNCIL COMMITTEES ON FINANCE AND TECHNOLOGY
FISCAL YEAR 2013 EXECUTIVE BUDGET
TUESDAY, MAY 29, 2012**

Good afternoon Chairs Recchia and Cabrera, and members of the City Council Committees on Finance and Technology. I am Rahul Merchant, New York City's Chief Information and Innovation Officer. Thank you for the opportunity to testify about the Department of Information Technology and Telecommunications' Fiscal 2013 executive budget. With me today are Jim Fowler, our First Deputy Commissioner, Brett Robinson, our Deputy Commissioner for Financial Management and Administration, and John Winker, our Associate Commissioner for Financial Services.

Before I begin I would like to quickly outline my background for the committees. An engineer by trade, I began my life in the United States 32 years ago with two suitcases, a college degree and an interest in math and science. I have been blessed since that time to build a successful career as a technologist, earn advanced degrees, raise a family, and contribute my professional energies to some of the most successful companies in the world. As an IT executive, I have had the opportunity to build, reform, and oversee major IT operations, as well as help organizations streamline and innovate their efforts using technology. Among the most important lessons I have learned through all these experiences is that no one accomplishes much of anything alone. I hope to spend the next 18 months building on the important gains DoITT has made and lending my expertise to an ambitious technology agenda that has become a hallmark of the Bloomberg Administration.

DoITT's **Fiscal 2013 Executive Budget** provides for operating expenses of approximately \$442 million. This is an increase of \$24 million from the Fiscal 2013 January Budget, and a net decrease of \$27 million from the Fiscal 2012 current modified budget.

The increase is largely due to:

- The extension of Inter-Fund Agreement positions, totaling \$13 million;
- Funding of \$11 million added to cover new maintenance costs, associated with the various projects that are being managed by DoITT

The Fiscal 2013 budget appears less than the current Fiscal 2012 budget primarily due to the one-time grant funding – including Broadband Technology Opportunities Program (BTOP) stimulus and Department of Homeland Security funding – that was reflected in Fiscal 2012. The unspent portion of this funding will be rolled to Fiscal 2013.

DoITT's budget for the coming year includes \$91 million in Personal Services to support 1,111 fulltime positions, and \$351 million for Other Than Personal Services. Of the \$351 million, 34 percent – or \$119 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 2012 Intra-City telecommunications expenditures are budgeted at \$98.5 million, while total telecommunications costs are budgeted at \$120 million.

While this is my first appearance before the City Council, DoITT has continued progress on a number of programmatic initiatives since its preliminary budget hearing in March, as follows.

DoITT provides for the sustained, efficient and effective delivery of IT services, infrastructure and telecommunications to enhance service delivery to New York City's residents, businesses, employees and visitors.

Presupposing virtually all of our work is access to what can be considered the indispensable infrastructure of the 21st Century: broadband technology. And DoITT leads the City's efforts to promote sustainable broadband adoption and extend broadband infrastructure in underserved communities across the five boroughs. By tapping the City's regulatory authority over cable franchise providers, we help bring free and low-cost Wi-Fi and other tech improvements, valued at more than \$60 million, to public parks, community centers, and commercial sectors. And by securing \$42 million in Federal Stimulus monies, we are helping increase broadband access for public school students and families, and to launch new, free public computing centers citywide.

Last month, for example, DoITT joined the New York City Housing Authority, the Department of Youth and Community Development, and local elected officials to open a Time Warner Cable Learning Lab at the James Weldon Johnson Community Center in Harlem. The state-of-the-art facility will serve as a vital community service, providing children and adults with access to computers, e-learning programs and high-speed Internet.

While we strive to build a more connected city through expansion and adoption of broadband technology, we are also building a new digital face of City government on *NYC.gov*. Known as "Reinvent NYC.gov," this initiative includes re-architecting the site's decade-old platform as well as redesigning its navigation structure and look and feel. Updates will enable the site to support modern interactive web applications for a better user experience and provide a more scalable environment for future growth. They will also include improvements to the search capability and more targeted, local information to help the site's more than 25 million annual visitors find relevant information and services faster than ever. Infrastructural work is now underway and will be in place by year's end, while the public-facing aspects – including modernized content taxonomy, user interaction, and the new look and feel – should be in place by early 2013.

While *NYC.gov* is the virtual front door to City services and information, DoITT also houses the consolidated, backend technologies that power agency systems and applications. Through the Citywide IT Infrastructure Services (CITIServ) initiative, we are providing agencies with secure and recoverable data centers through a shared infrastructure that will reduce costs, space, energy consumption, and improve overall IT service quality. In 2011, DoITT opened the City's new data center in downtown Brooklyn, which will allow the City to centralize the technology infrastructure of more than 40 agencies. Migrations for seven agencies are now complete, with an additional 10 agencies currently underway and scheduled for completion by the end of 2012. An additional 18 agencies are expected to be migrated in 2013.

The process of centralized email hosting also continues for all City agencies. To date, DoITT has completed migration of more than 50,000 email accounts with the final in-scope agencies planned for completion by the end of 2012.

Finally, from backend servers to front-end services, DoITT also assists agencies in developing and hosting public-facing applications. Since we last testified before these committees, the following, the following milestones have been achieved:

- ✓ *Green Book Online* – Earlier this month, the *Green Book*, the City's official directory of personnel and government office information at the City, County and State levels since 1918, launched for the first time online as a free, searchable, continually-updated digital application, hosted by DoITT at NYC.gov/greenbook.

- ✓ New York City Municipal Archives Online Gallery – In April, the City’s Municipal Archives online gallery, providing free, public access to more than 800,000 items digitized from the City’s world-class collection, including photographs, maps, motion-pictures and audio recordings. DoITT worked with the Department of Records on design and implementation of the gallery.
- ✓ eCertificationTool – The Department of Housing Preservation and Development’s eCertification tool is now being used by 3,500 residential buildings across the city to certify that a housing code violation has been corrected by the owner or manager within the legally-required timeframe. Initially launched last June, DoITT built eCertification’s backend systems allowing HPD to authenticate landlord identity; to assign digital “postmarks” to submitted certification documentation to ensure chain of custody; and to store, organize and retrieve the electronic documentation as necessary.

With the sampling of innovative programs I have updated the Committees on this morning, and many more underway, DoITT looks forward to continuing the Bloomberg Administration’s modernization agenda for the next generation of New Yorkers.

This concludes my prepared remarks. Thank you again for your time this afternoon. My colleagues and I would now be pleased to address any questions you have.