

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

DATE: September 24, 2021

TO: David Crowley, County Executive
 Supervisor Jason Haas, Chairman, Committee on Finance
 Scott B. Manske, Comptroller
 Aaron Hertzberg, Director, Department of Administrative Services

FROM: Lynn J. Fyhrlund, Director and Chief Information Officer, Information Management Services Division – Department of Administrative Services

SUBJECT: Notification of Deficit in Excess of \$100,000 – Information Management Services Division - Department of Administrative Services (IMSD)

FILE TYPE: Informational Report

Policy Issue:

Milwaukee County General Ordinance 56.02 states that any department shall submit a written report to the County Executive, the Committee on Finance of the County Board, the Office of the Comptroller, and the Department of Administrative Services whenever the department has reason to know or believe that a net deficit of at least one hundred thousand dollars (\$100,000) will occur or is projected to occur.

Background:

<i>Item</i>	<i>Short Description</i>	<i>Budget Amount</i>	<i>Actual amount to date</i>	<i>Projected Amount</i>	<i>Variance between budget and projected</i>
1	Federal Revenue	\$257,100	\$72,200	\$98,400	(\$158,700)
2	Mainframe Expenses	\$769,304	\$928,583	\$1,110,033	(\$340,729)
				Subtotal	(\$499,429)

IMSD currently anticipates a deficit in federal revenue of \$158,700. This is due to a shortfall in the collection of Social Security Administration (SSA) incentive payments received for monthly reporting of occupants at Milwaukee County's Criminal Justice Facility and House of Correction. The federal incentive payment program provides for the reporting of this data used by SSA to timely suspend Supplemental Security Income (SSI) benefits to prisoners.

Every two weeks, IMSD submits a data file to SSA and in turn, obtains incentive payments of \$400 or \$200 per inmate on SSI. Due to the COVID-19 pandemic, there is a decrease in number of incarcerations at Milwaukee County's Criminal Justice Facility and House of Correction. As a result, IMSD anticipates a deficit in this revenue object.

IMSD also currently anticipates a deficit in expenses of \$340,729 related to the extended operation of the legacy mainframe environment. The Infor ERP project was originally planned to go live in December 2020 but did not go live until June 2021. Additionally, the mainframe was required to operate after the June 2021 go live for additional data processing needs. The \$340,729 is net of savings IMSD has negotiated with IBM.

Corrective Action Plan:

The Central Business Office has reported this deficit in its monthly and quarterly reports for IMSD throughout 2021. For the revenue deficit, IMSD has implemented cost reducing measures to offset this revenue shortfall. For the mainframe expense deficit, IMSD requested an appropriation transfer of \$340,729.

Lynn J. Fyhrlund

Lynn J. Fyhrlund, Director and Chief Information Officer
Information Management Services Division – Department of Administrative Services

cc: Willie Johnson, Jr., Vice-Chairperson, Committee on Finance
Joseph Lamers, Budget Director, DAS
Steve Cady, Director of Research & Policy, Office of the Comptroller
Jennifer Folliard, Director, Audit Services Division, Office of the Comptroller
Shanin Brown, Committee Coordinator, Office of the County Clerk