

COUNTY OF MILWAUKEE
Inter-Office Communication

DATE: November 22, 2021

TO: Shawn Rolland, Co-Chair, Ricardo Diaz, Co-Chair,
American Rescue Plan Act of 2021 (ARPA) Task Force

FROM: Lynn Fyhrlund, Director and Chief Information Officer, Information Management Services
Division (IMSD), Department of Administrative Services
Aaron Hertzberg, Director, Department of Administrative Services

SUBJECT: 2021 ARPA Strategy Recommendations for Digital Transformation

REQUEST

The Director of IMSD requests authorization of \$500,000 of ARPA funds for the purpose of establishing a digital transformation assessment project, with the output of an executable roadmap of follow-on projects. For the identified follow-on projects, IMSD, partnering with the associated departments, will request approval prior to proceeding with additional spend. Based on IMSD's research and initial discussions with third parties assisting other governmental entities with ARPA funding spend, IMSD recommends the Board reserve \$10 million to execute the assessment's digital transformation roadmap. Any remaining funds would be returned to ARPA funding.

POLICY

Milwaukee County Board file 21-555: "A resolution to create a Task Force to review and recommend funding allocations to the Milwaukee County Board of Supervisors for monies received by the County in the Federal American Rescue Plan Act of 2021."

BACKGROUND

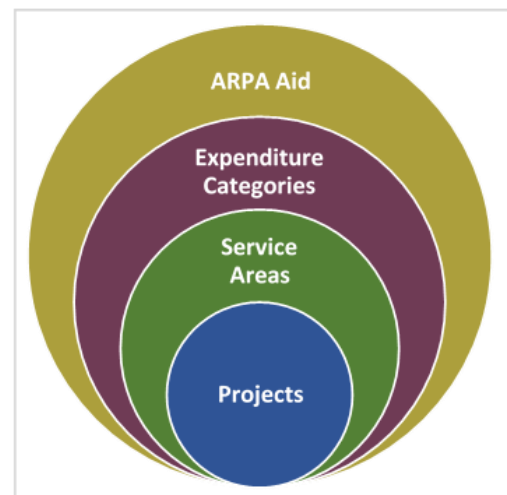
Milwaukee County will directly receive \$183 million between 2021-24 in federal ARPA aid. Approximately \$115,728,599 million has been allotted for Revenue Loss Recovery projects.

The Revenue Loss Recovery Subgroup was established to generate project-level allocation recommendations to improve the fiscal health of Milwaukee County and strengthen support for vital public services.

Sample expenditures that are being considered by the Revenue Loss Recovery Subgroup include addressing the backlog of capital projects and deferred maintenance, as well as making cost-saving and efficiency investments in technology, service delivery, facilities, etc.

Over the past year, many large IT projects have gone live (e.g., Infor, Dayforce, etc.) and new digital services for constituents have been deployed (e.g., govServices, Register of Deeds capabilities, etc.). However, the

Diagram A: Illustration of Terms



County does not leverage the full capability of existing systems, resulting in continued operational inefficiencies coupled with increased IT spend. Additionally, continued budget challenges have required Central Spend dollars to be allocated to more operational activities (e.g., hardware purchases, software license renewals, etc.) instead of delivering digital transformation projects. Therefore, IMSD proposes a third-party led assessment of IMSD and business department processes to develop a digital transformation roadmap for the County to move from traditional processes to more automated and digital processes.

A \$500,000 allocation is requested to provide these supplementary external resources, which will be procured via the County's standard bid process, to perform the assessment. Once completed, IMSD and the associated business departments will work with the ARPA Task Force to obtain approval for the execution of the roadmap's identified digital transformation projects. The identified projects will, at a minimum, include the following information:

- Digital transformation project description, department, and desired goal (e.g., revenue generation / recapture, operational cost savings, operational efficiencies, etc.)
- Planned one-time project costs
- ROI calculations, including future maintenance costs (e.g., hardware, software, personnel, etc.)
- Summary of project risks
- Other items as the assessment may recommend

Upon the Board's approval of funding for the digital transformation assessment, IMSD will issue an RFP for professional services. Concluding the bid process and finalizing a contract for services will occur in early 2022.

RECOMMENDATION

Approve the recommendation to establish a digital transformation assessment project with \$500,000 of ARPA Revenue Loss Recovery funds. Additionally, set aside \$10 million to execute a program of projects as the output from the assessment. We anticipate the results from the initial engagement in 2022. We then would establish a project cadence for executing recommendations. Completion date of the project would be determined by how many recommendations are to be completed within the ARPA funding timeframe.

PREPARED BY:

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Matt Johnson, IT Director Governance and Business Solutions, Information Management Services Division, Department of Administrative Services

ALIGNMENT TO STRATEGIC PLAN

Describe how the item aligns to the objectives in the strategic plan:

- 1C: Increase the number of County contracts awarded to minority and women-owned businesses
- 2A: Determine what, where, and how we deliver services based on the resolution of health disparities
- 2B: Break down silos across County government to maximize access to and quality of services offered
- 3B: Enhance the County's fiscal health and sustainability

ATTACHMENTS:

None