

COUNTY OF MILWAUKEE
Inter-Office Communication

Date: December 15, 2021

To: Marcelia Nicholson, Chairperson, Milwaukee County Board of Supervisors

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

Subject: From the Director and Chief Information Officer, Information Management Services Division, Department of Administrative Services requesting authorization of \$500,000 of Federal American Rescue Plan Act of 2021 funds to establish a digital transformation assessment project and set aside of \$10 million to execute the assessment's digital transformation roadmap.

File Type: Action

REQUEST

The Director and Chief Information Officer, Information Management Services Division (IMSD), Department of Administrative Services (DAS) requests authorization of \$500,000 of Federal American Rescue Plan Act of 2021 (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 for 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 set aside of \$10 million to execute the assessment's digital transformation roadmap.

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 County needs to embrace digital transformation to 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
- Return on Investment (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 a request for professional services. Concluding the bid process and finalizing a contract for services will occur in early 2022. IMSD anticipates the assessment will occur during Q2 2022 and the results will be available early Q3 2022.

The ARPA Task Force met on December 2, 2021 and recommended approval of the requested funds for the assessment and the reservation of the \$10 million to execute the digital transformation roadmap. The \$10 million reservation would require IMSD to submit the results of the assessment (i.e., digital transformation roadmap) and request authorization from the ARPA Task Force and the County Board to begin to spend the reserved funds.

Related File No's:	HRA21-482
Previous Action Dates(s):	December 2, 2021

ALIGNMENT TO 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

FISCAL EFFECT

There are sufficient funds in the County's ARPA program to fund the \$500,000 assessment request and the \$10M proposed follow-on set of projects. There is no tax levy impact.

TERMS

- Q1 2022 – Proposal Process
- Q2 2022 – Assessment
- Early Q3 2022 – Report of Results and Request for Authorization for \$10M Reserve

VIRTUAL MEETING INVITES

Aaron Hertzberg – Director, Department of Administrative Services

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

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

PREPARED BY:



Lynn J. Fyhrlund
Director and Chief Information Officer
DAS – Information Management Services Division

APPROVED BY:



Aaron Hertzberg
Director of Administrative Services

Department of Administrative Services

ATTACHMENTS:

- Fiscal Note
- Resolution
- HRA21-482 POWERPOINT PRESENTATION (120221)

CC: David Crowley, County Executive

Supv. Jason Haas, Chairperson, Committee on Finance

Supv. Willie Johnson Jr., Vice-Chairperson, Committee on Finance

Mary Jo Meyers, Chief of Staff

Kelly Bablitch, Chief of Staff, County Board of Supervisors

Janelle M. Jensen, Legislative Services Division, Office of the County Clerk

Aaron Herzberg, Director of Administrative Services

Margaret Daun, Corporation Counsel

Scott B. Manske, Comptroller

Joseph Lamers, Director of Performance, Strategy & Budget

Amy McKinney, Sr. Budget and Management Analyst

Elena LaMendola, Financial Manager, Central Business Office

Steve Cady, Research Director, Comptroller's Office

Shanin Brown, Finance and Audit Committee Coordinator