

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: July 20, 2017

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Request for authorization to execute a contract with Dimension Data for managed enterprise security services, to include real-time log monitoring and security event log correlation for critical Milwaukee County infrastructure.

FISCAL EFFECT:

- | | |
|--|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure		
	Revenue		
	Net Cost		
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.

DAS-IMSD is seeking authority to execute a 5-year contract with Dimension Data for managed Enterprise Security Services, to include real-time log monitoring and an enterprise security event log management for managed systems and network devices. The contract will require expenditures from Capital Project WO18001 in 2017, and will be accounted for in DAS-IMSD's operating budget from 2018-2022.

B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.

In 2017, Execution of this contract will result in a one-time stand-up cost of \$49,407. In subsequent years, annual fees for the contract will be approximately \$231,782. The total cost of the contract is \$1,208,317. These costs are detailed in Dimension Data's statement of work.

C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.

In 2017, the one-time stand-up cost of \$49,407 will be funded from Capital Project WO18001: Information Technology Security. This project currently has an available balance of \$814,446.

Annual fees for the life of the contract will total approximately \$231,782 per year, and will be funded from DAS-IMSD's operating budget. In 2017, DAS-IMSD budgeted operating funds for use for Information Security initiatives. Those funds, presently located in low org

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

1173: Data Center, will be used to pay annual fees for the contract in the 2017 fiscal year. From 2018-2022, annual fees will be funded through low org 1178: Cybersecurity. This expense is included in DAS-IMSD's 2018 budget request for Strategic Program Area 14.

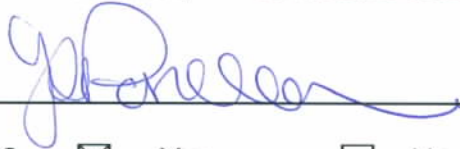
D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

The information provided in this form estimates the cost of services based on Dimension Data's statement of work, and assumes that the services provided remain static every year. Should the County's technology footprint shrink or expand, the annual fees will change accordingly.

Department: DAS – Information Management Services Division

Prepared By: Erin Schaffer, IT Technical Documentation Analyst

Authorized Signature:



Did DAS-Fiscal Staff Review? Yes No

Did CBDP Staff Review? Yes No Not Required