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**Report to the Committee on Finance and the
Committee on Technology on the Fiscal 2023
Executive Plan and the Fiscal 2023 Executive
Capital Commitment Plan**

**Department of Information Technology and
Telecommunications**

May 11, 2022

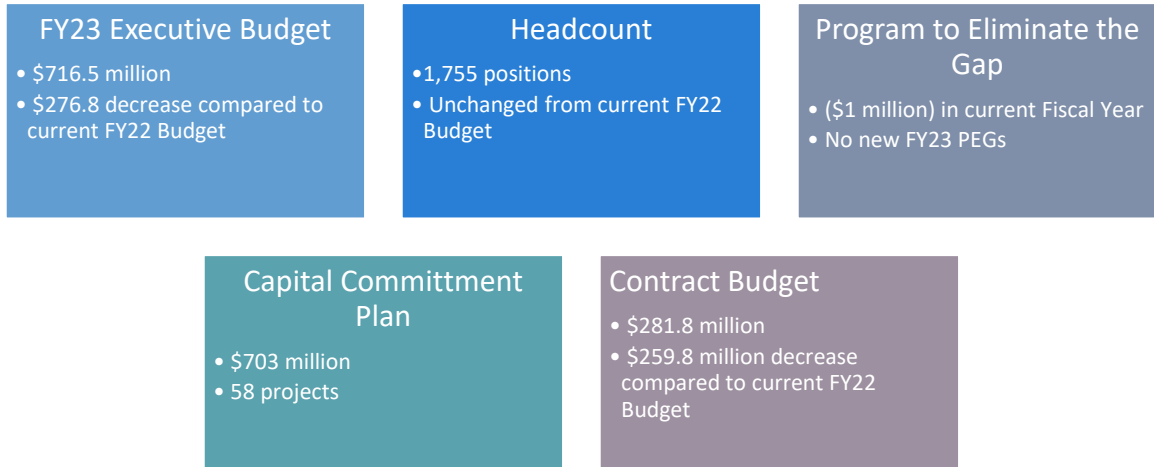
(Report Prepared by Florentine Kabore)



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Department of Information Technology and Telecommunication (DoITT) Fiscal 2023 Executive Budget Snapshot



Budget Response

Council Priorities

- Utilizing existing resources of \$157 million to expedite Universal Broadband.

New Needs

Other Significant New Needs

- \$11.7 million in Fiscal 2022 for the 311 Application Modernization
- \$2.5 million in Fiscal 2022 for Build it Back Sandy - House Recovery Office
- \$2 million in Fiscal 2023 for Inter-Fund Agreement Extensions for 17 positions

Other Adjustments

Adjustments in the Executive Budget

- \$7.7 million in Intra-City funding for Fiscal 2022 and \$2.2 million in Fiscal 2023
- \$2 million in Federal funding for Fiscal 2022 and \$3.3 million in Fiscal 2023
- \$1 million decrease in City funding for a surplus of MoME Incentive Fund

Major Agency Issues

Agency Issues Identified

- High overall authorized vacancies of 224 positions

DoITT Budget Overview

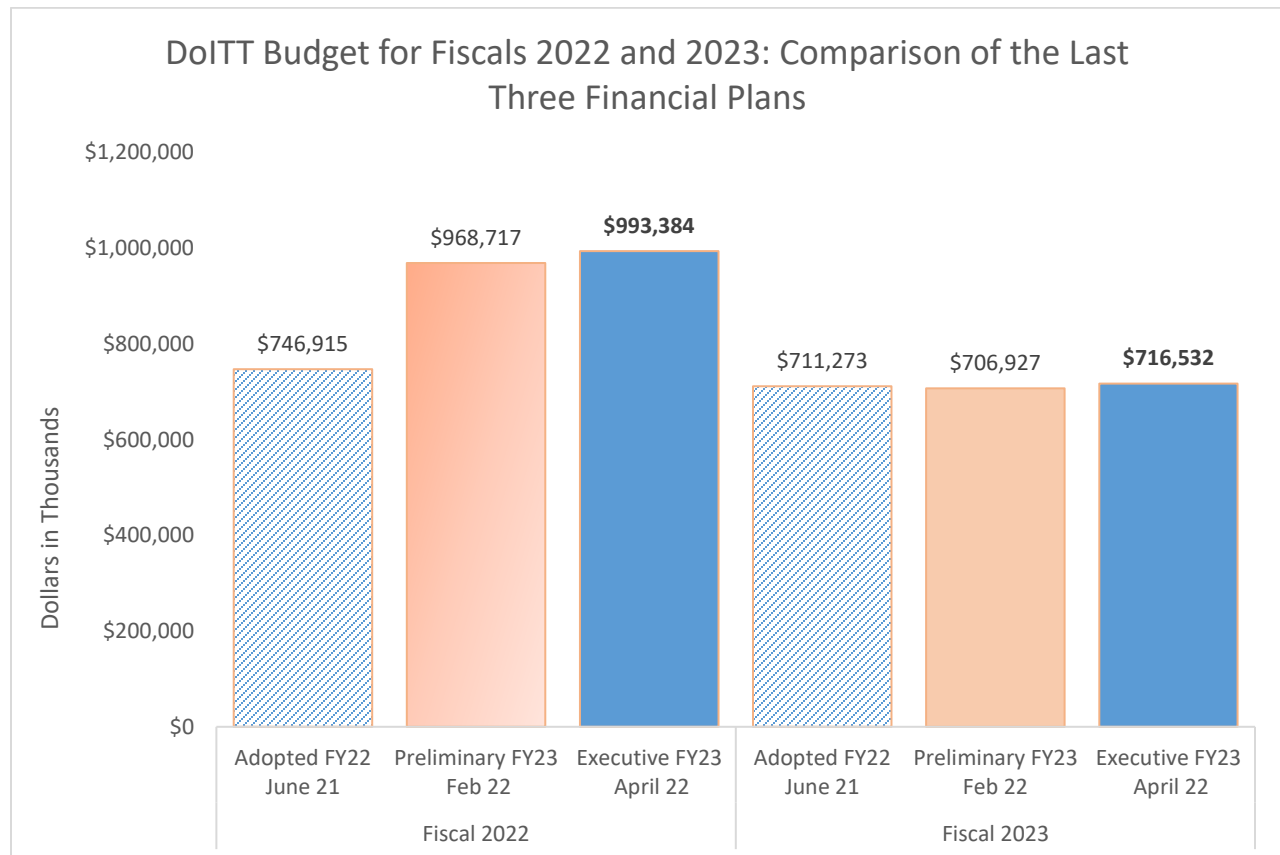
On April 26, 2022, the Administration released the Executive Financial Plan for Fiscal 2022-2026 (Executive Plan) with a proposed budget for Fiscal 2023 of \$99.7 billion. This report offers a review of the Department of Information Technology and Telecommunications (the Department or DoITT) Fiscal 2023 Executive Budget, including proposed budget actions taken in the Executive Plan. For additional information on DoITT’s budget, please refer to the Fiscal 2023 Preliminary Budget report at:

<https://council.nyc.gov/budget/wp-content/uploads/sites/54/2022/03/DoITT.pdf>

The Department’s projected Fiscal 2023 Budget of \$716.5 million represents less than one percent of the City’s proposed Fiscal 2023 Budget in the Executive Plan. DoITT’s proposed Fiscal 2022 Budget is \$993.4 million, or 33 percent, larger than the agency’s Fiscal 2022 Adopted Budget (\$746.9 million).

DoITT’s Fiscal 2023 budget increased by \$9.6 million (one percent), from the Fiscal 2023 Preliminary Plan (\$707 million). The increase is the result of several budget actions, the most significant of which are listed below.

- \$4 million in DoITT General Administration and Operations program area for Verizon Franchise Grant.
- \$1.3 million in the 911 Emergency Call Center program area for building rent payments.
- \$2 million in the Tech Services program area for additional telecommunication services.



Personal Services and Headcount

DoITT's Executive Plan includes funding for 1,755 full-time positions in the current fiscal year and in Fiscal 2023. The Executive Plan represents a reduction in agency headcount of 99 positions in Fiscal 2022 since adoption, primarily due to the vacancy reduction program included in the Preliminary Financial Plan, which permanently eliminated 127 vacant positions.

In the Executive Plan, funding for DoITT's personal services (all agency staffing related expenses) comprise \$166.5 million or 17 percent of the agency's total Fiscal 2022 Plan. This number increases to \$176.1 million or 25 percent in Fiscal 2023.

DoITT Spending and Headcount

<i>Dollars in Thousands</i>	2021	2022	Executive Plan		*Difference
	Actual	Adopted	2022	2023	2022 - 2023
Spending					
Personal Services	\$162,148	\$174,994	\$166,561	\$176,164	(\$1,170)
Other Than Personal Services	808,585	571,921	826,823	540,367	(31,552)
TOTAL	\$970,733	\$746,915	\$993,384	\$716,531	(\$30,382)
Budgeted Headcount					
Full-Time Positions - Civilian	1,641	1,854	1,755	1,755	(99)
TOTAL	1,641	1,854	1,755	1,755	(99)

**The difference of Fiscal 2022 Adopted Budget compared to Fiscal 2023 Executive Budget.*

Funding Sources

DoITT's Budget is financed by City funds as well as Capital-Inter-Fund Agreement (IFA) funding, federal funding, state funding, other categorical funding, and intra-City funding. In the current fiscal year, the Department's primary funding source is City funding which comprises 57 percent (\$564.6 million) of DoITT's total funding, a \$32.8 million decrease from the Department's budget financed by City tax levy funding in the Fiscal 2022 Adopted Budget.

In the Executive Plan DoITT's Fiscal 2022 Budget totals \$993.3, \$276.8 million higher than its Fiscal 2023 Budget. The significant variance in funding between years is largely attributable to the recognition of non-city funds in Fiscal 2022 to support the city's response to COVID and DoITT's role in the vaccine rollout.

The \$24.7 million increase in the Executive Plan for DoITT's Fiscal 2022 budget over the Fiscal 2023 Preliminary Plan and the \$9.6 million increase in its Fiscal 2023 Budget are primarily the result of modifications to federal, intra-City, and City funding. These changes include:

Federal Funding

Federal funding increases by \$6.1 million in Fiscal 2022 and decreases by \$650,000 in Fiscal 2023 when compared to the Preliminary Plan.

State Funding

State funding remains roughly unchanged in Fiscal 2022 and Fiscal 2023 when compared to the Preliminary Plan.

City Funding

City funding increases by \$15.1 million in Fiscal 2022 when compared to the Preliminary Plan.

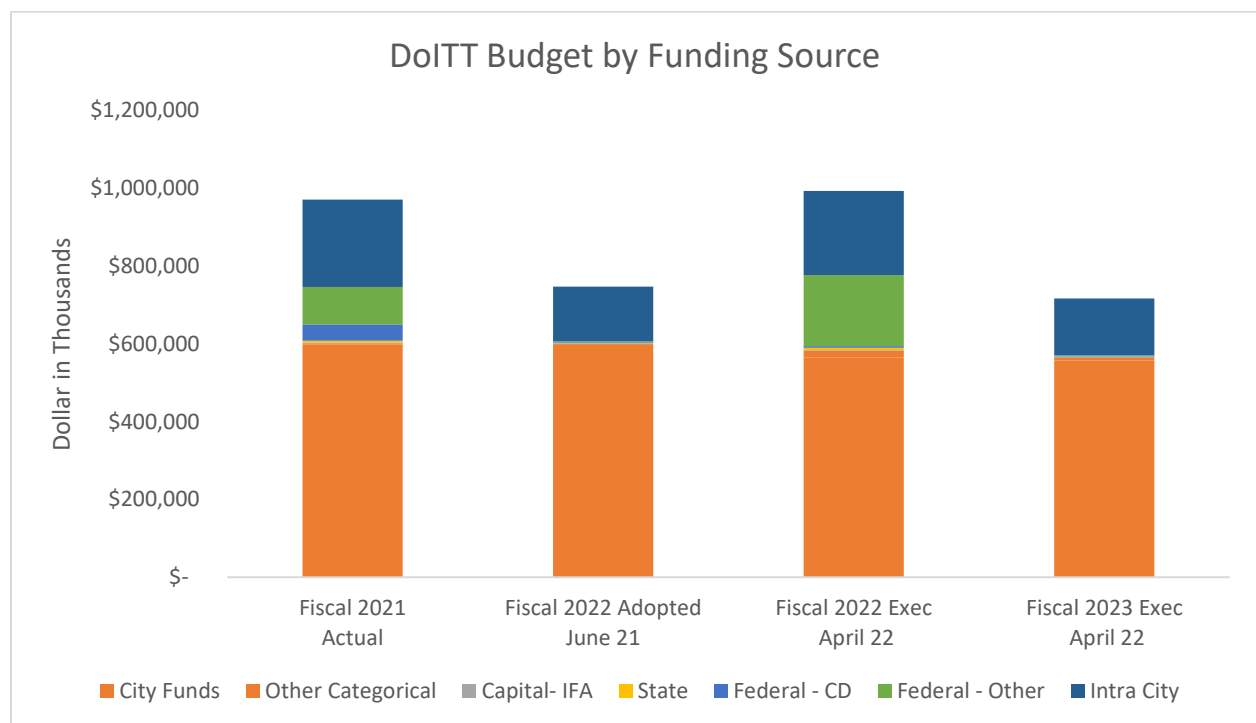
Other Categorical Funding

Other categorical funding totaling \$4 million was rolled from Fiscal 2022 to Fiscal 2023 in the Executive Plan.

Intra City Funding

Intra-City funding increases by \$7.7 million in Fiscal 2022 and \$2.1 million when compared to the Preliminary Plan.

See Appendix A for a complete list of all changes reflected in DoITT’s Fiscal 2022 and 2023 budgets since adoption.



Dollars in Thousands	2021	2022	Executive Plan		*Difference
	Actual	Adopted	2022	2023	2022 - 2023
City Funds	\$598,228	\$597,531	\$564,698	\$557,310	(\$40,221)
Capital - IFA	1,765	2,024	1,743	2,053	29
Federal – Other	96,032	2,610	182,857	925	(1,685)
Federal – CD	42,653	1,700	4,137	1,638	(62)
State	4,660	72	6,065	1,805	1,733
Other Categorical	3,200	3,030	17,740	6,651	3,621
Intra-City	224,195	139,946	216,144	146,149	6,203
TOTAL	\$970,733	\$746,913	\$993,384	\$716,531	(\$30,382)

*The difference of Fiscal 2022 Adopted Budget compared to Fiscal 2023 Executive Budget.

Program Area Budgets

DoITT's budget is comprised of 12 Units of Appropriations, which represent the Personal Services (PS) and Other Than Personal Services (OTPS) budgets of six program areas. The chart below provides a summary of planned spending in each functional area of this agency.

Budget by Program Area (Dollars in Thousands)	FY20 Actual	FY21 Actual	FY22 Adopted	FY22 Exec	FY23 Exec	Difference 2022 - 2023
311/NYC.gov	50,090	53,741	58,862	77,843	56,762	(\$21,080)
911 Emergency Call Center's IT Maintenance & Operations	23,839	90,613	103,482	105,344	105,883	538
DoITT General Administration and Operations	53,239	63,197	62,849	64,540	68,532	3,991
NYC Cyber Command	75,100	96,957	157,861	123,259	127,265	4,006
Mayor Office of Media and Entertainment (MoME)	18,346	17,461	28,743	51,727	26,027	(25,699)
Citywide Tech Services	601,068	648,765	335,119	570,671	332,063	(238,608)
Total	821,682	970,734	746,916	993,384	716,532	(276,852)

**The difference of Fiscal 2022 Adopted Budget compared to Fiscal 2023 Executive Budget.*

DoITT's budget includes six program areas. The Citywide Technology Services program area contains DoITT's largest headcount, totaling 712 full-time budgeted positions, and comprises 46 percent of the Department's entire staff for Fiscal 2023.

Changes Since the Preliminary Budget by Spending Type

At each Financial Plan, an agency will submit changes to its budget from the prior plan. These changes are comprised of new needs that have not previously been included in their budget, other adjustments to existing spending (these adjustments can involve adding additional funding or removing funding), savings programs which provide additional resources either through reduced spending or increased revenue, and savings restorations which include the restoration of expenditures that had been reduced in prior financial plans.

The summary of all changes made to DoITT's financial plan since adoption can be found in Appendix A.

New Needs

DoITT's Executive Plan includes \$14.9 million of new needs in Fiscal 2022 and \$2.3 million in Fiscal 2023, including:

- **311 Application Modernization:** \$11.2 million in Fiscal 2022 for the 311-modernization application.
- **House Recovery Office Build it Back:** \$2.5 million in Fiscal 2022 for the House Recovery Operations related to the Build it Back program.
- **Inter-Fund Agreement-Capital Positions:** \$2 million in Fiscal 2023 for 17 positions working on ongoing DoITT capital projects. IFA positions are generally renewed on a year-to-year basis.

Other Adjustments

DoITT's Executive Plan recognizes additional non-city funding of \$9.7 million in other adjustments in the current fiscal year and \$5.5 million in Fiscal 2023. Some of the major adjustments include the following.

- **Intra-City Funding Adjustments** of \$7.7 million in intra-City funding in the current budget, including \$4.4 million for additional expenses related to DoITT telecommunications;
- **Federal Funding Adjustments** of \$3.9 million in Fiscal 2022 for vaccine contracts and \$2.4 million for a reallocation of the American Rescue Plan fund.

Savings Program

DoITT's Executive Budget includes \$1 million in additional resources instituted in the Program to Eliminate the Gap (PEG) program. The agency was able to identify a budget surplus in the Mayor's Office of Media and Entertainment incentive fund.

Fiscal 2023 Preliminary Budget Response

In the Fiscal 2023 Preliminary Budget Response (Budget Response)¹, the Council identified an area of concern relating to the Universal Broadband Expansion. Below the Council's proposal is discussed.

- **Expedite Universal Broadband:** DoITT's Capital Commitment Plan includes funding of \$157 million in Fiscals 2022-2026 for the Universal Broadband initiative, with the goal of expanding wireless access to low-income New Yorkers. With over 29 percent of New York City households lacking access to broadband at home, the Council called for the Administration to expedite the plan to achieve universal broadband across the City. Internet connectivity has become a necessity, and the pandemic has highlighted the increased dependency on internet access for all. Universal Broadband is a means to bridge the digital divide in New York City. Ensuring all students have internet access and providing internet access to New York City Housing Authority (NYCHA) residents should be an immediate focus. The Council called upon the Administration to consider developing a voucher program for low-income households including those in the Supplemental Nutrition Assistance Program (SNAP). Additionally, because many of the City's resources are exclusively online, the Council called upon the Administration to develop a Digital Literacy curriculum and program to educate New Yorkers on how to access those resources. No additional funds were allocated in the Executive Plan to fund the Council's Response proposal.

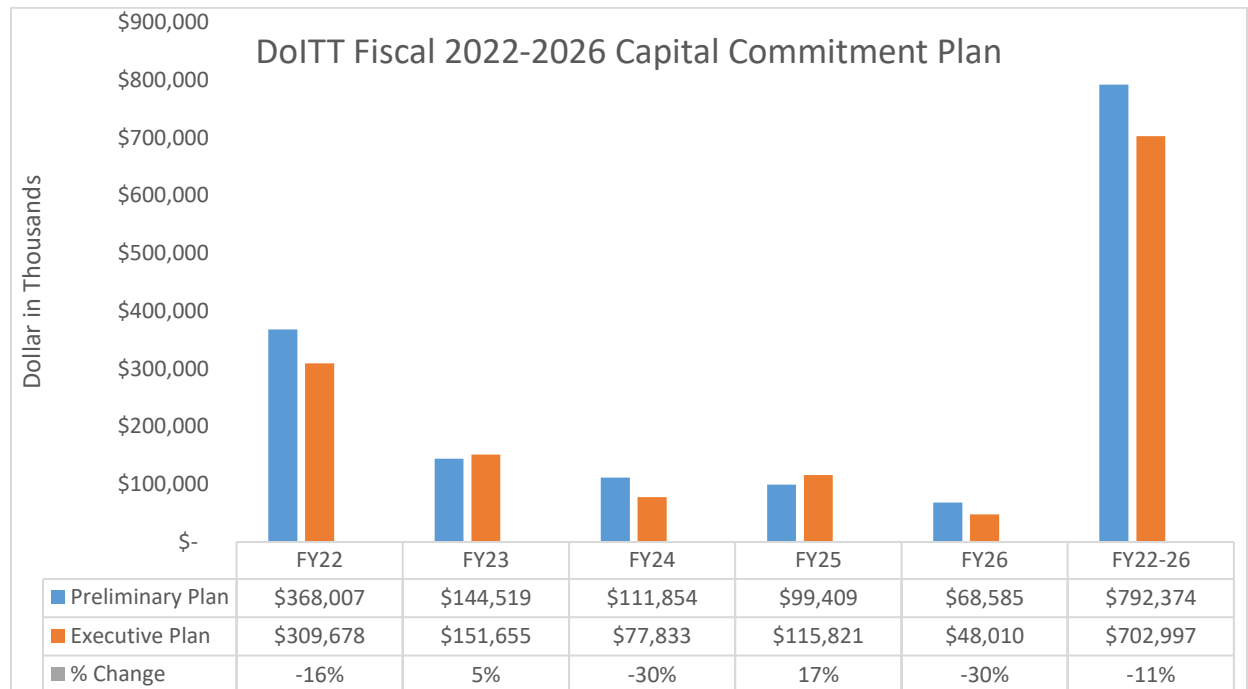
Capital Budget

DoITT's capital program is presented in the Executive Capital Commitment Plan for Fiscal 2022-2026 (Commitment Plan) and the Fiscal 2023 Executive Capital Budget.

DoITT's commitments for Fiscal 2022 through 2026 as presented in the Commitment Plan total \$703 million, \$89.4 million or 11.3 percent less than the total for the same period in the Preliminary Capital Commitment Plan (\$792.4 million), released in February. The Department's planned commitment comprise one percent of the City's total \$94.9 billion Fiscal 2022 through 2026 plan.

¹ The full response can be found at: <https://council.nyc.gov/budget/wp-content/uploads/sites/54/2022/04/Fiscal-2023-Preliminary-Budget-Response-1-3.pdf>

DoITT Fiscal 2022-2026 Capital Commitment Plan



DoITT’s capital commitment plan is heavily front-loaded, with 44 percent of the entire plan-period commitments in the current fiscal year, 21.6 percent in Fiscal 2023, and 11.1, 16.5, and 6.8 percent in Fiscals 2024, 2025 and 2026 respectively.

Capital Highlights

- **DoITT’S EDP Projects - Out-Year Planning.** The Executive Capital Commitment Plan includes \$146 million for Electronic Data Processing (EDP) projects.
- **Emergency Communications Systems & Facilities.** The Executive Capital Commitment Plan includes \$114.9 million for 911 Emergency Communications Transformation Program - related projects.
- **DoITT Foundational Infrastructure Modernization Phase 1.** The Executive Capital Commitment Plan includes \$94.1 million for IT Infrastructure as part of the large-scale effort to modernize critical infrastructures and applications.
- **DoITT NextGen Data Platform.** The Executive Capital Commitment Plan includes \$54.7 million for DoITT NextGen Data Platform for the design, installation and implementation of NextGen. The goal of this project is to redesign the existing end of life DataShare and DataBridge platforms and provide the City with the next generation enterprise solution that will serve as the foundation for all citywide data-integration initiatives.
- **DoITT Enterprise Online Services.** The Executive Capital Commitment Plan includes \$49.1 million to purchase the remaining software licenses to cover the users who were not converted to the new licensing model in year one of the Microsoft Enterprise License Agreement Citywide Master agreement.

- **DoITT NYC Application Modernization.** The Executive Capital Commitment Plan includes \$31.8 million for application modernization projects.
- **DoITT CityNet Upgrade Phase 2.** The Executive Capital Commitment Plan includes \$18.4 million for phase 2 of the CityNet upgrades. The Office of the Technology and Innovation operates and manages a metropolitan area network known as CityNet, which provides the fundamental transport mechanism for inter/intra-agency communications throughout the five boroughs. Phase 1 of the program to upgrade Citynet to 100G started in 2020, and DoITT has already completed the deployment of network devices at 20 locations. Phase 2 will be focusing on upgrading the end of life and end of support Internet Protocol networking elements at additional 26 City locations.
- **DoITT Alarming ServiceNow Implementation.** The Executive Capital Commitment Plan includes \$17.4 million for the implementation of Alarming Service Now project.
- **DoITT 311 Telecomm Modernization – Phase 1 & 2.** The Executive Capital Commitment Plan includes \$25.9 million for the purchase of hardware, software, and the professional services necessary to complete Phase 2 of the 311 Telecommunication System Modernization projects.
- **DoITT Privileged Access Management (PAM) Deployment.** The Executive Capital Commitment Plan includes \$14.8 million for the installation of PAM system, which is a priority cybersecurity control. The PAM system efficiently limits administrative access/elevated privileges strictly to those who have an authorized business need for those credentials and provides a full audit of all actions taken using those credentials.
- **DoITT NextGen Geographic Information Systems Platform.** The Executive Capital Commitment Plan includes \$13 million for the funding of professional services and software to implement the NextGen Geographic Information Systems (“GIS”) Platform that is critical to modernizing an end-of-life system by moving it to a sustainable cloud model.

DoITT Capital Projects in the Citywide Equipment Capital Budget (PU)

- **Citywide Broadband Expansion.** The Executive Capital Commitment Plan includes funding of \$157 million for the Broadband initiative, which will expand wireless access to low-income New Yorkers. The previous Administration announced a plan to accelerate the buildout of 5G by making 7,500 City street poles available for Internet Service Providers (ISP) to build out their networks, mainly in underserved areas. It is estimated that 16 percent of New York City households lack access to Broadband access.
- **Next Generation 9-1-1.** The Executive Capital Commitment Plan includes \$124 million for the Next Generation 911 system. In June 2020 DoITT in collaboration with the Fire Department of the City of New York (FDNY) and the New York City Police Department (NYPD) launched the Text-to-911 system to ensure that the deaf and hard of hearing and survivors of domestic violence communities have access to police, fire and emergency medical services.

Appendix A: Budget Actions since Fiscal 2022 Adoption

<i>Dollars in Thousands</i>	Fiscal 2022			Fiscal 2023		
	City	Non-City	Total	City	Non-City	Total
DoITT Budget as of the Fiscal 2022 Adopted Budget	\$597,532	\$149,384	\$746,917	\$566,637	\$144,636	\$711,273
New Needs						
311 Application Modernization	\$6,000	\$0	\$6,000	\$0	\$0	\$0
CEC Participatory Budget	707	0	707	3,957	0	3,957
CEC Poll Site Staffing	215	0	215	321	0	321
Emergency Housing Vouchers	617	0	\$617	0	0	0
IT SWAT Media Campaign	192	0	0	0	0	0
MoME Media Campaign	4,500	0	4,500	0	0	0
Reasonable Accommodation Appeals Site	286	0	286	0	0	0
Vaccine Incentive	51	0	51	0	0	0
Broadband Plan	985	0	985	0	0	0
CEC Borough Director	45	0	45	90	0	90
Chief Democracy Officer	87	0	87	175	0	175
IT Design Services SWAT	405	0	405	810	0	810
Subtotal, New Needs	\$14,090	0	\$14,090	\$5,353	0	\$5,353
Other Adjustments						
City - Other Adjustments	(\$43,922)	\$0	(\$43,922)	\$439	\$0	\$439
Capital Adjustments	0	5	5	-	5	5
Community Development Adjustments	0	2,436	2,436		0	0
Other Categorical– Federal Adjustments	0	18,734	18,734	0	0	0
Other – Federal Adjustments	0	174,147	174,147	0	843	843
State Adjustments	0	5,973	5,973	0	1,805	1,805
Federal Adjustment	0		0		0	0
Intra – City Adjustment	0	68,501	68,500	0	4,399	4,399
Subtotal, Other Adjustments	(\$43,923)	\$269,796	\$225,873	\$439	7,052	\$7,491
Savings						
Telecom Savings	-	(\$25)	(\$25)	\$0	(\$50)	(\$50)
NYCWiN Decommission	(8,348)	0	(8,348)	(9,816)	0	(9,816)
Vacancy Reduction	(9,790)	0	(9,790)	(7,325)	0	(7,325)
Subtotal, Savings	(\$18,138)	(\$25)	(\$18,163)	(\$17,141)	(\$50)	(\$17,191)
TOTAL, All Changes	(\$47,970)	\$269,771	\$221,800	(\$11,349)	\$7,002	(\$4,347)
DoITT Budget as of the Fiscal 2023 Preliminary Budget	\$549,562	\$419,155	\$968,717	\$555,288	\$151,638	\$706,927
FY23 Executive Plan						
New Needs						
311 Application Modernization	\$11,727	\$0	\$11,727	\$0	\$0	\$0
CFB Annual Budget IC	0	0	0	0	35	35
Film Office Positions	0	0	0	175	0	175
FY23 Budget - IC	0	0	0	0	(77)	(77)
HRO Build it Back Ida	432	0	432	0	0	0
HRP Build it Back Sandy	2,565	0	2,565	0	0	0
IFA PS Re-estimate	0	(287)	(287)	0	2,053	2,053
DemocracyNYC	550	0	550	0	0	0
MOME Closed Captioning Services	0	0	0	100	0	100
MOME Software Package	0	0	0	48	0	48
Subtotal, New Needs	\$15,274	(\$287)	\$14,987	\$323	\$2,011	\$2,334

<i>Dollars in Thousands</i>	Fiscal 2022			Fiscal 2023		
	City	Non-City	Total	City	Non-City	Total
Savings Restorations						
MOME Incentive Fund Surplus	(\$1,000)	\$0	(\$1,000)	\$0	\$0	\$0
Subtotal, Savings Restorations	(\$1,000)	\$0	(\$1,000)	\$0	\$0	\$0
Other Adjustments						
City – Other Adjustments	\$860	\$0	\$860	\$1,699	\$0	\$1,699
Community Development	0	0	0	0	0	0
Other Categorical –Federal	0	(4,024)	(4,024)	0	4,000	4,000
Other – Federal	0	6,100	6,100	0	(650)	(650)
Intra- City	0	7,722	7,722	0	2,226	2,226
Subtotal, Other Adjustments	\$860	\$9,798	\$10,678	\$1,699	\$5,576	\$7,270
TOTAL, All Changes in the FY23 Executive Plan	\$15,134	\$9,511	\$24,665	\$2,022	\$7,587	\$9,604
DoITT Budget as of the FY23 Executive Budget	\$564,696	\$428,688	\$993,384	\$557,310	\$159,222	\$716,532

Source: The Office of Management and Budget