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COMMITTEE ON INFORMATION TECHNOLOGY

Proposed Five Year Information & Communication Technology (ICT) Plan
FY 2015-16 through FY 2019-20

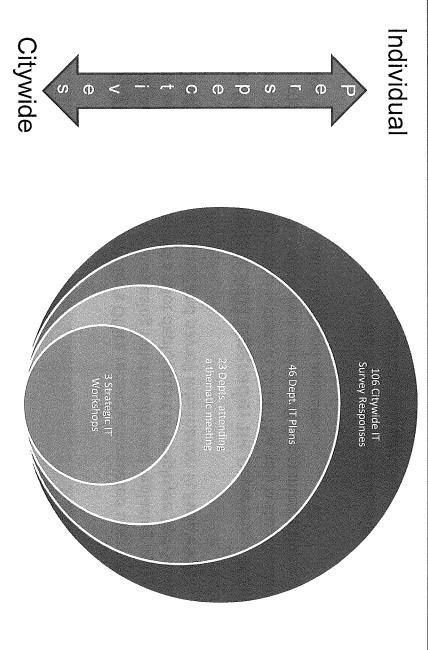**Budget & Finance Committee**

April 15, 2015

1

FY 2016-20 ICT Plan
Overview

» The purpose of the City's Information & Communication Technology Plan (ICT Plan) is to provide a strategic framework for citywide IT planning and budgeting for the next five years.

» Administrative Code Sec. 22A.6 requires that COIT submit an updated 5-year plan every two years to the Mayor's Office and the Board of Supervisors.

» The previous ICT Plan was unanimously approved by the Board of Supervisors on April 16, 2013.

» Proposed ICT Plan must be adopted by the Board of Supervisors by May 1, 2015.

ICT Plan Update
Data Gathering Efforts

Individual ⟷ Citywide

Perspectives

- 106 Citywide IT Survey Responses
- 46 Dept. IT Plans
- 23 Depts. attending a thematic meeting
- 3 Strategic IT Workshops

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FY 2016-20 ICT Plan
Recent Accomplishments

✓ **eMerge Upgrades:** The Controller's Office recently completed upgrades to the Citywide human resources and payroll system simultaneously increasing functionality and replacing aging IT infrastructure. The Controller's Office has also recently commenced a pilot deployment of Employee Self-Service which allows employees to access, view, and modify their personal and payroll information in PeopleSoft.

✓ **Computer Aided Dispatch (CAD) Upgrade:** The Department of Emergency Management completed an upgrade to the City's CAD system in 2014. The new system better supports all public safety departments, most especially the Police, Fire, and Sheriff Departments through greater data retrieval and communication with other City departments and agencies.

✓ **Disaster Recovery:** The City is proactively taking measures to protect itself from disasters through the mirroring of the Citywide financial, human resources, and payroll systems through the State of California's data center in Rancho Cordova. Should there be a disruptive event in San Francisco, the City will be able to rely on the continuity of these critical systems.

✓ **Gross Receipts Tax Implementation:** The Treasurer-Tax Collector upgraded their business tax system to integrate Gross Receipts Tax legislation in 2012. This new system reflects changes to the business taxes, which are now based on the amount of money businesses earn in San Francisco rather than on their payroll. The system went live in January 2015. The project was completed on-time and under-budget.

✓ **#SFWiFi:** The Department of Technology has continued to unify and expand the City's free, public wireless network, #SFWiFi. Currently, the City offers #SFWiFi on 3.0 miles along Market Street and at 30 public parks.

✓ **San Francisco Business Portal:** The development of the Business Portal is a collaborative effort between the Mayor's Office, Department of Technology, Office of Economic and Workforce Development, and Office of Small Business. With comprehensive information and tailored tools, the Portal helps business owners navigate the complex regulatory process and access resources. The Portal officially launched in November 2014, with over 1,000 unique users in its first two days.

ICT PLAN VISION

San Francisco will deploy and support technology

that improves City services

VALUES

Business and Customer Needs Will Drive Decisions

IT Investments are Based on Greatest Impact and Benefit

Common Solutions Should Be Evaluated First

Maintenance and Support of ICT Must be Adequately Planned and Budgeted

Sensitive Information Must Be Secured Appropriately

Standards Must Be Developed

Technical Diversity Must Be Controlled

Technology Should Be Easy to Use

Critical Business Functions Must Be Protected from Major Disruptions

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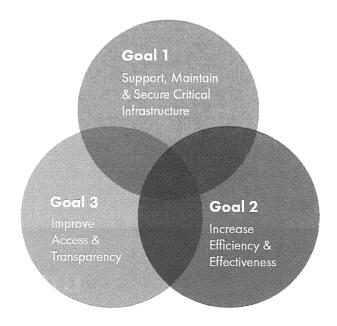
FY 2016-20 ICT Plan
Citywide Initiatives

ON-GOING

» Open Data in San Francisco

» Innovation Model

» Connectivity Plan

NEW COIT INITIATIVES

» Shared Services Strategy
  » Goal: Develop a strategy to transition the City towards greater level of Shared Services.
  » Leadership: City CIO
  » Oversight: Steering Committee
  » Timelines: Update in spring 2016

» Public Experience Strategy
  » Goal: Develop a strategy to improve how the public experiences City government and services.
  » Leadership: COIT, Mayor's Office, City CIO
  » Oversight: Steering Committee
  » Timeline: Spring 2016

FY 2016-20 ICT Plan
Budget Process & Strategic ICT Goals

» Annual process to review ICT project requests for subsequent two fiscal years.

» Budget & Performance Subcommittee to evaluate projects based on their impact and support of the ICT Plan Strategic Goals.

Goal 1
Support, Maintain & Secure Critical Infrastructure

Goal 3
Improve Access & Transparency

Goal 2
Increase Efficiency & Effectiveness

» **COIT's Annual Projects Allocation (GF):** In addition to their annual operating budgets, General Fund departments may request General Fund support from COIT's Annual Projects Allocation.

» **Major IT Projects Allocation (GF):** In FY 2013-14, the Mayor and the Board of Supervisors created a new fund for the replacement of major legacy systems that impact multiple departments and pose a significant financial investment.

» **Sponsoring Department Project Funding:** The Department of Technology implements a number of citywide ICT projects through its operating budget that are recovered through chargeback rates. In FY 2014-15 these chargeback rates were allocated 25 percent to Enterprise departments and 75 percent to General Fund departments. Recently funded projects include: Email Migration, Fiber to City Buildings, Disaster Recovery and Server Virtualization.

» **Non-General Fund Sources:** Some departments (including General Fund departments) have identified funding for projects within their existing operating budgets through grant support or other non-General Fund sources. These self-supported projects are reviewed using the same vetting process as the General Fund requests.

FY 2016-20 ICT Plan

ICT Funding: COIT General Fund Sources

COIT General Fund Support and Major IT Project Funding FY 2016-20

$ in Millions		FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	TOTAL
Annual Projects Allocation		9.7	10.7	11.7	12.8	14.1	59.0
Major IT Projects Allocation		12.5	16.9	18.6	20.5	22.5	91.0
	TOTAL	22.2	27.6	30.3	33.3	36.6	150.0
Allocation Growth		10%	10%	10%	10%	10%	-

FY 2016-20 ICT Plan

ICT Requests: Overview

$ in millions	Number of Projects	Initial Project Request	Proposed Funding Source	Difference
Non-General Fund Projects	61 (38.6%)	$401.5	$401.5	–
General Fund Projects	97 (61.4%)	$211.8	$150.0	$61.8
Subtotal: IT Project Requests	158	$613.3	$551.5	$61.8

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11

FY 2016-20 ICT Plan
ICT Requests: Major IT Projects

$ in millions	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	TOTAL
Total COIT Major IT Project GF Support	$12.5	$16.9	$18.6	$20.5	$22.5	$91.0
Major IT Projects General Fund Requests						
Financial Systems Replacement	$9.3	$15.9	$1.9			$27.1
Public Safety & Public Service Radio Replacement	$3.9	$24.1	$19.8	$15.4	$9.8	$73.0
Property Tax Database Replacement	$0.4	$1.2				$1.6
Subtotal	$13.6	$41.2	$21.7	$15.4	$9.8	$101.7
DIFFERENCE	($1.1)	($24.3)	($3.1)	$5.1	$12.7	($10.7)

FY 2016-20 ICT Plan

Major IT Projects: Strategies

» Better Project Planning of Major IT Projects

» Alternative Funding Sources

» Breakdown Large Projects to Access Diverse Funding Sources

» One-Time Funding Sources and Budget Reallocation

» Project Sequencing

» Deferral

» **Financial Systems Replacement Project:** As a citywide IT system, the project costs will be split between the General Fund and Enterprise Departments. The General Fund portion will be funded through the Major IT Projects Allocation for years FY 2015-16 through FY 2017-18. Should additional resources be available, COIT recommends fully funding this project.

» **Public Safety and Public Service Radio Replacement:** Critical Project development was funded through the COIT Annual Projects Allocation. Funding from COIT's Major IT Projects allocation will increase for this project as the Financial Systems Replacement Project implementation closes out. This project will be funded through a number of sources including Capital Planning, equipment budget, COIT Annual Projects Allocation, and user department support. Should additional resources become available, COIT recommends fully funding this project.

» **Property Tax Database:** This project received Critical Project Development funding in FY 2014-15. Project planning is anticipated to be completed in FY 2015-16. Once completed, this project is next priority for Major IT Project funding. Should additional resources become available, COIT recommends fully funding this project.

Emerging Need

» **Electronic Medical Records (EMR):** The Department of Public Health anticipates funding this project within their operating budget and through outside sources. Should there be any additional General Fund costs, the Electronic Medical Records project should be considered a Major IT Project and provided a defined funding schedule.

FY 2016-20 ICT Plan
Major IT Projects: Recommendations

COIT Funding Recommendation (*millions*)

	FY 16-20 TOTAL
Major IT Projects	
Financial Systems Replacement	$27.1
Public Safety & Public Service Radio Replacement	$30.0
Property Tax Database Replacement	$13.0
Emerging ICT Needs	$20.9
TOTAL	**$91.0**

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15

FY 2016-20 ICT Plan

» **RECOMMENDATION 1:** COIT recommends that the City continue to grow the Major IT Projects Allocation by 10 percent annually.

» **RECOMMENDATION 2:** To the extent possible, COIT recommends allocating one-time funds to Major IT Projects if they become available during the budget cycle.

» **RECOMMENDATION 3:** To the extent possible, COIT recommends full funding of projects to support an optimal project implementation timeline.

FY 2016-20 ICT Plan

ICT Requests: All Other General Fund Requests

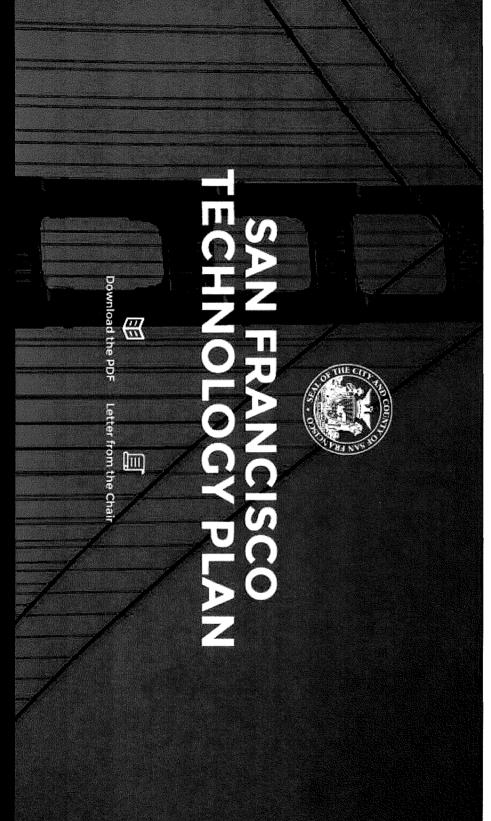| $ in millions	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	TOTAL
COIT Annual Projects Allocation (GF)	$9.7	$10.7	$11.7	$12.8	$14.1	$59.0
Total Annual Project Requests	$39.1	$19.9	$19.7	$16.6	$14.8	$110.1
DIFFERENCE	($29.4)	($9.2)	($8.0)	($3.8)	($0.7)	($51.1)

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17

FY 2016-20 ICT Plan
Annual Projects Allocation (GF): Recommendations

» Recommendation to revisit the General Fund allocation to ensure that funding is sufficient to support the improvement of the City's critical ICT infrastructure as well as priority department requests.

» DT's Fix the Network project is highest priority for funding.

Fix the Network	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	TOTAL
COIT Recommended Funding	$2.9 M	$1.9 M	$2.0 M	$1.2 M		$8.0 M

FY 2016-20 ICT Plan

Annual Projects Allocation (GF): Recommendations

» **RECOMMENDATION 1:** COIT recommends that the City continue to grow the Annual Projects Allocation by 10 percent annually.

» **RECOMMENDATION 2:** COIT recommends re-evaluation of the Annual Projects Allocation to determine if the funding levels are sufficient to support the City's critical ICT infrastructure and priority requests.

» **RECOMMENDATION 3:** COIT recommends identifying one-time sources of funding to support high priority projects when possible.

SAN FRANCISCO
TECHNOLOGY PLAN

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Letter from the Chair

STRATEGIES

FISCAL STRATEGIES

STRATEGIC GOALS

FISCAL STRATEGIES

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Citywide ICT Spending

Overall, COIT's annual funding recommendations make up only a small portion of the City's total ICT expenditures.

In FY 2013-14, the City & County of San Francisco spent approximately $287.6 million on ICT related expenditures. As shown in Figure 4 below, 35.4 percent of the City's ICT spending were on salaries and benefits for IT professionals. The City's second largest