



To: Council President Mary Sheffield
From: Art Thompson, Director
Date: April 6, 2023
Re: **Responses to 2023-2024 Department of Innovation and Technology Budget Questions**

Please find below responses to your questions sent on March 24, 2023, regarding the proposed Fiscal Year 2024 Proposed Budget for the Department of Innovation and Technology (DoIT).

- 1. One of DoIT's goals is to develop a digital inclusion strategy to help bridge the digital divide in Detroit. How much of the \$57M budget is allocated for this purpose? What major actions will be taken by DoIT in the next year to bridge the digital divide?**

The City has dedicated over \$32 million dollars towards our Digital Equity efforts. Only the salary for the Director position is currently operated from this budget.

DoIT is focusing on helping provide connectivity for residents in several areas. Our largest single project is the Fiber access project to connect approximately 2,200 homes in the Hope Village area. Digital literacy and skill building is something we are focused on and have multiple programs to assist in that project. Thanks to the ARPA funding we will be able to fund 6 major projects specifically to Digital Equity. As we look to continue to partner with other agencies and connect more residents we will continue to update this office.

- 2. It appears that the Digital Inclusion & Equity Division falls under DoIT's umbrella, however the Director and Deputy Director of Digital Inclusion are not listed in your position detail. Can you provide more details on how the Digital Inclusion and Equity staff are classified and paid? Is this division fully staffed?**

The Director of Digital Equity is funded out of the Office of the CIO. Currently a grant, HUD Community Development Block Grant (CDBG), is funding the deputy director. There is also a manager position paid for by ARPA. We are currently fully staffed in this department.

- 3. Your budget shows that the largest portion by far (\$15M) is going to Licensing & Contracts. Ideally, the money spent by the city will be invested back into the city to grow wealth here. On average, what percent of your annual contracts go to Detroit-based companies? Are there new strategies planned to bring more IT contracts in house?**

In FY 2023, we had approximately 17% of contracts go to businesses in Detroit. We do have multiple contracts coming before the end of the fiscal that are going to increase that percentage. DoIT is continuing to attend the OCP outreach meetings, with plans to



expand that frequency this year. We are also working with CRIO to make sure we can stay on top of new business that are coming into the city to make sure we invite them to participate in upcoming opportunities.

- 4. There has been discussion of mentorship programs with contracted companies outside of the city to promote capacity and skill growth for smaller Detroit-based companies. Please share any existing agreements of this kind, as well as how DoIT plans to facilitate mentorship-style programs in the future.**

Currently DoIT has a bid out for an apprenticeship program. We have also partnered with the Human Resources department to launch an additional apprenticeship program which began this February for its first individual.

- 5. In 2021, it was announced that Detroit was selected to participate in the Federal Emergency Broadband Benefit program which offered internet and technology discounts. The EBB program ended last February. Were there efforts made by the IT Department to soften the blow that residents felt from this loss of benefits? Has your department received feedback from residents on the effects of the benefit loss?**

Detroit ranked #1 in cities that had taken advantage of the EBB. Congress had created a new longer term program called the Affordable Connectivity Program that has transitioned as of March 1, 2023. This program will transition most of the approved parties to the new program automatically.

- 6. Strategic technology planning is one of the responsibilities of the Detroit's IT Department. Please give examples of some strategic planning that occurred in FY2023 and what we can expect in FY2024.**

DoIT is focusing on making sure we continue to deliver services that keep the city secure and accomplish department goals to best serve our constituents. In 2023, completing the major role outs for Ulti-Pro and Microsoft were large projects that we are focused on getting collaboration and shared resources across the city. As we focus to bring more security in 2024, we will see the roll out of new education around Cyber Security. We are also bringing some exciting refreshes of equipment to Council for approval so we can focus on improving our security posture. We will continue to help push for centralizing and utilizing similar software for saving us money and resources in the city. As we look towards our external efforts we are very proud of our Digital Equity and Inclusion team. Last year Detroit ranked 1st in signing up residents for the American Broadband Benefit. Helping subsidize over 100,000 residents internet service. This year are focusing on how to continue to battle the digital divide with technology support and internet access in areas where we do not currently have sufficient support.

- 7. The proposed expenditure budget went from \$35.5M in FY2023 to \$57.3M in FY2024. The bulk of this increase appears to be for Operating Supplies and Operating Services.**



How much of this increase will be spent within the city? Also, what specific services and supplies are the cause of this increase?

DoIT is working with OCP to continue outreach and get more vendors involved in the city's procurement process. We are focused on increasing Detroit based resources for technology and will include Council in those efforts to help strengthen our mission.

The increase in Operating Supplies was due to \$500K in hardware maintenance and \$15.8 million in software maintenance that were moved from Non-Departmental. Hardware maintenance includes items such as server maintenance, network wiring, and fiber maintenance. Software maintenance includes all enterprise software that supports City employees, such as Microsoft, Oracle, Smartsheet, and UltiPro. The increase in Operating Services was due to \$5.2 million in telecommunications costs that were moved from Non-Departmental.

8. Please share what outreach efforts are made by this department. This includes notifying residents of available data and documents, notifying local businesses of RFPs, and any requests for feedback.

DoIT participates in multiple OCP vendor outreach meetings each year. We also push for vendors to partner with local agencies to help increase our partner opportunities. We have taken to reaching out on social media as well to help with these efforts. We are working with CRIO to help reach out to businesses that have gotten certification to invite them to bids and see where we can increase that number of registered companies.

DoIT CTO and Deputy CIO Mike Homant is working with current OCP Director Sandra Yu Stahl to update the outreach, to twice a year and improve the format. The new format will include speakers from CRIO, Tax, Law, DoIT and OCP and will invite all Council offices to speak as well. The next outreach is being planned for the next couple of months and is expected to be held at the FocusHope building in cooperation with Human-I-T.

OCP has started regular outreach meetings across all product categories, and DoIT is committed to participating in any event that may have a technology component.

9. What metrics are used to evaluate DoIT's performance from year to year? \$57M is a significant portion of the City's annual budget for services which residents don't often directly receive. What should residents know about the IT Department to feel assured that funds are being spent appropriately and efficiently?



CITY OF DETROIT
DEPARTMENT OF INNOVATION
AND TECHNOLOGY (DoIT)

2 WOODWARD AVENUE
1212 COLEMAN A. YOUNG MUNICIPAL CENTER
DETROIT, MICHIGAN 48226
PHONE 313 • 224 • 2900

DoIT measures many of its efforts based on business uptime for different applications and supporting city departments. We aim to make sure that we exceed industry standards for application uptime and ticket resolution for issues. We are glad to empower departments in the background to help drive successful services for the city. However, one of our initiatives for 2024 is to redefine our metrics on how we internally measure success outside of measuring basic up time and ticket resolution.

10. City Council reviews many new contracts, contract amendments, and contract extensions/renewals. Are there any service contracts that DoIT has had for a year or more that have not been renewed? What percentage of your contracts are renewed and what percent are not renewed?

16% of the DoIT contracts active during FY22 and FY23 changed duration after their initial approval. This includes extensions of time with and without increases in contract value. The majority (86%) of DoIT contracts that have been in place for more than a year have NOT changed their durations since being approved.

It is important to note that new contract awards are not automatically counted as renewals or contract duration/amount changes. For example, if Vendor X is awarded contracts for its services in 2021, 2022, and 2023, those are recorded in our data as three separate contracts rather than a 2021 contract that has been renewed for two subsequent years. DoIT plans to bring all contracts requiring City Council approval to the forefront and make sure the body is aware of that renewal or new contract.