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Budget and Finance Committee
c/o Richard Williams, Office of the City Clerk
Room 395 City Hall
Los Angeles, CA 90012

INFORMATION TECHNOLOGY AGENCY - 2020-21 MAYOR'S PROPOSED BUDGET

Technology has been invaluable during the City's response to COVID-19. Using the Information Technology Agency's (ITA) Connect2LACity telecommuting platform, 11,464 City employees were teleworking within 48 hours of the Safer at Home Order (18,173 are using it today). Through LACityView, social media, and Zoom meetings, our Mayor and City Council have been leading, consoling, and engaging Angelenos when they need it most. Google video meetings have become the lifeblood of City department coordination and communications, increasing 10 times to ~2,000 each weekday. Under the leadership of the Mayor's Office, ITA's COVID-19 testing website and scheduling app has enabled over 60,000 Coronavirus tests for L.A.'s essential workers, first responders, and residents showing symptoms. From Senior Meals to Angeleno Cards to Logistics systems at the Emergency Operations Center (EOC), it has been the effective use of technology that has dramatically improved L.A. City's response to our residents and businesses during such a challenging time. Thanks to the leadership and prior technology investments of our Mayor and Council, the City of Los Angeles was well positioned to digitally respond to this viral threat. As we look towards a tough economic downturn and potential recurrences of the pandemic, the ITA believes that new technology investments will be the key for maximizing the health and prosperity of L.A.'s residents and businesses for years to come. Thankfully, the Mayor's proposed budget includes key technology investments critical for the City of Los Angeles.

The Mayor's 2020-21 proposed budget for the Information Technology Agency of \$97.4M represents a decrease of \$9.2M over FY19-20. ITA's budget includes funding for the first year of implementation for the new Human Resource and Payroll System, continues electrical, A/C, tower and mountaintop facility upgrade in preparation for a new LAFD radio system, funds LAPD and LAFD Aircraft Warranties to prolong the life of public safety equipment, and continues replacement of obsolete desk phones with mobile devices for City staff and VOIP for LAPD.

Requests

The Mayor's proposed budget supports most of ITA's most critical needs. There are however two crucial requests that are not included in the proposed budget that must be noted, as well as a salary account reduction that will severely limit the department's ability to support existing and new technology initiatives.

Salary Funding to Bring ITA Vacancy rate to 10% - \$990,000

The most critical issue for the department in this year's budget is the \$2.62M reduction to our salary account. This cut, which is in addition to the 10% reduction for furloughs, is further compounded by \$3.16M in unfunded salary costs that ITA already must absorb. The components of these unfunded costs include the 2.5% salary savings rate, excess sick leave and retirement payouts, as well as some unique costs that ITA must pay due to the 24/7 response time required for some of our services and to MOU mandated payments for tool and uniform allowance, 311 call center workers, tower climbing support, etc.

The additional \$2.62M proposed reduction equates to approximately 24 positions that the department would have to hold vacant for the entire year. This is in addition to the 29 positions we must already hold vacant for the above unfunded costs. The result would be a 12% vacancy rate for a department with 442 authorized positions. Fully 53 positions would have to be held vacant to keep the department within budget. This, on top of the productivity lost due to furloughs, would severely hamper ITA operations and degrade service. Depending on where attrition occurs, this may impact key projects such as HRP, Mobile Worker phone replacement, Data Analytics, and LAPD Radio Site Improvements, and ongoing work such as network maintenance and cyber security.

While we are cognizant of the sacrifices all departments must make, ITA's role in facilitating functionality for all City departments and the increased dependence on technology to offset productivity decreases in other departments due to furloughs, must be considered. Therefore, ITA is requesting \$990,000 to bring the vacancy rate down to 10%. While still impactful, lowering the vacancy rate to 10% will allow the department to more quickly accrue the vacancies needed to begin to fill critical positions.

ITA requests restoration of \$990,000 to ITA's salary account.

Citywide Cybersecurity Fortification - Appropriate UB and add \$380,000

The Mayor's proposed budget includes \$300,000 in the Unappropriated Balance for Personnel Related Cybersecurity Measures. The City's Chief Information Security Officer recommends this funding go to the Citywide Adaptive Security Evaluation (CASE) platform, which consists of weekly vulnerability management scans and risk prioritization

reports that will provide an automatic and continuous detection of City's public facing websites vulnerabilities. Each month, City departments would receive actionable recommendations for where their cyber vulnerabilities are and how to improve their cyber security protection. This tool would have identified and resolved the vulnerabilities that caused the L.A. City data breach last summer. In light of the publicized L.A. City data breach last year and the growing source of cyber threats during the pandemic, the ITA believes using this funding to implement CASE will greatly benefit ALL City departments at a cost of \$260,000.

ITA requests that \$300,000 in UB funding for Cybersecurity Measures be appropriated to ITA's Contractual Services account to allow for the immediate implementation of this critical cyber security tool.

Additionally, ITA requests funding to implement LACyberSafe, an automatic Malware Analysis and Remediation System for human security and validation of malicious emails and attachments to protect City employees from Social Engineering and Spear Phishing attacks. The total cost of this system is \$420K, additional funding required if the remaining UB funding can be used for this is \$380,000.

ITA requests \$380,000 in Contractual Services for LA CyberSafe, an automated phishing and malware analysis and remediation tool.

Citywide Data Science & Predictive Analytics Platform - \$274,000

The Mayor's proposed budget regularizes support for three staff to manage the City's Data Analytics projects. However, funding was not continued for the citywide data analytics platform. From reducing multi-million dollar risks to increased department efficiency to greater accessibility of City services in disadvantaged communities, great emphasis has been placed on City Data Analysts. This funding is key for a citywide data analysis tool and platform shared among data analysts. **On-going funding in the amount of \$274,000** is required for the City to continue use of an enterprise data management platform, a solution that allows the City to operationalize use of data to improve outcomes. A cross-department data team reviewed numerous products and selected CIVIS. It serves as a cost effective, centralized data repository and includes analytic and visualization tools, as well as common reporting capabilities and tools. As data analysis teams are growing throughout City departments, use of a centralized platform and standard tools is important to ensure the accuracy of results provided to City Council and effective collaboration across City departments. Standards, policies and a shared environment for data science teams to work collaboratively on data-driven projects ensures that these teams are working most efficiently and not duplicating work or data.

ITA requests \$274,000 in on-going Contractual Services funding for the Data Platform.

April 24, 2020

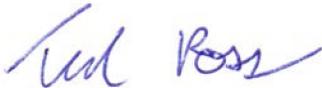
Page 4

A final item of note in the Mayor's budget is the Telecommunication Development Account, Special Fund Schedule 20. This Schedule assumes a Related Cost payment to the General Fund of \$4.8M. This assumption does not take into account cost eligibility restrictions of the three funding sources that comprise this Fund. When eligibility requirements are considered, the Fund will only be able to contribute \$2.4M to the General Fund, leaving a revenue shortfall of \$2.4M. The department communicated this funding issue to the CAO.

Closing

The world is in uncharted territory. ITA's technology and digital tools have enabled our City departments and elected officials to remotely manage a large and complex city at a moment's notice. This is an incredible feat by itself. However, the health, safety, and prosperity of over four million Angelenos has relied on this. As we look towards a tough economic downturn and potential recurrences of the pandemic, the continued technology investments and IT capabilities will be essential. We deeply appreciate the confidence that the Mayor's budget demonstrates in ITA and our ability to perform this work for the good of the City.

Respectfully submitted,



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cc: Matt Szabo, Mayor's Office
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