



# The Road to Opportunity

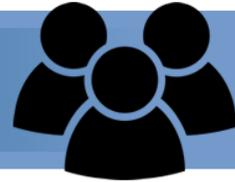
DTMB FY 2020 Executive Budget Recommendation

Tricia L. Foster, CPM, ACoM – DTMB Director  
House – April 23, 2019

# FY 2020 Budget

Total State Budget	Fund	DTMB Budget	Percent of Total
\$10.7 billion	General Fund	\$480.0 million	4.4%
\$10.9 billion	Restricted Fund	\$68.2 million	.3%
\$14.0 billion	School Aid Fund	\$0	0%
\$23.1 billion	Federal Funds	\$5.0 million	.02%
\$1.5 billion	Other Funds	\$952.9 million	62.0%
<b>\$60.2 billion</b>	<b>Total Budget</b>	<b>\$1.5 billion</b>	<b>2.5%</b>

# Michigan Department of Technology, Management & Budget



State agencies / Citizens



Businesses



Local governments



Universities

**\$1.4 billion** budget FY 2019

**2,900** employees

**41** managed facilities just under 10M sq. ft.

**468** leases managed

**1,700** business applications

**55,000** desktop, laptop and tablet computers

**98,000** public safety radios

**\$2.5 billion** annual addressable spend in procurement contracts

**5** retirement systems that serve one out of every nine Michigan households

# DTMB Services and Programs

## Management and Budget

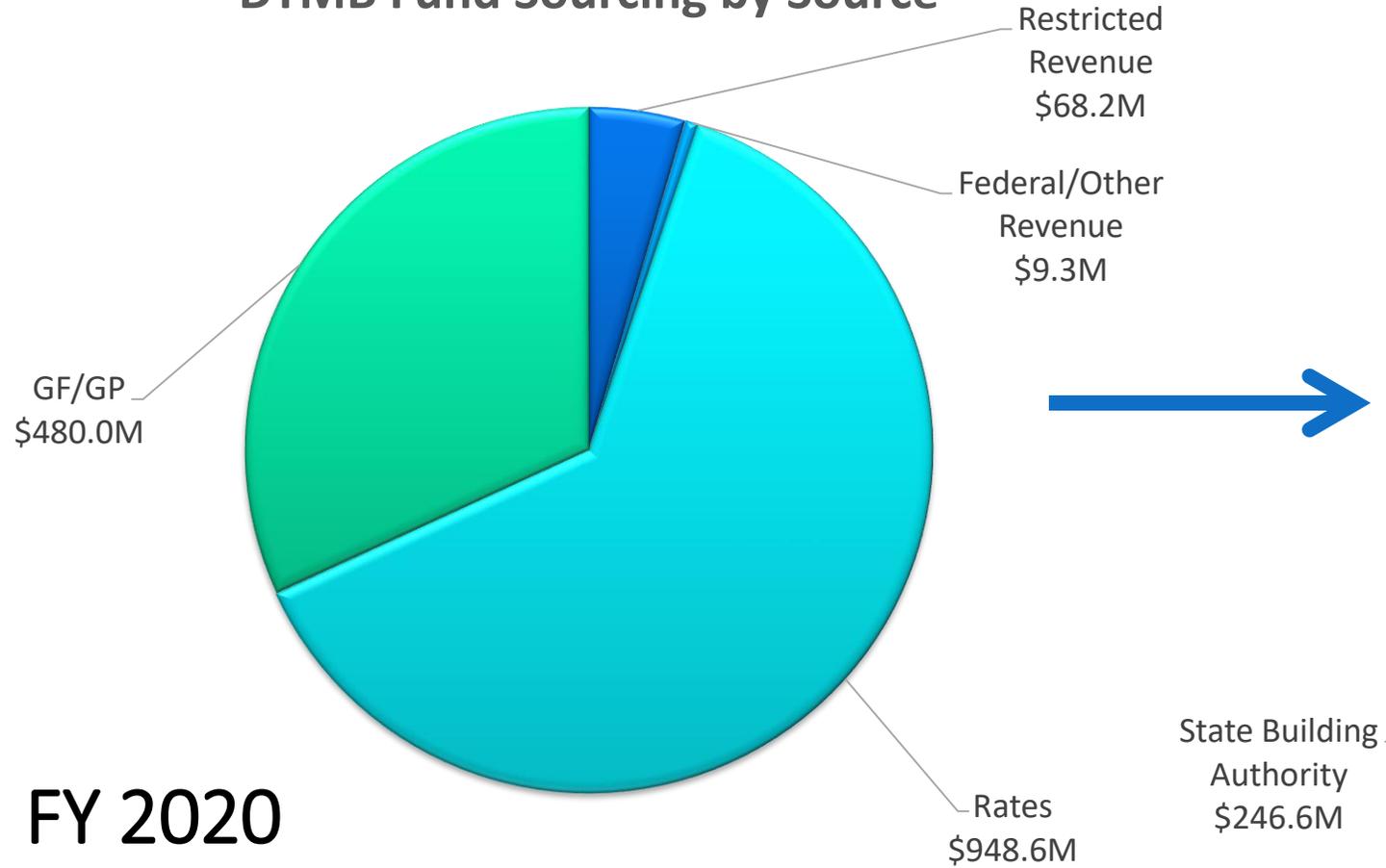
- Procurement services
- Building operations, real estate and leasing
- Fleet, mail, print, delivery, warehousing, records management and surplus services
- Multi-agency financial services
- Retirement services
- Facility design, construction and maintenance
- Labor Market Information and Strategic Initiatives
- State Budget Office
- Office of Performance and Transformation

## Information Technology

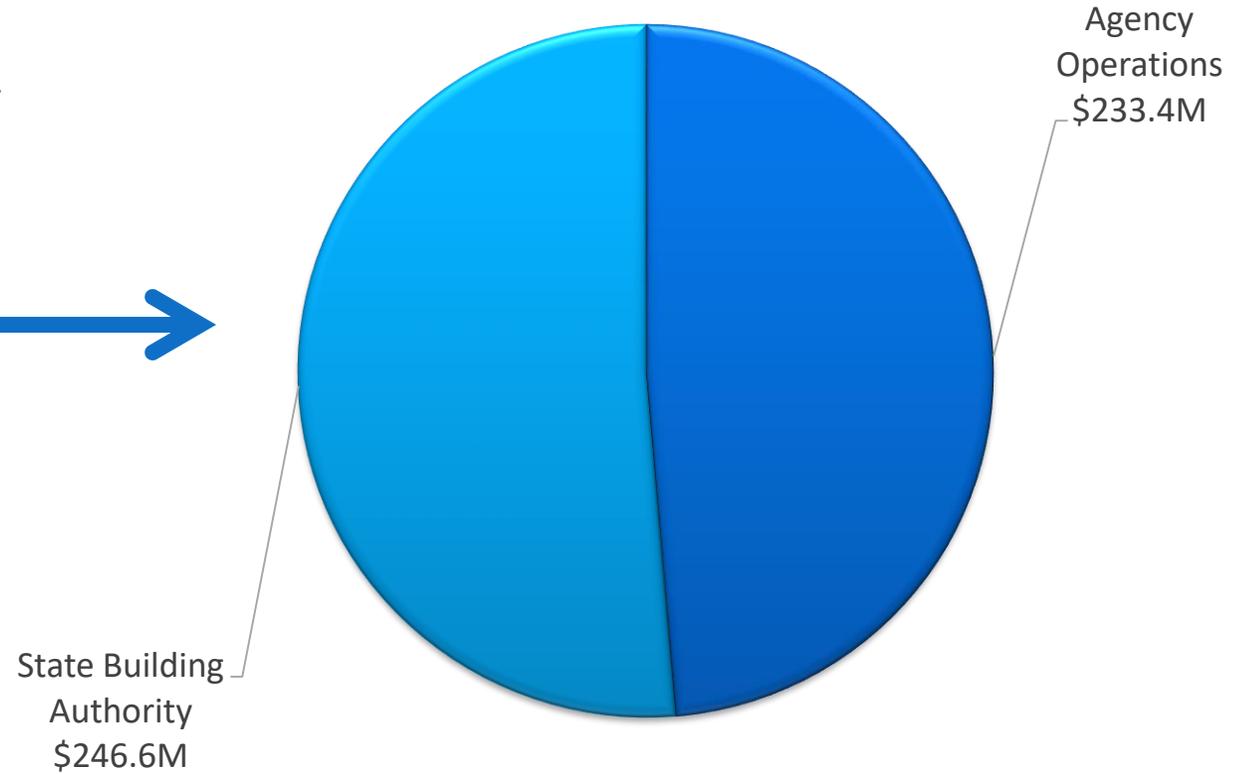
- Cybersecurity and infrastructure protection
- Software and application development
- Infrastructure, telecommunications and network services
- Enterprise architecture and technology innovations
- Desktop and end-user support
- IT project management
- IT shared services
- Data analytics
- Geographic information systems
- Michigan Public Safety Communications System

# How is DTMB funded?

## DTMB Fund Sourcing by Source



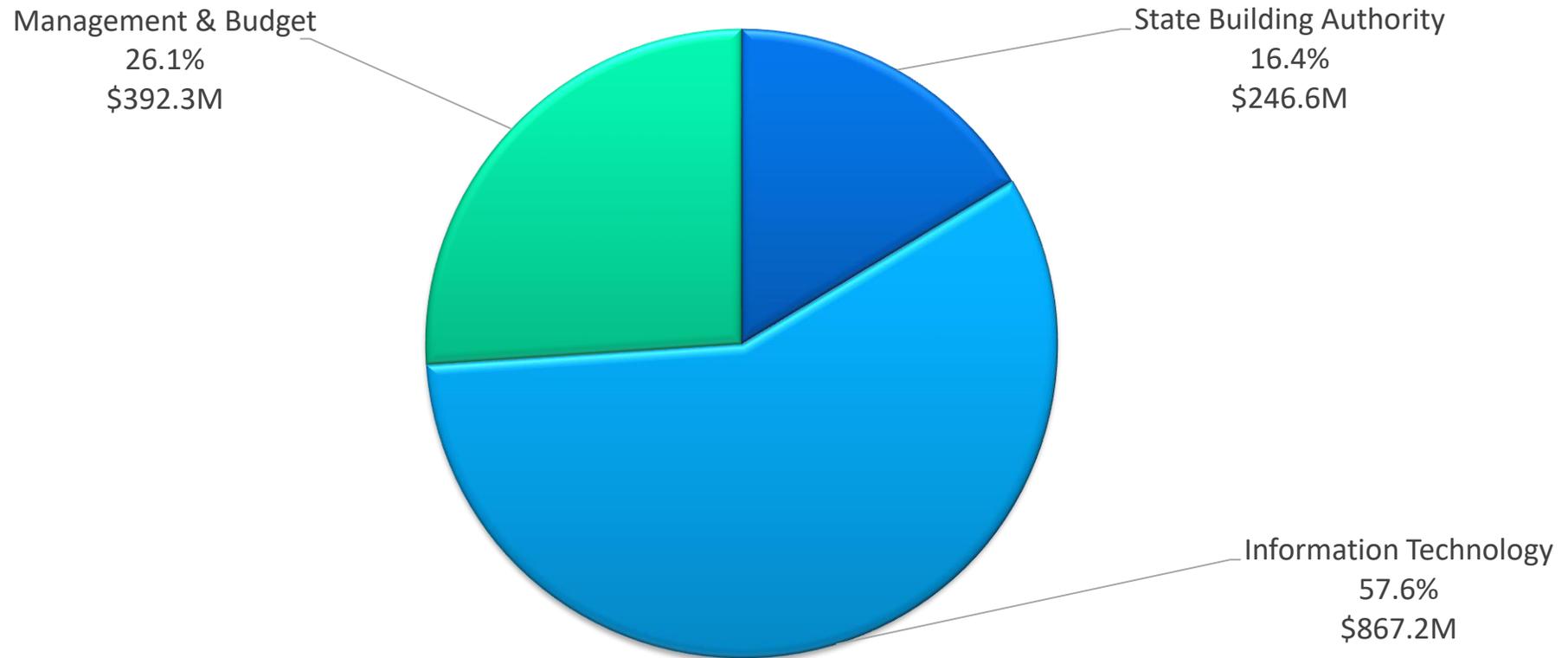
## GF/GP Breakdown



FY 2020

# DTMB Budget

## DTMB Breakdown



FY 2020



# Culture of Continuous Improvement

- \$74 million in savings by presorting mail since fiscal year 2010
- 12 state-managed facilities received Energy Star Certification from the EPA
- \$8 million in annual rent savings (81 eliminated leases since 2010)
- 14,000 sq. ft. of office space freed up by consolidating outdated server hosting sites avoiding \$6.5 million in costs
- 5 straight “A” ratings from the Center for Digital Government for IT best practices since 2013
- 47 upgraded IT legacy systems, leading to enhanced security and greater efficiency

# FY 2020 DTMB Budget Requests

- Microsoft Enterprise Licensing Agreement - \$5,000,000 GF ongoing
- MILogin capacity support - \$3,299,000 GF ongoing
- Michigan Public Safety Communications System (MPSCS) infrastructure update and increased demand \$8,214,800 GF ongoing and \$5,878,900 GF one-time

# Cybersecurity

# State of Cyber Security: Attacks and Data Breaches

- Identity theft impacts 60 million Americans
- U.S. will spend over **\$15 billion** on cyber security in 2019
  - Up 4% over 2018
- Cost of the average data breach to a U.S. company: **\$7.9 million**
- Average time it takes to identify a data breach: **196 days**

Source: Symantec Corporation

**Hackers Stole Personal Information of 2 Million Customers**  
**2 Million T-Mobile Customers**  
**Expedia's Orbitz Says 880,000 Payment Cards Hit By Security Breach**

**Million Users Had Payment Cards Stolen In Data Breach**  
**Hackers Stole Millions of Facebook Users' Highly Sensitive Data**  
**Exact Details of Breach Not Disclosed**  
**Google Exposed Users' Data, Feared Repercussions**  
**Disclosing to Public**

Source: Reuters

# Michigan Partners to Address Cyber Risks



# Michigan Follows National Best Practices



## IDENTIFY

Asset management, risk assessment, governance



## PROTECT

Identity management, awareness & training, policy & procedures, data security



## DETECT

Continuous monitoring, anomaly & event detection



## RESPOND

Response planning, communications, mitigation, containment



## RECOVER

Recovery planning, restoration, improvements

# Importance of DTMB's Continued Cybersecurity Investment

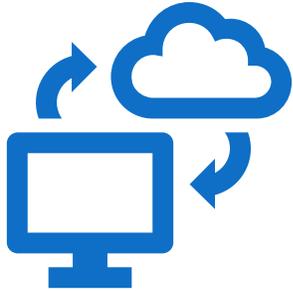
## Continued Security Related Investment Needs

- Reduce vulnerabilities by scanning and patching software and hardware
- Ensure custom applications and commercial systems are secure
- Invest in security tools to defend the State of Michigan network
- Train DTMB resources in security and recruit security talent
- Deploy tools to discover sensitive data and address vulnerabilities
- Implement tools to better manage access to systems and data



# Microsoft 365 Aligns and Improves Security Operations

## Microsoft G5 Enterprise Suites



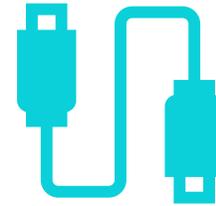
### Threat Protection

- Identifies suspicious user and device activity
- Signature-based end point protection
- Behavior-based end point protection
- Email security (Phishing)
- Identifies suspicious user and device activity for Azure



### Information Protection

- Identifies, labels and protects data in O365
- Identifies sensitive data leaving the environment
- Password protection & full disk encryption for lost equipment



### Identity & Access Mgt

- Prevent brute force access
- Manages “who”, “what”, “where” and “when” in O365
- Policy enforcement based on device state (quarantine)



### Advanced Compliance

- Data Discovery
- Data Governance
- Just In Time Administration
- Least Privilege Access

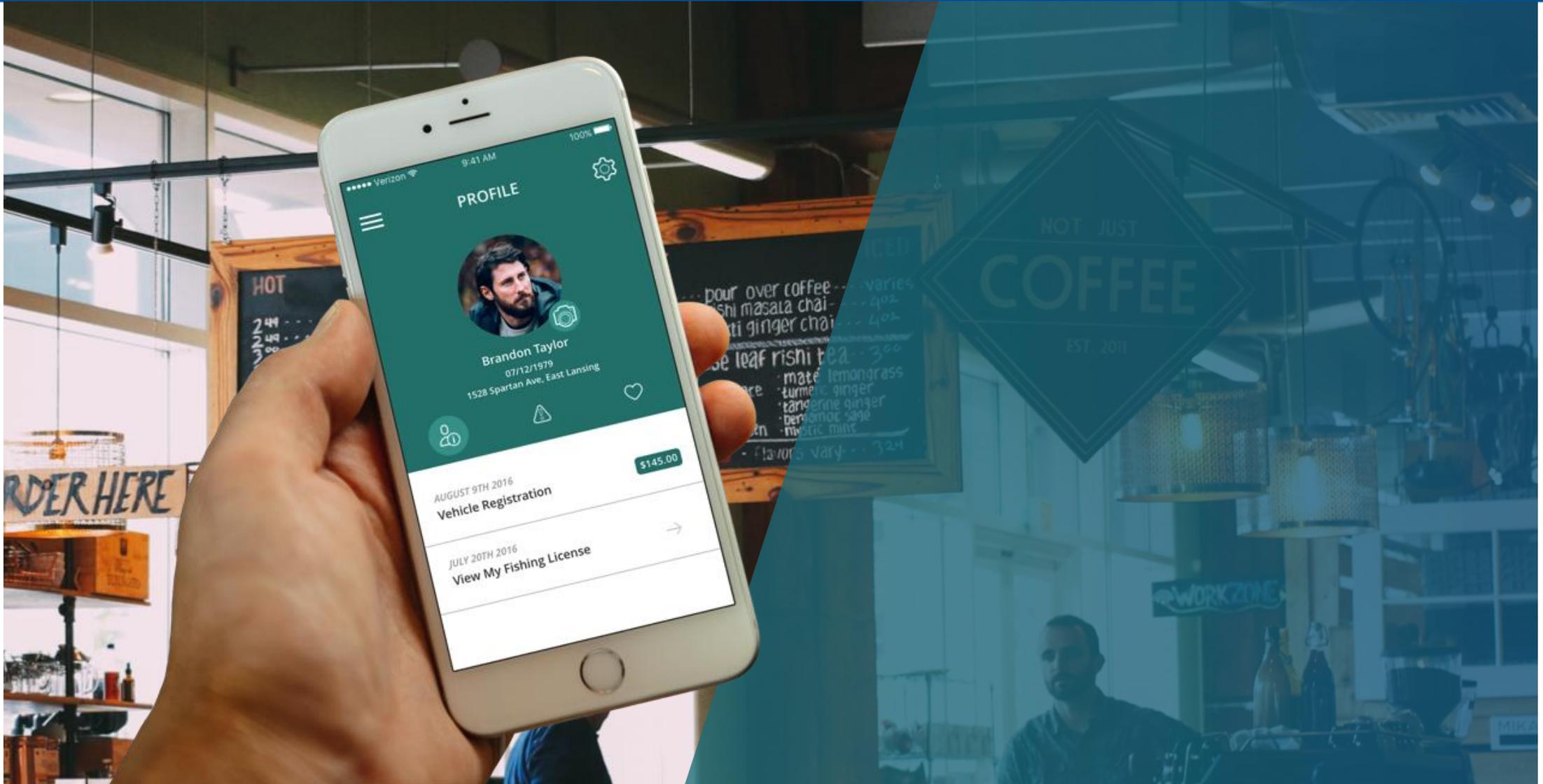
# Microsoft Enterprise Licensing Agreement

\$5,000,000 GF

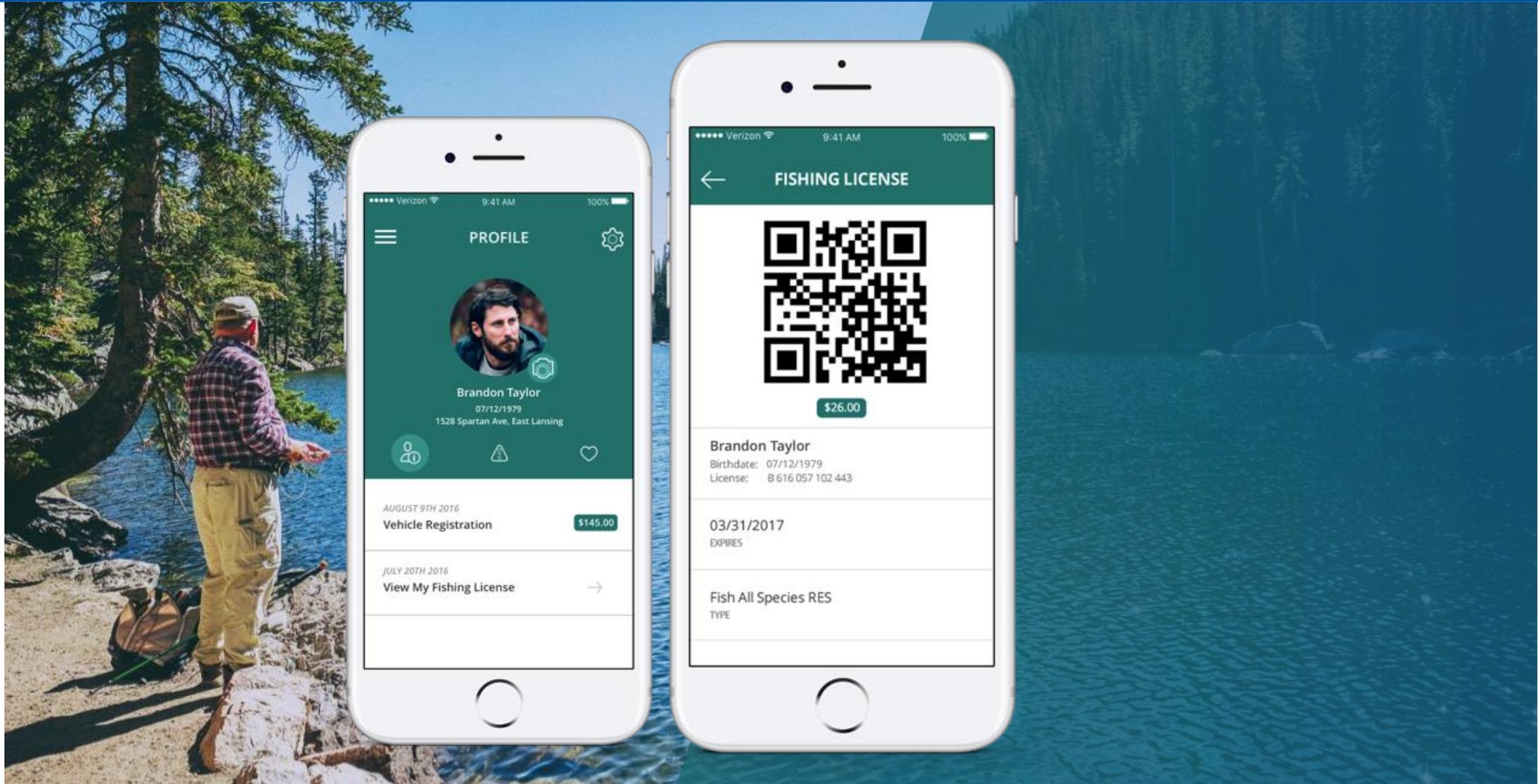
- Purpose: DTMB has an enterprise license agreement for 60,000 Microsoft 365 G5 licenses to provide core services (email and office suite tools) with enhanced security capabilities
- Outcomes:
  - Increased Security and Compliance – Microsoft Advanced Threat Protection includes capabilities to help prevent various attacks – all of which are activated and currently protecting the SOM network.
  - Safe and secure collaboration – web conferencing and mobility to stay connected from the field
  - Modernize legacy IT systems – using a cloud platform which provides up to date security and services

# MI Login

# Personalized



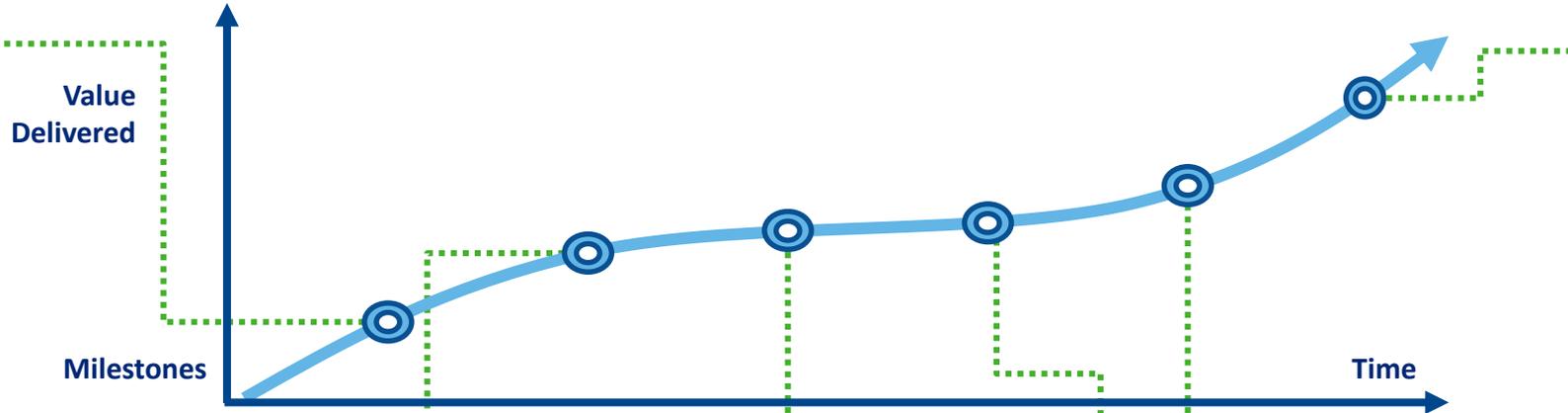
# Personalized



# MILogin Journey

## February 2014

- MILogin project started



## October 2014

- Identities: 2,500
- Applications: 2

## July 2015

- Identities: 4,200
- Applications: 7

## September 2016

- Identities: 600,000
- Applications: 140

## September 2017

- Identities: 1M
- Applications: 155

## March 2019

- Identities: 4.9M
  - 800K – Third party
  - 4M - Citizens
  - 85K -

### Workers/Contractors

- Applications: 230
  - ✓ 15,000 concurrent user sessions
  - ✓ 6,000+ new user registrations daily
  - ✓ 96 Servers in two SOM Hosting Centers (Dev, QA, and Prod)

## Major Agency projects

- Michigan Civil Service Commission (MCSC) HRMN, NeoGov, and Learning Management System (LMS) - All state employees
- MDOC COMS – 14,000 MDOC employees
- MDOS CARS R2 – All Michigan residents for Driver's License and Michigan ID renewals
- Treasury Individual Income Tax redesign – All Michigan residents

# MILogin Capacity Increase

Request: \$3,299,000 ongoing

- Purpose: Support the growth in applications and users that utilize the MILogin system
- Outcomes:
  - Enables Michigan residents, businesses and employees to use one user/password combination on multiple applications including:
    - MiBridges, Michigan Workforce Connect Initiative (MWCI), CHAMPS, Michigan Treasury Online and Customer Automotive Records System (CARS)
  - Provides added security measures to protect Michigan residents and businesses private information
  - Helps residents interface with government services
  - Expanded infrastructure will allow integration of more applications



# Michigan's Public Safety Communications System

- **Infrastructure** – Aging tower infrastructure (roads, facilities, roofs, HVAC, tower support structures) and related equipment are in need of replacement. All sites are at or reaching end of life, or failing to meet manufacturers specifications.
- **Smart Criminal Justice** – Emergency communications toolsets utilized for tracking law enforcement assets and incidents around the state. These mobile office technologies continue to support many public safety agencies.
- **Resources** – Demonstrated difficulty to meet current and future demand with existing workforce personnel. Addition of sufficient skilled personnel to meet the needs of 24/7/365 operations.
- **Growth** – 93 tower infrastructure sites are expected to be brought on the system in the next few years primarily through the addition of local agencies.

# Michigan's Public Safety Communications System

## Statewide and localized benefits

- Safety and security
- System operations and maintenance
- Reliability and effectiveness
- Interoperability
- Standardization
- Subject matter experts
- NextGen911
- Rural broadband

2018 – 2019 Counties*	Co-Location	Non-Public Safety Partners	Future Partners	Nov. 6th Ballot Proposals – approved by voters
Eaton	Clinton	DTE	Berrien	Charlevoix, Cheboygan, and Emmet
Ottawa	Oakland	Spectrum Health	Clinton	Ingham
Jackson		MSU	Oakland**	Newaygo
Lenawee		U of M		Muskegon – (preparing for May 2019) ballot
St. Joseph		Wolverine Electric		
Allegan				
Kent				
Mecosta				

# Michigan Public Safety Communications System

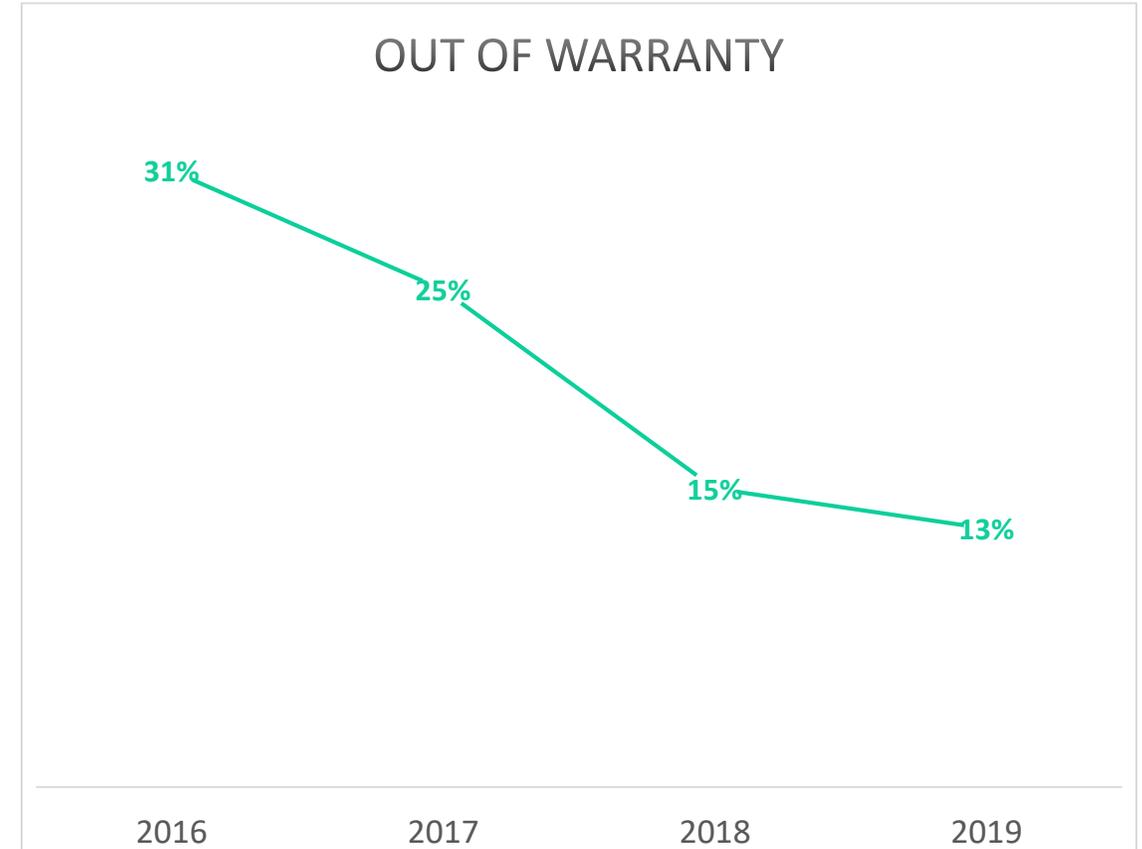
Request: \$8,214,800 10.0 FTEs ongoing and \$5,878,900 one-time GF

- Purpose: To support and maintain the MPSCS services for the public safety community in their role protecting Michigan citizens.
- Outcomes:
  - Continued capability to manage and maintain the growing demand of the MPSCS and its capabilities. This request allows for increased interoperable communications for first responders in all 83 counties.
  - Ensure the continued success and reliability of the MPSCS to the public safety partners that have invested their trust in it.

# Asset and Project Management

# Desktop Asset Management

- 2017 maintenance on Out of Warranty (OOW) machines cost the State an average of \$1M/year
- October 2017 implemented fee of \$5/month/machine OOW
  - Waived \$150K for cooperating agencies (DHHS, MDOC & MDOS)
- Highest OOW in 2016 was 31%
- Currently at 13%
- Goal <5%



# Client Service Center: Last 6 Years

<i>Yrly Totals</i>	2018	2017	2016	2015	2014	2013
Calls Answered	297,713	270,517	249,081	254,469	236,760	221,001
Customer Satisfaction	95.82%	95.12%	95.47%	93.42%	N/A	N/A
First Contact Resolution	83.44%	71.76%	64.69%	65.51%	N/A	N/A
Average Speed to Answer	4:15	1:01	3:11	3:52	3:42	4:44

- Field Services makes 70,000 onsite “white glove” service visits a year
- Enhance knowledge base for faster and consistent answers for customers
- Continue “shift-left” initiatives
  - VM Password re-set—6hrs to 11min
  - Smart Device Support—168hrs to 8hrs

# About EPMO

The function of the Enterprise Portfolio Management Office is to manage the State of Michigan Information Technology portfolio by applying standardized IT portfolio management practices to IT projects, applications, and investments as well as providing professional project management services to oversee all IT Investments of the executive branch.

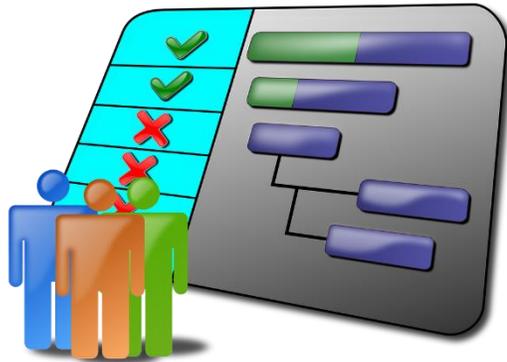
## The EPMO is responsible for

- Transparency of all IT Projects
- Oversight of the IT Investment Portfolio for the Executive Branch
- Consistent and Effective Project Management
- Continuous Improvement and Quality Assurance

# Overview



21 agencies supported  
217 active clients



2880+ active users of our PPM tool



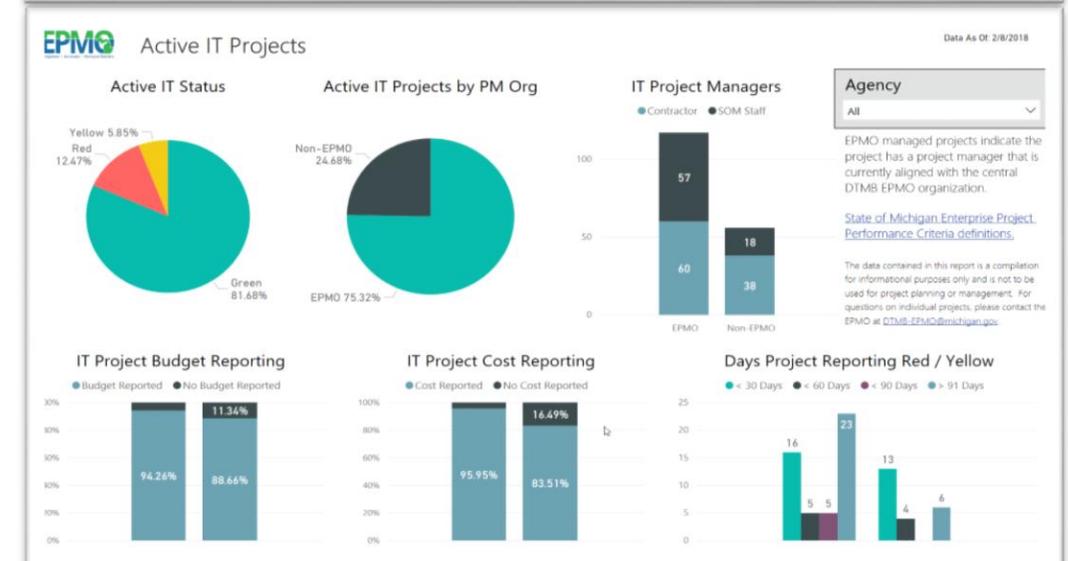
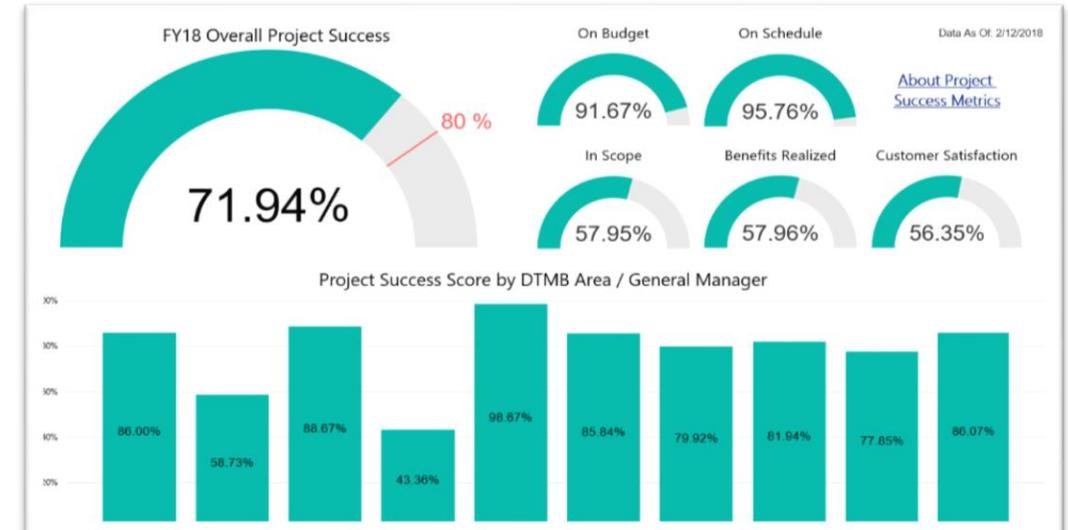
Average of 400+ active projects  
232 completed projects in FY18  
129 completed projects to date in FY19



External & Internal Dashboards  
*Project Status, Project Success, Legislative*

# Metrics & Dashboards

- Project Success Dashboard
  - Completed project key metrics are collected and reported on a Power BI dashboard monthly. On Time, On Budget, In Scope, Benefits Realized & Customer Satisfaction.
- EPMO Quarterly Report
  - Report prepared for legislature showing key transformational metrics for the EPMO quarterly.



# IT Investment Fund Projects - \$40,000,000

- MDARD – Licensing and Inspection System - \$5,000,000
- MDEQ – Michigan Air Reporting and Information System (MARIS) - \$8,100,000
- MDEQ – MiWaters Data Storage, Security and Transparency - \$1,742,700
- MSP – Statewide Network of Agency Photos Algorithm - \$562,500
- DTMB – Michigan.gov Content Management System Replacement - \$3,200,000
- DTMB – MILogin Migration to Virtual Data Center and Software Licenses - \$2,300,000
- Treasury – Individual Income Tax and Garnishment and Levies System Replacement - \$16,354,800
- DTMB – Continuing Cybersecurity projects – \$2,000,000
- Project Quality Assurance – \$740,000

# Additional Adjustments

- (\$4,000,000) reduction – Regional Prosperity Grants
- (\$5,244,800) transferred Military Retirement to DMVA
- \$191,800,000 IDG – Agency requested IT funds - aligns funding of the IT IDGs with agency budget requests
- \$1,500,000 – Vehicle Services based on increased fleet usage and expenses
- \$1,500,000 – Continued support for the SIGMA application



Questions?