Department/Office: Device Client Management NDA
Staff: Dr. Costis Toregas, IT Council Adviser

1. Staff Recommendation

Council staff recommends approval of the FY22 Device Client Management NDA budget as submitted by the County Executive.

2. Summary of FY22 Recommended Budget

The County Executive's complete FY22 Recommended Operating Budget for the Device Client Management NDA is attached at ©1-2.

Device Client Management NDA	FY21 Approved	FY22 CE Recommended	Change from FY21 Approved
General Fund	**$9,284,350**	**$12,225,751**	**31.7%%**
Personnel Costs	NA	NA	NA
	NA	NA	NA
Operating Costs	NA	NA	NA
Total Expenditures	**$9,284,350**	**$12,225,751**	**31.7%%**

3. Summary of FY22 Recommended Changes/Adjustments

General Fund - With Service Impact

- An increase of $1,477,416 for Microsoft Annual License Renewal
- An increase of $1,432,998 for improved replacement cycle for PCs and Desktops
- An increase of $30,987 for new software license costs for Bomgar and Zoom

General Fund - No Service Impact

NA

4. Suggested Discussion Items for Fall Overview Session

- The replacement cycle for laptops and desktops is being improved from 6+ years to a 5-year cycle, bringing the County more in line with best practice in other jurisdictions.
- The vendor who is providing Help Desk support and device replacement services will be extended by a year at the end of the contract period while the County issues an RFP for services, in order to solicit a new vendor.
- Working from home during the pandemic has been reflected in the types of equipment being provided to employees (moving towards laptops or tablets and away from desktops).
- A Committee review of performance and accomplishments in the Fall 2021 timeframe is recommended.

M E M O R A N D U M

May 3, 2021

TO: Government Operations and Fiscal Policy Committee

FROM: Dr. Costis Toregas, Council IT Adviser

SUBJECT: Device Client Management (DCM) Non-Departmental Account (NDA)

PURPOSE: FY22 Operating Budget Consent Calendar Decision regarding DCM NDA

Council Staff recommendation: **Approve Device Client Management (DCM) Non-Departmental Account (NDA) at the level of $12,225,751 (representing a +$2,941,401 increase, or 31,7%) for FY22 as recommended by the County Executive.**

Summary Observations

1.   The replacement cycle for laptops and desktops is being improved from 6+ years to a 5-year cycle, bringing the County more in line with best practice in other jurisdictions.
2.   The vendor who is providing Help Desk support and device replacement services will be extended by a year at the end of the contract period while the County issues an RFP for services, in order to solicit a new vendor.
3.   Working from home during the pandemic has been reflected in the types of equipment being provided to employees (moving towards laptops or tablets and away from desktops).
4.   A Committee review of performance and accomplishments in the Fall 2021 timeframe is recommended.

Council staff requested answers to the following questions; TEBS answers are in *italics.*

POLICY QUESTIONS

1.   Is a 5-year replacement policy reflective of similar jurisdictions in the region?

        According to Gartner, a global information technology (IT) research and advisory firm, as well as other publicly available research, the industry best practice PC refresh cycle ranges from 4 to

6 years. The primary factors which determine policy are funding availability and device type. Desktop computers tend to be replaced less frequently than laptops and/or tablets.

DTS reached out to the following local jurisdictions. Their PC replacement policies are as follows:
1. *Fairfax County:*   *5-years*
2. *Arlington County:*   *3-Years*
3. *Prince George's County:* *Response Pending*
4. *Frederick County:*   *Response Pending*
5. *D.C. Government:*   *Response Pending*
6. *Howard County:*   *Response Pending*

MANAGEMENT QUESTIONS

1. Please provide a table of current devices by age Aging Inventory as of April 2021.

   Aging Inventory as of April, 2021

Age	PC-DESKTOP	PC-LAPTOP	PC-TABLET	PC-WORKSTATION	TOTAL
1 Year	6	410	42	0	458
2 Years	363	207	141	6	717
3 Years	560	444	103	8	1115
4 Years	1049	471	94	12	1626
5 years	1297	162	97	3	1559
6+	3601	713	35	33	4382
TOTAL	6876	2407	512	62	9857

2. When is the current DCM contract up for rebid? What is the DTS experience today with the current contract?

   The current DCM contract expires in August 2021. DTS intends to release a Request for Proposal (RFP) before the contract expiration. DTS intends to request a 1-year contract extension until such time that a new DCM contract can be awarded. This 1-year contract extension request must be approved by the County's Contracts Review Committee (CRC).

   The current contractor has proven to be a reliable, accountable business partner – including during the COVID telework mandate. The contractor provides excellent IT Help Desk services and has helped to facilitate the provisioning of several hundred loaner devices during COVID. The contractor regularly meets or exceeds all contract Service Level Agreements (SLAs) and helps to drive continuous innovation. Examples of recent innovations include the implementation of the ServiceNow platform for IT incident management and the use of Radio Frequency Identification (RFID) for enhanced inventory management.

OPERATIONS QUESTIONS

1. How are the current remote work environment and expectations for a mix of remote and in-office future work changing the mix of equipment that is replacing existing desktops and laptops?

   DTS adopted a new equipment policy, as a result of the current remote work environment and expectations for a mix of remote and in-office future work. The new policy states that employees

*may have only one Full Seat device (note – Full Seat devices are entitled to receive the full suite of DCM provided services). Further, Laptops or Business Class Tablets are the **required** Full Seat device for Telework eligible employees/positions. Lastly, Laptops are considered the preferred Full Seat device moving forward.*

Attachments   **© pages**
Budget pages   ©1-2

FY22 Recommended Changes	Expenditures	FTEs
Increase Cost: FY22 Compensation Adjustment	1,417	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs.	3,598	0.00
FY22 Recommended	**590,420**	**1.00**

✳ Consolidated Retiree Health Benefit Trust - College

This NDA provides consolidated funding for Montgomery College's contribution to the Retiree Health Benefits Trust.

FY22 Recommended Changes	Expenditures	FTEs
FY21 Approved	**5,523,000**	**0.00**
Increase Cost: County Contribution Based on Actuarial Valuation	85,000	0.00
FY22 Recommended	**5,608,000**	**0.00**

✳ Consolidated Retiree Health Benefit Trust - MCPS

This NDA provides consolidated funding for Montgomery County Public Schools' contribution to the Retiree Health Benefits Trust.

FY22 Recommended Changes	Expenditures	FTEs
FY21 Approved	**69,358,879**	**0.00**
Increase Cost: County Contribution Based on Actuarial Valuation	3,689,390	0.00
FY22 Recommended	**73,048,269**	**0.00**

✳ County Associations

This NDA funds Montgomery County membership dues to the National Association of Counties (NACo) and the Maryland Association of Counties (MACo).

FY22 Recommended Changes	Expenditures	FTEs
FY21 Approved	**74,728**	**0.00**
FY22 Recommended	**74,728**	**0.00**

✳ Device Client Management

The Device Client Management (DCM) program oversees the annual replacement of personal computers (PCs); manages software patching, distribution and enterprise anti-malware systems which collectively help to secure the County's technology infrastructure; and, includes funding for Enterprise office productivity software. The program provides general IT support directly to departments and employees through the County's IT Help Desk, which receives over 70,000 requests for service annually. DCM is based on a best-practices approach to maintaining a modern and cost-effective computing environment.

FY22 Recommended Changes	Expenditures	FTEs
FY21 Approved	**9,284,350**	**0.00**
Increase Cost: Microsoft Annual License Renewal	1,477,416	0.00

FY22 Recommended Changes	Expenditures	FTEs
Enhance: Move to Five-Year Replacement Cycle for Desktops to laptops	734,871	0.00
Increase Cost: Replace PCs over 6 years old	698,127	0.00
Increase Cost: Bomgar Software Maintenance	20,075	0.00
Increase Cost: Zoom Annual Maintenance	10,912	0.00
FY22 Recommended	**12,225,751**	**0.00**

✷ Early Care and Education

In March 2019, the County Executive, County Council President and County Council members, the Montgomery County Department of Health and Human Services (HHS), Montgomery County Public Schools (MCPS), and Montgomery College (MC) joined together in an initiative to increase the number of quality Early Care and Education (ECE) seats in a mixed-delivery system by registering additional Family Child Care (FCC) providers, increasing resources to providers and families, and identifying existing unused or underutilized classroom space in high need areas, making quality early care and education accessible to more families. The Initiative is a concerted effort for strengthening the early care and education system in Montgomery County. Year One goals focused on increasing seats in Family Child Care and center-based settings, increasing access to quality ECE to more children through increased utilization of Working Parents Assistance Program (WPA), ensuring sustainability of existing family and center-based programs to reduce provider attrition and loss of available seats, and monitoring the Kirwan Commission recommendations to ensure alignment and possible coordination with partners at the State level. Year Two focused on making significant changes to the Child Care Subsidy program but the ECE Initiative Steering Committee quickly pivoted to recovery work during the COVID-19 pandemic, developing supports for sustainability of early childhood programs and support for families.

In the fall of 2020, the County Executive released a 4-year action plan that was developed by the Interagency Workgroup and the Stakeholder group with recommendations across the Initiative's priorities of sustainability, access & affordability, alignment, and expansion including, but not limited to financing, services alignment, workforce supports, and community engagement. As the Initiative moves into year 3, there is a focus on reducing costs for early educators, increasing quality programming, and subsidizing the costs of child care for families.

FY22 Recommended Changes	Expenditures	FTEs
FY21 Approved	**5,992,589**	**0.00**
Enhance: Funding for Early Care and Education Sustainability, Access, Affordability, and Expansion	5,000,000	6.00
FY22 Recommended	**10,992,589**	**6.00**

✷ Future Federal/State/Other Grants

This NDA enables the County to implement new grant-funded programs up to $200,000 each and provides funds for grant continuations and enhancements without having to process individual supplemental appropriations through the County Council. Upon approval by the County Executive, funds in this program are transferred to the receiving department's grant account.

FY22 Recommended Changes	Expenditures	FTEs
FY21 Approved	**20,000,000**	**0.00**
FY22 Recommended	**20,000,000**	**0.00**