



Memorandum

TO: Public Safety, Finance and
Strategic Support Committee

FROM: Stephen R. Ferguson
Chief Information Officer

SUBJECT: SEE BELOW

DATE: September 3, 2009

Approved

Date

9/4/09

**SUBJECT: REPORT ON ENTERPRISE AND BUSINESS APPLICATIONS –
PRIORITY PROJECTS**

RECOMMENDATION

It is recommended that the Public Safety, Finance and Strategic Support Committee accept this status report on Enterprise and Business Applications – Priority Projects. 1

BACKGROUND

At the March 19, 2009 Public Safety, Finance and Strategic Support Committee meeting, the Information Technology Department (ITD) presented an update of Enterprise Applications, Priority Projects. At the December 18, 2008 Public Safety, Finance and Strategic Support Committee meeting, ITD presented an update on Department Business Technologies. This report complements the prior memorandums and provides a status update on a number of applications that provide essential support to the organization. Future updates to the Committee on the closely related topics of enterprise and/or business applications will be provided in this combined format.

ANALYSIS

Integrated Billing System

The Integrated Billing System (IBS) provides staff with management tools to oversee annual revenues approaching \$250 million. In addition, it is estimated that the City responds to over 350,000 citizen and customer calls per year with the aid of this application. The system provides revenue management capabilities for the Recycle Plus, Municipal Water, Storm Water and

Sanitary programs, as well as customer relationship management for these programs and the City's Customer Contact Center.

Recent Accomplishments

The Business Tax application was successfully integrated into the IBS platform in December 2008, on time and within budget. The Business Tax module was previously running on the obsolete VAX platform. By migrating Business Tax to IBS, the City has met another critical milestone in the overall plan to decommission the VAX platform. Additionally, the City can leverage resources by supporting multiple functional applications on one billing platform.

In addition to Business Tax, several other key objectives for IBS have been met including:

- *Water Conservation Program:* Team members from Muni Water, ITD, and the Customer Contact Center have successfully implemented the City's Water Conservation Program. The goal is to reduce water usage for Muni Water customers by 15%, or approximately 1.09 billion gallons. For IBS, this entailed development and configuration activities to add new system features and functional capabilities in order to identify, track, and adjust customer water usage budgets, notify customers regarding their water usage budgets via letters, provide water savings or excess usage information on bi-monthly billing statements, and produce key reports and queries. All of the aforementioned will assist with ongoing management of the Water Conservation Program. The IBS team has successfully delivered all requirements per the overall program schedule.
- *New Fiscal Year Rates:* The new 2009-2010 schedules for rates were implemented on schedule. These schedules affected IWM, haulers, Muni Water, and Storm and Sanitary. For 2009-2010, the City decided not to implement any fee changes (for non-sufficient funds fees, lien fees, and late payment fees).
- *Storm and Sewer Billings:* Storm and Sewer billings were successfully completed prior to the July 4th holiday weekend. Storm and Sewer billings represent revenue in excess of \$140 million for the City.
- *Support for Apple Desktops:* By working with Oracle, staff resolved a long-standing issue with the Apple desktop platforms. Customers are now able to use their Apple desktop PCs from home to access IBS Web Self-Service modules to view and pay their utility bills.
- *Infrastructure Improvements:* Staff has successfully completed the migration of IBS to the City's Storage Area Network (SAN). The City's SAN provided an opportunity to utilize a data storage environment that is more robust with superior redundancy and failover capabilities. In order to maximize the project's impact, use of staff time, and efforts in preparing and testing the applications, the team also launched concurrent projects to upgrade the Oracle and UNIX software and migrate databases to a more powerful and faster server. The combined hardware and software upgrades have provided significant performance improvements for the system.
- *Annexations:* This year, 1,800 new annexations have been entered into the IBS system. Recycle Plus started service in March 2009 for all parcels approved in November 2008.

The parcels were previously served by two County contractors and were taken over by three City contractors. Much of the work involved in the annexation process involved extensive data cleanup work and required collaborative efforts between the IBS team, ESD contract managers, and the haulers.

Currently in Progress

IBS team members are currently focused on the following key objectives:

- *Zero Waste Program:* To support the City's Green Vision, ESD will launch three pilot programs with a goal to achieve "Zero Waste." Up to 15,000 households within the City may be involved in these pilot programs. Additionally, the pilot programs will likely yield valuable information that will help shape future IWM contracts with haulers. Staff has begun work to collect business requirements prior to technical systems design and development work. The first pilot program is scheduled to go on-line in November 2009.
- *Banking Services Transition:* Staff is currently working with Finance and Wells Fargo Bank to enable a smooth transition of all banking services interfaces from UBOC to Wells Fargo. Key services that will be transitioned include lockbox payments, customer Automated Payment Services (APS) for utility bills, and Internet Banking Payments (IBP).
- *Infrastructure Optimization:* Staff is currently evaluating additional options to further reduce operational costs. Options include migration of the system to utilize servers that have significantly lower maintenance costs.

HR / Payroll

The HR/Payroll system provides staff with the management tools to oversee a workforce of over 7,000 employees and an annual employee payroll of approximately \$600 million.

Recent Accomplishments

Staff recently completed work to migrate the HR/Payroll system to utilize the City's new Storage Area Network (SAN). The result has been higher performance and greater reliability and redundancy.

Currently in Progress

The HR/Payroll team is currently engaged in the following projects:

- *Banking Services Transition:* ITD and Finance are working collaboratively to handle the transition of banking services from UBOC to Wells Fargo. Of key importance are the direct deposit payroll interface files and bi-weekly paychecks. The cut-over for these key services is scheduled for September 11, 2009.

- *Automated Benefits Billing Interface:* The implementation of this interface will improve productivity by providing an automated interface between the HR/Payroll system and the RevPlus system to invoice Leave of Absence medical premiums.
- *City Auditor's Benefits Audit:* ITD is assisting HR in addressing the recommendations made as part of the City's recent benefits audit. The recommendations include changes to the interfaces to the health providers.
- *FLSA Program Changes:* Enhancements are needed for the HR/Payroll system in response to OER requirements to handle different types of FLSA generated for Local 230 that are related to Retirement compensation.
- *HR/Payroll Application Upgrade:* The City's HR/Payroll system is based on the PeopleSoft HCM Platform, version 8.9. This version will soon reach end of support. Staff is currently evaluating application upgrade options.

Finance Systems

The Financial Management System (FMS) used in the City is based on the Cayenta Financial Management Applications Suite. Initially installed in 1989, FMS has been in use for 20 years in the City, and ITD staff is tasked with the responsibility of maintaining the viability of this system.

Recent accomplishments

Finance and ITD staff worked collaboratively and to successfully complete the 2008-2009 fiscal year-end processing. Another significant accomplishment was the migration of FMS to the City's SAN environment, which has resulted in improved reliability and redundancy.

RevPlus is the Accounts Receivable (AR) application that is used by the Finance Department to handle the collections process. Staff recently completed a major effort to migrate the Admin Citations applications from the obsolete VAX platform into RevPlus. With the success of this project, the City is now one step closer to achieving the complete decommissioning of the obsolete VAX platform (now scheduled for the Fall of 2009).

Currently in Progress

Staff is currently focused on the following initiatives in the Finance Systems area:

- *Banking Services Transition:* ITD and Finance team members are working to ensure all Finance systems interfaces will be smoothly migrated from UBOC to Wells Fargo.
- *FMS Version Upgrade:* Staff is currently developing plans to upgrade to Cayenta version 7.4. The current version, Cayenta 7.3, will soon reach end of support.
- *Migration of Critical Reports:* Many key FMS reports were developed years ago using obsolete and difficult to support tools (COBOL). To ensure on-going viability and support of these critical reports, staff will embark on a project to migrate these key reports from COBOL to Crystal.

Budget Systems

The City's budget system is a collection of modules that automate many of the processes used by the City Manager's Budget Office and City departments to develop the annual budget and publish the numerous budget documents. These systems were developed by internal City staff using Oracle database and tools. There are six key modules including the Automated Budget System (ABS), Capital Automated Budget System (CABS), Proposal Database System (PDS), Mid-year/Annual Report System, Ordinance system, and Fees and Charges System.

Recent Accomplishments

Staff has continued to deliver critically needed support and enhancements for the Budget Systems. Recent accomplishments include the following:

- *Proposal database enhancements for 2009-2010 budget cycle:* The proposal module was modified to allow departments to enter proposals in 3 tiers without having to duplicate a proposal in multiple tiers. This reduces the amount of duplicative entries required of the users. As many reports were impacted, ITD staff worked with CMO staff to prioritize the reports and ensured that the most critical reports were available to the departments by early 2009.
- *Migration of ABS and Ordinance modules:* These modules were running on an unsupported software platform. Staff completed the conversion of these modules to a supported web-based platform.
- *Budget systems enhancements:* Numerous enhancements to existing system modules were accomplished. Implementation of these enhancements improved the overall integration between all the modules, eliminated redundant data entry, and further reduced the manual intervention required for budget document production.

Currently in Progress

- *Platform Support Improvements:* The Budget Systems modules were developed at different times and on different operating system platform versions. Unfortunately, inconsistencies in the environment often make development and support difficult. Staff is currently completing a project to bring all modules to a single platform and software version. This should enhance staff's ability to effectively and efficiently support these modules.
- *Deployment of Systems Enhancements:* The last set of Budget Systems enhancements completed development and underwent testing in May 2009. Staff is completing efforts to migrate these enhancements into the production environment.
- *Systems Enhancements for 2010-2011:* To support the Budget Office's new requirements for 2010-2011, staff will begin to work with CMO staff to define business requirements prior to design and development work.

Enterprise Content Management

Enterprise Content Management (ECM) includes technologies to capture, manage, store, preserve, and deliver content and documents related to organizational processes. Two primary functions of ECM are to provide electronic document management capabilities and web content management.

The department has launched two pilot projects for ECM, in addition to engaging a consultant study to evaluate business requirements and the purchase of software tools.

Recent Accomplishments

- *Request for Proposal (RFP) for Consultant Services for the Selection of an Enterprise ECM:* The ECM Consultant Services contract was awarded to iMerge Consulting, and work began in September of 2008. This ongoing project is divided into two phases. Phase I, is nearing completion anticipated for October, 2009. Requirements have been gathered using comprehensive surveys to collect information from department subject matter and technical experts. Data collection and fit gap analysis have been completed. The final report from the consultant is anticipated for the end of September 2009.

Phase II, planned for the release of an RFP has been canceled. Originally this was to be for the procurement of software tools, selection of the initial project(s) and deployment of the ECM technology. The funding originally identified for a Citywide ECM was eliminated as part of the 2009-10 budget process.

- *Request for Proposal (RFP) for Consultant Services for Citywide Web Assessment:* The Web Assessment RFP is aimed at helping San José examine how best to reach its goals to provide residents, businesses, visitors and governmental agencies with website services that meet the broad range of informational and service needs. ITD issued a Request for Proposal (RFP) in November of 2008. ThirdWave Corporation was the successful proposer and work has been initiated on the project.

Currently in Progress

- *Citywide Web Assessment:* The City web assessment is currently in progress to examine the City's use of the web evaluating its strengths and weaknesses and presenting recommendations on best practices. The project is being managed through the City Manager's Office and is expected to complete during the Spring of 2010.

On-line Permits System

The On-line Permits System used in the City of San José is based on CSDC Systems AMANDA software. The online permits application facilitates the management and administration of approximately 30,000 permits per year, representing approximately \$60 million annually. The system provides online permitting and retrieval capabilities for development services including Planning, Building, Fire and Public Works permits.

Recent Accomplishments

- *Upgrades and Enhancements to the AMANDA Permitting System:* During the last reporting period, several enhancements were made to the AMANDA system. Recently completed enhancements to the Multiple Housing functionality have streamlined fee and payment processes. Additionally, the base software was upgraded to a more recent version, ensuring that the system operates on a stable and supported version of the software. Finally, the AMANDA database was migrated to the City's new SAN, providing more stable and efficient system operation.
- *GIS Enhancements:* The On-line permits function is highly reliant on current and accurate spatial information. Several improvements were made to upgrade the access to GIS information as well as the tools to use the information. New viewing tools have been implemented to allow users to see multiple data sets easily and quickly. This allows permitting operations to occur more quickly and with more accuracy. A major update of GIS information has been completed which allows users to display the most recent GIS data online. In combination with the new GIS Viewer tools, staff now has the ability to display highly accurate maps including satellite imagery, and Permitting staff has more critical data at their fingertips including building footprints, FEMA flood zone information, and other essential pieces of information. This new access allows staff to identify existing conditions earlier, and affords the opportunity to resolve permitting issues much quicker.

Currently in Progress

- *Enhancements to the Permitting System:* Staff continues to engage in a number of efforts focused on streamlining and enhancing the permitting process. Work is being done to evaluate the capabilities of the electronic plan review system, assisting both staff and customers to better use technology in gaining efficiencies and accuracy. Work continues to enhance the quality of GIS data available in the AMANDA system. Analysis of Mobile Inspection opportunities are being explored along with other system enhancements.

Looking Forward

In order to help address the City's current fiscal limitations, the level of funding and personal resources available to the Information Technology Department has been reduced again in Fiscal Year 2009-2010. The consequences of continued funding reductions have resulted in the limitation of services and technical guidance that ITD is able to provide for the organization. ITD is making attempts to align services to meet existing funding levels, and inform users of the department's current enterprise focus.

As a part of the Beyond Budget Cuts (BBC) initiative started last year, an Action Team was formed to look at how the City could better use information technology to modernize its business systems and business processes. The Action Team has been working to develop a long range

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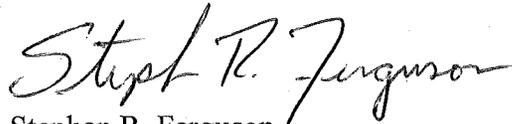
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strategic plan called the Business Process Transformation/Infrastructure Optimization (BPT/IO) Roadmap. The Roadmap will identify priorities for major business systems investments that will result in the greatest on-going, measurable improvements in staff efficiency designed to help address rising labor costs and streamline operations. The current financial situation challenges the organization's ability to make those funding commitments. At the same time, continuing to defer investments in this area imposes severe limitations on the City's ability to innovate and become more efficient.

As resources allow, ITD continues to advocate for technology funding and the implementation of systems that bring value to the organization. A primary departmental goal is to provide the organization with a solid foundation for improvement as it moves into the future.

If you have any questions, please contact Steve Turner, Deputy Director of Business Applications at 793-6971.



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