Agenda – Executive Policy Committee – April 4, 2012

REPORTS

Item No. 3 Approval to Use Funds from the Corporate Support Services Department to Increase the Capital Budget for the Timekeeping Self Service Project

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

That a $135,000 increase to the Timekeeping Self Service Project budget be authorized and be funded by a transfer from surplus funds in the Server Consolidation Project in the Corporate Support Services Department.

ADMINISTRATIVE REPORT

Title: **Approval to Use Funds from the Corporate Support Services Department to Increase by $135,000 the Capital Budget for the Timekeeping Self Service Project**

Critical Path: **Executive Policy Committee**

AUTHORIZATION

Author	Department Head	CFO	CAO
P. Olafson, Corporate Controller	L. Burch/M Ruta	M Ruta	D Joshi COO

RECOMMENDATION

That a $135,000 increase to the Timekeeping Self Service Project budget be authorized and be funded by a transfer from surplus funds in the Server Consolidation Project in the Corporate Support Services Department.

REASON FOR THE REPORT

Executive Policy Committee has the authority to approve.

IMPLICATIONS OF THE RECOMMENDATIONS

This transfer will increase the capital budget for this capital project to $985,000. This will provide funding for the roll out phase of this project which will impact all departments and special operating agencies.

HISTORY

In June 2010, the Senior Management Team endorsed the report from The Exchange Group - Investigation of Consolidating Timekeeping Activities within the City of Winnipeg and agreed to proceed with the next phase of the project. Prior to proceeding with Phase 2, which is the system development of this project, a City of Winnipeg – IS Business Case was completed and approved by the Director of Corporate Support Services on September 13, 2010. A project team was then assembled and work began on the development of the self-serve timekeeping system.

The report from The Exchange Group noted 34 unique timekeeping processes being used for CUPE and WAPSO employee time. The majority of timekeeping responsibilities are handled part-time by employees having primarily other position responsibilities. The report concluded that productivity gains were realizable through the use of automation that would eliminate multiple handling of the same data and standardization of processes.

During the summer of 2011, a number of events occurred resulting in revised capital project cost estimates. These included revised programming estimates and project staff moving onto other opportunities.

The combination of these events resulted in the Phase 2 completion extending beyond its 2011 year end timeframe and into 2012. As a number of this Project's resources are also scheduled to work on the PeopleSoft Upgrade Project commencing in 2012, this presents a risk.

Several recommendations were made to help put the project back on schedule. One of the recommendations made was to supplement the project team with external staff augmentation in the areas of programming and business analysis. The existing capital budget was used to pay for these external resources but the project will now require additional funding to continue the next phase of this project which involves the rolling out of the timekeeping self-service functionality to all City Departments and special operating agencies.

FINANCIAL IMPACT

There is a $135,000 budget surplus in the Corporate Services Department Project - Server Consolidation (Project Id 3458000010). This has arisen because the Winnipeg Police Services related work for this project was removed from the scope. If approved, the recommendation of this report will direct the budget surplus towards the Timekeeping Self-Serve Project.

The increased cost will be recovered through the Business Case Savings, although the payback period will be extended from three to four years as a result of this budget amendment. As noted earlier, presently timekeeping responsibilities are widely dispersed to many employees throughout the City. The payback through productivity gains to be realized through this project is budgeted by departments. With full roll out in 2013, net budget savings of $362,000 have been included in the most recent operating budget.

Budget Summary

2010 Capital Budget	250,000
2011 Capital Budget	500,000
	750,000
Transfer from Corporate Support Services	
Department Non Specified Capital Account	
Approved by Director	100,000
Subtotal	850,000
Budget Surplus in Project Server Consolidation	
(Project Id 3458000010)	135,000
Amended Budget	$985,000

Financial Impact Statement

Date: March 16, 2012

Project Name:

First Year of Program

Approval to Use Funds from the Corporate Support Services Department to Increase by $135,000 the Capital Budget for the Timekeeping Self Service Project

	2012	2013	2014	2015	2016
Capital					
Capital Expenditures Required	$ 135,000	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ 135,000	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - External	$ -	$ -	$ -	$ -	$ -
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Non-specified Capital Account	135,000	-	-	-	-
Total Funding	$ 135,000	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ 135,000				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	4,050	-	-	-	-
Net Cost/(Benefit)	$ (4,050)	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	(4,050)	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Capital Budget would be increased by $135,000 for these costs, to be funded through the closure of budget surplus from the Corporate Support Services Project - Server Consolidation. Recoveries represent capital overheads recovered to the General Revenue Fund.

Original signed by F. Dela Cruz

Fernando Dela Cruz
On Behalf of Radhika Abeysekera
Manager of Finance (Campus)
Corporate Finance Department

CONSULTATION

In preparing this report there was consultation with:

Timekeeping Project sponsors

SUBMITTED BY

Department:	Corporate Support Services / Corporate Finance
Division:	Corporate Controllers
Prepared by:	S. Bucko
Date:	March 16, 2012
File No.	