



Office of the City Manager

INFORMATION CALENDAR  
July 25, 2017

To: Honorable Mayor and Members of the City Council  
From: Dee Williams-Ridley, City Manager  
Submitted by: Savita Chaudhary, Department of Information Technology  
Subject: Status Report on Audit: City at Crossroads as Long-Standing Need for Structured Approach to Line of Business Experts Function Intersects with ERP Implementation

INTRODUCTION

On January 24, 2017, the City Auditor's Office issued its report City at Crossroads as Long-Standing Need for Structured Approach to Line of Business Experts Function Intersects with ERP Implementation ([http://www.cityofberkeley.info/uploadedFiles/Auditor/Level\\_3\\_-\\_General/A.4\\_CNCL\\_Line%20of%20Business%20Experts\\_Consent%20Item.pdf](http://www.cityofberkeley.info/uploadedFiles/Auditor/Level_3_-_General/A.4_CNCL_Line%20of%20Business%20Experts_Consent%20Item.pdf)). The audit resulted in recommendations aimed at providing a structured approach to the line of business experts' function by implementing policy and procedural guidance that defines the purpose of the function, delineates responsibilities, establishes minimum qualifications, and provides for training and development of line of business experts. The City Auditor requested the City Manager continue to report to Council on the status of those recommendations until all were fully implemented or otherwise addressed. This is the first status report on Department of Information Technology progress to implement the audit recommendations since the audit report was presented to Council. Another report will be provided to Council in July 24, 2018.

CURRENT SITUATION AND ITS EFFECTS

The Audit Report included five recommendations, all of these will be implemented with the Enterprise Resource Planning (ERP) project which is the FUND\$ replacement system. Complete detail on the original recommendation and progress taken to address those recommendations is provided in the attachment to this report.

BACKGROUND

Department of Information Technology oversees the projects implementation of City's technology systems. The City's line of business experts' function has been in existence for approximately two decades. Coined initially as module leaders, then as application experts, the City now uses the term line of business experts to refer to individuals performing the function. While the terminology has changed, the need for a structured approach has not. The City has yet to fully develop the function, i.e., fully define its purpose, fully delineate its

roles and responsibilities, and fully consider the resources required to train and develop designated personnel.

The Portfolio Coordinator plays a critical role in the City's management of its IT application infrastructure. While the Information Technology Department's Help Desk provides front-line support for the City's software systems and computer equipment, portfolio coordinators function more as project managers for the City's integrated and standalone systems. The IT Department defines the portfolio coordinator as being responsible for helping departments maximize their return on technology investments. Portfolio coordinators accomplish this task by helping departments prioritize, design, improve, and implement workflow systems. Information Technology's portfolio coordinators serve as points of contact for line of business experts, and work closely with these individuals on system implementations and upgrades. According to the Police Department's line of business expert, for example, he and the former portfolio coordinator would work side-by-side for days mapping out implementation plans for system upgrades.

#### ENVIRONMENTAL SUSTAINABILITY

There are no identifiable environmental effects or opportunities associated with the subject of this report.

#### POSSIBLE FUTURE ACTION

The Department of Information Technology continues to review its functions and develop service level agreements with departments with defined roles and responsibilities, provisions for monitoring and amending the agreement and to identify the areas of improvement.

#### FISCAL IMPACTS OF POSSIBLE FUTURE ACTION

None at this time.

#### CONTACT PERSON

Savita Chaudhary, Director, Information Technology, 981-6541

#### Attachments:

1: Information Technology Audit Recommendations Summary Table

**Audit Title: City at crossroads as long-standing need for structured approach to line of business experts function intersects with ERP implementation**

Finding and Recommendations	Lead Dept.	Agree, Partially Agree, or Do Not Agree	Expected or Actual Implementation Date	Status of Audit Recommendations, Corrective Action Plan, and Progress Summary
<b>Finding 1: Underdeveloped line of business experts function poses risks for City's ERP implementation</b>				
1.1 Clearly define the purpose, responsibilities, minimum qualifications, and training requirements for the line of business experts function.	City Manager	Agree	June 2020	<p><b>Status at time of audit issuance 01/24/17:</b>  <b>In Progress –</b>                      City Manager's Office will work with Director of Information Technology and the Enterprise Resource Planning (ERP) Project Manager to clearly define the purpose, responsibilities, minimum qualifications, and training requirements for the line of business experts function.</p> <p>Director of IT and ERP Business Project Manager will work with Client departments to identify roles and responsibilities for business experts function as we implement the Tyler Munis ERP System for Core Financials and HR Payroll modules and as various other phases of the project are implemented.</p> <p><b>Status Update 7/25/17:</b>                      In progress – To be implemented with ERP Project implementation</p>

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1.2 Work with Information Technology to establish written policies and procedures for the line of business experts function at the appropriate organizational level based on the guiding principles established in Recommendation 1.1.	City Manager	Agree	June 2020	<p>The City selected the Tyler MUNIS in FEB 2017 and the Project Kickoff is scheduled for Jul 25, 2017 thru Jul 27, 2017</p> <p><b>Status at time of audit issuance 01/24/17: In Progress – To be implemented with ERP Project implementation</b></p> <p>City Manager’s Office will work with Director of Information Technology and the Enterprise Resource Planning (ERP) Project Manager to establish written policies and procedures for the line of business experts at the appropriate organizational level based on the guiding principles established in Recommendation 1.1.</p> <p>Director of IT and ERP Project Manager will work with the City Attorney’s Office, Finance, and Human Resources to establish written policies and procedures for the line of business experts as various phases of the ERP project are implemented. These policies and procedures will need to be approved by City Manager’s Office and Council as</p>	

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<p>1.3 Create boilerplate service level agreements that, at a minimum, define the:</p> <ul style="list-style-type: none"> <li>▪ general purpose of the agreement;</li> <li>▪ roles and responsibilities of the parties involved;</li> <li>▪ goals and objectives;</li> <li>▪ provisions for monitoring the agreement; and</li> <li>▪ procedures for amending the agreement.</li> </ul> <p>The standard boilerplate should also include a cost section that allows for quantifying service charges and payment provisions in as much detail as possible to help justify costs.</p>	Information Technology	Agree	June 2020	<p><b>Status Updated 7/25/17:</b>                      In Progress – To be implemented with ERP Project implementation</p> <p><b>Status at time of audit issuance 01/24/17:</b>  <b>In Progress – To be implemented with ERP Project implementation</b>                      Information Technology department is working on replacing its Help Desk system and the new IT Service Management system will include the capabilities to setup and monitor the Service Level Agreements (SLA’s) for the various applications supported by IT.                      IT will work with client departments to define these SLA’s for the applications based on the priority and acceptable criteria as agreed by client departments.                      The criteria mentioned in the recommendations will be considered to create the boiler plate agreements.</p>	

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				<p><b>Status Update 7/25/17:</b>                      In progress – To be implemented with ERP Project implementation</p>	
1.4 Negotiate and execute service level agreements with client departments.	Information Technology	Agree	June 2020	<p><b>Status at time of audit issuance 01/24/17:</b>  <b>In Progress</b>                      Information Technology department is working on replacing its Help Desk system and the new IT Service Management system will include the capabilities to setup and monitor progress of the Service Level Agreements (SLA's) for the various applications supported by IT.</p> <p>IT will work with client departments to define these SLA's for the applications based on the priority and acceptable criteria as agreed by client departments.</p>	
1.5 Work with the Human Resources	Information	Agreed (at time)	TBD, depending on	<p><b>Status Update 7/25/17:</b>                      In progress – To be implemented with ERP Project implementation</p> <p><b>Status at time of audit issuance 1/24/17:</b></p>	

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<p>Department to revise the job classification used for the portfolio coordinator position. Minimum qualification factors might include, but are not limited to:</p> <ul style="list-style-type: none"> <li>▪ IT Governance/Portfolio Management experience;</li> <li>▪ Project Management</li> <li>▪ Professional certification;</li> <li>▪ Project coordination experience; and</li> <li>▪ Excellent verbal and written communication skills.</li> </ul>	Technology	<p>of audit issuance 1/24/17); current status is Partially Agree – more study needed at 7/25/17</p>	<p>consultant analysis. See status update in next column.</p>	<p><b>In Progress</b></p> <p>Information Technology department is working with Budget office to find one time budget to hire a consultant to work with Human Resources to review and classify the Information Technology Job Classifications including Application Programmer Analyst (Portfolio Coordinators Role). It will follow the City's Admin regulation procedures and will need to be approved by Human Resources, Labor, and Personnel Board before changes are effective.</p> <p><b>Status Update 7/25/17:</b></p> <p>In progress – To be implemented with ERP Project Implementation</p> <p>Any changes to the job classification must follow the City's Personnel Ordinance and Personnel Rules and Regulations, which require meet and confer with the affected Union and approval by the Personnel Board before the changes are effective.</p>

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				IT no longer fully agrees with the recommendation. IT has re-evaluated the situation. Currently we have 16 Portfolio Coordinators, and not every one of them is involved in the project management activities. Based on the role, some are doing Programming and/or Business Analysis, while a select few are involved in project management. We'll work with HR, CMO and provide future updates after the Consultant evaluation to be scheduled.