

TO: Chair Deborah Kafoury and County Board of Commissioners (3) Pages  
FROM: DCA/DCM CBAC Committee  
DATE: March 10, 2017  
SUBJECT: Budget Advisory Committee (CBAC) Report & Recommendations

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## **EXECUTIVE SUMMARY**

The DCA/DCM CBAC has historically focused on one time only funding request, out of target program offers, and new programs. Additionally, we review the major projects to provide our thoughts and input on the ongoing management, support, and monitoring of these projects. This year we reviewed projects from both DCA and DCM, and provided our input on those that stood out in terms of cost or relative merit.

## **PROCESS**

The DCA/DCM CBAC met bi-weekly between January of 2017 and March of 2017 to discuss upcoming budget submissions and to receive input from key stakeholders and representatives of key areas of DCA and DCM. Our discussions included meetings with:

- ✚ Peggidy Yates, Director of Capital Asset Strategic Planning
- ✚ Sherry Swackhamer, Chief Information Officer and DCA Director
- ✚ Bob Leek, Deputy Chief Information Officer
- ✚ Henry Alaman, Division Director, Facilities and Property Management
- ✚ Travis Graves, Chief Human Resources Officer and Deputy Director of DCM
- ✚ Mike Vaughn, County Assessor and DART Director

## **EMERGING ISSUES & CHANGES**

The County continues to work on a sizable backlog of significant capital projects. We were encouraged to see the forward progress on the new Multnomah County Courthouse, as well as, the beginning of work on the new Health Department Headquarters building. These are much needed upgrades that required extensive public interaction to gain approval, and it is encouraging to see the forward progress.

We were also pleased to hear from Peggidy Yates on the establishment of the Capital Asset Strategic Planning function to guide and coordinate the county's capital asset strategic planning, create a master plan and link capital planning to financial planning. Given the sheer number of facilities that the County owns and maintains, it's clear that an integrated planning and budgeting approach will lead to greater efficiencies, as well as improved transparency with stakeholders throughout the community.

## **RECOMMENDATIONS**

We had no issues or objections to any of the FY 2018 Program Offer submissions from DCA/DCM. We did have some input in terms of both oversight and support of some of these program offers, which are detailed below.

## **(1) Program Offer #78320 – IT ERP Program**

- The planned SAP Replacement/Workday implementation project is clearly a significant commitment, both financially and organizationally. We feel that the County has done a good job of due diligence in terms of exploring options and thinking strategically about how to provide these critical services. Workday and the associated systems should meet the County's growing needs much more effectively than SAP, reduce long term operating costs, and enable improved collaboration and usability. We were pleased to see that the County had chosen a top tier partner in the delivery of the project (Deloitte). These projects are notoriously complex and risky, and it appears that the County has thus far done a good job of managing the risks.

The one additional recommendation would be to ensure that the Board of Commissioners stay close to the project, ensuring scope is tightly controlled and key milestones are met. This project will have high visibility due to cost and complexity, and any deviation from the plan will need to be carefully monitored.

## **(2) Program Offer #78318 – IT Cyber Security**

- Cyber Security is, and will continue to be, a critical facet of any IT organization. We are pleased to see progress is being made, and support the ongoing investment in this space. The County manages a large volume of highly sensitive personal data, and it will be paramount to continue to ensure it is managed safely and securely. We expect to see continued investment in this space to stay ahead of the curve of cyber-threats.

## **(3) Program Offer #78319 – IT CRIMES Replacement**

- The current CRIMES software system, servicing both Juvenile and Adult cases for the District Attorney, is operationally obsolete, and must be replaced to ensure continued management of these functions. The current system is minimally supported by the vendor due to obsolescence and the fact that only 5 clients are still running the system. Support will likely be dropped soon, and the County needs to be in a position to upgrade/replace before this happens.

## **(4) Program Offer #78301 – IT Innovation and Investment Projects**

- In addition to the specific projects called out in the FY18 Portfolio for the IT Innovation and Investment Projects, we wanted to add our support to the County Technology Improvement Program. Given the volume and diversity of County IT assets, and the criticality of the functions they support, it is essential that the County maintain a reasonable level of currency for technology. The County has made a number of good moves to manage their portfolio (movement to cloud based systems being a key component), but it still needs to continue to maintain a realistic level of updates for those assets that they retain.

## **(5) #78218 – Hansen Building Replacement**

- With the relocation of the Sherriff's office, it appears that the Hansen building will need to be replaced or repurposed. Our one concern is the current use of the facility as a temporary location of housing for the homeless. While it is good to see an available facility being used, and we appreciate that the County is dealing with an unprecedented problem with the homeless, we are concerned with the use of

Hansen as a shelter for both health and logistical reasons. We hope to see a more holistic set of options emerging for the homeless.

**(6) #72013 – Capital Asset Strategic Planning**

- We would also like to emphasize the importance of performing strategic analyses of long-term needs and costs when building new buildings. This ensures the County has the physical capacity to serve the needs of citizens and also that the County is able to fund the continuing costs associated with new assets.

**ACKNOWLEDGEMENTS**

The Committee would like to give special thanks to Lisa Whedon and Deb Anderson for their outstanding support and assistance in coordinating meetings and speakers. Additionally, we appreciated the addition of Matt Moline from Deb's Finance team. Matt provided details and answers around certain questions, and was a welcome addition to the team. Lastly, we very much appreciate the time given by each of our presenters. The presentations and discussions were informative and productive, and it was clear that all of the presenters were well prepared and happy to discuss their functions and program offers.

Members: Cormac Burke, Chair, Ben Brady, Position 1, Brandon Harris, Position 3, Robert Stabbert, Position 4, and Trent Wilson, Position 5, Scott Eissfeldt, Position 6

Staff: Lisa Whedon, Deb Anderson