April 27, 2015

To: Performance Audit Committee  
From: Bill Vetter, Sr. Legislative Analyst  
Re: Centralization and Shared Services Evaluation: Phase II Report

We are pleased to present this evaluation of the potential for consolidation, centralization, and shared services in Pierce County. Although much of the report relates to changes that could be made in association with a potential move to a new central administration building, the report also contains recommendations that should be applicable if County departments do not collocate in a central facility. The study was approved as part of the 2014 work program by the Performance Audit Committee.

After a competitive bidding process, the Performance Audit Committee approved a contract with Moss Adams to conduct the study. Moss Adams has extensive experience working with local governments in Washington, including the 2011 Pierce County Information Technology study.

The analysis in the report was based on months of interviews, research, and analysis, beginning with a review of the Annex study conducted by the County Executive’s office in 2013. The report lays out a shared services framework and identifies opportunities for shared service functions in the County in several areas: information technology, purchasing, and office administration functions. Specifically, the report notes that the County could realize future efficiencies by integrating dispersed IT functions under the umbrella of the Information Technology Department, given the appropriate support and change management. Other recommendations relate to consolidating functions in cashiering, contract compliance, code enforcement, and grants management.

County departments provided significant feedback, some of which is attached to the report as an appendix, along with Moss Adams response to the feedback and a notation of technical corrections made to the final draft.

We appreciate the extensive cooperation and effort put into this study by County staff in the Assessor/Treasurer’s Office, the Auditor’s Office, the Department of Budget and Finance, Government Relations, Human Resources, Planning and Land Services, Public Works and Utilities, Communications, Community Connections, Economic Development, Facilities Management, and Risk Management. We also appreciate the consideration given to the report by Assigned Counsel, District Court, the Clerk of the Superior Court, the Prosecuting Attorney’s Office, Superior Court, Juvenile Court, and the Pierce County Sheriff.
# TABLE OF CONTENTS

I. EXECUTIVE SUMMARY 1

II. SCOPE AND OBJECTIVES 6

III. SHARED SERVICES OVERVIEW 7
   A. INTRODUCTION 7
   B. SHARED SERVICES FRAMEWORK 8
   C. IMPLEMENTATION 9
   D. ACTION PLAN 11
   E. BENEFITS 14

IV. SHARED SERVICES OPPORTUNITIES 16
   A. COMPUTER SUPPORT SPECIALISTS 16
   B. COMPUTER SYSTEM BUSINESS ANALYSTS 24
   C. PURCHASING 35
   D. RECEPTION 45
   E. ADMINISTRATIVE SUPPORT/OFFICE ASSISTANTS 51

V. ORGANIZATION AND PROCESS EFFICIENCY 57
   FINDINGS AND RECOMMENDATIONS 57
   A. CASHIERING 58
   B. DOCUMENT MANAGEMENT 64
   C. CONTRACT COMPLIANCE 67
   D. CUSTOMER SERVICE REPRESENTATIVES 69
   E. FLEET MANAGEMENT 71
   F. FACILITIES/GENERAL SERVICES 73
**TABLE OF CONTENTS—CONTINUED**

<table>
<thead>
<tr>
<th></th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>G</td>
<td>PALS/PWU – INSPECTION AND CODE ENFORCEMENT</td>
<td>75</td>
</tr>
<tr>
<td>H</td>
<td>GIS</td>
<td>79</td>
</tr>
<tr>
<td>I</td>
<td>GRANTS MANAGEMENT</td>
<td>80</td>
</tr>
<tr>
<td>J</td>
<td>TECHNOLOGY</td>
<td>82</td>
</tr>
<tr>
<td>K</td>
<td>HUMAN RESOURCES</td>
<td>84</td>
</tr>
</tbody>
</table>

|   | NEXT STEPS                                 | 86   |

APPENDIX A – PURCHASING WORKFLOWS 87
I. EXECUTIVE SUMMARY

Pierce County (the County) initiated a performance audit in June 2014 to evaluate centralization and shared services opportunities resulting from the planned move to a new central administration building. This audit builds on the previous Annex Project Study completed by the County in 2013 regarding the feasibility of moving to the new building. The results of this audit are being delivered in two parts: Phase One – Position Analysis, delivered in December 2014; and Phase Two – Shared Services and Efficiency Analysis. This report contains the results of phase two.

The scope of phase two addressed two primary goals: first, to assess the opportunity for moving to a shared services model at the new central administration building; and second, to identify findings and make recommendations associated with possible changes in workflow and organization associated with centralization and shared services implementation. Consistent with the concepts defined in the Annex Project Study, opportunities are being proposed for three different types of County functions and resources, including: (1) information technology (IT), (2) finance, and (3) office administration.

CURRENT STATE

Shared services are very common in many administrative functions that span Pierce County. Common administrative functions with shared services models in place include, among others:

- Accounting  
- Budgeting  
- Human Resources (HR)  
- Purchasing  
- Technology

Shared services can handle higher volumes of business versus the departments.

In addition to central administration, numerous departments conduct many of the same functions in a decentralized format. Reasons vary for departments providing their own resources to complete the same tasks, and include more timely access to resources, tailoring delivery to address non-standard requirements, local control, and higher service levels.

Over the years, County administration was not always positioned to service departments in a comprehensive shared services format. This was, and continues to be, a resource issue. The County’s past approach to management also has much to do with its current structure.

SHARED SERVICES RECOMMENDATIONS

Given the current maturity level of the County's business functions and processes, an opportunity exists to conduct business differently by adopting a shared services model. Shared services can advance the County's ability to be more efficient and effective, if the model is structured and managed properly.

Significant arguments can be made to move towards a County-wide shared services model including developing stronger, deeper skills, and sourcing a larger pool of resources to address high volumes of business. The County could further advance the use of shared services by expanding its current use, implementing shared services models where services do not exist, and preparing the foundation for potential use and expansion of shared services in the future.
Given the need for, and current state of, such services, there are varying solutions for what to do next. The next steps for various functions are dependent on the level of current resource sharing, and identifying the added value of further sharing, if any.

There are several categories that are relevant to assessing the potential for implementing shared services. The first category is a group where services are already shared but can be expanded. The second includes services not currently shared in the departments but that could be shared in the future. The third is services that have potential to be shared in the future, but require work before considering this direction. This last category has dependencies on establishing new processes and systems before implementing shared services.

<table>
<thead>
<tr>
<th>Services that are already shared</th>
<th>Department services that could be shared in the future</th>
<th>Services that require further work prior to considering shared services</th>
</tr>
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<tbody>
<tr>
<td>• Accounting</td>
<td>• Computer System Business Analysts (CSBAs)</td>
<td>• Cashiering</td>
</tr>
<tr>
<td>• Budgeting</td>
<td>• Computer Support Specialists (CSSs)</td>
<td>• Customer Service Representatives (CSRs)</td>
</tr>
<tr>
<td>• Human Resources</td>
<td>• Office Assistants (OAs)</td>
<td>• Document Management</td>
</tr>
<tr>
<td>• Purchasing</td>
<td>• Reception</td>
<td></td>
</tr>
</tbody>
</table>

Two factors are critical to advancing shared services. One is whether shared services are able to truly meet the needs of the departments. In numerous areas, departmental services are complex and conduct specialized processes. If addressed too generically, or in mass, departments may not be able to effectively deliver on their missions or maintain their service levels (many of which are currently high). The more unique a department’s operations are, the less a case can be made for shared services. The argument for shared services can best be made when processes are standardized and economies of scale available.

Second, effective management must be in place to drive delivery. Currently, many County managers are spread thin. To be effective in providing shared services, managers must be able to handle an increased organizational scale and corresponding volumes of business. This will only occur if talented “leads,” subject matter experts (SMEs), and supervisors are in place to back up management.

Five separate shared services models are recommended in this report including:

- Computer Support Specialists (CSSs)
- Computer System Business Analysts (CSBAs)
- Purchasing
- Reception
- Administrative Support/Office Assistants (OAs)
The first two shared services proposals are associated with the technology function. The proposal associated with the CSSs is very straightforward. The CSS group could begin reorganizing immediately, possibly before the move. The second technology function considered involves the CSBAs. A clear opportunity exists to consolidate this group, but this effort will be more challenging than reorganizing the CSSs, as CSBA delivery is less of a commodity. The two technology shared services proposals interrelate, as the CSS and CSBA teams would interface in an optimal delivery model. This means that each model could be implemented separately, but can provide synergies if implemented together.

The third shared services proposal is tied to purchasing. Central purchasing is conventional in organizations the size of Pierce County.

The fourth and fifth shared services proposals tie to administrative support (reception and OAs). Both are separate but related functions. Each could also be implemented individually, but the two could work together in a synergistic model. The move to shared reception is a given in the new building. Consolidating the second OA pool is not mandatory, but is recommended to optimize resources and workflow.

TECHNOLOGY

It is important to recognize the role that technology plays as an enabler at the County in the course of streamlining and modernizing processes. IT investments made in recent years have set the stage for potential future shared services implementation. The potential for efficient IT shared services is made more viable through the County's continuing quest for IT standardization. For example, the implementation of enterprise systems across the County sets the stage for sharing both CSSs and CSBAs to better support applications. This is particularly true in the implementation of Workday applications in HR, Payroll, and Finance. Further, technology will play an especially important role in the County's future process of delivering shared services and increasing process efficiency across departments. Technology is essential to:

- Integrate workflow
- Connect departments
- Deliver customer-facing systems

Related to shared services, technology will play a role in all five of the proposed rollouts if pursued. Technology can be said to provide a “common thread” through all process changes. The change process will require further investment. Technology will also be key in successfully implementing other recommendations beyond the five proposed shared services models to pursue increased efficiency (e.g., cashiering and CSR processes). Many of the changes will be complex, and will require strong change management. Such changes could also require significant investments, multi-year timeframes, and necessitate a change in the County's culture.
ORGANIZATIONAL AND PROCESS RECOMMENDATIONS

Beyond the shared services opportunities discussed above, there are many other potential organizational, process, and efficiency changes available for consideration. Some are recommended for immediate implementation, while others need to wait for the move to the new building to confirm their viability in a newly configured circumstance. Still others offer steppingstones toward further improvements via technology change. Finally, some opportunities require additional study to assess their viability, and are considered beyond the scope of this study. Both shared services and efficiency recommendations are discussed further in this report.

The following table summarizes these recommendations by area of the study:

<table>
<thead>
<tr>
<th>Area</th>
<th>Recommendation</th>
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</table>
| Cashiering               | • Designate a Revenue Process Coordinator within the Budget and Finance Department who can work with other County departments to improve design, operations, and management over cashiering processes and systems.  
• Consider establishing an initiative to modernize the enterprise approach to standardize and simplify the cashiering architecture. |
| Document Management      | • Develop a cohesive and practical strategy and plan to modernize document management County-wide. |
| Contract Compliance      | • Relocate the Contract Compliance section from Public Works and Utilities (PWU) to the Purchasing Division within the Budget and Finance Department. (Implemented in January 2015) |
| Customer Service         | • Standardize and improve department connectivity through process and system integration and coordinate resource deployment between the Auditor's Office, Assessor/Treasurer's Office, Budget and Finance Department, Planning and Land Services (PALS), and PWU. |
| Representatives          |                                                                                   |
| Fleet Management         | • Conduct a fleet study after the move to the new building to determine how to utilize the current fleet in the most cost-effective manner. |
| Facilities/              | • Reevaluate the need for existing levels of internal services based upon utilization prior to and after the move, to ensure that the level of service is provided cost-effectively. |
| General Services         |                                                                                   |
| PALS/PWU                 | • Pursue near-term inspection and code enforcement improvements and longer term process redesign, collaboration, and coordination between PALS and PWU.  
• Consider consolidating environmental biology functions in PALS or PWU to achieve workload efficiencies and support staff development. |
| GIS                      | • Ensure effective utilization of GIS resources through increased management over provisioning of additional positions. |
| Grants Management        | • Strengthen the County’s grants oversight by Budget and Finance. |
| Technology               | • Strengthen IT governance to increase value in IT investments.  
• Establish a data governance initiative to strengthen data utilization and corresponding reporting. |
<table>
<thead>
<tr>
<th>Area</th>
<th>Recommendation</th>
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</thead>
<tbody>
<tr>
<td>Human Resources</td>
<td>• Strengthen the alignment between the customer departments and the central HR</td>
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<td></td>
<td>Department through matrix management.</td>
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<tr>
<td></td>
<td>• Develop job descriptions to be complete, accurate, and reflective of specific</td>
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<td></td>
<td>position duties.</td>
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</table>

The remainder of this report addresses phase two scope and objectives, introduces the concept of shared services via an overview, discusses proposed shared services in detail, defines a number of additional findings and recommendations associated with the areas studied in the performance audit, and concludes with potential next steps to follow.
II. SCOPE AND OBJECTIVES

Phase two of the County’s centralization and shared services performance audit focused on the concept of shared services implementation and the corresponding opportunities available to increase organization, process, and system efficiencies. Similar to phase one, this portion of the audit included fact-finding, analysis, and reporting conducted in accordance with Generally Accepted Government Auditing Standards (GAGAS). The project adhered to government standards related to planning, staffing, benchmark criteria, supervision, evidence, documentation, control definition, and reporting.

The original objectives of the County's performance audit were fourfold:

1. Evaluate the County’s organizational structure in providing finance/accounting services to identify opportunities for improved service delivery and efficiency.

2. Evaluate the County's organizational structure in providing information technology services to identify opportunities for improved service delivery and efficiency.

3. Evaluate the potential for process improvements and shared services resulting from the colocation of disparate County agencies in a new County Administration Building.

4. Develop benchmarks for cost of service in finance/accounting, information technology, and office administrative services.

The objectives driving phase two of the County's study closely mirror those discussed in phase one. As the County contemplated the development of an administration building to centrally house 17 departments, three main areas of the business were targeted including: (1) information technology (IT), (2) finance, and (3) office administration. Additionally, the County was interested in knowing what IT best practices and alternatives could be employed to realize cost savings and efficiencies and improve customer service.

In support of the audit objectives, the County's finance and accounting organizational structure was evaluated by comparing centralized, shared services, and decentralized models. Matrix management was also assessed in this process. The same approach was used when evaluating information technology and administrative services.

The County targeted 12 functions in the annex study, each of which was evaluated for consolidation from various locations around the County into the new County Administration Building. Furthermore, existing benchmarks related to the benefits of consolidation were evaluated as embedded in the analysis contained herein. Benchmark analysis is discussed in both the shared services section of this report and, as appropriate, in the efficiency findings and recommendations. The benchmark analysis was dependent on the availability and access to County-provided data. Order-of-magnitude costs were assessed while developing the audit findings and recommendations and are considered adequate to support audit recommendations.
III. SHARED SERVICES OVERVIEW

A. INTRODUCTION

The County's interest in centralization and shared services is multifaceted. The County's initial focus during the centralization evaluation was on position changes that are contemplated in the planned move to the new Central Administration Building. As mentioned earlier, the position changes were defined in the phase one report. The longer term focus of the study was on shared services, which has strategic implications for how the County conducts its business within and between departments. The shared services initiative is tied directly to multiple related goals, including enhancing service levels, strengthening controls, and conducting work more efficiently.

The long-term benefits of a shared services implementation could position the County for future growth by absorbing increased workloads through operational efficiencies. Hence, while short-term tactics of County centralization focus on cost reduction through position changes, the long-term strategy could situate the County to better handle its future population growth while maintaining desired high levels of service.

The principles of shared services include economies of scale, optimizing capacity, resource coordination, and structured administration. Hallmarks of shared services include standardized processes; coordination (sometimes in shared locations); cross-training; central oversight and direction; customer input, control, and planning; tracking and monitoring; and scheduling. There are many variations of shared services models, depending on the organization and its environment, processes, people, management, and business requirements.

Service level agreements (SLAs) are a centerpiece of shared services arrangements. SLAs are contracts between the shared resource operations and the customers. Typical SLA provisions include defining services, availability and access, performance metrics, management, costs, reporting, and delivery standards. SLAs are executed by both parties. The County's cost allocation model provides a means to fund operations and charge departments for their share of the resources and costs.

For the purpose of this study, the definition of shared services is a “formally structured and centrally managed pool of resources shared by multiple customers.” At Pierce County, the proposed shared services model is a hybrid where resources are located both at a central site and, at times, embedded within the departments’ operations. Shared services focus on internal County customers – the departments. To fully understand the hybrid model, it is worth noting the similarities and differences between centralization and shared services.

A true shared services model is different from the concept of centralization, which provides services from a centrally managed team from a “specific” location. A differentiating factor of centralization is that it does not generally accommodate decentralized management input or control. While shared services functions may operate out of a shared central location, this configuration is not required. The location of shared resources is driven by the need for localized service and placement to be “close to the action.”
Similar to centralization, however, the more standard the processes in shared services, the stronger the argument to co-locate such functions together, thus providing the benefits of streamlining.

B. SHARED SERVICES FRAMEWORK

One of the primary ways to define a shared services environment is through its (1) people, (2) processes, and (3) systems. The people component includes both the shared services provider and customer departments. It is important to clarify which departments are included, as well as the configuration of shared services management and staff. Oversight and direction are key to delivering effective shared services, as is ongoing communication and coordination. Identifying physical assets and the locations of personnel are also relevant. For example, shared services personnel can be centrally located, split between locations, or embedded entirely within department locations.

The shared services processes component involves specific standardized services, including workflow, procedures, and controls. As referenced above, an SLA is inherent to a viable shared services environment. Cost allocation methodology, funding, and payment are also essential in order to ensure that customers pay for resources and services utilized.

The last component, systems, is comprised of the technologies used to provide and support service delivery. The more standardized systems are, the better. Technology-related best practices include integrated enterprise systems used across the County with comprehensive and up-to-date functionality.

The scope of a shared services operation is the sum of the functions involved. The following eight functions comprise the shared services framework:

1. **Central management.** Command over resources is necessary to schedule, coordinate, prioritize, and oversee delivery. Without central management, a shared services function is not possible, as it disintegrates into dysfunction and competition for resources.

2. **Clear, specific, and documented agreements.** Agreements or contracts between shared services providers and customers provide mutual proactive communication, setting clear expectations regarding what work will be completed and in what manner. The agreements define services, conditions, access, availability, performance guarantees, and costs. These agreements will not only provide clarity between parties, but will also allow for the County to manage and maintain appropriate standards for service levels, right-sizing the resource levels needed, hired, and provided.

3. **Standardized processes.** Shared services require both ongoing management and coordination. Many of its processes require definition, including:
   - Intake of requests
   - Planning
   - Scheduling and delivery
   - Delegation and assignments
   - Centralized monitoring or tracking overall work through the portfolio lifecycle
• Ongoing communications
Technology systems will play a key role in the process of standardizing processes and tools for delivering shared services.

4. **Workflow and capacity management.** This function is at the heart of shared services, and ties directly to delivering services efficiently and effectively. The idea is to optimize resources by shifting them to where they are needed (i.e., utilizing available resources more effectively). Capacity management oversees, controls, and directs resources to where they are needed; minimizes resource downtime and underutilization; and actively prioritizes ongoing tasks.

5. **Resource coordination and control.** As discussed in this report, matrix management is required to achieve the parallel goals of the shared services provider and the customer. Central management is required for achieving resource sharing. Customer management is required for ensuring delivery performance and effectiveness. This coordinated approach is an essential ingredient for providing mutual benefit and flexible service delivery.

6. **Implementation.** The process of implementation requires clear service definition and planning, takes time, and is critical to the proper and successful establishment of shared services.

7. **Tracking of delivery.** These activities are an inherent part of delivery management and providing smooth customer service. The only way to service multiple customers at high levels is to be in close touch with each customer. Understanding their needs and priorities is critical. Central tracking and monitoring can help ensure that resource allocation occurs in a timely, scheduled, and organized fashion.

8. **Change management.** Shared services should enable the County to respond to the needs of businesses in a more efficient and effective manner. Central change management provides a top-down means of redirecting resources in a flexible manner to ensure that delivery will not be delayed or take longer than necessary.

C. **IMPLEMENTATION**

Five primary phases of work are required to implement shared services. The following table defines these phases through action steps and a corresponding description.

<table>
<thead>
<tr>
<th>Phases</th>
<th>Description</th>
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<tbody>
<tr>
<td>1. <strong>Confirm specific functions to be included in shared services, alongside corresponding costs/benefits.</strong> Develop and analyze detailed costs; compare costs to benefits of establishing and operating shared services functions, including both quantitative and qualitative aspects of delivery.</td>
<td>Cost/benefit analysis confirms the feasibility of establishing particular shared services functions. Top-down analysis is required to define the scope and associated resources required. Weighing the cost of such resources against the benefits of shared services delivery is imperative to confirm financial viability. Once the business case is confirmed and approved, the County can proceed into the planning process. Although the County could confirm functions within four months’ time, cost/benefit feasibility could consume up to 6-12 months. Alternatively, phasing can be specific to the functions involved.</td>
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<tr>
<td>Phases</td>
<td>Description</td>
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<tr>
<td>2. Develop initial and ongoing plans. Establish a detailed roadmap</td>
<td>Once costs and benefits are confirmed and approved, each function will require an implementation plan for creating shared services. Planning will include defining what steps will be executed to bring shared services to an operational status. Components of the plan will cover a wide territory including the approach, resourcing, budgets, services, etc. The plan also defines activities, identifies participants who are assigned task responsibilities, and schedules tasks. Deliverables, outcomes, milestones, and budgets are also important components of the plan. Plans should be approved by a change management committee and project director before proceeding. The development of each plan could require 2-4 months of elapsed time.</td>
</tr>
</tbody>
</table>
| 3. Establish shared services functions and corresponding processes.     | Once detailed plans are in place, the work required to establish shared services can begin. This phase executes the roadmap and includes the following:  
  - Necessary facilities space and equipment  
  - Reconfigured space  
  - Personnel needs  
  - People hired or moved  
  - Technology implementation  
  - Training delivered  
  - Processes defined and/or (re)engineered  
  - Directors and managers engaged in the change process  
This phase is set to develop shared services up to the point of operation. Some of the phasing might be iterative in nature. The timing will consume a minimum of 3 months, and for some tasks, up to six months and beyond. |
| 4. Roll out shared services. Organizational cutover to shared services   | Initiating shared services is a milestone event. If properly planned and developed, the rollout should be straightforward. Nevertheless, proper oversight and controls must be in place to ensure a successful transition. Much of this short phase is set to deal with people issues and particular changes that the County will initiate. The rollout could range from a few days to a week or two depending on the function. |
| 5. Provide follow-up and ongoing support to departments, refining       | The last phase is as critical as the others. Change will often be challenging. Shared services will dramatically impact the County's workflow and management, hopefully with significant improvements. Once cutover occurs, a continuing initiative is required to reinforce change, both with the shared services providers as well as the customer departments. Organizational change management is essential to ensure that quality delivery continues. Resources must be in place to train and support customers. Further, a structured support organization is imperative to establish for managers to see this process through to fruition. |
## D. ACTION PLAN

The following action plan defines the detailed tasks that support the five phases introduced above. The detailed tasks define the steps that are considered fundamental to implementing shared services at Pierce County for each of the recommended functions defined/described in Section IV of this report. The action plan is overarching, in that it relates to all shared services. In Section IV, each function is discussed in further detail and is specific to the nuances and circumstances that must be addressed. Generally, timeframes start anew for each phase, building from the previously completed phase.

<table>
<thead>
<tr>
<th>Phases/Tasks</th>
<th>Timeframe</th>
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<tbody>
<tr>
<td><strong>1. Confirm specific functions to be included in shared services, alongside corresponding costs/benefits.</strong></td>
<td>This task may or may not be necessary, depending on County support.</td>
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<tr>
<td>1.01 Develop shared services charter</td>
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<td>1.02 Determine what functions, processes, customers, and staff are included in scope</td>
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<tr>
<td>1.03 Define overall scope of operations for each function/process</td>
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<td>1.04 Develop cost model (5-year)</td>
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<td>1.05 Define benefit estimates (5-year)</td>
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<tr>
<td>1.06 Compare costs against benefits; summarize and develop conclusions</td>
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<tr>
<td>1.07 Develop go or no-go decision on whether to proceed</td>
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<tr>
<td><strong>2. Develop initial and ongoing plans.</strong></td>
<td>Initial plan development could consume 1-4 months of elapsed time, depending on plan format and level of detail</td>
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<tr>
<td>2.01 Develop organizational structure including positions, span of control, hierarchy, chain of command, and reporting relationships</td>
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<tr>
<td>2.02 Determine managerial approach and assignments including project management, implementation, and future shared services manager</td>
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<tr>
<td>2.03 Define appropriate communications methodology including messaging, media, schedule, audience, and responsibilities</td>
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<tr>
<td>2.04 Determine staffing assignments including positions, location, required skills, staffing levels, and teaming</td>
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<tr>
<td>2.05 Develop processes including workflow functions, procedures, changes, and documentation</td>
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<tr>
<td>2.06 Define facility requirements including location, workflow, space requirements, equipment, and design</td>
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<tr>
<td>2.07 Determine customers including departments and requirements</td>
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<tr>
<td>2.08 Develop “change management” including process, team, technology, leader, and approach</td>
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<tr>
<td>Phases/Tasks</td>
<td>Timeframe</td>
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<tr>
<td>2.09 Define service levels including scope, SLAs, services portfolio (catalog), and metrics</td>
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<tr>
<td>2.10 Define reporting structure/approach including reporting and charts</td>
<td></td>
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<tr>
<td>2.11 Define transition including timing, phasing, participants, and direction</td>
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<td>2.12 Define technology architecture and processes including identifying systems; and acquiring, implementing, interim solutions; and establishing related processes (e.g., testing)</td>
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<tr>
<td>2.13 Develop approach to administration including Finance/Accounting, HR, and policies</td>
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<tr>
<td>2.14 Document draft plans</td>
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<td>2.15 Discuss with initiative sponsor, project manager, and stakeholder committee</td>
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<tr>
<td>2.16 Revise draft and present final plans</td>
<td></td>
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<tr>
<td>3. Establish shared services functions and corresponding processes</td>
<td>Time required is up to 6 months</td>
</tr>
<tr>
<td>3.01 Establish top-down organization/function structure</td>
<td></td>
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<tr>
<td>3.02 Prepare personnel</td>
<td></td>
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<tr>
<td>3.03 Define processes – define specific positions and assignments, confirm with departments, document agreements, and recruit/retain staff</td>
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<tr>
<td>3.04 Transfer knowledge – develop training program (approach and scope), materials (e.g., process team), instructions, and schedule; coordinate and deliver; and assess success</td>
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<td>3.05 Address potential barriers – identify stakeholders, identify issues and discuss, engage, modify approach as needed, and reconfirm</td>
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<tr>
<td>3.06 Establishing governance, retaining people, developing budget, and billing processes</td>
<td></td>
</tr>
<tr>
<td>3.07 Identify process lead, create new processes, definitions, process design, documentation, vet requirements, signoff, evaluate gaps, distribute, train, and revise as necessary</td>
<td></td>
</tr>
<tr>
<td>3.08 Coordinate with union</td>
<td></td>
</tr>
<tr>
<td>3.09 Establish communications portal</td>
<td></td>
</tr>
<tr>
<td>3.10 Develop SLAs – draft template, define parameters, meet/negotiate, execute, and document</td>
<td></td>
</tr>
<tr>
<td>3.11 Establish finance – define principles, update cost model, determine costs, and include in SLAs</td>
<td></td>
</tr>
<tr>
<td>3.12 Establish governance – initiative leader, committee, monitoring, schedule, and meetings to conduct oversight</td>
<td></td>
</tr>
<tr>
<td>3.13 Establish technology – determine systems, plan, build/buy; implement, convert, and train</td>
<td></td>
</tr>
<tr>
<td>3.14 Develop administrative foundation</td>
<td></td>
</tr>
<tr>
<td>Phases/Tasks</td>
<td>Timeframe</td>
</tr>
<tr>
<td>---------------------------------------------------------------------------</td>
<td>-----------</td>
</tr>
<tr>
<td>3.15 Develop and implement technologies</td>
<td></td>
</tr>
<tr>
<td>4. Roll out shared services. Organizational cutover to shared services by initiating processes and providing resources via a defined plan and schedule.</td>
<td></td>
</tr>
<tr>
<td>4.01 Set planned date(s)</td>
<td></td>
</tr>
<tr>
<td>4.02 Establish go-live criteria</td>
<td></td>
</tr>
<tr>
<td>4.03 Readiness assessment – determine whether County is prepared</td>
<td></td>
</tr>
<tr>
<td>4.04 Go-no go decision</td>
<td></td>
</tr>
<tr>
<td>4.05 Change management – continuous improvement, manage relationships</td>
<td></td>
</tr>
<tr>
<td>4.06 Initiate services – initiate shared services management over resources</td>
<td></td>
</tr>
<tr>
<td>4.07 Monitor/QA – develop a risk-based framework, assign review and reporting, and provide ongoing support</td>
<td></td>
</tr>
<tr>
<td>4.08 Establish physical environment – acquire facilities, establish equipment, move people, and provide support</td>
<td></td>
</tr>
<tr>
<td>4.09 Communicate with stakeholders – daily, weekly, monthly; with media and assignments</td>
<td></td>
</tr>
<tr>
<td>4.10 Change processes – workflow definitions, gap analysis, document management, training, and document workflow reengineering</td>
<td></td>
</tr>
<tr>
<td>4.11 Champion – communicate and motivate</td>
<td></td>
</tr>
<tr>
<td>4.12 Governance – meet, assess, and redirect processes as required</td>
<td></td>
</tr>
<tr>
<td>5. Provide follow-up and ongoing support to departments, refining delivery. Optimizing shared services involves reviewing performance and tailoring the model and delivery as appropriate. Refinement will optimize the effectiveness and efficiency of delivery. Resources and processes will both be impacted.</td>
<td></td>
</tr>
<tr>
<td>5.01 Develop approach to optimize services and provide ongoing support</td>
<td></td>
</tr>
<tr>
<td>5.02 Establish plan for providing ongoing support tailored to evolving functions and department needs</td>
<td></td>
</tr>
<tr>
<td>5.03 Establish change agent positions – assign a lead or process owner responsible to ensure processes are changed and take hold</td>
<td></td>
</tr>
<tr>
<td>5.04 Assign resources</td>
<td></td>
</tr>
</tbody>
</table>
E. BENEFITS

The benefits of shared services are numerous and significant. These tie directly to the framework defined above, and impact people, processes, and systems. The County's main goal seeks to operate both more effectively and efficiently. Such benefits are achievable through:

- Aggregating assets/resources to deliver greater economies of scale
- Managing more resources and staff under one span of control
- Integrating and standardizing processes to provide complete work in a streamlined and consistent manner

The County's main goal is to operate more effectively and efficiently. Effectiveness will increase through the successful implementation of shared services. The County can meet its goals and deliver results through enhanced controls, data governance, improved decision support, and specialization of duties and services. The many opportunities and benefits mentioned above make a strong business case for change at the County. Specific supporting benefits include functions, resources, and processes to make a positive business case within the departments.
Organizational gaps that may be closed by shared services are also important to recognize. Aside from the numerous functions that the County can potentially move to a shared services model, numerous inefficiencies can also be addressed over time. Departments have developed decentralized business models, which has resulted in:

- Redundant processes
- Duplication of work and systems
- Nonstandard and inconsistent procedures
- Excess spending for resources

Shared services at the County are expected to embrace the above benefits. Specific shared services benefits will impact the following functions:

<table>
<thead>
<tr>
<th>Scheduling</th>
<th>Workload management is huge. Applying and setting dates and timelines for conducting shared services is a significant component of scheduling. Full visibility of all requests/work allows for effective scheduling.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forecasting/Budgeting</td>
<td>A comprehensive future view of pending needs and workloads provides a means to budget, plan, and properly fund services.</td>
</tr>
<tr>
<td>Capacity and Resource Management</td>
<td>When aggregated, the County has a significant amount of resources to manage, assign, optimize, and utilize. When merged in aggregate, staff resources can be managed both more effectively and efficiently.</td>
</tr>
<tr>
<td>Tapping SMEs</td>
<td>Specialized resources exist in various spots throughout the County. Comprehensive access allows for utilization from one department to be directed toward other areas of need in the County.</td>
</tr>
<tr>
<td>Economies of Scale</td>
<td>When staff resources/SMEs work together in a coordinated manner, critical and immediate problems and issues may be resolved in a more timely and effective manner. Assigning additional resources gets the job done by applying/allocating resources to areas of need.</td>
</tr>
<tr>
<td>Backup</td>
<td>Similar to economies of scale, shared services functions can more easily provide backup resources when needed, without undue administration or hassle. Redirecting resources can be done in a timely and effective manner, preventing further problems and disruptions to business.</td>
</tr>
<tr>
<td>Prioritization</td>
<td>The County can further improve work prioritization. Taking an enterprise-wide view allows for effective prioritization, allocating staff resources to where they are needed most, and impacting the County at the highest level possible.</td>
</tr>
<tr>
<td>Cross-Training</td>
<td>Knowledge transfer is one of the most impactful ways to deliver long-term shared services benefits. Resources will be much more productive at getting work completed. Cross-training is part of the process.</td>
</tr>
</tbody>
</table>
IV. SHARED SERVICES OPPORTUNITIES

The performance audit examined 12 functions defined in the Annex Project Study. Of the 12, 5 functions were identified as potential near-term opportunities for shared services implementation including:

- Computer Support Specialists (CSSs)
- Computer System Business Analysts (CSBAs)
- Purchasing
- Reception
- Administrative Support/Office Assistants (OAs)

Beyond the five shared services functions discussed below, there are numerous additional opportunities to reorganize and reengineer County processes and positions. We identify and define these opportunities in Section V of this report.

A. COMPUTER SUPPORT SPECIALISTS

Finding: The County employs 11 CSS staff in addition to central IT Department staff for the purpose of supporting end-user technologies in the operating departments.

County technology support encompasses a wide range of technical devices and services, from printers, scanners, PCs, mobile devices, and desktop applications to Tier 1 and Tier 2 software/system support, administration, and project management. Technical support is provided by Computer Support Specialist (CSS) staff located in the various operating departments.

The CSS staff are department staff providing technician-level Tier 1 technical support including managing equipment, handling Active Directory (AD) group assignments, installing department software on PCs, and coordinating IT support services. CSS staff are located in 8 out of 25 departments. In addition to department CSSs, central IT staff provides 4 to 8 hours of support for complex problems on a weekly basis.

The County also employs in-house outsourced (IOE) IT service delivery staff from the Governance and Service Delivery (GSD) Division to support County department requests in the form of dedicated IT System Engineers. These engineers are primarily responsible for County-wide endpoint management services, user training, program management, technical research for department automation, change management, and enterprise service delivery. The IOE staff provide Tier 1 to Tier 3 support and are located in 4 out of 25 departments.

In addition to the above resources, an IT Service Desk is located in the central IT Department. The IT Service Desk provides Tier 1 and 2 technical support for Pierce County employees and subscribing agencies, maintains identity access management for end users, provisions iOS devices, and manages cabling requests. The Service Desk handles 1,500 to 1,700 calls per month and also provides on-site incident response.
The IT Department also assigns 4 to 8 hours per week of IT System Engineer time (IT Governance and Service Delivery Division) to County departments that do not have an IOE System Engineer. This work includes IT account manager and liaison, technical consultant, direct project support and management, and direct technical service support at a Tier 1 to Tier 3 level. This staff also assists CSS staff with Tier 2 support.

The past migration of County IT infrastructure from one technology to another helped to define the current shared services opportunity. Ten years ago, the County’s technology architecture was PC-based with file servers located in the departments. CSS staff were responsible for overseeing file server backups, configuring operating systems for new PCs, and providing Tier 1 and Tier 2 technical support for desktop applications. Recently, the County’s technology changed to a centralized approach for all file system management, storage and backups, user identity, and PC deployment using standard images. CSS staff now order computers, install and support unique department software, assist with peripheral equipment, and provide Tier 1 support for County technology.

There are 11 County departments with full-time dedicated positions for computer environment support. Some have chosen the department CSS classification to perform specific Tier 1 departmental desktop and applications support, while others have funded an IT Systems Engineer (IOE) from the central IT Department. A key difference in these service models is that a department with a CSS is still assigned support hours from a central IT Systems Engineer to partner with and train the CSS, as well as to provide account management, IT liaison, consultant, and direct technical services. In contrast, departments that fund a central IT Systems Engineer (IOE) require no additional CSS positions. The Systems Engineers are experienced IT professionals working in the IT Department GSD Division and are supervised by IT Systems Engineer Supervisors. Department CSS positions usually work alone with non-IT supervisors. The departmental CSS and IOE positions include those moving into the new building and others in the Law, Safety, and Justice Departments. See the table below for the departments’ resource definitions.

<table>
<thead>
<tr>
<th>Department</th>
<th>CSS Staff</th>
<th>GSD Rep: IT Systems Engineer FTE Equivalent</th>
<th>Total Department Staff</th>
<th>Total Active Client Computers/Devices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assessor/Treasurer</td>
<td>1</td>
<td>0.17</td>
<td>78</td>
<td>125</td>
</tr>
<tr>
<td>Assigned Counsel</td>
<td>1</td>
<td>0.09</td>
<td>94</td>
<td>177</td>
</tr>
<tr>
<td>Prosecuting Attorney</td>
<td>1</td>
<td>0.24</td>
<td>217</td>
<td>319</td>
</tr>
<tr>
<td>Public Works and Utilities</td>
<td>1</td>
<td>5.00</td>
<td>664</td>
<td>974</td>
</tr>
<tr>
<td>Sheriff</td>
<td>4</td>
<td>0.62</td>
<td>725</td>
<td>714</td>
</tr>
<tr>
<td>Superior Court</td>
<td>1</td>
<td>0.21</td>
<td>725</td>
<td>207</td>
</tr>
<tr>
<td>Juvenile Court</td>
<td>1</td>
<td>0.10</td>
<td>147</td>
<td>194</td>
</tr>
<tr>
<td>District Court</td>
<td>1</td>
<td>0.14</td>
<td>99.50</td>
<td>175</td>
</tr>
<tr>
<td>Emergency Management</td>
<td>-</td>
<td>1</td>
<td>56</td>
<td>263</td>
</tr>
<tr>
<td>Auditor’s Office</td>
<td>-</td>
<td>1</td>
<td>45</td>
<td>151</td>
</tr>
<tr>
<td>Planning and Land Services</td>
<td>-</td>
<td>1</td>
<td>101</td>
<td>178</td>
</tr>
</tbody>
</table>
Currently, extensive integration does not exist between the IT Department's service desk and the County departments' CSS positions. In contrast, a collaborative partnership exists in most departments between their CSS and their assigned IT Systems Engineer (GSD Rep). There are hand-offs between the service desk and department personnel (including both CSSs and CSBAs), but unlike the IOE and GSD Rep structure, resources are managed and coordinated separately. There is no formal enterprise teamwork or resource sharing, and that is where the CSS shared services opportunity exists.

GSD Reps and the IT service desk team utilize a system to record, track, and report incidents and service requests. The central service tracking technology system is called myIT, which is an application developed in-house that serves many functions including tracking the IT portfolio of services list, maintaining department listings, as well as handling time entry, computer hardware and software inventory, and managing the incident and service request ticketing system. Only the IT Department fully utilizes the system. Though department resources use myIT to request services from their GSD Rep, CSS staff do not use myIT to track their independent services to their departments. A significant opportunity exists to connect all of the IT service personnel together (CSSs and CSBAs) via technology, as well as connecting the entire pool of IT support personnel to department end users. A question remains as to whether or not myIT should be re-platformed or replaced in the future.

**Recommendation:** Incorporate the departments’ CSS functions into the central IT Department enterprise endpoint and end-user support model.

The premise behind an IT shared services workflow is to establish a larger pool of IT Systems Engineers and CSS technicians to serve all County customers/departments. The concept is that simple, increased efficiencies will be achieved by aggregating all CSS personnel together to serve a higher number of end users. Currently, each IT Department System Engineer supports approximately 257 total devices on average. In contrast, CSSs in other departments support approximately 188 devices on average. When combined, it is anticipated that the overall group of CSS technicians could increase the amount and level of support provided to end users, increasing the computers/devices supported by an average of 50-80 units each. The exact number of CSS positions per Department is dependent on system scope, complexity, changes in process, and the service levels negotiated.
CSS Snapshot

<table>
<thead>
<tr>
<th>Role/Purpose:</th>
<th>To provide Level 1, 2, and 3 help desk support on the front lines of County IT support and problem resolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope:</td>
<td>Provides technology support to all relevant departments, addressing questions, support issues, and problems associated with infrastructure, data, and software</td>
</tr>
<tr>
<td>Imperative:</td>
<td>The underlying premise is to support large numbers of end users with efficient and standardized high-quality support for technology devices and applications</td>
</tr>
<tr>
<td>Critique:</td>
<td>This is the most straightforward of all the County’s opportunities to establish shared services</td>
</tr>
<tr>
<td>Existing Staff Affected:</td>
<td>11 total staff in departments</td>
</tr>
<tr>
<td>Customers Served:</td>
<td>25 departments</td>
</tr>
<tr>
<td></td>
<td>4,500 approximate active client computers/devices</td>
</tr>
<tr>
<td>Location:</td>
<td>Housed together in new County Administration Building; FTEs embedded in some departments located in other buildings</td>
</tr>
<tr>
<td>Report to:</td>
<td>Newly assigned supervisor in IT GSD Division</td>
</tr>
</tbody>
</table>

WORKFLOW

The workflow process to provide Level 1, 2, and 3 help desk support is based on a streamlined and structured workflow. The automated incident and service request tracking support system is a centerpiece of this capability to provide efficient and effective end-user service delivery.

Moving the County to shared services could include the following workflow changes:

- Comprehensive logging of requests
- Central tracking of requests and resolution
- Integrated request workflow enterprise-wide
- Increased resource coordination
- Real-time communication with customers
- Automated problem resolution
- Add Level 3 computer support (in-house application support) as part of the service desk support tier structure

Level 1, 2, and 3 processes are set to serve departments in both a flexible and streamlined manner. Requests for help will be submitted via phone, e-mail, fax, or preferably via an automated help desk ticket. The following workflow diagram illustrates the anticipated problem resolution process from request to resolution.
Centralization and Shared Services Evaluation Phase Two Report for Pierce County | 20

Pierce County
Potential Shared Services Problem Resolution Workflow

<table>
<thead>
<tr>
<th>Department End User</th>
<th>Level 1 Help Desk</th>
<th>Level 2 Technician</th>
<th>Level 3 Support (Including B/A)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initiate Process</td>
<td>Log Problem - Assign Tracking Number</td>
<td>Estimate Resolution (Lead)</td>
<td>Estimate Resolution (Lead)</td>
</tr>
<tr>
<td>Discover Issue</td>
<td>Action to Solve Issue</td>
<td>Assign to Technician</td>
<td>Assign to Analyst</td>
</tr>
<tr>
<td>Contact Help Desk (Phone, Email, Help Desk System, Fax)</td>
<td>Solved? NO</td>
<td>Develop Approach to Resolution</td>
<td>Develop Solution Approach</td>
</tr>
<tr>
<td></td>
<td>Solved? YES</td>
<td>Implement Solution</td>
<td>Implement Solution</td>
</tr>
<tr>
<td></td>
<td>Verify Solution</td>
<td>Resolve Problem? NO</td>
<td>Communicate/Verify</td>
</tr>
<tr>
<td></td>
<td>Close Ticket</td>
<td>YES</td>
<td>Close Ticket</td>
</tr>
<tr>
<td></td>
<td>File</td>
<td>NO</td>
<td>Close Ticket</td>
</tr>
<tr>
<td></td>
<td>Review and Communicate with Help Desk</td>
<td>File</td>
<td>File</td>
</tr>
</tbody>
</table>
BENEFITS

Knowledge sharing is anticipated to be a large benefit of CSS shared services, as is the increased capabilities of individual CSS technicians to support a higher number of requests, more department systems, and the aggregated capabilities of County systems as a whole. Long-term County service changes are also anticipated, especially as the service desk system is tapped to provide in-house application support and management. Future anticipated workflow benefits include:

- Increased standards and consistent Tier 1 and Tier 2 technical support
- More efficient request logging, tracking, and reporting
- Identity and access management
- iOS device provisioning
- Project support
- Automated issue resolution via intelligent database
- Expanded Tier 3 application support

When pooling resources, it is anticipated that service delivery quality will remain intact or be strengthened. The reason for this is tied to reducing the variability in quality of delivery currently provided throughout the County. The service desk has a 30-minute targeted response time, and currently the service desk strives to solve 80% of all tickets without referral. In 2014, they exceeded the goal resolving of all help desk requests within 30 minutes. Service delivery might have some changes in delivery times in a few departments, though these cases are expected to be few in number when shared services are fully implemented.

Eventually, the centralized service desk function will be the first line of defense to solve many of the County's IT support problems, and this group will directly integrate with the CSBAs (also deemed to be a candidate for a separate shared services unit). It is anticipated that, in the future, CSBAs will be connected to the same workflow management system as CSSs. The interface between customers, the service desk, and CSBAs will be important to perfect in order to appropriately handle Level 2 and 3 requests. Automated workflows/queuing will be more efficient than the current fragmented processes.

IMPLEMENTATION TIMELINE

Full-scale CSS shared services implementation will occur in phases. Three of these phases are noteworthy. The first phase will institutionalize management of County-wide help desk requests, queues, and delivery on a wider scale, with more CSS resources involved. The second phase will expand the use of Level 1 systems to include Level 2 support and technician involvement. The third phase will entail using the support database to identify and analyze recurring service issues, and interfacing Level 1 (CSS), Level 2 technicians, and Level 3 delivery. Notably, efficiency will increase in the later stages of all three phases. This is due to both customers and CSSs alike adapting to a refined support approach.
During implementation, it is highly recommended that an assessment occur regarding departmental system needs and requirements. An early assessment will help clarify expectations, as well as plan for long-term resource capacity needs. Service delivery levels will be directly affected. In some cases, CSSs will be stationed within the departments where high levels of demand occur. The IT Department is planning to establish SLAs with departments in 2015, which could include these assessment tasks.

Three levels of department interface will occur as the shared services model is implemented. First is with top management, which will ultimately oversee CSS shared services performance and delivery. Second is between process owners, SMEs, and CSBAs. Third includes the large group of end-user customers who will receive support assistance to resolve their technology issues.

It will be important for the departments to primarily utilize the central help desk system to manage help desk requests. The central system will automate the help desk tickets and provide a corresponding management system, which will provide a means to schedule work and track delivery. In the future, the system will provide the County the means to better manage systems and delivery, and also help resolve problems. SLAs are an essential component of CSS shared services, documenting help desk agreements. Parameters include but are not limited to times for problem resolution, service catalog, escalation process, system uptime, initial response time, expertise available, communication protocols, and performance parameters.

The following summary Gantt chart portrays the timing associated with the CSS shared services implementation process, rollout, and cutover. The phases of implementation could span from one to three years, depending on approach and scope.
### MANAGEMENT AND ORGANIZATION

All CSS shared services functions and personnel will shift to the IT Department. The GSD Manager in the IT Department will continue to manage customer support with this shared services model. This manager reports to the IT Department Director in a solid line connection. An IT supervisor reporting to the GSD Manager will supervise the CSS positions and will have a matrix (dotted line) relationship with relevant departmental directors. All CSS positions are expected to include hands-on duties. See the CSS shared services organization chart below for a potential organization structure.

### STAFFING

Four IT Service Desk staff currently support 4,454 computers. Eleven CSS departmental staff support 1,911 computers. If 11 departmental CSSs move into a shared services model in the GSD Division of IT (potentially reduced to 10 FTEs via phase one centralization position changes), 4,600 nodes could be supported by the resulting team. The GSD team will also accommodate an anticipated rise in County FTEs during 2016-17 to address increased demand from the growing County department employee base, services, population growth, and progressing demand for services.
B. COMPUTER SYSTEM BUSINESS ANALYSTS

Finding: The County employs a total of 24 CSBAs spread out across departments to evaluate requirements, analyze business processes, and support departmental systems.

Along with the CSS staff, CSBAs serve the departments in many capacities including providing direct support to end users. Currently, a total of 24 full-time CSBAs are assigned to 12 departments. These analysts have varying roles depending on the department's mission and scope.

Meanwhile, the IT Department also has three IT Analyst 2 staff who are devoted to enterprise system analysis, engineering, records management, deployment, and project management. The IT Department does not officially employ any CSBAs, and utilizes the IT Analyst 2 positions to support the departments that do not have a CSBA (13 departments). The IT Analyst 2 staff are available to any department, and their work is distinguished from CSBAs' work by differences in technical complexity, scope of impact, and knowledge of IT.

Common CSBA duties include defining business requirements, interpreting requirements, understanding the department business model, acting as a liaison between the department and IT (e.g., communicating departmental needs, opportunities for process optimization, etc.), coordination, scheduling of mission critical and seasonal processes, performing software testing, procurements, training, documentation, and end-user support. More experienced CSBAs provide additional services including data analysis, user interface design, project management, vendor interface, and limited system administration.

In the current model, there is limited synergy or coordination across departmental CSBA resources. These positions are siloed and do not have a means of leveraging staff availability or knowledge. Department-level CSBAs have specialized job classifications, with the highest level staff responsible for supervision. The workload and utilization of these resources is not consistently managed in each department; when a department has a large IT project, there is no ability to scale technical resources without hiring more staff. In addition to a lack of resource sharing, there is no enterprise teamwork or knowledge sharing across departments in the current model. This is where a CSBA shared services model would be beneficial.

The full inventory of the County's CSBAs is listed in the following table alongside the major systems they support and number of sites served.

<table>
<thead>
<tr>
<th>Departments</th>
<th>Systems</th>
<th>Number of Sites</th>
<th>Number of CSBAs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assessor/Treasurer</td>
<td>Realware, Ascend, Stellant Document Management, Mobile Computing, Cashiering</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Auditor's Office</td>
<td>Aumentum (document recording, excise tax collection, business and marriage licensing, cashiering, eRecording, public web access), Qmatic (customer queueing), DIMSNet (voter registration database), ReliaVote (absentee)</td>
<td>2 plus voting centers</td>
<td>2</td>
</tr>
<tr>
<td>Departments</td>
<td>Systems</td>
<td>Number of Sites</td>
<td>Number of CSBAs</td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>-------------------------------------------------------------------------</td>
<td>-----------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>Budget and Finance</td>
<td>ballot mail processing), WinEDS, WinETP (vote tabulation and results reporting)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clerk of the Superior Court</td>
<td>LINX, High End Scanning, PV Kiosks, AOC, Courtsmart, Board of Equalization</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Community Connections</td>
<td>State Systems, Energy Assistance, Encryption, Hoteling, WSU</td>
<td>12</td>
<td>2</td>
</tr>
<tr>
<td>District Court</td>
<td>JAVIS, JIS, JABS, SAW, Q-matic, Kiosks, eCourt Orders</td>
<td>12</td>
<td>2</td>
</tr>
<tr>
<td>Human Resources</td>
<td>Workday HR, Neogov, Cornerstone, Performance Management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Planning and Land Services</td>
<td>PALS+, Mobile Apps, Paperless Submittals, Cashiering, GIS, Statistical Analysis, SRS Code Compliance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prosecuting Attorney’s Office</td>
<td>LINX, Turbo, AOC, Scanning</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Works and Utilities</td>
<td>SCADA, Autocad, Enterprise Project Management, Ferry Ticketing, GPS/AVL, 3 Asset Management Systems++</td>
<td>15 (will be 13 in new building)</td>
<td>3</td>
</tr>
<tr>
<td>Sheriff’s Department</td>
<td>CJIS, SS911, 300+ Deputies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Superior Court</td>
<td>LINX, Courtsmart, Kiosks, Public Monitors, AOC, Courtcall, ASL, Political</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Number of FTEs</strong></td>
<td></td>
<td><strong>24</strong></td>
<td></td>
</tr>
</tbody>
</table>

Recommendation: Establish an integrated CSBA function at the County to optimize data sharing, expand analytical capabilities to all departments, and establish a scalable resource that aligns with the County’s technology investment plan.

CSBAs bring a high skill level to departments to analyze needs and data and correspondingly resolve problems. CSBAs by nature are thinkers and solution providers. In many local government settings, CSBAs support more than one department’s systems, and these same CSBAs transfer their skills from one environment to another.

Experienced, well-utilized CSBAs are often able to service many departments. Their approach is transferrable in defining needs, assessing alternatives, diagnosing problems, and developing corresponding solutions and implementation plans. A relevant question at Pierce County is what exact mix of support is appropriate to optimize resources, meaning which CSBAs should support specific departments and their systems. These skills are highly valuable to the County departments, as the solutions make a difference in developing and implementing long-term efficient, effective, and cost-effective processes and systems.

Besides working together to achieve synergy, there is also an opportunity to link the CSBAs with the CSSs (as previously discussed in the report). This can be achieved through integrating the CSBAs into the help desk system and processes.
CSBA Snapshot

<table>
<thead>
<tr>
<th>Role/Purpose:</th>
<th>Provide systems support, process improvement, and automation through the successful utilization of information, applications, and data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope:</td>
<td>Process mapping, workflow analysis and design, data modeling, change management, documentation, requirements gathering, software testing, implementation, training, and reporting</td>
</tr>
<tr>
<td>Imperative:</td>
<td>Support department-specific business processes through the efficient utilization of both enterprise and department-specific applications and reports; provide Level 3 end-user support as assigned through the help desk</td>
</tr>
<tr>
<td>Critique:</td>
<td>This is a potential opportunity for the County to increase efficiency, consistency, and continuity through the adoption of shared services</td>
</tr>
</tbody>
</table>
| Existing Staff Affected: | • 24 CSBA staff in total  
• 3 IT Analyst 2 staff  
• 16 staff moving to the County Administration Building |
| Customers Served: | Assessor, Auditor, Budget and Finance, Community Connections, Human Resources, Planning and Land Services, and Public Works |
| Location:   | Housed together in new County Administration Building across two core teams. The eight CSBA staff supporting law and justice departments will remain in the County/City building (Justice Center). |
| Report to:  | CSBA Team Supervisors and IT Manager |

WORKFLOW

The workflow process to provide CSBA services is based upon a structured model that will incorporate an assortment of tasks and responsibilities including recurring (e.g., annual, quarterly) data processing and reporting tasks, ad hoc data discovery/analysis/report development tasks, system administration, Level 3 end-user support, and system testing/maintenance/implementation projects.

The CSBA delivery model will eventually depend on the utilization of the County's help desk support system, in concert with the adoption of a managed work queue to track non-support related tasks and active projects. Work requests will typically be initiated in one of four ways: (1), through the help desk (synchronized with CSS shared services group); (2) project assignments made by department directors and managers, or by the IT Department director and managers; (3) through ongoing intra-department task/project definitions determined by the CSBAs themselves in the normal course of business servicing the departments; and (4) via IT and business planning processes.

Regardless of the channel, all requests will ultimately be tracked through the help desk, and through coordination with the CSBA supervisor. Specific expected workflow changes include:

- Proactive scheduling, resourcing, and monitoring of recurring work
- Designation of recurring work to both primary and backup resources
- Formal tracking and coordination of staff availability and utilization
- Redirecting front line end-user and application support to the help desk/CSS staff
- Fulfillment of incoming end-user support requests once assigned through the help desk
- Adherence to agreed-upon templates, tools, and methodologies for supporting software development/maintenance/implementation projects
- Tighter coordination and alignment with IT throughout the lifecycle of software development/implementation projects

The following diagram illustrates the anticipated support requests and CSBA workflow processes at a high level.

**BENEFITS**

The principal benefit behind CSBA shared services is to deploy cohesive teams of CSBA resources that will serve their respective County departments and complete priority projects identified by the Technology Investment Board (TIB). Inherent efficiency gains will be achieved by adopting the County’s help desk support system to coordinate and streamline support requests and delivery. Similarly, efficiency gains may also be realized through the establishment of a structured work queue to forecast, assign, prioritize, manage, and monitor recurring work and non-support related tasks. Finally, collaboration among CSBAs will support additional efficiencies through teaming, knowledge transfer, and the standardization of work products and deliverables.
As previously implied, the ability to measure and improve CSBA utilization will be possible through the implementation of a managed work queue. As CSBA resources begin to cross-train and collaborate on assigned tasks, greater continuity will be achieved. As CSBAs become better positioned to provide backup and support within their respective teams, the County will be able to better handle future population growth and technology advances while improving information and process automation capabilities. Most importantly, the efficiency gains may provide capacity for CSBAs to support departments currently lacking this resource. As County business functions become increasingly data and technology driven, the need for and role of the CSBA is strategically essential to achieving lean and efficient operations. It is fully expected that CSBA service delivery will be strengthened through higher quality analysis and consistency across the County.

Another benefit will be gained through process coordination and “cross-pollination.” CSBA staff will be able to improve service delivery as task familiarity occurs over time through collaboration. This aspect will significantly increase the CSBA staff’s understanding of operational and business needs outside of their native departments as they become engaged with County-wide process flows, dependencies, and business needs. This will increase the value of CSBA work to the County and will increase the skill level and career opportunities for the CSBAs.

Standardizing the tools, templates, and methodologies already in use by the IT Department represents another benefit of implementing a shared services model. Currently, CSBAs function at a departmental level, with each department having its own set of tools and templates for gathering requirements, system design, process mapping, and other related artifacts necessary to support software enhancement, development, and implementation tasks. Similarly, tighter coordination between CSBAs and the IT team will help raise the standards for documentation, methodologies, and the approach used in support of information systems delivery.

The potential benefits gained through a CSBA shared services model include the improvements to the following areas:

- Efficiency through the adoption of the County's help desk system
- Utilization through the establishment of a managed work queue
- Bandwidth and availability through team workload forecasting
- Expanding CSBA services to additional departments
- Increasing CSBA knowledge, which increases their value to the County
- Alignment of CSBA resources and investment with the County’s technology investment plan
- Performance through adherence to agreed-upon standards
- Capability and continuity through resource pooling
- Ability to scale and resource projects more economically and efficiently (large project pooling)
- Service delivery through formal task monitoring and control
- Understanding and knowledge sharing through collaboration and cross-training
- Skill level advancement through the adoption of a more comprehensive CSBA role

These benefits combine to increase customer satisfaction and service delivery.

IMPLEMENTATION TIMELINE

A full-scale CSBA shared services implementation could occur over five phases. Similar to the CSS shared services model, the first phase will confirm the scope and scale of the CSBA function (as well as the role of the help desk system) to initiate, route, and manage end-user support requests. In conjunction with this effort, the help desk system could be repurposed to also initiate end-user requests for ad-hoc “value added” services such as data inquiry and report development.

The second phase will entail detailed planning to account for changes in workflow and personnel responsibilities. It is during this phase that resources will be matched to departments’ needs.

The third phase involves migrating CSBAs from department-level assignments into IT. In conjunction with this, documentation of existing procedures will be necessary to support the transition into IT and institutionalize the knowledge base necessary to implement a shared services model. Additional resources will likely be needed during the transition.

The fourth phase will reconstitute CSBA resources, including supervisors, to form the new functional teams, and establish the protocols and methodologies necessary to successfully manage these teams moving forward.

The fifth phase will occur after the shared services model is operational, and will reevaluate service delivery and service management practices, and team resource needs. At this point, the two teams could potentially be combined into a single unit as efficiencies and performance increases are further realized. The overall timeline is expected to encompass 12 to 18 months for transition and implementation. The final optimization phase will occur once the shared services model has been operating for one year.

Initial efficiencies and benefits will be realized once the model has matured logistically through resource visibility and utilization. As team members become increasingly knowledgeable about cross-departmental business needs through task co-assignment and collaboration, the overall chemistry will improve to both energize CSBA staff and improve CSBA performance, while improving customer satisfaction County-wide.

<table>
<thead>
<tr>
<th>Phase/Task</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q1</td>
<td>Q2</td>
<td>Q3</td>
</tr>
<tr>
<td>1. Confirm CSBA function and shared services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Assess department needs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Compare needs versus resources; assess gaps</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
2. Develop plans and documentation
   - Develop and document processes and procedures
   - Define rollout plans
   - Match personnel with department needs

3. Establish CSBA shared services
   - Connect CSBA workflow through help desk
   - Cross-train personnel

4. Rollout of combined shared services
   - Phase-in CSBA support
   - Communicate with departments

5. Provide ongoing CSBA services
   - Evaluate and optimize

MANAGEMENT AND ORGANIZATION

All CSBA shared services functions and personnel will shift to the IT Department and be reclassified accordingly. Each of the designated teams will be led by a CSBA supervisor. Each team will ultimately report to an IT manager. This manager reports to the IT Departmental Director in a solid line format. The CSBA manager and corresponding CSBAs will also have a matrix (dotted line) relationship with departmental directors and relevant managers in order to serve as a liaison and manage relations. There are numerous ways the CSBAs can be grouped to service departments. We provide two options below.

STAFFING – ALTERNATIVE 1

Two teams of CSBAs will be formed to address department-level business process and automation needs where logical opportunities exist for collaboration and synergy (e.g., across similar systems, where process hand-offs occur, common stakeholders, etc.). There will be one supervisor running each team. The supervisors will report directly to the IT Manager. Team 1 will have nine total FTEs originating from four customer departments. Team 2 will have seven total FTEs. The corresponding CSBAs for the two teams will transfer over to the shared pool of resources. Likewise, three FTEs will transfer over from IT into the pool.

The CSBAs will continue to support the systems and processes assigned to them for daily operations. Additionally, duties will expand to include data analysis, process mapping and optimization, system testing and end-user training, vendor management, systems planning, and lean analysis.
One CSBA could also remain within each department. In addition, one CSBA within each team will also serve as the primary contact for their assigned department, in order to act as a liaison and manage stakeholder relations.
### Representative Potential Team Option

| Public Works and Utilities                  | • Asset management – Hansen, Maintenance Connection, Faster, TimeTrax, and Rubble  
|                                           | • Sewer Billing  
|                                           | • Ferry System  
|                                           | • Integrations with Sewer Billing  

A comprehensive set of mission critical applications will need to be supported.

<table>
<thead>
<tr>
<th>Team 2 Profile</th>
</tr>
</thead>
</table>
| **Departments** | **Representative Systems**  
|----------------|-----------------------------|
| Budget and Finance | • Fixed Asset  
|                   | • Tax Assessment  
|                   | • Department Specific Billing  
|                   | • Workday Financials and Payroll  
|                   | • CAFR  
|                   | • Investment and Debt Management  
|                   | • Utility District Reporting  
|                   | • Budget Systems  
| Human Resources/Payroll | • CornerStone (learning management)  
|                          | • NeoGov (applicant tracking)  
|                          | • Workday HR  
|                          | • Performance Management  
| Community Connections | • AIMS  
|                         | • Energy Assistance  
|                         | • Workday Grants Management  
|                         | • State Systems  

A comprehensive set of mission critical applications will need to be supported.

The scope of CSBA duties includes both breadth and depth. CSBAs will be assigned a set of routine tactical duties. Both ongoing and implementation duties are relevant to the position. There will also be standard CSBAs and more experienced CSBAs with more advanced duties assigned.

### STAFFING – ALTERNATIVE 2

In a similar fashion to Alternative 1 described above, all CSBA shared services functions and personnel will shift to the IT Department and be reclassified accordingly. One CSBA would remain under each department’s control. A single team will be composed to represent departments where more than one CSBA currently resides. This limits the shared services model to Budget and Finance, Assessor/Treasurer, PALS, Community Connections, and PWU Departments. This single team will be led by a CSBA supervisor, and will ultimately report to an IT manager. Again, this manager will report to the IT Director in a solid line format. The CSBA manager and corresponding CSBAs will also have a matrix (dotted line) relationship with departmental directors and relevant managers, in order to serve as a liaison and manage stakeholder relations.
In this model, the department CSBA will continue to support the systems and processes assigned to them for daily operations. Duties will expand for the shared services CSBAs to include data analysis, process mapping and optimization, system testing and end-user training, vendor management, systems planning, and alternatives analysis.

A comprehensive set of mission critical applications will need to be supported.
In either scenario, the scope of CSBA duties includes both breadth and depth. CSBAs would be assigned a set of regular routine tactical duties. Both ongoing and new analytical and implementation duties are relevant to the position. An important note is that the existing CSBA staff are currently busy working on technology projects. While the shared services model brings some efficiency that will increase capacity, it should also be acknowledged that the County continues to add new systems and technology each year. In order to keep pace with the wide adoption of technology and the resulting data analytics needed for business performance metrics and decision making, there may be a need to add additional resources in the near future.
C. PURCHASING

Finding: The County's purchasing program is largely decentralized, serving nearly 400 users within the departments.

Located within the Budget and Finance Department, the Purchasing Division arranges for the procurement of all goods and services for all County departments per County Code, with the exception of PWU projects and personal service contracts. In practice, with the exception of executing solicitations for the County Engineer within PWU, the Purchasing Division serves all County departments, including PWU. As shown in the table below, the County is budgeted to spend over $430 million on supplies, services, and capital in fiscal year 2015. The financial scale of the County's actual total expenditures increased from $312.9 million to $359.1 million (15 percent) between 2012 and 2013. By 2015, total expenditures are budgeted to increase by $120.4 million, or 38 percent. The bulk of this increase is driven by capital expenditures, which are projected to increase by $94.5 million (161 percent) between 2012 and 2015. Supplies and service expenditures are projected to increase by $25.1 million, at the comparatively low rate of 10 percent, during the same period.

4-Year Purchasing Expenditure Summary (in millions)

<table>
<thead>
<tr>
<th>Expenditure Category</th>
<th>2012 Actual</th>
<th>2013 Actual</th>
<th>2014 Budget</th>
<th>2015 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supplies and Services</td>
<td>$254.1</td>
<td>$253.0</td>
<td>$263.5</td>
<td>$280.0</td>
</tr>
<tr>
<td>Capital Expenditures</td>
<td>$58.8</td>
<td>$106.1</td>
<td>$205.1</td>
<td>$153.3</td>
</tr>
<tr>
<td>Total</td>
<td>$312.9</td>
<td>$359.1</td>
<td>$468.6</td>
<td>$433.3</td>
</tr>
</tbody>
</table>

The County's central Purchasing Division consists of the Purchasing Manager (.6 FTE), one Senior Buyer (1.0 FTE), one Accounting Assistant 3 (.08 FTE), and one Contract Coordinator (1.0 FTE), for a total staff of 3.4 FTEs. This staff size is considered small to medium for an organization the size of Pierce County. As shown in the table below, the different tasks involved in purchasing all increased between 2010 and 2013. When including 2014 and 2015 workload estimates, the County's total purchasing activity is expected to increase by 860 units, or by 21 percent, compared to 2010.

County Purchasing Activity

<table>
<thead>
<tr>
<th>Purchasing Tool</th>
<th>Unit of Measure</th>
<th>2010 Actual</th>
<th>2011 Actual</th>
<th>2012 Actual</th>
<th>2013 Actual</th>
<th>2014 Estimate</th>
<th>2015 Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracts/Amendments</td>
<td>Documents</td>
<td>2,286</td>
<td>2,385</td>
<td>2,235</td>
<td>2,477</td>
<td>2,500</td>
<td>2,650</td>
</tr>
<tr>
<td>Purchase Orders Issued</td>
<td>POs</td>
<td>825</td>
<td>986</td>
<td>1,104</td>
<td>1,003</td>
<td>1,000</td>
<td>900</td>
</tr>
<tr>
<td>Requisitions Processed</td>
<td>Requisitions</td>
<td>829</td>
<td>937</td>
<td>1,062</td>
<td>916</td>
<td>1,000</td>
<td>1,200</td>
</tr>
<tr>
<td>RFPs/RFQs/Bids Processed</td>
<td>Documents</td>
<td>150</td>
<td>147</td>
<td>146</td>
<td>163</td>
<td>180</td>
<td>200</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>4,090</td>
<td>4,455</td>
<td>4,547</td>
<td>4,559</td>
<td>4,680</td>
<td>4,950</td>
</tr>
</tbody>
</table>

1 Capital Expenditures include some expenditure facilitated by the County Engineer and not by the Purchasing Division.

2 As a result of the Phase 1 report, effective January 2015, the Contract Compliance unit moved from the PWU to the Purchasing Division, resulting in the addition of 2.0 FTE within the Purchasing Division.
Despite the Division’s mandate to manage the procurement of all County goods and services, purchasing tasks are heavily decentralized throughout the County. Individual departments participate in an array of purchasing activities and transactions on the side, have hired staff to fill various purchasing roles, and/or have assigned staff in other positions to perform purchasing functions as part of their job duties. As shown in the table below, nearly 400 employees across all departments are noted as primary participants in procurement (as defined in the County’s Workday financial management system, which is scheduled to be formally implemented County-wide in the spring of 2015)3.

### Users of the Purchasing and Contracting Functions noted within the County Financial Management System

<table>
<thead>
<tr>
<th>Department/Office</th>
<th>Number of Users4</th>
<th>Department/Office</th>
<th>Number of Users4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assessor/Treasurer</td>
<td>5</td>
<td>Government Relations</td>
<td>3</td>
</tr>
<tr>
<td>Assigned Counsel</td>
<td>6</td>
<td>Human Resources</td>
<td>7</td>
</tr>
<tr>
<td>Auditor</td>
<td>3</td>
<td>IT - Administration</td>
<td>3</td>
</tr>
<tr>
<td>Budget and Finance - Accounting</td>
<td>1</td>
<td>IT - Governance and Service Delivery (GSD) Division</td>
<td>27</td>
</tr>
<tr>
<td>Budget and Finance - Administration</td>
<td>3</td>
<td>IT - Operations</td>
<td>14</td>
</tr>
<tr>
<td>Budget and Finance - Budget</td>
<td>6</td>
<td>IT - Systems Development</td>
<td>2</td>
</tr>
<tr>
<td>Budget and Finance - Fleet</td>
<td>1</td>
<td>Juvenile Court</td>
<td>6</td>
</tr>
<tr>
<td>Budget and Finance - General Services</td>
<td>2</td>
<td>Medical Examiner</td>
<td>3</td>
</tr>
<tr>
<td>Budget and Finance - Purchasing</td>
<td>4</td>
<td>Parks and Recreation Services</td>
<td>8</td>
</tr>
<tr>
<td>Budget and Finance - Technology</td>
<td>4</td>
<td>Planning and Land Services</td>
<td>3</td>
</tr>
<tr>
<td>Budget and Finance</td>
<td>2</td>
<td>Prosecutor - Administration</td>
<td>4</td>
</tr>
<tr>
<td>Clerk</td>
<td>2</td>
<td>Prosecutor - Civil</td>
<td>10</td>
</tr>
<tr>
<td>Communications</td>
<td>4</td>
<td>Prosecutor - Felony</td>
<td>1</td>
</tr>
<tr>
<td>Community Connections - Administration</td>
<td>22</td>
<td>PWU - ES Administration</td>
<td>12</td>
</tr>
<tr>
<td>Community Connections - Direct</td>
<td>10</td>
<td>PWU - ES Surface Water Management</td>
<td>2</td>
</tr>
<tr>
<td>Community Connections - Indirect</td>
<td>18</td>
<td>PWU - ES Wastewater Utility</td>
<td>3</td>
</tr>
<tr>
<td>County Council</td>
<td>8</td>
<td>PWU - Transportation</td>
<td>38</td>
</tr>
<tr>
<td>County Executive</td>
<td>4</td>
<td>Risk Management</td>
<td>10</td>
</tr>
</tbody>
</table>

3 Some of the purchasing users were provided participant user access as a means of testing the new purchasing environment. The number of users is close to 400; the exact count will vary during implementation. The user count was derived from the DOLFIN tables in October 2014. Such users are identified as a proxy for the comprehensive number of department people touching the purchasing system workflow. For study purposes, the Prosecutor offices identified 15 connections, District Court identified 1 connection, Community Connections identified 49 connections, and Auditor identified 1 primary user.

4 Users noted as participating in at least one of three different types of purchasing functions including requisitions, purchase orders, and/or contracts.
The level of procurement assistance the Purchasing Division provides to departments varies, ranging from low-level assistance to highly involved participation where procurements are managed from beginning to end. The level of participation is determined by departmental management, procurement needs, and personnel availability (both within the individual department and the Purchasing Division).

The state of County purchasing is reflected in its lack of a comprehensive purchasing manual that contains policies and procedures. Currently, many procedures are outdated and lack detail. Without thorough, current, and well-documented purchasing guidelines, departments are not receiving effective direction regarding the purchasing process. Due to a limited number of staff, the Purchasing Division is currently not able to provide consistent training to departmental staff regarding purchasing policies and procedures. Additionally, while the Purchasing Division is charged with arranging purchasing for County departments, the Division has little to no authority over the conduct of department employees. Ultimately, this renders the roles and responsibilities of the Purchasing Division and departmental staff involved in procurement transactions less effective than it could otherwise be. Within the current decentralized purchasing environment that was established by previous County Executives, the combination of the lack of comprehensive purchasing procedures, inconsistent training, ill-defined authorities enforcing purchasing policies and procedures, and unclear roles and responsibilities, has resulted in a function that has inefficient and ineffective processes that puts the County at risk for an increased chance of errors, fraud, waste, and abuse.

Without clear roles and responsibilities, inefficient and inconsistent practices occur across the County. For example, departments have pursued individual contracts for the same goods or services (e.g., janitorial services), and vendors have received differing information from departmental contacts in response to RFP, bid, or RFQ questions, some of which may not be accurate, in line with legal requirements, or provided on a timely basis. In some cases, the appropriate purchasing tool (RFQ, bid, RFP), was not used as required and therefore the resulting purchase was technically unauthorized. In other cases, the County was not positioned to receive the most competitive pricing, capitalize on available economies of scale, best use staff resources, provide high-level customer service, or maintain strict legal compliance.
In another example, a County department issues its own RFPs without any oversight or involvement from the Purchasing Division. This department believes it should be able to autonomously issue RFPs, as much of its budget is comprised of grant funding. However, County Code is clear that the Purchasing Division within Budget and Finance is to arrange for the procurement of all goods and services for all County departments, with the exception of public works projects and personal service contracts.

The Purchasing Division is aware of the above referenced issues and is working to address those currently within its control. The Division is also in the process of updating its policies and procedures. In some cases, new policies are being introduced. For example, in conjunction with the implementation of Workday, the Purchasing Division will make a new policy effective in the spring of 2015 that requires departmental staff to use a requisition, purchase order, or P-card for nearly all purchases. This should allow for better purchasing information tracking, as it will funnel most purchases through a central procurement approval process. The Purchasing Division also plans to use the additional data and reporting capabilities available within the new Workday system (upon implementation) to better analyze departmental purchasing requests, determine where multi-department or County-wide contracts may be useful, and more effectively manage the County’s vendors. While staffing limitations still prevent a consistent County-wide purchasing training program from being implemented, the Purchasing Manager is meeting with individual departments to assess purchasing needs, as well as to review purchasing policies and procedures.

**Recommendation:** Establish a fully scoped shared services structure for the County’s purchasing function including strengthened oversight, processes, and systems.

The premise behind purchasing shared services is to establish consistent purchasing practices that service departments’ needs efficiently, while also positioning the County to economically procure goods and services in a compliant and competitive manner. Consistent purchasing practices can be achieved by having Purchasing Coordinators work closely with the Purchasing Division under managed circumstances in a shared services model. The Purchasing Division would work jointly with departments to plan, organize, process, and monitor procurements. Coordinators would remain physically located in the departments as embedded employees. In this manner, Purchasing Coordinators will be accountable to the Purchasing Division Manager while maintaining physical proximity to manage departmental needs. While the use of embedded Purchasing Coordinators within departments will change the reporting structure of the Purchasing Division and some departments, it will be consistent with the planned workflow being implemented in Workday, and should strengthen procurement through controls, consistency, and better purchasing decisions.

<table>
<thead>
<tr>
<th><strong>Purchasing Snapshot</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Role/Purpose:</strong> To arrange for the procurement of all goods and services for County departments, assign vendor numbers, coordinate the County’s fixed asset inventory, dispose of County personal property inventory, process the titles and licensing of all County vehicles, and manage the County fleet rental pool</td>
</tr>
</tbody>
</table>
Purchasing Snapshot

| Scope: | Policy, planning, control, organization, monitoring, process, resources, follow-up, and systems, providing procurement support to all relevant departments to ensure that purchases are acquired in a compliant manner from responsible providers at the lowest possible cost |
| Imperative: | The underlying premise is to support the compliant, efficient, and economical purchasing of goods and services for the County |
| Critique: | Purchasing is decentralized and inconsistent across the County, resulting in less competitive procurement of goods and services than can otherwise be achieved |
| Existing Staff Affected: | 3.4 core staff located in the Purchasing Division |
| | 393 staff that are involved in purchasing processes located in other departments |
| Customers Served: | All County departments |
| Location: | The Purchasing Division will continue to be housed within the Budget and Finance Department; Purchasing Coordinators will be embedded in some departments in other locations |
| Report to: | Purchasing Division Manager (existing position) |

WORKFLOW

New consistent purchasing workflows will be implemented across the County through shared services. The workflow processes that will be implemented with the rollout of Workday in the first quarter of 2015 ensure that all purchases will flow through a departmental and Purchasing Division approval process, and maintain appropriate segregation of duties. The transition to shared services and the implementation of Workday will produce a more streamlined and automated workflow of the purchasing review process and eliminate the handling of unnecessary paperwork. The entire workflow will be efficiently managed, starting with requisitioning and through to vendor purchases, contracts, and the controlled delivery of goods and services.

The shift to a shared services purchasing model will provide an opportunity to strengthen management and control, but will not impair the anticipated efficiencies being pursued via automated workflow. One slight change in the future workflow could be to direct all requisition requests entered by departmental staff within Workday to the departmental Purchasing Coordinator for review and coordination. Following this vetting by the department Purchasing Coordinator, the requisition would continue in the Workday workflow process as currently contemplated. Having all requisitions within a department or division first flow through the Purchasing Coordinator would allow for departmental/divisional control and coordination, and for the Purchasing Coordinator to work with the Purchasing Division to coordinate with existing County master contracts (or open a purchase order) for the service or good needed. This type of coordination would not only allow for a more efficient workflow, but would also place the County in a more competitive purchasing position. The workflow model proposed for the future will be some variation of the following, and will be streamlined and automated.

---

5 The Purchasing Division does not provide solicitation assistance for the Office of the County Engineer within the PWU Department.
A partial workflow is presented in this section of the report, and includes process models for Initial Requisitioning of Goods or Services, and Purchase Order Processing. The full workflow has been provided in Appendix A, and includes process models for Large Purchase Orders, PO Processing, and Receive Goods/Services.

---

**Initial Requisitioning of Goods or Services**

<table>
<thead>
<tr>
<th>Department (End User)</th>
<th>Purchasing (Central) (Moderate or large purchases)</th>
<th>Purchasing (Vendor) (Small or routine purchases)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initiate Request For Goods or Service</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Define Requirements and Identify Needs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Develop Requisition</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Requisition</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Send to Manager</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Approves Requisition NO</td>
<td></td>
<td></td>
</tr>
<tr>
<td>YES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Requisition Requires PO or Purchasing Involvement NO</td>
<td></td>
<td></td>
</tr>
<tr>
<td>YES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceed with Vendor Purchase Under: Submit Requisition to Purchasing Small/routine process</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
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**Centralization and Shared Services Evaluation Phase Two Report for Pierce County | 40**
BENEFITS

As previously discussed, nearly 400 employees are considered purchasing connections (users) within the County’s current financial management system. In some cases, departmental staff only spend 10 percent of their time on purchasing-related tasks. In other cases, departmental staff spend 90 percent of their time on purchasing-related tasks. Designating an employee within a particular department (or as necessary, within a division/office) as a Purchasing Coordinator will allow for departmental managers to more efficiently allocate the time of those employees currently spending a portion of their time on purchasing duties. Benefits are numerous under the newly reconfigured workflow, and include:

- Maintaining consistency across departments
- Gaining economies of scale County-wide
- Positioning the County for best vendor pricing
- Increasing compliance with policy, laws, and regulations
- Reducing paperwork, storage, tracking, and retrieval
- Increasing efficiency through automated workflow
- Coordinating purchasing activity across departments
- Accessing best vendor pricing through master contracts and open purchase orders
- Strengthening the overall County supply chain, including the efficiency and effectiveness of inventory management and control
- Providing stronger purchasing oversight
- Strengthening the expertise and skills of Purchasing Coordinators

IMPLEMENTATION TIMELINE

The purchasing shared services implementation could occur in five phases. The first phase includes confirming feasibility, during which the Purchasing Division meets with departmental management and staff to discuss each department’s current purchasing parameters and determines which staff member is best suited to serve as a Purchasing Coordinator. At the same time, Division staff will begin gathering and analyzing purchasing data from the newly implemented Workday system and update and publish a comprehensive Purchasing Manual.

During the second phase, the Purchasing Division will use the County’s budget process to request that those departmental staff designated as Purchasing Coordinators be realigned with the Purchasing Division.

During the third phase, the Purchasing Division will draft detailed SLAs between the Division and the departments it serves. The SLAs should include all components detailed earlier in Section III – Shared Services.
During the fourth phase, purchasing shared services will be formally implemented. The fifth and final phase will include the ongoing provision of purchasing services by the Purchasing Division to County departments through the shared services model and via the Purchasing Coordinators embedded within the departments. The Purchasing Division should establish a regular venue for feedback, such as meetings with departmental management or surveys, to ensure it is meeting each department's needs and continues to improve upon the new model as needed.

The following summary Gantt chart portrays the timing associated with the purchasing shared services implementation process, rollout, and cutover. The timing considers availability of County staff to plan and implement changes. This process could be conducted more rapidly if more resources are made available to support the project.

<table>
<thead>
<tr>
<th>Phase/Task</th>
<th>Year 1</th>
<th>Year 2</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q1</td>
<td>Q2</td>
</tr>
<tr>
<td>1. Confirm feasibility of shared services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Purchasing Division gathers and analyzes purchasing data collected by</td>
<td></td>
<td></td>
</tr>
<tr>
<td>new Workday system</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Develop plans and prepare to transition to shared services model</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(implementation and ongoing)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Purchasing Division meets with departmental management and staff to</td>
<td></td>
<td></td>
</tr>
<tr>
<td>assess current purchasing-related workload and needs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Draft up-to date Purchasing Manual and publish to all County departments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Develop enterprise and departmental transition plans</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Establish purchasing shared services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Train personnel</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Establish and document workflow processes (e.g., Workday)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(or earlier)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Align departmental staff designated as Purchasing Coordinators with the</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchasing Division</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Draft SLAs between Purchasing Division and individual departments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Roll out shared services purchasing structure</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Establish cutover date</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Phase-in as necessary</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Provide ongoing purchasing services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Ongoing procurement processing</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
MANAGEMENT AND ORGANIZATION

The Purchasing Coordinators throughout the County will report to a newly established position, the Contract and Monitoring Manager. The Contract and Monitoring Manager will report directly to the Purchasing Division Manager. The Contract and Monitoring Manager will be responsible for the day-to-day training, management, and coordination of Purchasing Coordinators. This organizational structure will provide authority and control over purchasing activities County-wide. Please see the Purchasing Division shared services organization chart below for a potential organization structure.

STAFFING

Effective January 1, 2015, the Purchasing Division has 5.4 FTEs due to the addition of Contract Compliance staff moving from PWU to the Division. Depending on the analysis and decisions made by the Purchasing Division and departments within phase of the implementation plan, a Contract and Monitoring Manager (1.0 FTE), as well as a number of Departmental Purchasing Coordinator FTEs will be allocated to the Purchasing Division within the Budget and Finance Department. The shared services purchasing function will operate in a matrix format, with the Purchasing Coordinators having a solid line relationship to the Purchasing Division, and a dotted line relationship to department directors and relevant managers. The coordinators, given the nature of their responsibilities, will work closely with both. Tying these positions to the departments is critical to understand their needs and meet departmental business requirements. This approach is a hybrid of shared services, which was referenced in Section III of this report.
D. RECEPTION

Finding: The move to the new administration building will eliminate the need for department-specific positions performing reception and other related clerical functions.

There is interest across the County in leveraging technological advancements, organizational changes, and the layout of the new administration building to provide a higher level of customer service to residents, businesses, and visitors alike. Some departments, such as the County Council, have basic reception personnel, while others, such as Human Resources, share reception duties among OAs. For the purposes of this analysis, only those FTEs identified in the Annex Project Study as being primarily receptionists were considered in this analysis. Further, the shared services changes contemplated include potential adjustments identified in phase one of the report.

Currently, County departments are organized in a siloed format. OAs perform receptionist duties, either in whole or in part, in most departments. The number of existing receptionists is primarily tied to the geographic location of the departments around the County. Once departments are consolidated, there is an opportunity to restructure and more effectively utilize the reception function. Phase one of this study has already assessed the potential for changing a number of these positions due to consolidation. Ten OA positions were identified in phase one as being potentially eliminated. There is additional opportunity to reorganize the remaining receptionists/OAs around a shared services format.

Recommendation: Establish a shared pool of receptionists to greet all visitors in the new County Administration Building and direct visitors to various locations for service delivery.

The recommendation for shared services reception is based on the assumption that the new administration building will be designed to accommodate central reception on one public entry floor, with secured and limited access to the majority of the building. The County is working with an interiors architect and building developer to estimate foot traffic, determine optimal customer flow, and estimate the number of personnel needed to serve anticipated service demands. If phase one recommendations are implemented, eight OAs serving primarily as receptionists will move to the new building. Three will remain in their departments, with two serving the County Council and one serving the Executive, leaving five receptionists available for a shared services model.

The case for implementing shared reception is really an imperative. Rather than have the public find their own way through the new building to the various departments, the public will be circulated through limited points of entry. This access will queue the public more efficiently and also strengthen physical security with a central redesign of workflow for all relocating departments. The County will queue the public through one to two physical entry points in the new building.

The goal of shared services reception would be to maximize customer service while increasing efficiency, including reducing the number of people customers are required to interact with and elapsed wait times to receive services and gather information. Achieving this goal will require working with staff and stakeholders throughout the County to obtain answers and resolve problems, as well as providing follow-through until customer requests and issues are addressed.
Reception Snapshot

<table>
<thead>
<tr>
<th>Role/Purpose:</th>
<th>To greet visitors, addressing initial needs as first line communicators with public and business</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope:</td>
<td>Broad intake role, including greeting, answering questions, providing directions, connecting parties with County personnel, light office administration duties, providing information, technology interface, schedule, and calendaring</td>
</tr>
<tr>
<td>Imperative:</td>
<td>First line of communication, efficiently queuing public and business into the County’s workflow</td>
</tr>
<tr>
<td>Critique:</td>
<td>Opportunity exists to transition from a centralized departmental service model into a more efficient intake function. Advances in training are necessary to deliver on this model.</td>
</tr>
</tbody>
</table>
| Existing Staff Affected: | 12 department OA/receptionists  
                        | 3-5 new frontline receptionists |
| Customers Served:   | All 17 departments located in new County Administration Building |
| Location:           | Public entrances on one floor of new building |
| Report to:          | Manager or Supervisor of General Services |

In order to provide adequate service to all customers, the OA/receptionists will require in-depth training on the County’s departments, services, policies, and procedures. Current receptionists act as subject matter experts in their respective departments, and will be required to gain cross-functional knowledge to be effective in a shared services role. The County will need to create a training program that leverages administrative and managerial resources in each department to share expertise in the areas of highest customer contact.

Technological solutions should also be considered to increase efficiency and improve customer service. For example, the County could better utilize self-service kiosks for simple or common transactions that do not require a signature. In addition, receptionists can be utilized to process payments for some or all departments. This would require coordination with IT to develop a common interface for some or all of the multiple point-of-sale systems located across the County.

Because receptionist positions are currently located and funded by individual departments, the County has a number of funding options for reception shared services. The first option is that the County could simply transfer the receptionists’ personnel and equipment budget to a central supervising department. Second, the County could utilize an approach that manages staff according to estimated utilization of the services provided. Costs can be allocated proportionally between departments based on budget or staff size, or the estimated amount of in-person customer service provided. A third option, also based on resource utilization, would be to utilize a transaction tracking or CRM system to record transactions and interactions with customers, relevant departments, and allocate costs to departments based on actual utilization.
WORKFLOW

The workflow required to implement central reception is simple. The greeting process is essentially the same as in the present environment. The process of queuing people beyond reception is where changes occur. The key to making reception successful will be found in the people who are greeting the public. Queuing will need to be ever continuing. Volumes of public foot traffic will demand a responsible reception workforce and expected changes are dependent on a “knowledge worker” and connections to the departments.

The recommended workflow shown below represents a tiered service model, wherein customers with cashiering intensive, subject-specific customer service needs would be referred to the appropriate department personnel located on public floors.

While this workflow reflects a higher level of service than provided in current siloed operations, the County has expressed interest in developing a model similar to that of the City of Bellevue’s “Service First” customer function. Bellevue aligned a shared services approach to reception with a move to a central site (new city hall), and eliminated all department reception functions (Bellevue now utilizes a cost allocation model that allocates Service First overhead to the departments that Service First supports the most).

The services provided by Bellevue’s Service First group involve cashiering, processing, and taking payments for most permits and fees. Bellevue utilizes a single point of sale (POS) to process payments for all City departments, and payments are batched to multiple departmental systems daily. The Service First group also provides basic permit processing, triaging, and queuing services for Bellevue’s Development Services Department.
It is important to note that as a city, Bellevue has less authority and fewer receipts than Pierce County. As a result, the cash handling requirements of Bellevue’s Service First employees are significantly less complex and of a much smaller volume than similar requirements at a county level.

During the performance audit process, the County started a study to assess the “Service First” approach. Moss Adams recognizes the effectiveness of this approach in concept at the City of Bellevue and in other local and state government settings. We recognize Pierce County's continuing analysis regarding “Service First” and recommend studying feasibility alongside other concepts including tools such as self-service kiosks, messaging, and further advances in technology. Our analysis assumes that there are five departments accepting the majority of the County’s customer payments or providing intensive customer service: Assessor/Treasurer, Auditor, Tacoma Pierce County Health Department, Budget and Finance, and PALS. Shared services reception would not replicate cashier and planning technician services currently offered by these departments. Due to patient privacy regulations, the Health Department reception and payment would remain separate. PALS, which recently reorganized the permitting function to become “the best permit agency in the state,” would not utilize the shared services reception for customer triage or queuing. Likewise, the Assessor/Treasurer and Auditor would maintain specialized configured cashiering workflows. The County’s interiors architect estimates that there are 22 to 25 cashiers accepting payments across the Auditor, Assessor/Treasurer, and PALS departments.

**BENEFITS**

- Faster, more efficient customer intake; improved service delivery to residents, businesses, and visitors
- Simplified visitor access, with the ability to accomplish multiple needs in one location
- Faster promotion/escalation to other sources of information
- Trained staff who immediately provide the public with a broad range of services and initial information
- Customers have most needs met by reception
- Strengthen security by restricting access to non-entry floors to employees
- Departmental OAs currently providing a low level of reception service can focus more on program and service delivery
- Increased service to County employees through conference room management, pooled vehicle coordination, mail pickup, and streamlined access to other departments
- Faster turnaround times for answering basic inquiries
- Doing more with fewer resources
IMPLEMENTATION TIMELINE

The following summary table provides the timing associated with the reception shared services implementation process, rollout, and cutover. The timeline is intended to coincide with the move to the new building.

<table>
<thead>
<tr>
<th>Phase/Task*</th>
<th>Year 1</th>
<th>Year 2</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q1</td>
<td>Q2</td>
</tr>
<tr>
<td>I. Confirm shared services reception function scope, services, and staffing requirements</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Define current reception scope in each department</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Document scope and volumes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>II. Develop implementation and service delivery plans</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Develop training program</td>
<td></td>
<td></td>
</tr>
<tr>
<td>III. Establish reception team and develop delivery structure (processes, training, systems, SLAs, administration)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Document processes and procedures</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Train reception personnel</td>
<td></td>
<td></td>
</tr>
<tr>
<td>IV. Move to new building and open shared reception desk</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Target date in concert with move</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Staff reception</td>
<td></td>
<td></td>
</tr>
<tr>
<td>V. Provide ongoing reception services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Track intake</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Conduct follow-up</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Or later date specified in move; coinciding with plan and move to new County administration building.

MANAGEMENT AND ORGANIZATION

Shared services receptionists will serve customers County-wide, and should report to an internal service department. The General Services Division, with existing responsibility for functions including fleet, mail service, and records management, is an appropriate division/business unit for a shared reception group. Receptionists can report to the existing General Services Supervisor.

Like other consolidated and shared functions, the County should evaluate the level of resources assigned to reception 6 to 12 months after the building opens. There may be a need to restructure staff, adjust workflows, or adapt the services provided to meet customer needs. Over time, if the County adopts more of a “Service First” model with increased responsibilities for cash handling and more intensive customer service, it may be in the best interest of the County to assign an Office Services Manager to oversee the reception group.
E. ADMINISTRATIVE SUPPORT/OFFICE ASSISTANTS

Finding: There are currently 95 administrative FTEs who work to support the 13 County departments moving to the new administration building.\(^6\)

Many of these positions are primarily traditional administrative assistants performing clerical and support services like word processing, filing, compiling, taking meeting minutes, and research that are easily transferred between departments. Some conduct financial and accounting functions, while others focus on HR support.

It is important to recognize that as part of the County’s downsizing efforts during the recession, administrative staff were some of the first to go. This practice is common in government entities during reduction in force (RIF) processes; however, it has predictably increased the remaining staff’s workloads. The past reduction has had three major impacts. First, there is inadequate coverage for absences, both planned and unplanned. Second, there is limited capacity for special projects such as document management or technology implementation. Third, managerial workloads have increased, as managers are required to perform many administrative duties. Customer needs are being impacted as a result.

As defined in phase one, centralization may result in 10 jobs being eliminated in the move. The theory behind shared services is that consolidation will make up the difference through close physical proximity and process change. If the County is able to pool and share OAs to some extent, both the transition to the new building and the ongoing support will be made easier. We recognize that some of these positions are not inter-changeable, while others are.

**Recommendation:** Establish a shared pool of OAs to provide County-wide administrative support.

The purpose of an administrative shared services group will be to provide central support to multiple business units through more efficient and effective clerical support. Efficiencies may be gained in copying, word processing, research, analysis, reporting, marketing, and graphics. Many of the day-to-day tasks and skills are easily transferred across departments, especially at the OA1 and OA2 levels. At the higher OA3 and OA4 levels, individuals may be supervising staff, managing workflows, and providing specialized or program-specific support. Adopting a shared services model would allow for departments across the County to leverage specialized expertise, such as graphic design, that may not be represented in each department.

\(^6\) Does not include Public Safety, Judicial, Parks and Recreation, or the Tacoma-Pierce County Health departments.
Administrative Support Snapshot

<table>
<thead>
<tr>
<th>Role/Purpose:</th>
<th>To provide clerical and administrative support services to departments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope:</td>
<td>Provides word processing, filing, compiling, copying, phone, and meeting support; research, reporting, and graphics; sometimes HR, accounting, and financial duties; and miscellaneous office duties</td>
</tr>
<tr>
<td>Imperative:</td>
<td>To provide administrative support to management and line staff ensuring the “highest and best use of skills”</td>
</tr>
<tr>
<td>Critique:</td>
<td>OAs are heavily utilized in a variety of ways by their home departments, but overall capacity is not optimized across departments</td>
</tr>
<tr>
<td>Existing Staff Affected:</td>
<td>Direct: approximately 100 FTEs</td>
</tr>
<tr>
<td></td>
<td>Indirect: hundreds served by those positions</td>
</tr>
<tr>
<td>Customers Served:</td>
<td>17 departments (moving to new building)</td>
</tr>
<tr>
<td>Location:</td>
<td>OAs will remain in departments; locations yet to be determined</td>
</tr>
<tr>
<td>Report to:</td>
<td>Department supervisors; dotted line to a Shared Services Coordinator</td>
</tr>
</tbody>
</table>

The above recommendation would pool available clerical resources, make resources “available” under supervised circumstances, and allocate such resources in an organized manner. Staff resources could be shared voluntarily by position or on a more planned level. To achieve maximum availability and effectiveness, the County could consolidate program-specific duties currently spread between OAs to free up resources for sharing.

The concept behind shared OA resources is directly tied to tapping available excess capacity on a day-to-day or week-to-week basis. This approach would require collaboration among the departments. The idea is tied to departments making available excess resources that are “not spoken for” at a particular point in time. A straightforward way to share resources will be for departments to place excess time into a County pool at the end of a day or at the front end of a day.

Work requests could range from a need for a specific skill that could be done at the OA’s desk, such as formatting correspondence or a brochure, to desk coverage for an ill or vacationing OA. This shared services approach would deploy resources where they are needed most, and move managers to operate at their highest and best use. The approach would also allow for OAs to gain exposure and knowledge of programs, services, and customers across the County, providing career development opportunities. Coordinating resources would require the following:

- Skills inventory of all County OAs
- Standardized processes and documentation
- Cross-training between departments
- Support of managers and department directors to share OA resources when available
• Technology that enables:
  o Available time submitted into the pool by OAs
  o Work requests submitted by departments
  o Matching requests with available resources
  o Work assignments

Longer term sharing duties could also be accomplished if departments have ongoing resources available to work on a project for a week or two, a month, or longer. This could also lead to sharing staff between departments and/or cross-training, both efficiency concepts.

**WORKFLOW**

Implementing administration shared services would pool available clerical resources under one supervisor and allocate resources in a managed format. Departments would submit work requests via an internal County program, such as SharePoint. OAs would submit their schedules and availability for shared services projects on a weekly or daily basis. The shared services supervisor would then assign work requests to OAs and ensure their satisfactory completion.

Two organization connections are required to implement sharing in a County-wide pool. The first is an individual or supervisor’s assessment of workloads on a given day. If work is slow, either an individual or supervisor would put resources into the labor pool for others to utilize. Second, other departments could seek incoming resources if workloads are high, thus rebalancing resources between departments.

The reason this has potential is that the pool of OAs is sizeable at Pierce County. One hundred OAs are on the front lines delivering support spread out among the departments. On any given day, OAs have peak and slow times (this was confirmed during our phase one analysis). It is estimated that 5 to 10 percent of the 100 OAs could place hours into a pool on any given day.

This approach to shared services is different from others proposed. While proactive steps are required to place resources in a pool, it is more reactionary in nature in the sense that workloads and staff availability are constantly reviewed. Excess resources are key. If there is no excess, there are no resources to place into the pool. If excess resources are available, those resources could be shared.

To make the framework work, several components must be in place. First, a mechanism must be put into place whereby resources are made available in a pool (via technology). This could be as simple as a SharePoint site with scheduling and calendaring capabilities. Second, a supervisory and coordinating function must be in place to track and facilitate the daily resource sharing process. Supervisory duties would include monitoring, assessing viability, and brokering duties. When working efficiently, the OA pool tracking would not require much overhead (e.g., an individual would make one, two, or eight hours available for the next day). On the receiving side, the department in need of resources would visit the site to see what resources could help, and then contact and coordinate to secure resources.
The following diagram reflects the sharing that could be implemented.

**BENEFITS**

- Coordinates County-wide sharing of clerical, AP/AR, payroll, and other tasks to cover incremental duties, projects, seasonal work, and vacancies
- Enables managers to operate at their highest and best use
- Utilizes excess capacity not being optimized
- Deploys resources where they are most needed
- Establishes opportunities for cross-training and professional development
- Increases consistency and reduces risk in hiring, discipline, and training by moving HR-focused FTEs to HR
- Leverages specialized expertise, County-wide including marketing and graphic design
IMPLEMENTATION TIMELINE

The following summary provides the timing associated with the administrative support shared services implementation process. The timeline is intended to coincide with the move to the new building.

<table>
<thead>
<tr>
<th>Phase/Task</th>
<th>Year 1</th>
<th>Year 2</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>I. Confirm shared services administrative support function scope and services</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Assess individual OA job scope versus department needs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Analyze aggregate capacity</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>II. Develop implementation and service delivery plans</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Develop process and technology plans</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Develop cross-functional department/staff plans</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>III. Establish supervisor and develop delivery structure (processes, training, systems, administration); develop OA skills inventory</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Develop shared services scheduling tool</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Establish supervisory/facilitation position</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Message departments and OAs</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>IV. Move to new building and begin providing shared administrative support services</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Establish duties</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Coordinate resourcing process</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>V. Provide ongoing shared administrative support services</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Provide OA resources into pool</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Tap pool when needed</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Document workflow</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

MANAGEMENT AND ORGANIZATION

A matrix management approach could be implemented to manage the pool of administrative support personnel. A solid line reporting relationship could occur with either a Shared Services Coordinator or the existing department where the OAs are located. The exact reporting hierarchy requires further discussion to determine the optimal hierarchy for the County. Shared services OAs will serve customers County-wide, and could report to an internal service department. There are numerous potential locations where this function could be located in the future, including Budget and Finance and possibly the General Service Division (if reorganized). OA4s have the relevant supervisory and coordination expertise to effectively manage the workflow of shared administrative support. An OA4 position could be assigned to oversee the administrative support shared services function. A dotted line relationship to the shared Services Coordinator is illustrated below.
V. ORGANIZATION AND PROCESS EFFICIENCY

FINDINGS AND RECOMMENDATIONS

In addition to the shared services opportunities described above, our analysis resulted in the identification of additional opportunities at the County to improve its organizational structure and increase process efficiencies. Additional opportunities exist in the following areas:

- Cashiering
- Document Management
- Contract Compliance
- Customer Service Representatives
- Fleet Management
- Facilities/General Services
- PALS/PWU – Inspection and Code Enforcement
- GIS
- Grants Management
- Technology
- Human Resources
A. CASHIERING

Finding: The County's current cashiering system's front-end architecture is fragmented and lacks consistency across the enterprise.

With respect to the variety of departments’ cashiering needs, workflow processes, and systems utilized, the County’s current model operates many different front-end systems resulting in varying inconsistencies. Not only do many County departments use separate cashiering systems to process transactions, the majority of these systems do not directly interface with the County’s central financial management system (FMS). The numerous cashiering systems have been purchased from different manufacturers, are of varying ages, and have differing functional capabilities. As shown below, there are nine different systems that support cash receipting within County departments.

<table>
<thead>
<tr>
<th>Departmental Cashiering System Data – September 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>System</strong></td>
</tr>
<tr>
<td>DOLFIN</td>
</tr>
<tr>
<td>Ascend</td>
</tr>
</tbody>
</table>

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7 Age represents the number of years the system has been in use within the County.
<table>
<thead>
<tr>
<th>System</th>
<th>Manufacturer</th>
<th>Technology</th>
<th>Age</th>
<th>Department</th>
<th>Number of Users</th>
<th>Relevant Functionality</th>
</tr>
</thead>
<tbody>
<tr>
<td>PALS Plus</td>
<td>Pierce County custom developed in-house</td>
<td>Mix of PowerBuilder and ColdFusion, client/server platform</td>
<td>7 years</td>
<td>PALS</td>
<td>All PALS Permit Technicians and Managers, Accounting staff, plans examiners, planners, biologists etc. are additional</td>
<td>Processes all permit-related transactions for the County’s planning functions. This system also serves as PALS cash receiving system.</td>
</tr>
<tr>
<td>Aumentum</td>
<td>Thomson Reuters</td>
<td>N/A</td>
<td>4 years</td>
<td>Auditor</td>
<td>Auditor’s Office Recording/Licensing Technicians and Supervisors 57 end users in the Auditor’s Office 404 total end users County-wide</td>
<td>Records documents, processes marriage applications/certificates, business license transactions, passport applications, and pet license transactions (also recorded in Cali), Excise Tax Affidavits</td>
</tr>
<tr>
<td>Cali (Pet Licensing)</td>
<td>Pierce County custom developed in-house</td>
<td>N/A</td>
<td>9 years</td>
<td>Auditor</td>
<td>Auditor’s Office Recording/Licensing Technicians and Supervisors</td>
<td>Records and tracks pet license data. This is a stand-alone system.</td>
</tr>
<tr>
<td>Vehicle Field System (VFS)</td>
<td>Developed and maintained by the State of Washington Department of Licensing</td>
<td>N/A</td>
<td>N/A</td>
<td>Auditor</td>
<td>Large Number of Users – Statewide Use 17 end users in the Auditor’s Office</td>
<td>LIMITED: Registers and tracks all vehicle licensing and accept and process payments. The State is purported to be introducing a new system within the next year. This system will remain a separate component of the County’s cashiering model.</td>
</tr>
<tr>
<td>IDIST</td>
<td>Pierce County custom developed in-house</td>
<td>PowerBuilder</td>
<td>13 years</td>
<td>Assessor/Treasurer</td>
<td>Assessor/Treasurer’s Office OAs</td>
<td>Processes installment payments from private utility districts for Utility Local Improvement District bonds, which are billed as an annual installment within an assessment district. Less than 200 transactions per year. This system will</td>
</tr>
</tbody>
</table>
Cashiering tasks are accomplished by a mix of positions that vary by department, ranging from OAs, permit technicians, recording/licensing technicians, accountants, and accounting assistants. Similarly, transaction processing varies by department in terms of complexity and timing, with the elapsed time per transaction ranging from 1 to 20 minutes, depending on the department and the process.

Each of the highly specialized cashiering systems above meets the specific needs of one or more departments. The current array of systems and processes represents multiple handoffs of cash receipting data from individual County departments (e.g., Auditor’s Office, Assessor/Treasurer’s Office, PWU, PALS) and the County’s FMS. The Budget and Finance Department also receives cash deposits and other depository information from County departments, schools, fire districts, school districts, and other entities. The Auditor’s Office also performs transactions (tied together) performing daily reconciliation between Aumentum CALI and the County’s FMS systems (for monies held in trust and to balance accountable inventory). The workflow processes through which cash receipting data ultimately enters the County’s FMS varies. In some cases these pathways are automated; in other cases, such processes include data entry procedures and manual reporting.

Because the County’s FMS does not have a cash receipting module, all cash receipting is entered into Ascend. Ascend transfers this data into the FMS every evening. For some cash receipting, such as the Assessor/Treasurer’s Office’s where Ascend is the cash receipting system in use, there are no additional steps required to process cash receipting data. For other County departments and offices, the workflow to ensure cash receipting data transfers into Ascend, and therefore into the FMS, is more complex. For example, those departments utilizing an armored truck to pick up cash deposits for the bank send the

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8 The Budget and Finance Department acts as the Treasurer for all junior taxing districts within the County.
Budget and Finance Department a remittance advice (RA), including source documentation. The RA is used by the Head Cashier within Budget and Finance (OA2) to accurately enter the cash receipt information into Ascend. In another example, the Law Library drops off a cash deposit to the Head Cashier, which must be hand counted, entered into Ascend, and prepared with the daily deposit from the Budget and Finance Department. For other departments, such as the District Courts, County Clerk, and Parks and Recreation, the Budget and Finance Department has enabled electronic downloads of cash receipting information, which allows the Head Cashier to upload the cash receipting data into Ascend rather than manually enter it.

It is noteworthy that the nine separate cashiering systems significantly impede the County's ability to easily move cashiering to a shared services function. The separate cashiering functions are both unique and complex, and staff are trained only on their specific systems. Further, these same staff are performing non-cashiering duties unique to the departments, and are consumed with volumes of transactions.

Ultimately, the makeup of the current cashiering support systems limits the County's ability to easily migrate to a shared services paradigm. While it is not abnormal for individual departments to use specialized systems to process specific departmental transactions, the inability to communicate cash receipting information directly to the County's FMS creates challenges and has led to inefficient and inconsistent processes often including reliance on a single employee (e.g., the Head Cashier at the Budget and Finance Department). Without a robust central cashiering function, the County's Budget and Finance Department has established multiple ways to import cash receipting information from multiple sources into the FMS. The County has internal controls in place to support these processes, but the processes are highly manual and time consuming. Additionally, departmental staff have become highly skilled in the use of their own individual systems due to the lack of any County-wide cashiering system or platform, making it difficult to integrate cashiering staff.

**Recommendation:** Consider establishing an initiative to modernize the enterprise approach to standardize and simplify the cashiering architecture.

Before cashiering shared services could be implemented, unique processes and systems would require standardization. Going forward, it is recommended that the County initiate a program to modernize and improve the current cashiering model. The intention here is to position the County to implement efficiencies, improve the consistency of the cashiering processes, eliminate manual steps, and set the stage for further centralization and shared services options. The future process would include a number of components, such as conducting a needs and gap analysis by department, identifying alternatives to replace outdated or inefficient systems, migrating cashiering functions into a centralized model and system, automating workflows that establish data hand-offs across departments to the core financial system, and cross-training departmental cashiering staff. Because of the complexities of the County's cashiering processes and systems, an initiative of this nature will not be straightforward. Thus, a front-end feasibility analysis is recommended.
Primary tasks required to pursue an initiative of this magnitude include, but are not limited to inventorying current systems in use, determining and prioritizing needs across departments, establishing technology/solution platform standards, defining integration capabilities and needs, assessing the market for vendors/solutions, conducting peer analysis with similar agencies/municipalities, developing objective selection criteria, soliciting proposals from potential solution providers, facilitating scripted software demonstrations, and deploying the selected solution(s).

**Finding:** There is limited centralized coordination over processes and delivery related to cashiering at the County.

As discussed in the prior finding, departments within the County use various cash receipting systems. However, according to the County Charter, the Budget and Finance Department has the authority and responsibility for all County cash receipting and for the maintenance of the official System of Record for all financial transactions of the County. Due to the constraints presented by multiple systems and specialized processes within each department or office, the County is not currently poised to move to a shared services concept for cashiering. Following the move of multiple departments’ and offices’ cashiering staff and systems into one building, it is likely that certain efficiencies will come into focus. In order to capitalize on this new environment, someone must be designated a role to be specifically watchful for efficiency opportunities spanning across multiple departments and offices.

While Budget and Finance currently communicates frequently with staff submitting deposits and related financial data throughout the County, this communication is generally regarding whether the necessary information was provided in the required format, and if reconciliation to the general ledger is accurate. This type of communication is in line with Budget and Finance's responsibilities for ensuring that County financial records are accurate and complete.

Without centralized coordination, it is difficult for the County's cashiering functions to be in an optimum position for a shared services design. While we recognize the specialization involved in many department and office cashiering transactions, certain principles are always applicable (e.g., cash handling best practices). This type of information should be centrally provided by an SME within Budget and Finance. Additionally, Budget and Finance can provide the most effective and economical training for a larger group of employees that handle cash as part of their job functions. While many transactions are specialized within departments and offices, certain processes such as opening and closing procedures for cash management and deposits could be better standardized.

**Recommendation:** Designate a Revenue Process Coordinator within the Budget and Finance Department who can work with other County departments to improve design, operations, and management over cashiering processes and systems.

Due in part to the multiple locations of County cashiers, revenue collection processes have become highly decentralized. Designating a current employee within Budget and Finance as the Revenue Process Coordinator will formalize and ensure that one person is responsible for working with County departments and offices with cashiers to continue to improve and move towards a position of best practice, efficiency, and standardization (where possible). This will allow the County to capitalize on the
The employee within Budget and Finance designated as the Revenue Process Coordinator must have authority to develop and oversee policy. At the same time, this employee must be highly involved in the revenue collection process within the County, and be able to coordinate with other staff who know cashiering processes intimately. For this reason, the Deputy Director of Budget and Finance would be the ideal selection for the Revenue Process Coordinator role.

Following the co-location of many cashiering-related positions, there will likely be efficiencies to be gained within back office accounting processes, some of which could cross departments and offices. As noted in the prior finding, cash receipting systems are disjointed, of different ages, and in some cases incompatible. Without a centrally designated role to speak on behalf of the County's cashiering needs in advocacy of an enterprise initiative to modernize and standardize the cashiering architecture, it will be difficult to meet all departmental and office needs.
B. DOCUMENT MANAGEMENT

Finding: The County’s current document management model is significantly paper based and disintegrated.

Document management processes include document storage, tracking, retrieval, and archiving. The current document management function supports 30 departments. Each department maintains a roster of records coordinators and records officers. A total of 42 individuals are performing the role of records coordinator County-wide, and 31 individuals are performing the role of records officers. Together, these positions take on the roles of fulfilling public record requests, authorizing records access and archiving, and developing and maintaining record retention processes across the various departments.

Meanwhile, the County’s document storage footprint entails approximately 44,700 boxes of documents, which are being housed in two warehouse facilities. This equates to roughly 11 million documents in paper form. Document archiving and retrieval is accomplished through cumbersome manual processes. A single, part-time employee serves as a librarian and records coordinator and is backed up by a dedicated administrative assistant in order to handle requests for document retention and retrieval.

Each department maintains its own records retention policies and is responsible for enforcing compliance. While the current records coordinator/librarian provides assistance in developing these policies, there are no overarching measures in place to provide oversight, testing, or monitoring activities necessary to audit procedures against current records retention policies. While public records requests are handled within each department, the process for routing these requests to the appropriate individual has largely been manual in nature (e.g., phone calls, e-mails, etc.), and does not provide visibility or coordination across departments.

Efforts to modernize document management have embraced a bottom-up approach to date. This has resulted in a document management program that is still immature relative to peer organizations. The County has worked over the past four years to deploy an enterprise records management system (ERMS), an enterprise solution based on the Oracle Web Center Content 11G platform. ERMS currently represents a total investment of $550K to date, with annual maintenance costs of $100K. The County currently has an enterprise license that is based on the number of core servers, rather than on the number of end users. The expansion of this system to a County-wide level is anticipated to cost an additional $300K for licensing additional servers and annual maintenance necessary to meet expected capacity needs. These costs are significant, and warrant a decision process that is comparable to that of a full-fledged system acquisition/replacement.

ERMS provides a number of valuable features, including robust records management functionality, support for record holds, records classification and indexing, retention, flexible search-ability and discovery, and a multi-layered security model, along with an Application Program Interface (API) to facilitate functional extension and integration.
A number of departments have begun to utilize ERMS with varying degrees of success. Examples include PWU, IT, County Council, Community Connections, and the Medical Examiner. Efforts are ongoing and inconsistent, as resource needs to further ERMS adoption are competing with daily tasks such as public records request fulfilment. Similarly, additional departments are planning to begin migration to ERMS in 2015. Examples include the Auditor’s Office, Prosecuting Attorney’s Office, and the Medical Examiner.

A custom, in-house developed application (ProTrack) was recently rolled out to further coordinate public records requests at the department level. ProTrack is a County-wide system that centralizes the accounting for the five-day letter as well as status and results of the request. This application has been integrated with the ERMS platform and is currently in use by the following departments: Assessor/Treasurer, Auditor, Budget and Finance, Communications, County Executive, Human Resources, Parks, PALS, Prosecuting Attorney, and PWU.

While County-wide adoption is slowly making progress, a number of challenges remain. Chief among these include a lack of sponsorship, high annual maintenance costs, high level of customization, a challenging relationship with the system VAR, and an inconsistent approach for adoption by some departments. Also, the County’s approach has been less than comprehensive, as some departments are clinging to special-purpose records management systems (e.g., Concordance, GRM, Linx, Stellant, etc.) in lieu of ERMS adoption.

County IT is currently working on a five-year go-forward plan to assess the status of enterprise records management and align it with other projects and initiatives that have been approved by the Technology Investment Board, while including a focus on the need for enterprise e-mail retention. Given the County’s move to Office 365 in July of 2015, the ERMS team will be evaluating the cost/benefit of moving to a SharePoint based solution that is teamed with a third-party records management system.

The failure rate of document management adoption in the industry is high, akin to levels of ERP and CRM system adoption. So far, County document management program cannot be said to be a success – the County needs to reinvigorate its efforts to plan, resource, and sponsor a comprehensive records management solution and approach.

According to code, General Services is responsible for the County’s records management. However, the entire process is heavily decentralized. According to the General Services Manager, the County currently lacks an overall County-wide strategy on records management, as well as, an overarching Record Retention Policy. Similarly, no overarching up to date policies or procedures exist to ensure department-level compliance to current record retention policies.
Recommendation: Develop a cohesive and practical strategy and plan to modernize document management County-wide.

It is recommended that the County develop a centralized, robust, and comprehensive electronic records management solution. The unified adoption of a centralized electronic records management platform will greatly improve the County's record management capabilities in terms of efficiency, coordination, and transparency. However, automated system adoption alone will not resolve the current paper-based model. A practical go-forward plan should be embraced, along with an adequate level of governance and sponsorship to ensure success. Elements of this plan include:

- Establishing a County-wide initiative and task force “to go paperless” that is supported by an adequate level of sponsorship and departmental buy-in
- Reevaluating the current investment in ERMS, and comparing to the current level of adoption
- Assessing the current market for cost-effective records management alternatives (e.g., SharePoint, Office 365, etc.)
- Appointing a process owner within each department to ensure an adequate level of participation
- Defining standards for adoption that each department must follow (e.g., intake procedures, definition and maintenance of metadata, retention policy management, etc.)
- Leveraging existing high-speed scanners to support document intake during idle times
- Expanding the scope of document management to include e-mail retention
- Defining a long-term plan and corresponding resource needs for migrating paper record archives into a digital format
- Appointing a single Public Records Officer to be responsible for all document requests in a centralized, consistent manner

To develop a County-wide records management strategy and records retention policy, General Services, County Council, and IT Departments will need to be involved. In addition, the following factors need to be considered:

- A combined team of Assessor/Treasurer’s Office, Auditor’s Office, IT, and General Services has an RFP out for a third-party service to convert microfiche and paper to digital format
- General Services has reserved capital funds in the budget to start pursuing the acquisition of digitalization equipment
- Experts are required to lead the County-wide effort (with IT), and coordinate with the departments
- General Services may additional personnel with records expertise
C. CONTRACT COMPLIANCE

Finding: The location of Contract Compliance within PWU does not position the department to address contracting in a comprehensive manner.

Contract Compliance is responsible for monitoring all Pierce County projects from contract award through final payment to ensure nondiscrimination in public contracting and adherence to goals established for federally funded contracts. While the majority of Contract Compliance’s work involves PWU contracts, the section also provides advice, assistance, and audit support to all other departments within the County, including the Sheriff's Department, Parks and Recreation, Facilities Management, and the County Council. As illustrated in the organization chart below, the Contract Compliance section is located within PWU’s Department of Support Services.

The Purchasing Division, located within the Budget and Finance Department, is responsible for the procurement of all goods and services for all County departments with the exception of Public Works projects and personal service contracts. Within the County's current organizational structure, the Contract Compliance section is not positioned to most effectively provide shared services to the entire County, is not well coordinated with overall County purchasing strategies, and is not being managed by staff with expertise and experience in the field of contracts and procurement.

Similar to the Purchasing Division, Contract Compliance provides services to many other County departments and offices outside of PWU. When separated from the overall procurement function of the County, Contract Compliance is not always connected to, or informed about, County strategies and policies. As such, and because of its interdepartmental mission, the function would be optimized if housed within a department that provides shared services. Because enforcing compliance requires objectivity, the most optimal location would be a central department with authorities and resources in place to carry out its mission.
An example of how the separation of the Contract Compliance section and the Purchasing Division can impact contract compliance staff occurs when there needs to be a review of RFQs and RFPs by the Contract Compliance section to see if prevailing wage requirements apply. If staff were working together under the umbrella of a central division, this type of information could be shared quickly and with less effort. Further, the Contract Compliance section is currently reporting to PWU management, which does not have extensive, specialized procurement and contract expertise. As a result, it is difficult for management to determine if Contract Compliance is always performing in the most efficient and effective manner possible.

**Recommendation: Relocate the Contract Compliance section from PWU to the Purchasing Division within the Budget and Finance Department.**

The Contract Compliance section should be relocated from the Department of Support Services of PWU to the Purchasing Division of the Budget and Finance Department. This relocation will allow the Contract Compliance section to more appropriately function as a section that is meant to serve the entire County. The section will also be more efficiently coordinated with County purchasing strategies, and be more effectively managed by staff with specialized procurement and contracting knowledge. By relocating this section, 3.0 FTE positions would move from PWU to the Budget and Finance Department within the Purchasing Division. This move would also augment the small Purchasing Division to handle and rebalance workloads.

The County implemented this recommendation in January 2015.
D. CUSTOMER SERVICE REPRESENTATIVES

Finding: The County operates a variety of processes and corresponding technologies to interface with and service the public related to various departments’ Customer Service Representative (CSR) intake processes.

Multiple locations within the County currently use technology resources to process customer transactions, as well as to provide additional customer service, both online and in-person. These components are customer facing and include systems, processes, and people. Resources include self-service computers (kiosks) within a department/office, queue systems, and online payment functions on departmental webpages. In part because of their differing locations, each department’s management has used different approaches to develop, implement, and deliver these resources. By continuing to pursue these technologies independently, departments are not optimizing their use of County resources.

For example, PALS uses an internally developed queue system to route customers in line at its offices. Although this system works well for PALS, it does not offer all of the capabilities of the more complex queue system utilized at the Auditor’s Office (Q-matic). The Auditor’s Office purchased Q-matic from a third-party vendor, and the system offers numerous capabilities including data gathering and analysis, the ability to multi-queue customers through complex processes without losing a spot in line, and forwarding data to CSRs to better prepare them for upcoming customer visits.

Similarly, other departments and offices provide in-person customers with an opportunity to utilize kiosks to make inquiries and conduct transactions (e.g., make payments). In some cases, like within PALS and PWU, these kiosks are desktop workstations that connect to the department or office’s respective website. In order to process online payments through websites, departments and offices have different contracts with different vendors.

Without coordination of the above referenced resources used by County departments to service customers, departments encounter numerous challenges including not receiving the most competitive pricing from vendors, providing customers with inconsistent experiences, not exchanging accurate or complete information between competing systems, and inefficiently operating County assets.

Recommendation: Standardize and improve department connectivity through process and system integration and coordinate resource deployment between the Auditor’s Office, Assessor/Treasurer’s Office, Budget and Finance Department, PALS, and PWU.

Several opportunities exist to make more efficient use of technology in three primary areas including queue systems, kiosks, and online customer payments. Further requirements and alternatives analysis will be required to assess the optimal go-forward strategy. Options abound, including the Auditor’s Office Q-matic system, which appears to be the most advanced queue system currently in use within the County, with the greatest functionality to handle a more complex customer flow in the new building.
If the County proceeds with an alternatives analysis, both the Purchasing Division and IT Department should be involved in the process. When CSRs from different departments and offices are co-located near one another, the use of an enhanced central system could potentially provide a more streamlined customer experience. Improvements could include transactions involving multiple offices, enhanced data for performance measurement, and better support for CSRs. Expanding the service contract with the Q-matic vendor to other groups might provide an opportunity for more competitive pricing than maintaining the individual systems independent of one another.

In addition to utilizing one queue system, providing customers with an integrated and/or standard kiosk system at multiple points of entry would also likely improve the customer experience, and decrease the volume of customers that interact directly with a CSR. While maintaining self-service desktop stations for research of records or other purposes may still be useful within individual departments/offices, deploying a standard kiosk system to process multiple transaction types for multiple departments and offices will divert customers from the queues that simply want to make a payment. These kiosks could be placed in prominent lobby areas of the new building, near the CSR queue entry, as well as at other less centrally located County buildings, like the PWU Environmental Services Building, where sewer payments are currently processed.

Kiosks could process credit card payments for many types of County receivables that have account numbers, even if these payments are processed on different systems. The County would need to work with a vendor to develop a kiosk platform that could load the appropriate system based on customer responses to a series of prompts. For example, if the customer selects from the main menu that he or she would like to process a sewer payment, the kiosk platform would request the particular type of data to pull up that record within the Sewer Billing System. Another option would be to have the kiosk route the customer directly to the payment screen of the utility webpage. Similar options would be available for other types of County payables, like property taxes from the Assessor/Treasurer and permit fees from PALS.

Lastly, the processing of online customer payments through the County's department or office webpages is currently contracted through multiple vendors. However, given that multiple departments seek to provide customers with the ability to pay bills online, pursuing service providers without collaboration could result in the County receiving less than competitive pricing and service. In some specialized cases, the use of a particular vendor may be necessary due to the system used to process a certain type of payment. The Purchasing Division should work with these departments to determine if a multi-department/office contract would be more efficient for the provision of online payment services.
E. FLEET MANAGEMENT

Finding: The County's fleet contains over 500 vehicles managed by two different departments.

The 2014 Fleet Rental vehicle fleet is estimated at 570 units, comprised of 350 Sheriff vehicles and 220 vehicles for use by other departments. Of the 220 non-Sheriff vehicles, some are assigned to individuals or specific departments, like the Assessor-Treasurer, Facilities, and Roads, and some are operated by Fleet Rental as a pool of passenger vehicles available for check-out from the County-City Building.

Fleet Rental is a business unit staffed with 3.4 FTEs (2014) that manages the purchasing, maintenance, and tracking of passenger and public safety vehicles. All County departments utilize Fleet Rental services, except for PWU’s Roads, Sewer Utilities, Surface Water Management, Facilities, Emergency Management, and Parks and Recreation functions9, which operate specialized vehicles and equipment. Fleet Rental also leases some vehicles to the Pierce County Health Department.

Fleet Rental revenues are generated through user fees paid by departments utilizing fleet services. Between 2009 and 2013, total vehicle miles driven decreased 15 percent, from 6.9 million to 5.8 million. This can be attributed in part to cuts in County staff and the resulting decrease in miles driven. In addition, managers reported that staff often utilize their own vehicles for travel between County offices, with mileage reimbursement provided by the County. In 2013, there were 5.28 County employees per vehicle, and vehicles were operated at a cost of 64 cents per mile.

With the consolidation of geographically dispersed departments into the new building, it is expected that vehicle travel for many individuals will decrease. For example, the IT Department estimated in the Annex Project Study that eliminating travel between departments would potentially save them one FTE worth of time. Likewise, department directors and managers located outside of the County-City Building will eliminate significant travel associated with attending Executive, Council, and Budget and Finance meetings.

Alternatively, fewer departments have pooled vehicles available to them compared to the nearly all-County utilization that could occur after the move to the new building. Individuals with jobs requiring significant time in the field will continue to travel, such as the Government Relations Manager, inspectors in Community Development and PALS, and Assessor/Treasurer staff. In some cases, vehicle utilization may increase. For example, the Economic Development Department is currently located in a building that also houses the offices of Senator Patty Murray and is near the offices of the Chamber of Commerce, Economic Development Board, Convention and Visitors Bureau, and Tacoma Sports Commission. These meetings will now necessitate travel.

Most maintenance services and minor repairs for County-owned passenger vehicles are completed at the County Fleet Garage, which is maintained by Facilities Management. Some vehicle maintenance activities for vehicles assigned to outlying locations are provided by contracted vendors.

9 The PWU Equipment Rental vehicle and equipment fleet is estimated at 496, with 27.28 FTEs supporting Equipment Rental activities. The operating cost per hour of these vehicles was $21.10 in 2013.
Recommendation: Conduct a fleet study after the move to the new building to determine how to utilize the current fleet in the most cost-effective manner.

To ensure that the County’s fleet management approach is both customer-driven and efficient, the County should conduct a fleet utilization study. Since the move will result in changes to how departments and individuals utilize the Fleet Rental pool, the study should be conducted 6 to 12 months after departments move to the new building, to obtain a clear picture of travel patterns and resource utilization including customers, miles, and hours.

A comprehensive fleet utilization study should:

- Quantify utilization of vehicles by:
  - Segregating vehicle and equipment classes into functional categories
  - Calculating the average miles and hours for each category
  - Classifying all vehicle utilization into high, medium, and low levels
- Identify opportunities for efficiency gains
- Identify underutilized vehicles and determine candidates for reassignment or disposal
- Offer alternative means of transportation where appropriate, including pooling, renting, leasing, or replacing with other more efficient and economical vehicles

In addition, the study should also consider whether the County should consolidate fleet and equipment maintenance and/or management. While the vehicle and equipment maintenance functions are not moving to the new building and are therefore outside the scope of this study, we recommend the County consider the scope of facility, staff, and resources needed in the future when conducting a fleet utilization study.
F. FACILITIES/GENERAL SERVICES

Finding: When the County proceeds with the move, physical co-location of departments will impact resource requirements for internal services including security, facilities, and mail.

Internal service demands and delivery will no doubt be impacted by the move to the new building. Co-location of formerly remote departments will change the demand for services provided by Facilities, Security, and General Services (mail). In addition, other internal services such as Finance, Human Resources, and IT will be impacted by co-location with other departments. For example, Human Resources is currently located outside of the County-City Building, and County employees rarely visit their office; foot traffic to the department could increase in the new building.

The Facilities Department, which is managing the move to the new building, will be particularly impacted by the move in a couple of key ways. First, the County will be vacating a number of older buildings for a newly constructed site, so maintenance activities and requests will change. Second, it is unclear whether maintenance services will be provided by the County or the landlord of the new building. The County may solicit proposals for maintenance of the new building, in which case the Facilities Department will compete by preparing a proposal representing County employees.

Security, while currently provided by an outside vendor, is also managed by Facilities. The consolidation of departments will dramatically change the amount of in-person customer visits to the new building compared to the County-City Building. However, the presence of courts in the County-City Building requires a higher level of security than a typical municipal office building. In addition, if the County chooses to locate shared reception on entry floors and restrict public access to the remainder of the building, there may be a reduced need for security.

Mail service will also be affected by the consolidation of departments. The use of inter-office mail will likely decline, as individuals will be more likely to walk documents requiring signatures to other departments. However, the volume of mail requiring distribution to County departments that is currently handled by General Services will increase, given the number of departments that will be moving from remote locations where mail was formerly handled by receptionists.

Recommendation: Reevaluate the need for existing levels of internal services based upon utilization prior to and after the move to ensure that the level of service is provided cost-effectively.

Phase one recommendations included the reduction of one contracted security position, based on the consolidation of multiple remotely located departments. Depending on foot traffic and whether non-public floors have restricted access, additional efficiencies could be gained. The County should conduct a security needs assessment at 6 to 12 months after the move to determine whether staffing levels are appropriate. A security needs assessment should include, at a minimum:

- Identification of potential threats and vulnerabilities
- Analysis of the building’s infrastructure and equipment
Accounting of tangible and intangible assets as vital, important, or secondary

Like security, mail service staffing levels will likely need to be flexible in the first 6 to 12 months after the move to accommodate shifting needs. The mix and volume of mail will change as a result of the move. The County should monitor mail mix and volumes, staff workloads, and processing times, and adjust staffing as necessary to efficiently meet customer needs.

Lastly, based on the maintenance and lease agreement, facilities maintenance needs and associated staffing requirements will be determined prior to the move. If the County chooses to utilize external vendors for maintenance of the new building, then Facilities staffing will likely decline. Regardless of the decision, the County should evaluate whether staffing levels in Facilities are appropriate to maintain and manage existing County assets.
G. PALS/PWU – INSPECTION AND CODE ENFORCEMENT

Finding: Separate inspection and code enforcement functions are operating in PALS and PWU departments.

The County employs 49 inspectors \(^{10}\) in six divisions of PALS and PWU:

- **PALS:**
  - Building: ten Building Inspectors \(^{11}\)
  - Development Engineering: seven Engineering Technician 3 staff

- **PWU:**
  - Field Engineering: seven Engineering Technician 3 and two Engineering Technician 2 staff
  - Survey and Mapping: two Engineering Technician 3 staff
  - Sewer Construction: two Civil Engineer 2 and three Civil Engineer 1 staff \(^{12}\); two Engineering Technician 4 \(^{13}\), six Engineering Technician 3, and one Engineering Technician 2 staff
  - Water Quality Inspection: four Water Quality Specialist 3 and three Water Quality Specialist 2 staff \(^{14}\)

Nine code Enforcement Officers are also located in three divisions of PALS and PWU:

- **PWU:** one Code Enforcement Supervisor in the Solid Waste Division oversees four Code Enforcement Officers, two OAs, and one Solid Waste Project Coordinator

- **PALS:**
  - Development Engineering: one Code Enforcement Officer 2
  - Resource Management: one Environmental Biologist 2, Surface Water Management
  - Current Planning: one Planner 2
  - Building: Building Inspectors do some inspections, correction notices, and enforcement pertaining to the County-adopted Property Maintenance Code. Each Building Inspector spends an estimated 5% of their time on enforcement review activities.

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\(^{10}\) There are also four inspectors in Community Connections with responsibility for ensuring grantees are in compliance with the County's low-income housing and homeless programs.

\(^{11}\) Two vacant as of October 2014

\(^{12}\) Two vacant as of October 2014

\(^{13}\) One vacant as of October 2014

\(^{14}\) One vacant as of October 2014
Inspectors and code enforcement officers work independently in the field and perform technical assessments to ensure that residents and business are in compliance with County codes and regulations. Both functions require detailed documentation, data entry, and timely resolution of issues. These functions are located within PALS and PWU, and currently operate independently.

It is likely that multiple County employees travel to the site of the applicant or complaint for both inspections and code enforcement. Traveling in this manner is not efficient. For example, a code enforcement complaint could involve both illegal dumping and a building code violation, therefore requiring two code enforcement officers to travel to the site. Likewise, a new development will need multiple inspections during construction, and up to five inspectors could be on site to inspect elements including utilities, structures, and HVAC installation.

Code enforcement activities include abandoned vehicles, home occupations, signage, shorelines, zoning, illegal dumping, and nuisance complaints. Code enforcement is spread across County functions based on area of expertise. For example, an Environmental Biologist in PALS is responsible for surface water-related inspections. Code enforcement is driven largely by complaints received through the Pierce County Responds system, which is managed by PWU. The system, which launched in 2002, triages complaints and deploys the appropriate code enforcement group.

Code enforcement activities in the County are, in part, distributed across departments because PWU acquired six code enforcement FTEs from PALS during the 2008 recession in order to preserve these resources despite budget cuts. In PWU, all code enforcement activities are paid out of the Solid Waste Fund. In PALS, code enforcement is supported by the general fund.

**Recommendation:** Pursue near-term inspection and code enforcement improvements and longer term process redesign, collaboration, and coordination between PALS and PWU.

The co-location of PALS and PWU in the new building will present an opportunity to better align and coordinate the activities of inspectors and code enforcement officers. Cross-training and work coordination will ensure that individuals take appropriate action, and regulations and codes are uniformly interpreted, applied, and enforced. Coordinated sharing of these field-based resources can effectively cover seasonal work and both planned and unplanned vacancies. For both inspections and code enforcement, service delivery will be improved by speeding up paperwork and coordinating site visits. Cross-training and coordination between the groups will ultimately give the County the ability to support greater future demand.

Preliminary work has already been completed in reference to the above. PALS has developed a matrix of key activities performed by inspectors in the Building and Development Engineering divisions that are the best fit for cross-training and coordination. Some inspections require specific certifications, while others only necessitate on-the-job training. PALS and PWU should collaborate on an expanded activity matrix that:

- Encompasses all inspectors and code enforcement officers to identify opportunities for cross-training
MOSS-ADAMS LLP

- Prioritizes activities based on the frequency of occurring simultaneously
- Identifies high-risk and/or complex activities that require subject matter expertise
- Identifies activities that require certifications to perform

It is important to note that inspectors and code enforcement officers are represented employees, and any change to their job descriptions will require negotiation. Building Inspection and Development Engineering employees are represented by two different unions. Changing the culture and processes around this highly individualized, field-based work may be a challenge. To increase the chances of success, managers in both PALS and PWU must lead by example and collaborate cooperatively and transparently.

*Note: PALS and PWU managers reported substantial overlap in inspection responsibilities with the Tacoma-Pierce County Health Department, which is responsible for many commercial inspections. The Health Department was outside the scope of this study; however, the County should evaluate whether these functions can also be coordinated for more effective resource deployment.*

**Finding: Two groups of environmental biologists perform similar work in PALS and PWU.**

There are 12 environmental biologist (EB) positions across PWU and PALS. The positions provide high-value technical work to the County, partner agencies, and customers. Biologists are located in the following divisions:

- **PWU, Roads:** Biologist group with one supervising EB3, one EB2, and one Engineering Technician 2
- **PWU, Surface Water Management:** Environmental Permitting group includes three EB2 staff
- **PWU, Water Quality and Watershed Services:** Watershed Partners group includes one EB2 and one EB1
- **PALS, Resource Management:** One Planner 4 supervises one EB3, four EB2\(^{15}\), and three administrative staff

Biologists in PWU are project-specific, working on issues related to County permit applications. For example, when County road projects encroach on wetlands or have storm water impacts, biologists manage mitigation efforts. Their work includes permit applications, reporting, critical area permits, and designing site improvements. In addition, biologists in PWU perform public education and outreach. PWU biologists work closely with right-of-way acquisition engineers and planners to enable the construction of County-built infrastructure.

Biologists in PALS are assigned to all permit reviews, but they do not provide support for County permit applications. The Resource Management group supports the Development Center and permitting function. The primary function these biologists provide is to interface with land owners (either homeowners or developers) regarding land use permits with environmental impacts.

\(^{15}\) One EB2 is responsible for inspections related to surface water management.
In both departments, workloads vary depending on the season and project portfolio. In PALS, the workload substantially decreased during the recession, as construction and related activity was reduced in the County and staff was cut accordingly. PWU was better able to retain staff during that time.

**Recommendation:** Consider consolidating environmental biology functions in PALS or PWU to achieve workload efficiencies and support staff development.

Consolidating County biologists could provide an opportunity for more effective management, and provide greater consistency over output as different processes are aligned. Management could leverage staff to meet County and customer needs and deliver more education and outreach. Over time, process improvements and cross-training could also lead to greater efficiencies and greater capacity to take on tasks.

Consolidation could also be a development opportunity for biologists, who in a larger group can cross-train and develop new skills, build expertise and institutional knowledge, and support succession planning. The larger group will support a more robust career path with expanded advancement and growth opportunities for staff, contributing to higher retention.

On the other hand, there are benefits to the embedded model currently utilized by PWU. Biologists are part of a highly specialized team tasked with delivering County-built projects on-time and on-budget, and the current model is largely successful. It is important for the biologists to work closely with the rest of the delivery team, especially on large projects with multiple environmental impacts, to help the County achieve infrastructure goals.

If the County chooses to consolidate biologists, it will be essential to clearly define the functions and objectives of the resulting group. The critical role of environmental compliance in County and customer projects necessitates careful management and priority-setting of the biologists’ work. Performance metrics should be established to inform decision-making and guide process improvements, and the County should work to determine if any processes can be automated or technology can be shared.
H. GIS

Finding: The current makeup of GIS staff at the County is not structured or organized.

GIS resources at the County are currently a mixed bag. At the department level, dedicated GIS technicians are on staff to meet department-specific needs and oversee cartographers. Staff members in this position face limited career advancement due to their current classification. Meanwhile, IT AGIS has a compliment of GIS engineers who have more advanced skill levels and career growth opportunities; however, their numbers have been diminishing over time. Further, PWU has recently reclassified their GIS technicians as Asset Management Specialists. The approach taken at the County today for provisioning GIS resources is not consistent, and will present challenges in meeting GIS staffing needs moving forward.

Recommendation: Ensure effective utilization of GIS resources through increased management over provisioning of additional positions.

Moving forward, it is recommended that any additional requests for adding GIS staff at the department level be vetted by the County Investment Board. The intention here is to avoid placement of GIS technicians into a role with limited scope and career advancement, as seen in the current model. Future GIS resource positions should be targeted for a higher skill set, such as a GIS engineer in order to better position the County to realize full potential and improve retention for this vital role. The goal is to provide a more robust career path and ensure better retention.
I. GRANTS MANAGEMENT

Finding: The departmental grants functions are currently decentralized across the County.

In 2013, Pierce County had over $84 million in grant revenue, of which approximately $40 million was related to Community Connections, $20 million was related to Public Works, and the remainder was spread among several departments. The departments that receive approximately $1 million to $5 million per year are the Prosecuting Attorney, Juvenile, Sheriff, and Emergency Management. Other departments that receive federal funds in smaller amounts that vary from year to year are the Auditors, District Court, Medical Examiner, PALS, Family Justice Center, Clerks, Superior Court, and Assigned Council.

Grant funding is primarily a mix of federal and state funds. Major grantors include the departments of Health and Human Services, Transportation, Justice, Commerce, Homeland Security, Housing and Urban Development, Energy, and Ecology. The funds provide a range of goods and services including but not limited to construction (roads, airport, ferry), security, criminal justice, aging, housing, weatherization, family services, and low-income.

A combination of fiscal personnel and program personnel manage grants within each department. Departments are responsible for the pre-award and post-award process. Community Connections and Public Works have employees classified as Grant Accountants. Other departments typically have Accountants or Accounting Assistants perform the fiscal responsibilities for grants.

Within Budget and Finance, a Budget Analyst who reports to the Budget Manager operates as the County's centralized grants management resource. This analyst receives each grant agreement, facilitates the completion of the County's annual grant report, and is a resource for varying degrees of grant-related questions from departments. This employee also provides training to departments as time permits. The Budget Analyst has responsibilities related to the budget and therefore is not a full-time grants resource.

Part of the current decentralized environment is that the fiscal personnel work in close proximity to the program personnel in each department, and therefore have a good understanding of their specific grants including grant accomplishments, personnel working on grants, and types of work being done with grant funds. Having a day-to-day understanding of the grants and being in close proximity to program personnel helps personnel to efficiently administer the grant, as well as identify noncompliance such as expenditures being miscoded, budget overruns, etc.

Disadvantages of having a decentralized grant environment include a lack of knowledge or best practices sharing among departments, support for smaller departments who lack grant experience, and centralized processes to ensure departments are not missing out on grant opportunities due to a lack of resources or expertise in locating grants and completing grant applications.
Recommendation: Strengthen County grants oversight by Budget and Finance.

An opportunity exists parallel to the move to the new building, to increase the centralization of grant oversight in Budget and Finance, as well as increase collaboration among departments. Additionally, the Uniform Grant Guidance that went into effect for 2015 increases the need for robust internal controls around grant performance. As such, increased oversight and efficient processes become integral to this process.

Grant oversight by Budget and Finance should be increased to add support for smaller departments related to identifying new grant opportunities, fiscal management of grants, and training. The Budget Analyst could also prioritize responsibilities to devote more time to grant oversight, but Budget and Finance still needs to take a larger oversight role for grants.

In addition, with many departments in closer proximity to each other in the new building, knowledge sharing needs to increase to find opportunities where a best practice in one department could be used throughout the County. For example, Community Connections spends a significant amount of time and resources monitoring sub-recipients, and has developed good policies and procedures around this activity. These are tools that could be used by other departments to more efficiently and effectively monitor sub-recipients.

As another example, Public Works often has grants that are subject to Davis-Bacon compliance requirements. Contract Compliance within Public Works manages compliance with Davis-Bacon and helps other departments with Davis-Bacon compliance. Other departments may be subject to these compliance requirements and are not seeking the assistance of Contract Compliance.

Collaboration can increase efficiencies and best practices, and can also help identify potential risks. For example, it is currently difficult to identify all sub-recipients used by the County and any issues with these sub-recipients. If sub-recipient monitoring reports were collected centrally in Budget and Finance, issues with a sub-recipient could be identified so other departments avoid using the sub-recipient.

Through increased collaboration among departments, such as monthly meetings, opportunities for more centralization or efficient processes can be readily identified and implemented.
J. TECHNOLOGY

Finding: The County has made significant progress advancing IT governance over the past several years, but still has an opportunity to be more effective.

IT governance was formally established at the County in 2011 and is actively operating in an oversight capacity. The County’s relatively new IT Investment Board is actively meeting to review technology requests. The IT Department has been working to reengineer itself year by year to keep up with demands and advance the County’s enterprise capabilities. In 2012, the County conducted a “Performance Audit,” the goal of which was to find opportunities for cost savings and improved efficiencies through alterations in the structure, organizational roles, business processes, and support model for IT applications and platforms. The outcome of that audit was embraced at the executive level and within the IT Department, and used as a roadmap to guide change. Significant measurable improvements have been made in this effort.

Additional requests for new advanced technology are spurred by continuing population growth and legislative changes. Departments also continue to make major requests for upgrades and new systems. The County’s project backlog remains significant against this backdrop, and is currently estimated at over 500 projects requiring 2-3 years to complete at the present rate of implementation.

During this audit, departments stated concerns about the IT backlog and the corresponding process to approve projects. High on the list of stated concerns is the lack of departmental participation in IT governance. Other stakeholders queried whether the governance process is positioned to make the tough calls and challenged whether the process is fully effective.

Recommendation: Strengthen IT governance to increase value in IT investments.

After three years of operation, now is a good time to review the IT governance structure and the corresponding decision making process. Given the significant backlog and the corresponding number of projects being approved, numerous questions that require answers are being asked, including:

- Are projects being measured properly, both before being submitted and after approval and implementation?
- Are priorities being established using County resources in the most optimal way?
- Are decision criteria clear and applied in terms of outcomes, as well as quantitative payback?
- Is the overall approval process structured to be objective?

The County’s IT Investment Board can engage at a more involved level to increase IT value and better manage the IT spending rate. To achieve a more robust process, numerous steps can be taken including:

- Increasing project scrutiny before the Investment Board meets, evaluating the business case in further detail
- Setting priorities based upon a structured set of criteria
• Saying “no” to projects that clearly do not meet County interests
• Staffing the Investment Board with support
• Ensuring department stakeholder participation when warranted
• Ensuring timely assessments (whether yes or no) and scheduling projects when approved
• Considering contracting and outsourcing when appropriate to attend to projects that have high ROI, payback, and efficiencies
• Increasing visibility into the process and documenting all outcomes

Finding: A large inventory of custom-developed reports exists at the department level.

It was noted during interview sessions with CSBAs that report development efforts continue at a significant pace. Literally hundreds of custom-developed reports and stand-alone databases have been developed to meet department needs. While such reports are being designed to meet specific requests, not all reports are being used effectively, and many are redundant. In most organizations where such reporting circumstances exist, resources are being sub-optimized at both the IT development and end-user levels. This situation indicates that the County has both system and process inefficiencies, as well as report integrity and accuracy issues, which limits their ability to leverage information assets and adopt standard business intelligence practices.

Recommendation: Establish a data governance initiative to strengthen data utilization and corresponding reporting.

Given the County's decentralized business model, it is understandable that report development and utilization is approached in the existing manner. Consistent with the County's march towards improved efficiency and standardization, a comprehensive review of the data/reporting approach is recommended. At issue are the hundreds of reports that consume resources to develop, produce, track, and utilize. The benefits of reengineering data and improving data governance are significant. A truly effective review process will pay for itself through a reduction of system and people resources consumed. We recommend that the County establish an enterprise data governance program to address the following goals and objectives:

• Inventory existing systems reports and database instances by department
• Delete or retire inactive reports
• Establish a data dictionary by department
• Instill controls on report development and standardization
• Establish standards for data intake and validation
• Set the stage for planning next steps towards system simplification, process standardization, data aggregation, and adoption of business intelligence tools and platforms
K. HUMAN RESOURCES

Finding: The Human Resources Department manages the County’s personnel-related needs, but does not provide departments support in several additional important areas.

The County’s central HR Department is a small department with a large scope of duties. The HR Department’s charter is to assist County personnel with recruitment, hiring, tracking, employee and labor relations, termination, and reporting functions. The HR Department also assists departments in the areas of performance coaching, training, and onboarding.

Currently, the HR Department coordinates with many departments through “HR partners.” The HR partners range from Administrative Managers to OAs. The departments and HR also work together by connecting department directors with the HR Director through an “HR Advisory Group.”

The HR Department services most County departments. A few larger departments, including PWU and PALS, have assigned their own resources to help keep up with personnel requirements. There are 22 personnel charged with managing the entire County's affairs.

Recommendation: Strengthen the alignment between the central HR Department and customer departments through matrix management.

As in numerous other administrative functions, the County is positioned to take the next step in its HR management evolution. This could entail closer coordination of HR activities conducted between and within the departments, and should involve some form of matrix management.

Moving to matrix management is a natural next step to strengthen coordination. Matrix management will assist the County and its departments by developing standard competencies. The HR partners and department coordinators will be better trained, which will equip departments with the approach and resources needed to do a better job. Additional expanded assistance can be provided in areas including process improvement, strategy, and organizational development.

When strengthening alignment, a question remains about where the "solid" and “dotted” lines exist between the HR Department and operating departments. One size does not fit all in this situation. In the future, HR will continue to provide full services (HR management) to the smaller departments. Similarly, some of the larger departments (e.g., PWU, PALS, and the Prosecutor) will continue to manage their own HR functions on a tactical level, with central HR driving strategy and policy. An opportunity exists with the “in between” departments to strengthen HR management, specifically in the areas of strategy, policy, reengineering, and compliance.

The County's current centralized HR structure provides effective management over HR functions that should be further synchronized with the departments. Further analysis and discussion on a department-by-department basis will help the County determine who should take the lead in managing these resources.
Many mid-sized departments could either directly lead or conversely support HR functions depending on available resources. In some cases, central HR could take the lead with a solid line relationship over department HR Coordinators. In other cases, department HR Coordinators could continue to report to their Department director or managers and have a dotted line relationship with central HR.

**Finding:** Many of the County's position responsibilities vary by department and are often not supported by up-to-date, accurate, or complete position descriptions.

The County has a comprehensive job classification system that defines a position framework alongside its compensation program. In some cases, these job descriptions do not accurately reflect the jobs people are performing. The level of detail is connected to the classification framework, but is not specific to the position. For example, differences exist between OA positions from department to department, but the differences are not reflected in their respective job descriptions.

Incomplete and inaccurate job descriptions undermine resource management. This specifically impacts the County's ability to manage its workforce in an effective manner. Policy administration, compensation, and performance measurement are all affected.

**Recommendation:** Develop position descriptions to be complete, accurate, and reflective of specific position duties.

HR and the operating departments should work together to develop and update position descriptions. The benefits of accurate position descriptions are many. Both the County’s and the Department’s overall resource management could benefit through:

- Improved recruiting, hiring, and retention
- Comprehensive training
- Strengthened performance management
- Uniform compensation management
- HR policy compliance
- Overall resource management

Some of these descriptions should be updated immediately to reduce confusion. Others can be tailored over time as changes occur, including hiring and transfers.
VI. NEXT STEPS

A top-down approach is required to move the Pierce County shared services program forward to implementation. The program is considered to be at an “initiative” level in terms of effort and significance. As such, the stakes are high and the imperative is to “get this right.” Several major factors should be addressed prior to proceeding:

- **Champion**: The scale of the proposed program is significant. The scope requires changes across the County and will impact interdepartmental relationships and processes. Theoretically, all departments will be impacted in some way. A champion at the highest level will be required to lead the charge. This assignment could last one to two years (or longer, if the shared services initiative is expanded).

- **Task Force**: Developing a cross-department task force is recommended to deal with the cross-functional processes and the hundreds of corresponding details requiring attention. The task force should oversee progress, manage change, and work out the many issues that will crop up while moving away from the decentralized environment to one that is more aligned.

- **Change Management**: As previously described in the implementation discussion in Section III of this report, a change management approach will increase the likelihood of success related to implementing shared services and corresponding efficiencies. Change management will include, but not be limited to:
  - Championing the message
  - Using cross-functional teams to define process solutions
  - Communicating between related stakeholders
  - Facilitating interdepartmental compromise
  - Defining new processes
  - Documenting changes
  - Phasing changes in over time
  - Providing support as needed

The initial scope of the shared services program can be viewed as a near-term wave of change for the County. Once this program is implemented, there will be long-term opportunities for additional changes should the County choose to proceed (many of which will evolve from changes recommended in Section V of this report).

Immediate recommended next steps include choosing a champion/leader and forming a task force. This group can convene to further vet and prioritize recommendations and subsequently tailor action plans for change. In this process, decisions about further investments including technology, staffing, service levels (via SLAs), management assignments, and reprioritization of other County work based upon cost/benefit will be required. New manager-level assignments will be key to achieving progress. Project governance is also recommended to ensure that oversight occurs properly. We highly recommend that long-term value be regularly discussed and thus prompting changes; otherwise, the program will not be worth the effort.
Large Purchase Orders

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Phase: C

Develop and Receive

Provide Bids

Negotiate/BFO

Provide Certificate of Insurance (if necessary)

NO
Appendix B – Agency Responses
Mr. Vetter –

Please accept the following corrections, comments, and positions from the Auditor's Office re: the Moss Adams Phase Two Report. If you require a different format, I'm happy to resubmit.

Again, thank you for the opportunity.

**DISAGREEMENTS WITH ANALYSES AND CONCLUSIONS**

Pg. 2 “... departments may not be able to effectively deliver on their missions nor maintain their service levels (which are currently high).” In the Auditor’s Office, our service demand levels are high. We aren’t providing Cadillac service.

Pg. 15 “Organizational gaps that may be closed by shared services are also important to recognize. Aside from the numerous functions that the County can potentially move to a shared services model, numerous inefficiencies can also be addressed over time. Departments have developed decentralized business models, which has resulted in:

- Redundant processes
- Duplication of work and systems
- Nonstandard and inconsistent procedures
- Excess spending for resources”

From the Auditor’s Office perspective, the decentralized business model has NOT resulted in inefficiencies listed above. In fact, with a department of our size, the decentralized is more well-organized. We self-manage, with great efficiency, using portions of internal staff.

- Our CSBA is fully-deployed to non-county supported software systems, that are mission critical. We get immediate service, pitch-perfect expertise, with little or no wasted time or error.
- We manage internal coverage for HR, cash management, procurement, and cash-management account to ensure timely completion.

The report needs to document specific and complete citations about inefficiencies. The Executive and the County Council will need to estimate a return on investment before restructuring the organization.

The need for Moss Adams to specifically describe inefficiencies is critical because it’s possible that the shared services recommendations will require additional supervisory and management staff. Here are some of the indications of possible FTE or cost increases associated with shared services recommendations.
Pg. 20 Customer Support Specialist. Newly assigned supervisor in IT GSD Division.
Pg. 27 CSBA Team Supervisor(s)? The grid is plural supervisors, the last paragraph states singular. Plural is confirmed on page 31.
Pg. 31 Reclassification of all 24 CSBA personnel (number of personnel is on Pg 25 first paragraph.)
Pg. 31 Each team will report to an IT Manager (who then reports to the IT Director.) How many positions is that?
Pg. 45 Purchasing. Newly established position of Contract and Monitoring Manager.
Pg. 45 Purchasing. A “number” of Dept. Purchasing Coordinator FTEs will be allocated to the Purchasing Division. New positions? Reclasses?
Pg. 50 Reception. Office Services Manager.
Pg. 52 Admin Support/OAs. There are currently 95 Pg 54 states all would be under one supervisor. One? This span of control is far too large.
Pg. 52 Admin Support/OAs. Is the Shared Services Coordinator the supervisor mentioned in #10? If not, add another Supervisor position.
Pg. 64 Cashiering. Designate a Revenue Process Coordinator in BNF.
Pg. 67 Document Management. General Services requests additional personnel with records expertise.
Pg. 80 Upgrade current GIS positions to GIS Engineer or an Asset Management Specialist.

"Two factors are critical to advancing shared services. One is whether shared services are able to truly meet the needs of the departments. In numerous areas, departmental services are complex and conduct. ... The more unique a department’s operations are, the less a case can be made for shared services. The argument for shared services can best be made when processes are standardized and economies of scale available."

The Auditor’s Office is highly specialized. Our size lacks the necessary economies of scale. Therefore, some of shared service recommendations are a bad fit for our department.

It is important to note that departments developed decentralized business models out of necessity. Inconsistent procedures have occurred because no standardized procedures or systems have been provided.

The introduction of enterprise systems, such as WorkDay and WorkDay Financials, will help. Likewise, recent efforts from the Executive’s Office has provided better clarification of rules, clear boundaries, and good systems. We haven’t exhausted those possibilities yet.

Don’t remove the decentralized work for our office: Support our work! We need rules, not restructuring.

Centralized guidance, procedures, and frameworks can support decentralized work. And decentralized work isn’t necessarily inefficient or redundant.
AUDITOR’S OFFICE POSITION ON RECOMMENDATIONS

1. Incorporate the departments’ CSS functions into the central IT Department enterprise endpoint and end-user support model. SUPPORT, as described in the report (the Auditor’s Office continued to have two embedded IT staff).

2. Establish an integrated CSBA function at the County to optimize data sharing, expand analytical capabilities to all departments, and establish a scalable resource that aligns with the County’s technology investment plan. OPPOSE this in the Auditor’s Office (it may make sense elsewhere). We disagree with the support pool concept for our CSBA. Our CSBA is dedicated fulltime to administration of our unique, mission-critical software systems. We have no capacity to contribute to a CSBA pool.

   The Auditor’s Office CSBA is not “project-based.” He is an Application Specialist, managing five vendor-systems that are mission-critical to our office. These systems are not county supported.

3. Redirecting our front line end-user and application support to the help desk or a pool of CSS staff will result in delays and a serious deficiency in expertise. We oppose Staffing Alternative 1 (pg 31). Staffing Alternative 2 (page 33) is the best option.

4. Establish a fully scoped shared services structure for the County’s purchasing function including strengthened oversight, processes, and systems. SUPPORT, with CONCERNS. The Auditor’s Office wouldn’t have enough work to support an embedded “Purchasing Coordinator.” It makes more sense for us to have an employee designated as a purchasing coordinator. Currently, our employee only uses 25-50% of her time for purchasing / procurement functions. It isn’t clear how this recommendation is beneficial to smaller departments which use less than 1 FTE. We support the rules, consistent standards, and common training.

5. Establish a shared pool of receptionists to greet all visitors in the new County Administration Building and direct visitors to various locations for service delivery. SUPPORT, with CONCERNS. The “Service Model” has a different scope and requires a more advanced skill set that a reception pool is unlikely to provide. The Auditor’s Office functions that will be represented at a “Service First” desk require a high-degree of knowledge and training.

   We are also concerned that the reception pool is place under General Services, reporting to the General Services Manager. General Services has no significant experience with customer service. We’d suggest an Office Services Manager to oversee the reception.

   We are greatly confused by the chart on page 51, which shows shared reception being staffed by Office Assistants. The report distinguishes between Receptionists
and Office Assistants. But, this chart describing shared reception is populated by Office Assistants.

6. Establish a shared pool of OAs to provide County-wide administrative support. SUPPORT, with CONCERNS. See comments above, re: Recommendation #4.

7. Consider establishing an initiative to modernize the enterprise approach to standardize and simplify the cashiering architecture. SUPPORT, given that pg 52 states, “Shared services reception would not replicate cashier services . . . [in the Auditor’s Office].”

8. Designate a Revenue Process Coordinator within the Budget and Finance Department who can work with other County departments to improve design, operations, and management over cashiering processes and systems. SUPPORT.

9. Develop a cohesive and practical strategy and plan to modernize document management County-wide. SUPPORT, with CONCERNS. If departments each had records management experts devoted to proper retention schedules and records were digitized, this system could be successful. A central countywide public records officer is mentioned in this analysis. Centralizing the public records officer functions would not be feasible unless a proper records management system, supported by records management staff in each department, is in place. Also, this could not be one person. The quantity of public records work would require a team. A centralized PRO staff team would probably require at least 4-5 people with varying specialties, including one attorney.

10. Relocate the Contract Compliance section from PWU to the Purchasing Division within the Budget and Finance Department. SUPPORT.

11. Standardize and improve Department connectivity through process and system integration and coordinate resource deployment between the Auditor’s Office, Assessor/Treasurer’s Office, Budget and Finance Department, PALS, and PWU. SUPPORT.

   - Queue systems: Qmatic style enhanced central system could potentially provide a more streamlined customer experience.
   - Kiosks: Kiosks could process credit card payments for many types of County receivables that have account numbers, even if these payments are processed on different systems. The County would need to work with a vendor to develop a kiosk platform that could load the appropriate system based on customer responses to a series of prompts.
   - Online customer payments: Determine if a multidepartment/office contract would be more efficient for the provision of online payment services.

12. Conduct a fleet study after the move to the new building to determine how to utilize the current fleet in the most cost-effective manner. SUPPORT.
13. Reevaluate the need for existing levels of internal services based upon utilization prior to and after the move to ensure that the level of service is provided cost-effectively. **SUPPORT.**

14. Pursue near-term inspection and code enforcement improvements and longer term process redesign, collaboration, and coordination between PALS and PWU. **NEUTRAL.**

15. Consider consolidating environmental biology functions in PALS or PWU to achieve workload efficiencies and support staff development. **NEUTRAL.**

16. Ensure effective utilization of GIS resources through increased management over provisioning of additional positions. **SUPPORT.**

17. **Strengthen County grants oversight by Budget and Finance. SUPPORT.**

18. Strengthen IT governance to increase value in IT investments. **CONCERN.** We’re satisfied with the existing process, although we wish it wasn’t so time-consuming. Additional analysis and checkpoints will make the process unbearable. Any changes need to be value-added, not simply resource rationing.

19. Establish a data governance initiative to strengthen data utilization and corresponding reporting. **CONCERN.** It is not clear what is envisioned. We’re concerned that through standardization, we’ll lose the detail and analysis capabilities. We don’t understand this recommendation.

20. **Strengthen the alignment between the central HR Department and customer departments through matrix management. SUPPORT.** We like the idea of maintaining a “partner” status, utilizing our own internal staff. We welcome the standardization, support, and training.

21. Develop position descriptions to be complete, accurate, and reflective of specific position duties. **OPPOSE.** Flexibility is essential to our small department. Cross training is how we survive, and broad classifications facilitate this. It isn’t clear how this recommendation is related to Shared Services, Centralized Services, Efficiencies, or a new building.

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**Julie Anderson**  
Pierce County Auditor
The Assessor-Treasurer disagrees with the following Recommendations: CSS Shared Services, CSBA Shared Services, Administrative Support/Office Assistant Shared Services, Cashiering, Document Management, Customer Service Representatives, and GIS. If the Recommendations were adopted, it would plunge this efficient and improving Pierce County department into chaos. Because of my grave concerns, I am copying this to the County Council members of the Performance Audit Committee, to give them early warning of the harm that over-emphasis on centralization will do.

Attached is an analysis prepared by my staff concerning many misstatements in the Moss-Adams Phase 2 Draft Report. One extreme example is this statement concerning Office Assistants on page 52: “Day to day tasks and skills are easily transferred across departments, especially at the OA1 and OA2 levels.” I have 18 employees at the OA2 level, who each work on highly specialized teams dealing with complexities of Property Tax law, such as exemptions, personal property, foreclosure, appeals and appraisal. Combined these employees represent some 200 years of experience and training. The Recommendation to draw from a clerical pool to accomplish any one of these jobs is absurd.

I object to Moss-Adams not recognizing the cross-training and shared work which the various teams within our department accomplish already. This effective system, arrived at over time and undergoing continual refinement, will be damaged if not destroyed by centralization of positions and functions.

Another quote from the audit’s Finding on Document Management on page 65: “The County’s current document management model is significantly paper based…” I will not speak for other departments, but as for the Assessor-Treasurer, this is patently false.

Moss-Adams has not adhered to the enabling vote of the Performance Audit Committee which included language that this Performance Audit should address the distinct and separate authority granted to elected officials such as Auditor and Assessor-Treasurer under the County Charter and State Law. Taking positions such as Business Analyst or Computer Specialist out of the elected official’s direct control and placing them under the IT Department effectively shifts the authority and responsibility of this independent office to the County Executive. On a practical level, our job involves handling data for 320,000 parcels of property, and we need to get our job done daily without submitting requests for service to another department.

Thank you for the opportunity to comment on the Phase 2 Draft Report.
Services Already Shared

Computer System Business Analysts:
The functions performed in the Assessor-Treasurer’s office are all highly dependent on several different computer systems. These are not enterprise systems shared with other offices or built in-house by county IT staff, but are proprietary systems purchased from outside vendors and supported solely by staff CSBA’s dedicated to this office. They have extensive knowledge not only of the software but also of the business processes themselves, which were learned over years of troubleshooting, report writing and involvement in decision making as well as mapping and implementation when systems were purchased and configured. It would simply not be possible for any random CBSA, assigned for a day (or week or month) to this office, to have the depth of knowledge to continue to provide the level of response and support needed to complete complicated and individualized processes required by law. The report states that CSBAs can “transfer their skills from one environment to the other” which is likely true what cannot be transferred on the fly is the body of knowledge of the systems and work processes and departmental requirements. Working staff often do not have enough expertise to articulate what the root of the problem is, they only see that the systems are not working correctly and rely on the extensive knowledge of the CBSA to identify the issue as well as to fix it. The ability of the systems to provide reporting is limited and the dedicated CBSA’s have built many reports that interface with either or both system to allow for streamlining of work process, quality control, correspondence to be generated without repetitious input of data. When statutes change or business processes are updated new reports have to be written or current reports updated and to do so the knowledge of where within each system the necessary information resides is imperative. We do not have time to wait for a committee to determine whether a report or query is a necessary one or to wait to train someone in the required functions of the office and the inner workings of our software systems. Taking away the ability of Assessor-Treasurer management to oversee and direct the work requirements of the CSBAs and putting them under the direction of county IT will result in delays and impact timelines of the work we are required to complete. We can see no benefits to this solution offered by the study.

Administrative Support/Office Assistants:
When the study speaks to consolidation of the OA pool, are the various functions performed by OA’s in the different county offices being taken into account? This office could not use an OA pool employee, we do not have or need OA’s to do clerical work such as general word processing, filing or taking meeting minutes. In the Assessor-Treasurer’s office all employees in the Office Assistant category are highly trained and experienced in the specialized functions they are required to perform. Each department within the office performs highly individualized functions, regulated by different statutes, with different timelines and different requirements. An OA in our Personal Property Department knows all the requirements of the statutes regarding personal property assessment, valuation and taxation as well as the timelines required by the statutes and the requirements of the systems, and how to respond to questions about the value, tax and process. This is the same for the Office Assistants that work in every department within our office whether it is foreclosure, mobile homes,
exemptions, refunds and adjustments, property transfers or levies, there are no interchangeable Office Assistants. We do not have receptionists or typists so this type of open pool to draw on for back up would not be in our best, or our customers, best interest.

Department Services That Could Be Shared in the Future

Cashiering:

Ascend is not just a system used for collection of property taxes but also to value personal property, administer exemptions, calculate property tax levies and property taxes and create mailing information for mailing of notices of value and property tax statements. Is it being suggested that an enterprise system would be purchased or built that would do all of the functions necessary for each department to get to the final collections? Or to buy or build a system that would interface with all of the other county departments and transfer amounts due and payments made only? If cashiers are co-mingling funds collected for a variety of departments, how are overages and shortages handled? How are audits handled?

Moving Assessor-Treasurer cashier functions under the umbrella of the Budget & Finance Department moves the customer farther away from the office where there is an understanding of their questions regarding how taxes are calculated, how values are derived and what to do if information is incorrect. We daily get telephone calls from the Budget & Finance office with inquiries on behalf of taxpayers standing in front of a cashier regarding these issues. If the goal of the suggested changes is to provide better, more efficient customer service this may not be that solution. Additionally, there are many statutory requirements surrounding the collection of property tax, it is not always a simple give me the money and I will give you a receipt process. Without the knowledge of when it is appropriate to allow waivers, what date requirements are being met, how to handle monthly payments and when they can be allowed etc, there is a real risk of not abiding by the statutes.

Document Management:

The Assessor-Treasurer’s office has a fully functioning and robust document management system. We have eliminated most paper processes and continue to work toward refining and improving the system. We have workflows built into the system that provide staff with their daily work using the electronic images scanned into the system. Moving control of the system or the scanning process from under ATR management would not be conducive to our procedures and would likely cause delay in completing the work we are tasked with doing.

Customer Service:

The system currently in use to provide taxpayers with e-payment options, Point & Pay, provides services in other counties and states that encompass some of the payment options addressed including kiosks, and on line payments for utility payments, recording fees, infraction payments etc.

GIS:

GIS technicians do not perform just GIS functions in the Assessor-Treasurer’s office. They are also trained to complete segregations of property for purposes of subdivisions, boundary line changes, and combinations of property. These require specialized knowledge of subdivision codes, RCW’s, chain of title, documents of conveyance, legal descriptions as well as cartography, mapping and GIS. Additionally RCW’s indicate that the Assessor is responsible
for the maintenance of the county’s parcel layers. Per RCW 84.40.160 “The Assessor shall prepare and possess a complete set of maps drawn to indicate parcel configuration for lands in the county. The assessor shall continually update the maps to reflect transfers, conveyances, acquisitions, or any other transaction or event that changes the boundaries of any parcel and shall renumber the parcels or prepare new map pages for any portion of the maps to show combinations or divisions of parcels.”

Per this study: “Two factors are critical to advancing shared services. One is whether shared services are able to truly meet the needs of the departments.” We feel that in the instance of the positions addressed above, the needs of our department, our customers and our statutory duties cannot be met. And, again as stated in the study “In numerous areas, departmental services are complex and conduct specialized processes. If addressed too generically, or in mass, departments may not be able to effectively deliver on their missions nor maintain their service levels (which are currently high).” We believe that making any of these changes without lengthy study and consideration of the concerns addressed here, we will not be able to continue to deliver on our mission, meet our statutory requirements or maintain our current service levels.
March 16, 2015

Bill Vetter
Pierce County Council
Senior Legislative Analyst
930 Tacoma Avenue South, Room 1046
Tacoma, Wa 98402

Re: Centralization and Shared Services Evaluation Phase Two Report

Dear Bill:

Thank you for the opportunity to review the Centralization and Shared Services Evaluation Phase Two Report and provide feedback on issues pertaining to the Prosecutor’s Office. There are four areas identified in the report that I would like to address - Customer Support Specialists (CSSs), Computer System Business Analysts (CSBAs), Purchasing, and Document Management.

CUSTOMER SUPPORT SPECIALISTS (CSSs): The recommendation to incorporate the departments’ CSS functions into a central IT Department would result in reduced response time to address critical issues within the Prosecutor’s Office.

We file more than 15,000 criminal cases every year and attend in excess of 60,000 hearings. The Prosecutor’s Office is responsible for creating most of the documentation filed in these cases. When there is a technical issue, immediate IT action is critical to ensuring that there is minimal impact to the work flow process throughout the criminal justice system.

Oftentimes our technical needs are specific to our department and the software we use. While sharing resources on basic standard support makes sense, our CSS spends numerous hours each week working on support that is specific to our department. Our CSS understands the needs and priorities of the Prosecutor’s Office, something that would be lost with full consolidation.

We do, however, support additional dedicated IT staff for computer environment support in the Prosecutor’s Office.
COMPUTER SYSTEM BUSINESS ANALYSTS (CSBAs): The report states that there are 2 CSBAs in the Prosecutor's Office, when in fact there is only 1 position.

We support establishing an integrated CSBA function at the County to optimize data sharing and expand analytical capabilities to all departments. Housing the CSBA staff supporting law and justice departments in the County/City building makes good sense. Permitting one CSBA to remain under each department's control also makes good sense, as recommended in the report.

PURCHASING: The Prosecutor's Office does not have a Purchasing Coordinator FTE position.

The report states that there are 15 users from the Prosecutor's Office who participate in some type of purchasing function. The 10 positions designated in our Civil Division pertain to deputy prosecutors who review contracts throughout the county. The 5 other users noted in the report perform many other duties specifically related to the function of our office. The purchasing function is a small portion of the overall duties of their position.

We have one fiscal manager who prepares our department's budget, and oversees all accounting-related duties in the office, including purchasing orders.

Consistency can be created through training and systems without the need to change management structure.

DOCUMENT MANAGEMENT: The Prosecutor's Office is unable to participate in a centralized scanning or a public records program with other departments because there are strict rules and laws that we must adhere to in the handling of documents, including police reports, crime victim images, criminal histories, etc.

We, do, however, support the recommendation that there be a cohesive and practical strategy and plan to modernize document management County-wide.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Dawn Farina
Chief of Staff
Pierce County Prosecutor's Office
Memorandum

To: Council Member Joyce McDonald, Chair and Members of the Pierce County Council Performance Audit Committee

From: Maggie Ross, Presiding Judge of the Pierce County District Court

Re: Moss-Adams Phase Two Report: Centralization & Shared Services Evaluation

Date: March 24, 2015

The Court appreciates the opportunity to review and comment on the draft report. The request for comments asks to:

(1) Identify any significant factual mistakes in the draft report; (2) express any disagreements with the analyses or conclusions in the report; and (3) state a position (Agree or Disagree) with the conclusions in the draft including any comments as needed. The Court’s responses to these questions are:

(1) There do not appear to be any substantive mistakes with regard to the District Court data, with the exceptions noted below with regard to purchasing and CSBSs.
(2) The conclusions are not supportive of the District Court structure, or the court’s ability to manage its resources with CSS, CSBA and purchasing.
(3) District Court disagrees with the conclusions to integrate the Court’s CSS and CSBA staff with County IT.
(4) The Court disagrees with the conclusion to assimilate the Court’s CSS and CSBA staff in County IT.
(5) The Court disagrees with the shared services model conclusion regarding purchasing and cashiering.
(6) District Court does not employ OAs and takes no position on those recommendations.

The report is comprehensive in identifying potential opportunities for shared services in the Executive Departments. However, the Court, as a separate branch, must retain oversight in areas of information technology, finance, and administration, as required by Rule 29 of the Washington Rules of Court.
First, Court services are complex and conduct specialized processes. Additionally, the delivery of these services in an ineffective manner may result in false arrest, and/or loss of personal liberty to case litigants and could invite county financial liability. As noted in the report, unique operations are less likely to sustain a case for shared services.

Secondly, effective management is in place and drives service delivery. This is evidenced by the court’s continued leadership in innovation in its use of technology. This leadership has resulted in local and national recognition for innovation, the ability to quickly adapt to the changing legal environment, achieving synergy with the CSS and CSBA, and building the trust and confidence of the Bench. Court oversight of these positions is key to providing timely access to resources and staff, tailoring delivery to address court-centric procedures, requirements, local control, and accountability for the highest of service levels.

Finally, the Court and County IT have time and again demonstrated the successful partnership that has created the current forward thinking atmosphere and has enabled the Court to become a leader in the use of technology among courts throughout the state and the nation.

_Current State – "Shared services are very common in many administrative functions that span Pierce County..." (Page 1)_

Shared services is a system that works well in areas where shared service management is providing standardized services to its customers. The majority of District Court activities are not standardized to the departments of the County. The Court decisions fall directly from the judges as elected officials to the managers within the Court. Information technology, purchases, workflow and other processes are reflective of the third branch of government requirements which means the District Court is more standardized with other Courts rather than Departments within the County. Court specific administrative functions flow from the Administrative Office of the Courts (at the state level), the State Auditor’s Office, Court Rules, RCW and other external factors which are monitored and implemented through the Judges, managers and court staff. The current Audit report does not consider these factors, and is focused on “administrative functions” within the executive branch of Pierce County government. The District Court is not an executive department.

"In numerous areas, department services are complex and conduct specialized processes. If addressed to(sic) generically, or in mass, departments may not be able to effectively deliver on their missions..." (Page 2)

As part of the planning process in the Justice Center Planning Committee, we looked at combining the cashiering functions of District Court with Superior Court. The designated subcommittee of the JCPC reviewed the activities at the separate Court counters. The court clerks who are cashiering at District Court counters are not standardized cashiers. The District
Court clerks are processing Court cases within the state Court Judicial Information System. The Superior Court uses a completely separate system. Additionally, the District Court clerks must have specific knowledge not only of our Judges, but on recent changes to law, procedures or court rulings which are updated weekly. When in doubt, the clerks must have access to their management team for guidance in dealing with the constant unusual circumstances encountered daily in the public service function. This is an example of how shared services could not be implemented at our counter windows. The Subcommittee of the JCPC was in full agreement with this conclusion.

Corrections:

**Purchasing (page 38)** – "Primary users of the purchasing and contracting functions noted within the county financial management system..." (Page 38)

The report states, "As shown in the table below, nearly 400 employees across all departments are noted as primary participants in procurement". The table lists seven users for District Court. This is inaccurate. We do not have seven primary users of the purchasing and contracting functions. The District Court does not have or require an FTE for a purchasing coordinator as purchasing activity is minimal. District Court has one court clerk who is processing purchasing activity as part of their many other functions. This employee is an LPA3 who also processes payroll and pro tem payments. The pro tem activity as well as the work this employee performs in the Court Judicial Information System are specific to the Court and would not fall under a shared system.

**Computer Systems Business Analysts (page 26):**

The court does have 1 CSS and 1 CSBA although the systems they support are more accurately reflected below.

Please make the correction to page 26:

| District Court | Courtsmart, AOC, Kiosks, Macros, Queuing System, LINX, Video Arraignment JAVS, JIS, JABS, SAW, Qmatic, Kiosks, eCourt Orders | 1 | 1 |
Summation

According to the Phase Two Report, there are two factors that are critical to advancing shared services: standardized processes and effective management. The District Court is an example of successful management, and leadership in innovation. Because the court is a highly specialized and unique environment in local government, the shared services model is not workable.
March 16, 2015

Bill Vetter
Council Senior Legislative Analyst
Pierce County Council

Dear Bill:

Attached are my comments related to the Moss Adams Phase 2 report. In addition to the attachment I am presenting this letter as a summary of my concerns. This shared services study has huge ramifications and impacts throughout our County structure and business model. Of most concern is that the report recommendations run counter to much of my personal and ‘private sector instincts’.

While I believe the intent of this report creates efficiencies by proposing a shared services model, the results, in most cases, will be just the opposite. I believe this because many of the recommendations are directed towards increasing responsibility and authority of ‘internal administrative departments’ (IT, HR, Budget and Finance). This results in:

- Removing responsibilities of the outward facing (Customer Service) departments (PALS, PWU, Auditor, Assessor, etc.).
- Increasing the ‘number of inboxes’ and approvals a decision must go through.
- Adding unnecessary layers/time and additional administrative supervisors.
- Leaving Department Directors accountable but taking away control, tools, and flexibility to succeed.

Bill, think back to the book we read a few years ago called *Extreme Government Makeover*. Do you remember the story told about the Fable of Complexity (Chapter 5)? When I read this study I can’t help but see Chapter 5 being played out right in front of us. This report does not make us more streamlined or more flexible and adaptive. It results in the opposite.

- Instead of improving policies and processes, many of which need improving, this report suggests reorganizations and the addition of centralized administrative staff, managers, and more layers.
- Instead of divesting authority, encouraging sound judgment, and decision making from our Departments, it internalizes authority, resources, and decision making into centralized departments who are not directly in touch with day to day needs of our customers and the services we provide.
- Instead of removing steps and ‘straightening pipes’ this report adds more kinks and bends.
Following are my general concerns related to several of the study topics:

❖ **Customer Support Specialists:** I continue to look for a metric and ratio telling us how many computers/devices/systems a GSD can handle. I don’t know if my GSD is over or under capacity.
  - I wish this study worked more on setting up metrics than pooling GSDs and CSS staff. I question differences of skills and job duties between a CSS and a GSD. Do they have the same skill sets? If they are to be pooled this should be evaluated.
  - In general our Services Desk works GREAT. I think response time and ability to solve problems has been great. So I am unsure as to why there are CSS positions out in the departments.
  - Focus should continue to be how to best use and manage the GSDs, especially when we are all under one roof.

❖ **Computer Business Systems Analysts:** I do not support this initiative. The CSBA classification has too much diversity of duties, responsibility, and technical knowledge and abilities to generalize them as all interchangeable and able to operate as a pooled resource. PALS has two CSBAs and they do entirely different functions:
  - One is focused primarily on PALS+, user support, and keeping that system updated and making sure that changes to browsers, hyperlinks, payment systems, software updates, etc., do not create conflicts or program errors. Keeping the system functional for our customers.
  - The other is focused on project management, training, user support, helping plan projects and helping keep them on track. Bigger vision.

My reason for not supporting this initiative is that I believe the existing system allows for PALS representatives to work directly with IT representatives. That results in a ‘positive tension’ between the two departments as our experts work through various governance issues, product development, and changes. That positive tension is a good thing as it creates an environment where we can collaboratively work towards a common goal. Without that in place we end up with the infamous results depicted in this cartoon we have all seen before.
To some degree, this cartoon already occurs between Departments and IT. Often what we order through Governance and what IT perceives as the final product is very different. My CSBA helps support our Department goals and needs, keeps me advised, and helps smooth out differences of opinion and scoping issues. Pooling the CSBAs would:

- Reduce Director input and vision.
- Add inefficiencies as each of my CSBAs may be different for every project initiative.
- Add supervisors and layers to IT.
- Give too much control to IT.
- Restrict Director ability to be part of the IT Governance/Design process.
- Force PALS to develop other in-house resources, probably through one of my managers, to spend time interfacing with IT.

**Purchasing:** Here again, the study concludes that efficiencies could be gained by centralizing purchasing. This conclusion seems to be based on the fact that there are 393 persons with access to the purchasing software. But there is no related time assessment regarding how much time those users spend on purchasing. PALS makes very few purchases and, therefore, while I have three persons with access to purchasing, the combined purchasing effort is minimal, less than 1/3 of an FTE.

This study proposes that PALS would have a Budget and Finance funded person responsible for my purchasing transactions and possibly located within my department. How would you handle departments that don’t have a full FTE for purchasing? Would that person be shared by a number of departments? This adds another level of confusion that is not necessary and impacts my ability to streamline PALS functions as I would not directly supervise or control that person.

- For example, what if I decided to purchase a second white board for a conference room? I see value in turning this conference room into a command center for big projects.
  - What type of red tape is created when I submit my purchase request?
  - What happens when the Budget and Finance person states that you already have a white board in that room so why do you need another?
  - What steps are created as I take more time creating the justification than the initial cost of the white board?
  - What happens after I explain and present my reasons but Budget and Finance does not agree?

My point may be extreme but I believe the emphasis of this section should be to improve purchasing policies and to increase consistency across County Government. Once policies are standardized, then procedures, co-developed between Budget and Finance and the Departments, could be created and approved by all.
Centralizing purchasing to the level envisioned creates unnecessary kinks in the pipe as well as more inboxes and steps to go through. It removes an ability to respond quickly to a need, which is the cornerstone of our BPA efforts. If more control is needed, then it should be done through spending caps at different levels before accepting a purchase order. This already occurs for computer purchases and could be extended to other larger purchases. I do not support this initiative.

- **Reception:** This section refers to the first point of contact or what we have been calling “Service First”. This section needs to be totally rewritten as the author’s vision is narrow and uninformed as to current County efforts and initiatives.
  - We have not identified role and purpose as outlined in the study.
  - Nor has a scope been identified.

Finally, I am opposed to the suggestion that this initiative also becomes a Section that reports to the Director of General Services. Our Service First initiative needs to be managed by our ‘outward facing’ departments. Perhaps it should have a lead manager chairing a management board that includes the main players in customer services. Those would include the Auditor, PALS, Health, and Assessor. Our customer driven departments would be more adept at making changes to fit customer needs which often times change hourly and need constant monitoring. Assigning this Section to Budget and Finance:
  - Reduces the ability to react quickly to changes in the level of services needed.
  - Reduces flexibility to adjust work and tasks back and forth between the Service First Counter and the Auditor/Assessor/PALS/Health Counters.
  - Adds another Department in the mix unnecessarily.

- **Administrative Support/Office Assistants:** While this recommendation looks good on paper, I think there are too many differences between departmental and sectional programs to effectively administer a shared pool. I am all for some type of forum where I could offer up or purchase extra capacity. But I would always be cautious about purchasing any extra capacity without knowing who was being offered and if I felt it was an acceptable ‘fit’ with my needs.

The range of OA talent is extreme.
- Day to day tasks are NOT easily transferred across departments.
- OA duties and responsibilities are inconsistent across departments, which is the bigger problem that should be reviewed, rather than pooling resources.
- I do not think that Moss Adams has thoroughly investigated the differences in duties.
  - For example, I have an OA2 in both Planning and Building. While they are two of my most competent office assistants, there would be a substantial amount of training needed for them to be totally interchangeable.
This report establishes a shared pool, again managed by additional layers of supervisors in General Administration. I believe this initiative removes Departmental control and thereby further reducing the Director’s ability to direct his personnel on a daily basis depending on needs and goals that he/she has established. I am opposed to this initiative.

- **Document Management**: The conclusions reached are of concern because PALS is contributing significantly to the current ERMS program. In addition, PALS has just committed additional resources towards getting more ‘on-board’ with document management. After reading this report my conclusions would be to withdraw from further commitments until this centralized records management initiative is further vetted and studied. It appears as if there are substantial changes needed including potential changes to process and a change in software. This area deserves more effort and a comprehensive approach and plan that include input and support from departments before we move forward.

- **Public Records**: I support a single Public Records Officer and encourage implementation sooner rather than later. There are substantial differences in approach and level of detail provided through public records requests that need to be resolved as soon as possible.

- **Contract Compliance**: I support this initiative.

- **Customer Service Representatives**: I think this is another area where the report opens up some general discussion points but does not really point to any real conclusions or suggestions of merit. The two queue systems that get the most discussion are PALS and Auditor. The fact of the matter is that those two systems serve two entirely different types of customer needs and uses. Both work well and should remain as independent operations. PALS has reduced wait times by half.......or upwards of 24 minutes per transaction. The Q-matic system would not work for PALS. The suggestion of including Purchasing and IT in the queue systems seems to be another reach of an internal facing department into the business of the outward facing department. Certainly we should be relying on each others assistance, but the final decision needs to be that of the outward facing department.

- **Fleet Management**: I support this initiative.

- **PALS/PWU Inspection and Code Enforcement**: I support this initiative and only request that the need to work with the Unions be emphasized and mandated as part of the 2015 union negotiations. I have attempted to include this recommendation into the previous two negotiations with no luck.

- **Combining Biologists Services**: I would support this service provided the intent is to service the client needs first. Therefore, I would be more supportive if the biologists functions were housed in PALS rather than PWU.
- I think a model could be developed that would create balance between PWU work and customer work.
- PWU work could be treated as project requests similar to those of our customers and handled in the same priority order as a customer application. I do agree that there is a difference of duties between PWU biologists and PALS biologists. Therefore, any organizational changes should be well vetted between departments before implementation.

- **Technology:** This section needs more discussion. I am supportive of the Governance process but concerned that it is too rigid and does not allow for changes and adaptations that are needed as business changes. Currently, projects are upwards of two years out. By the time a project comes up to be worked on, the entire business climate and needs for the governance request may have changed. That requires changes to the scope that will hopefully remain with the original budget estimate. In addition, there is a clear breakdown between IT and the department when it comes to what defines a project as ‘complete’. That needs more discussion.

The suggestions related to getting rid of the backlog all seem to suggest that the Governance process should increase scrutiny, staffing the Governance board with support, and say “NO” more often.

Before strengthening IT governance I think a full assessment of what has worked and what has not worked should be done. Therefore, I would not support the recommendation to strengthen governance until that assessment has been completed.

- **GIS:** If this section is going to be included in the report it needs a whole lot more backup and discussion. This is a huge investment and resource that should not be covered with less than a half page of discussion and little direction or discussion related to the finding or the recommendation. I cannot support this finding or recommendation without more support and information. It should either be vetted further or removed from this report at this time.

- **Human Resources:** I support this initiative. This initiative reflects goals to promote trust and collaboration between HR and the outward facing department. All efforts this past year have been directed towards removing steps and kinks in the pipes rather than adding others. This should be a model used for some of the other initiatives in this study.

In summary, I am concerned that this centralized-shared services model unintentionally adds layers, supervisors, steps, inboxes, kinks, and complications to Pierce County Government.
- Instead of making government ‘leaner and meaner’ it makes simple transactions harder and more difficult.
- Instead of concentrating on making our department managers more accountable via metrics and measures, much of their authority is taken away and centralized within a department they do not manage or control.
• Instead of looking at changing processes and policies that straighten pipes and increase flow, this report concludes huge organizational changes.

From my perspective, I have seen Pierce County as a large government agency that frankly runs pretty well considering the size and magnitude of our duties and responsibilities. The Department Directors, across the board, are some of the best people I have ever worked with; however, all of us can do better. We can ‘lean into’ policy changes that could improve purchasing and other shared service efficiencies. Those would be better initiatives than such a major organizational change as proposed.

One metric that should be considered prior to making a decision to follow these recommendations would be to compare the estimated cost of savings by sharing services to the estimated cost of the new supervisors and management positions created through this action. I would venture to say that the rate of return may not be worth the investment. A better place to look for savings is our overall organizational structure. Start looking for ways to change perspectives on the theory that span of control is limited to only seven people. A flattening out of many of our organizational sections and increasing management span of control could lead to far more efficiencies than shared services.

I would, therefore, strongly recommend that this report be redirected to the consultant with directions to circle back with the various departments and ask them why they either do or do not support the conclusions reached. I think that would spur some very lively and healthy discussion.

As always, I would be happy to discuss the details of this report and letter at your convenience.

Sincerely,

Dennis Hanberg
Director Planning and Land Services

DH:sl
Pierce County Superior Court recognizes the importance of information technology ("IT") as a tool for leveraging work. To meet the court’s daily business needs, the judges of Pierce County Superior Court want to secure an effective voice in the development and delivery of IT services. Thank you for the opportunity to comment on the *Moss Adams Phase Two Report: Centralization & Shared Services Evaluation*. I have been asked to provide this comment.

Submitted this 16th day of March, 2015.

Bryan Chushcoff, Judge
Pierce County Superior Court
I. General Principles

   The Moss Adams Centralization & Shared Services Evaluation Phase Two Report (the “Report”) is inspired by an opportunity to think differently about managing Pierce County government given the anticipated co-location of a number of county departments in a new building to be constructed on Pacific Avenue. In many ways the Report is a philosophical document broadly discussing where in Pierce County government the case can best be made for more centralized management.

   Vast differences in the work of the county departments together with the dispersion of county departments over many years from the County-City Building produced the existing relatively decentralized administrative structure of general county government. A premise of the Report recognizes that geographic separation influences the effective span of management supervision of workers as well as the delivery of services to the public. It is logical that greater geographic proximity may permit more concentrated use of resources and centralized management of employees.
But the removal of the Information Technology Department from the County-City Building to a new Pacific Avenue location operates in the opposite way relative to the Superior Court that will remain downtown. Geographic separation will test the limit a) of management supervision of IT workers; and b) of providing on-time delivery of IT services. The move of IT supports continuing decentralized IT functions for Superior Court.

2. Functionality is a Consideration Of Systems & Operations Management.

Pierce County government encompasses a vast array of responsibilities and tasks. From feeding prisoners in the jail to operating parks and maintaining public sanitation systems and roadways, there is a lot of different work to do. A theme of the Report is that while there may be significant business differences among County Departments certain functions may be common. Such functions as Human Resources and Payroll are already broadly shared by county agencies. The report indentifies several such functions that might be expanded countywide: cashiering, document management, and purchasing among them.

Many Departments will be able to take advantage of such common functions and of co-location and so be aided by sharing some services. It will be necessary, of course, for management to cope with communication and coordination between departments. The increased demand caused by the pooling work and by the standardizing of work will also challenge management. Thus the Report points out that “[t]he argument for shared services can best be made when processes are standardized and economies of scale are available.” Accordingly, when “departmental services are complex and [when departments] conduct specialized processes” and these processes are addressed “too generically, or in mass, departments may not be able to effectively deliver on their missions nor [sic] maintain their service levels.” (Report, p. 2.)
3. Functional And Institutional Distinctions Between Superior Court And General County Government Preclude Shared Information Technology Service.

Superior Court believes that it will be harmed by centralization/shared service of its information technology personnel into the county’s Information Technology Department. To better understand why sharing of IT personnel is wrong for Superior Court, consideration must be given to the functional and institutional distinctions between Superior Court and county government generally.

We begin by recognizing that each organization has to do strategic planning within its fundamental charter. The fundamental charter of Superior Court is set forth in the Constitution of the State of Washington. Superior Court’s mission is to carry out the judicial power of government. WA. CONST. Art. IV, §§1 and 6.

Intrinsic differences in the nature of the responsibilities and in the institutional arrangements between the executive and judicial branches of government necessitate a different design and management of these organizations. While each has similar managerial requirements, each has different functions and goals. This complicates useful comparison of courts generally to county executive branch departments. Superior courts are a creation of state government but largely funded by counties. Indeed superior court judges are officers of the State of Washington; they are not county employees.

To assure public confidence that is critical to the effectiveness of the court, the court’s decisions have to be impartial and these decisions have to be seen to be impartial and independent from the influence of other branches of government.

We cannot blur necessary distinctions between the judicial branch and the executive branch that keep the two separate in the public mind; distinctions that both the judiciary and the executive must remain mindful of. To do otherwise harms the court’s reputation for impartiality and independence; it undermines public confidence in the courts. Trust is quickly lost and slow and difficult to regain. Public confidence in all branches of government must be assiduously and carefully guarded.

Consider one example of how losing sight of this important principle can harm courts. Recently courts in Missouri have come under criticism for coordinating the imposition of court fines with local government to raise revenue. This raises a question in the mind of the public whether courts are finding people guilty and/or imposing financial
obligations based not on the justice of the case but rather on the pressure to raise money in support of local government. Moreover, government including county government is often a litigant in our courtrooms. Will the public believe the courts can fairly sit in judgment of government actions if it is not in important ways independent of that same government?

Courts are required to resolve disputes while adhering to fundamental principles of due process of the law and to a code of judicial conduct. Due process has many meanings and many contexts too numerous to list much less to discuss here. But at a minimum it requires courts to be impartial, and to properly protect and use nonpublic information. In order to assure this Superior Court must make reasonable efforts, including providing appropriate supervision, to ensure that the Rules are not violated by court staff, court officials, and others subject to the judge's direction and control. See, generally, Code of Judicial Conduct Rule 2. Proper supervision of IT staff in conformity with judicial ethics requires that this be done directly by the Court.

4. Superior Court Operations Are Too Specialized To Be Properly Managed Or Conducted By A Shared Or Centralized Information Technology Department.

The Report found that “hundreds of custom-developed reports and stand-alone databases have been developed to meet department needs. While such reports are being designed to meet specific requests, not all reports are being used effectively, and many are redundant.” It therefore recommends “a comprehensive review of the data/reporting approach.” (Report, p. 84) Such a review is, of course, appropriate but it illustrates why Superior Court requires a high level of expertise and a deep understanding of its internal business practices for our CSS and CSBA staff to be successful.

Recognizing the need for comprehensive review of our data and reporting, a couple of years ago Superior Court began a process that examines its LINX data system. Reports as well as data entry issues (the raw information from which reports are generated) for hundreds of proceeding types and outcome codes are being systematically reviewed and edited. Select judicial officers, courtroom staff and the court’s IT staff meet regularly and work closely together to make improvement.
We have found this is a time-consuming and detailed process that requires meticulous knowledge of the court’s operations to achieve. The Moss Adams Report notes that Computer System Business Analyst “delivery is less of a commodity” and thus less appropriate to be shared.” (Report, p. 3) We agree. From the perspective of Superior Court, review of its internal processes and reports simply could not be done without in-house IT staff; the business is too specialized and it not infrequently requires access to non-public data and secure areas.

Indeed, **good operational knowledge of each department is likely to be in short supply as one gets farther away from “the bottom.”** Every organization has to know:

- what it is supposed to be doing and why; and,
- what it is actually doing and how well it is doing it.

Sounds simple but it is the core of the business principle that successful organizations “stick to the knitting.” Businesses should do what they know because doing what you do not know often leads to failure. Every organization should be actively acquiring accurate operational information. Superior Court is concerned a shared approach to IT services compromises its ability to receive such information. The Court’s operating data should not be filtered through a distant executive agency whose personnel are insufficiently familiar with the business of the Court to know what it needs or what to ask for on behalf of the court.

**5. Superior Court Operations Require Prompt Information Technology Staff That Is Independent & Accountable To The Court.**

Superior Court is the hub of the wheel of the public safety business in Pierce County. The Sheriff/Jail, Prosecutor, Assigned Counsel and the Clerk all serve the general public but do so significantly as a necessary adjunct to the judicial function. The departments are interdependent; if any department does not function well, other departments suffer.

When the Court’s computer system does not work, when the Electronic Court Order (ECO) system is balking, and when copy machines do not operate it affects more than the court’s staff. These agencies, the parties to the case (and others waiting to be
heard), and jurors are affected too. In a single courtroom, 15 – 50 or more people may be impacted. It is expensive to pay jail staff, DAC lawyers and prosecutors (to say nothing of judges) to do nothing while the court waits for IT assistance when data equipment goes wrong or personnel are confounded by software. Solving IT issues in the field requires a nimble and proximate staff accountable to the court. A “30-minute targeted response time” (Report, p. 22) – even if achieved – is woefully too long.

Given Superior Court’s need for IT services that are “close to the action,” shared services goals are unlikely to be achieved for Superior Court by a remote IT staff. (Report, p. 7) A centralized, bureaucratic and geographically distant IT management will not do this; it will not provide timely service the justice system requires.

6. Conclusion.

The economies of scale and resource coordination that are the raison d'être of shared services cannot be achieved by including Superior Court in any consolidation of IT services given:

a) the institutional need for separation of executive and judicial branch responsibilities;

b) the ethical responsibility for the court to supervise and account for staff with access to nonpublic information and to secure areas of the court’s facilities; and,

c) the reality that conducting the Court’s IT business is too specialized and too immediate to be performed by a pool of IT staff assigned by a different government department with institutional goals and priorities that may conflict with those of the Court.

For Superior Court, IT development and deployment without sufficient understanding of the daily needs of the court will compromise the delivery of justice services - including public safety - to the community. Superior Court needs an independent and specialized IT staff accountable directly to the Court to interface with the IT Department to make its needs understood to IT and to make IT requirements and potential known to the Court.
II. **TECHNICAL NOTES**

Additional observations on some remarks from the Report as they might pertain to Superior Court:

1. The CSS staff are department staff providing technician-level Tier 1 technical support including managing equipment, handling Active Directory (AD) group assignments, installing department software on PCs, and coordinating IT support services. (Report, p. 17)

*Comment:* Superior Court CSS staff persons in fact perform level 2 and level 3 technical support. Other functions within the department CSS perform include troubleshooting/setup of copiers, faxes, and audio/visual equipment.

2. There are hand-offs between the service desk and department personnel (including both CSSs and CSBAs), but unlike the IOE and GSD Rep structure, resources are managed and coordinated separately. There is no formal enterprise teamwork or resource sharing, and that is where the CSS shared services opportunity exists. (Report, p. 19)

*Comment:* Superior Court CSS and CSBA staff work closely on a daily basis, are co-located, and are cross-trained to backup and support each other. This is working well.

3. In the current model, there is no synergy or coordination across departmental CSBA resources. (Report, p. 25)

*Comment:* This is not an apt description of how things work for Superior Court. LINX – a software network integrated and shared continuously among several county justice service departments and even with some outside law enforcement agencies – is Superior Court’s primary information system. In this sense, it is already a highly centralized system providing IT functionality across many county agencies. Departments successfully utilize a standard set of applications and work from the same set of templates and methodologies and coordinate well in a decentralized daily operating environment. It is working well.
Appendix C – Moss Adams Comments and Technical Corrections
Date: April 14, 2015
To: Bill Vetter – Senior Legislative Analyst, Pierce County Council
From: Tom Krippaehne – Regional Managing Partner, Moss Adams
Subject: Centralization and Shared Services Evaluation: Phase Two Performance Audit Review Process

Introduction

The purpose of this memo is to recap information about Pierce County's performance audit review process, including Pierce County's role and Moss Adams' response.

The County’s performance audit was structured into two phases of work. Phase one audited the positions that would be affected by a potential move to a new centralized County administration building. Phase two audited the potential to move towards shared services, and identified other potential efficiencies and effectiveness. Both phases solicited input from County departments, and incorporated dozens of comments obtained from County Directors, Managers, and other personnel.

Audit Report Review

The Generally Accepted Government Auditing Standards (GAGAS) guide the County's performance audit process in a structured audit format. The goals of this audit focused on a review of the County's existing organization and corresponding business practices. Seventeen departments were audited in total; some additional relevant information was sought from other County organizational units including the Sheriff's Office and the Superior and District Courts. County personnel provided input and feedback throughout the audit process.

As the audit moved toward closure, the technical review process involved reaching out to the departments for their review of and comment on the draft findings. Departments responded in the form of written memos recognized as a “management responses.” Moss Adams reviewed the management responses and corrected information that was inaccurate. Moss Adams also acknowledged other information provided by the County related to the findings and recommendations. If deemed relevant to the audit, this additional information was assimilated into the report. The audit team worked to ensure objectivity, independence, and the integrity of the report. Moss Adams retained responsibility for the recommendations. As the audit closes down, the County will make decisions about which of the recommendations it may choose to implement in the future.

It should be noted that Moss Adams encountered numerous data issues throughout the audit process, from our initial fieldwork to analysis and reporting. With the County's input, Moss Adams worked throughout the audit process to reconcile these data issues, including issues with data availability and inconsistency. Two examples of data inconsistencies included details regarding personnel (e.g., numbers/FTEs, titles, position descriptions, and duties) and systems (e.g., number, type, and description).
Department/Office Feedback

Several of the County departments and offices took positions about how shared services implementation should proceed through their management responses, and indicated that factors like cross-training and subject matter expertise would prohibit implementation success. The process recommended in the report accounted for such factors in its next steps. Before any shared services proceeds, the County should further evaluate the scope of services and confirm the viability of positions. This can, and should, be accomplished during the next phase of analysis, and feed directly into the shared services implementation planning phase. Without such analysis, the County is not in a position to make informed decisions about future shared services changes.

Further, the same analysis referenced above should evaluate what service levels will be provided before any changes are made. This step would ensure that services are evaluated appropriately for the County Assessor/Treasurer and the Auditor’s Office, among others. Service-level analysis should be confirmed as being acceptable (in a documented Service Level Agreement) by both the service provider and the customer department prior to proceeding with any reorganization. The above approach would address concerns voiced from the departments regarding the CSS and CSBAs positions, among others.

Finally, the County has raised many issues about “centralization.” We recommend the County revisit the definitions of centralization and shared services defined in the report. The management, approach, location, and agreements around shared services are important, and can be designed to deliver what the departments require. The shared services approach is not the same as centralization, and requires collaboration between the parties to be successful. See specific comments below regarding department feedback.

Budget and Finance

The Department provided input related to relevant budget and finance sections of the report. Inaccuracies were noted and corrected. Other input was noted and some suggestions were embraced for language modification.

Community Connections

Two concerns were noted. Moss Adams reached out to the Department to discuss input but did not hear back.

District Court

No general disagreements were noted, and numerous considerations were provided. The Court noted the report did not appear to have any substantial mistakes with regards to Court data, with the exceptions of not supporting purchasing and CSBA’s conclusions and recommendations. The Court desires to remain independent, and made a case for doing so. Information was corrected where relevant.
Human Resources
A few comments were provided about the pending reorganization and consolidation; no changes impacted the audit findings.

Information Technology
The IT Department provided a thorough response to the report. Any noted inaccuracies were corrected. Other input was considered in the findings.

Planning & Land Services (PALS)
PALS participated significantly throughout the audit process including in fact finding, analysis, and reporting phases. PALS provided numerous comments and questions in the review. Some requests for additional information were made, and resulted in some additions to the report. The findings and recommendations remained substantially intact.

Prosecuting Attorney's Office
The Office provided input in four areas including 1) CSS, 2) CSBAs, 3) Purchasing, and 4) Document Management. Concerns about service levels are duly noted. Inaccuracies were corrected. Laws and regulations were also noted, and Moss Adams respects and agrees with this information.

Public Works & Utilities (PWU)
PWU participated significantly throughout the audit process including in fact finding, analysis, and reporting phases. PWU provided many comments during the actual process, but did not provide comments during the technical review phase.

Superior Court
The Superior Court provided input about the report in a narrative commentary. The Courts do not support numerous findings and recommendations, and do not wish to lose control over their operations. No inaccuracies were noted.

Assessor/Treasurer
The Assessor/Treasurer disagrees with many of the audit recommendations. The Assessor/Treasurer desires to maintain control over its resources. Moss Adams recognizes the County's charter and state laws associated with enabling authorities of elected officials. Nothing in the report should be interpreted otherwise. The Office appears to have misinterpreted the report in numerous cases, including the Office Assistant shared services recommendations. The audit was developed as an enterprise framework, and the corresponding implementation plan provides a process and guidelines for alleviating Assessor/Treasurer concerns and missteps.
Auditor's Office
The Auditor's Office provided comments about report inaccuracies, disagreements with findings, and position on recommendations. Moss Adams reviewed all input and corrected known inaccuracies. During the technical review, there was significant agreement noted in the Auditor's thorough review notes. Other disagreements and positions were duly noted. Regarding the Auditor's comments about requiring additional supervisory and management staff, Moss Adams understands the Auditor's concerns but believes that the County can proceed with existing positions (the exact FTE counts can be verified during the subsequent detailed planning phase of work).

Other Departments/Offices Not Commenting in Technical Review Phase
Numerous other County stakeholders did not comment during the technical review phase of the audit. These include the Board of Equalization, Council, Economy Development, Executive, Facilities, Risk Management, and Sherriff's Office. Except for the Sherriff's Office, all stakeholders listed above commented in earlier stages of the audit while both fact finding and analysis tasks proceeded.

Conclusion
The County's review of the centralization and shared services study was thoughtful and engaging. Input was constructive related to fact checking, concurrence with findings, as well as sharing alternative perspectives about audit issues. Several units were not in agreement with some audit findings, most of which were the elected offices who do not want to relinquish control over their resources.

Much of the input provided by the departments was philosophic and conceptual in nature. Other departments' input focused on opposing views versus recommendations (e.g., the elected departments pointed out their authorities and rights; with edits and revisions designed to maintain their own processes, staff, and systems).

This audit challenged the County departments to consider significant organization changes. Findings and recommendations, particularly regarding staff, affect departments that are already running lean. The audit raised long-standing issues that tested the County’s views of standardization, organization, and culture change.

Finally, the County's technical review process identified dozens of comments related to Moss Adams' draft report. The number of fact changes requested is considered low. All facts were corrected by Moss Adams as requested, although continued discrepancies exist in the data provided by the County throughout the report. In closure, very few of the corrected technical review points changed the content of Moss Adams’ findings or recommendations.
Corrections to Report Based on Agency Technical Review

The following are corrections to the report that were identified by Pierce County departments during their technical review. These corrections were incorporated into the final draft:

**District Court**
1. **Page 25:** The table has been corrected to include accurate names for District Court software.

**Prosecutor**
2. **Page 25:** The number of CSBAs in the Prosecutor’s office was corrected from 2 to 1.

**Various Departments**
3. **Throughout report:** The term “customer support specialists” was corrected to “computer support specialists.”

**Information Technology**
4. **Page 3:** Removed paragraph characterizing technology environment.
5. **Page 16:** Corrected inaccurate statement that the IT department had computer support specialist (CSS) positions.
6. **Page 18:** Removed statement mischaracterizing IT system engineer roles.
7. **Page 18:** Corrected the number of computers/devices supported by CSSs.
8. **Page 23:** Corrected reporting structure in organization chart.
9. **Page 24:** Corrected number of sites served per department by CSBA staff.
10. **Page 42:** Corrected description of purchasing users by removing designation of “primary.”
11. **Page 66:** Corrected the participating departments in RFP to convert documents to digital format.
12. **Page 79:** Removed reference to Asset Management Specialist based on corrected information on their role.
13. **Page 82:** Corrected title of 2011 IT performance audit.

**PALS**
14. **Page 18:** Corrected the number of computers/devices supported by CSSs.
15. **Page 57:** Table fixed to reflect PALS use of software.

**Auditor**
16. **Pages 24 and 31:** Corrected details on Auditor’s software systems.
17. **Pages 46 and 52:** Corrected number of County departments proposed for new building.
18. **Page 46:** Corrected number of public entrances in proposed new building.
19. **Page 59:** Corrected detail on Auditor’s software system.
20. **Page 60:** Corrected details regarding Auditor’s role in performing transactions and reconciliation.
21. **Page 65:** Added Auditor to departments planning to migrate records to ERMS.
In addition to the above changes specifically noted in agency responses, the report includes changes based on conversations with agencies during the review process. These changes are primarily related to descriptive information characterizing how the County’s services are structured (e.g., how the purchasing system evolved) or how agencies are organized (e.g., how cashiering is coordinated).