Improving performance to better serve our county residents

Countywide operational performance review - General Services Department

February 2020

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Executive Summary

Scope and Methodology

The County of Santa Barbara contracted with KPMG in May 2019 to conduct an operational and performance review of all County departments. The General Services departmental review commenced in August 2019. The purpose of this General Services department review is to provide a high-level assessment of the department, identify strengths and opportunities, and benchmark financial and operational areas with similar jurisdictions with the focus to improve the overall operational efficiency, effectiveness, and service delivery provided by the department.

Over a 12-week period, the KPMG team conducted the following activities:

— **More than 45 interviews** with General Services leadership and staff to understand the organizational structure, roles and responsibilities, operations, and processes of the department.

— **Analysis of data available, reports, and policy documents** to understand demands upon, and the operations of, the department.

— A **customer survey** was also distributed to the Board of Supervisors, their Chiefs of Staff, Department Directors, and Assistant Department Directors to gather their opinions on the service provided by the County Executive Office.

— A **benchmarking and leading practice review** was conducted of the recommended eight benchmark counties; Marin, Monterey, Placer, San Luis Obispo, Santa Cruz, Solano, Sonoma, and Tulare.

This report outlines the findings of the operations and performance review and details recommendations for enterprise-wide management and for each of the eight divisions: Administration and Finance, Capital Projects, Information and Communications Technology, Energy, Facilities, Fleet, Purchasing, and Real Property.

Executive Summary

Department Orientation

Mission statement: Provide vital, sustainable, and innovative services to ensure that the County accomplishes its goals and objectives for the public good. We provide: capital improvements, facility management, financial and procurement services, mail services, information and communication technology, real estate services, and vehicle operations.

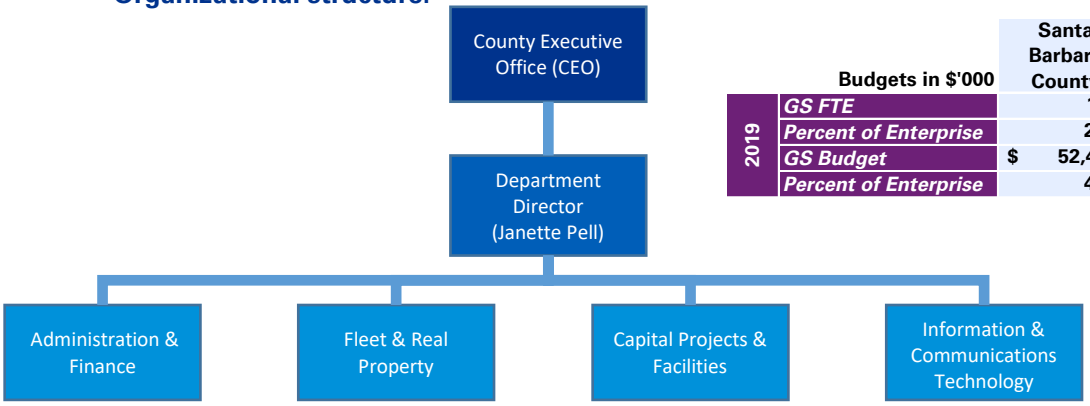
Responsibilities:

1. Provide vital, cost-effective, sustainable, and innovative services to ensure that the County accomplishes its goals and objectives for the public good.
2. Deliver an array of real asset, technology, and administrative services to County departments.

Recommended budget (2019/20):

$52.5M	$27.4M	118.5
Operating Expenses	Capital Expenses	Full-time Employees

Organizational structure:



County benchmarks:

	Budgets in $'000	Santa Barbara County	Average
2019	*GS FTE*	119	72
	Percent of Enterprise	2.8%	2.1%
	GS Budget	$ 52,492	$ 32,722
	Percent of Enterprise	4.6%	2.4%

Executive Summary

Commendations

Renew '22 Initiatives

The General Services department has transformed a large amount of projects in the pipeline to better align with Renew '22. Whether it is working towards IT governance, realigning the General Services Strategic Plan, or focusing on establishing a GIS environment, General Services should be commended for its efforts towards Renew '22.

Data-focused Organization

General Services has made a conscious effort to identify where and how they collect data and use it to make strategic decisions, drive performance, and perform process improvements.

Capital Improvement Plan

Although recently adopted, General Services should be commended for taking the difficult step of establishing a CIP process and document that reflects the needs of the County.

Fleet Management

The General Services department Fleet division has done an exemplary job of establishing policies, procedures, and data analytics around the maintenance, and refreshing, of the County's fleet.

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Customer Engagement

The General Services department has consistently sent out an annual survey to their customers to solicit feedback on the services they provide and amend their operations to deliver a better customer service.

Executive Summary

Renew ’22 Mapping

The recommendations made within the General Services review have been aligned to the Renew ’22 Transformation Behaviors to help ensure that the recommendations are driving towards the Renew ’22 strategic vision, as seen in Figure 1 below.

			Transformation Behaviors				
			Alignment with Vision	Data Driven Decision Making	Strategic Thinking	Risk Taking	Collaborative Problem Solving
Enterprise Enablement Recommendations	1	Develop a cadenced process to align mission and vision with the budget	■	■	■		■
	2	Develop countywide policies and procedures that guide governance and compliance	■		■	■	
	3	Understand current workload and skills to define future skills gaps, assist in future planning, and establishing performance expectations	■	■	■		■
	4	Develop service level expectations, performance requirements, and establish a performance monitoring program		■	■		■
	5	Identify capabilities and usage of current systems to define technology gaps and opportunities for improved integration	■	■	■	■	

Figure 1
Source: KPMG LLP (2019) Analysis of Renew 22’ Transformational Behaviors

Executive Summary

Enterprise Enablement Recommendations

Enterprise enablement recommendations relate to the systems and processes needed for the General Services department as a whole to manage their operations and activities to achieve the County's goals. The recommendations outlined below focus on providing strategic alignment and direction across all General Services divisions and the foundational systems for the department to become data driven with an emphasis on performance and outcomes to inform strategic decision-making.

#	Enterprise enablement recommendations
1.0	Develop a cadenced process to align the budget with the department mission and vision
2.0	Develop countywide policies and procedures that guide governance and compliance
3.0	Determine current workload and skills to define future skills gaps, assist in future planning, and establish performance expectations
4.0	Develop service-level expectations, performance requirements, and establish a performance monitoring program
5.0	Leverage capabilities and usage of current systems to define technology gaps and opportunities for improved integration

Executive Summary

Division Recommendations

Division recommendations identify opportunities for the General Services department and divisions to more effectively prioritize activities, generate more efficient and effective operations, and improve service to General Service's customers.

#	Division recommendations
Administration and Finance	
6.1	Establish Administration and Finance as owners of the budget development and monitoring process
6.2	Establish a cadenced and transparent Internal Service Fund rate setting and management process
Capital projects	
7.1	Establish a prioritization criteria for the Capital Improvement Plan that balances all needs with lifecycle and budget
7.2	Establish a framework for balancing the workload of project managers, and aligning the appropriate skills to capital projects
7.3	Utilize performance tracking to set portfolio management expectation for Capital Projects staff
Information and communications technology (ICT)	
8.1	Conduct readiness assessment of ICT capacity and capability to deliver core system upgrades
8.2	Determine the delivery ownership of IT services between ICT and departments
8.3	Elevate the role of IT and consider establishing ICT as a stand-alone, independent department following implementation of 8.1 & 8.2

#	Division recommendations
8.4	Establish a single, integrated Tier 1 and 2 service desk for the County
8.5	Expand ICT Project Management Oversight (PMO) intake process to all IT projects in the County
8.6	Establish a multi-faceted approach to prioritizing, developing and implementing IT policies
Energy	
9.1	Realign the Energy division to strategically focus on County energy sustainability and compliance
Facilities	
10.1	Establish an asset maintenance strategy to address the deferred maintenance liability
10.2	Establish a Capital Assets Lifecycle Policy for elevating deferred maintenance projects to capital projects
10.3	Establish a strategic plan for prioritizing preventative maintenance and reactive maintenance requests
10.4	Define a framework for analyzing historical staffing demands with focus on the type of request, and set a strategy for staffing levels and types of trade skills needed
10.5	Fully adopt Maintenance Connection for Facilities staff and focus on tracking service levels and performance
Fleet	
11.1	Adopt a strategic plan for staffing and training of mechanics to reflect the greening of the fleet over the next five years and beyond
11.2	Establish a process and structure to help ensure routine maintenance compliance
11.3	Utilize scheduling tools to automate the scheduling of routine maintenance
11.4	Evaluate the implementation of telematics for enhanced fleet utilization

#	Division recommendations
Purchasing	
12.1	Establish clear Board adopted policies to establish roles and responsibilities of Purchasing and county departments.
12.2	Fully utilize available software systems to automate processes and more appropriately track activities
12.3	Coordinate with the Auditor-Controller to establish a cadenced spend analysis that complements the annual report currently generated
12.4	Establish a contract compliance and review process to reduce risk
12.5	Identify all common goods and services procured across the County and collectively bid
Real Property	
13.1	Utilize Yardi to establish average workload, determine expected workload, and define performance metrics
13.2	Coordinate with the Facilities division to determine building occupancy and consolidation opportunities
13.3	Establish strategy for asset management around land ownership; own versus sell versus lease

Executive Summary

Current and Recommended Operating Model

Figure 2 below summarizes the General Services department's current state operating model across six design layers, as well as the target state that can be achieved by implementing the recommendations in the following sections. Each operating model layer describes a continuum of maturity that articulates how the General Services department can be designed to deliver services optimally. These layers were also used to structure the observations, analysis and recommendations of the review of the General Services department. Detailed descriptions of the six design layers can be found in Appendix E.

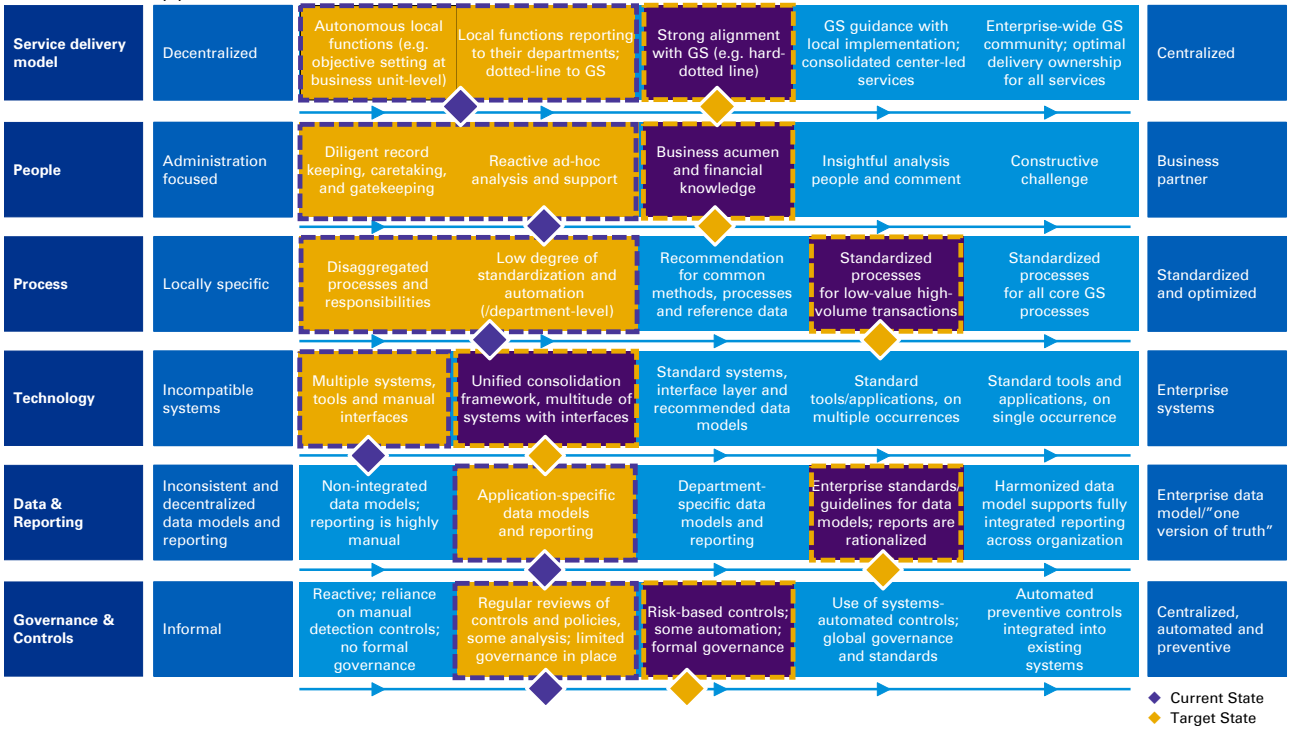
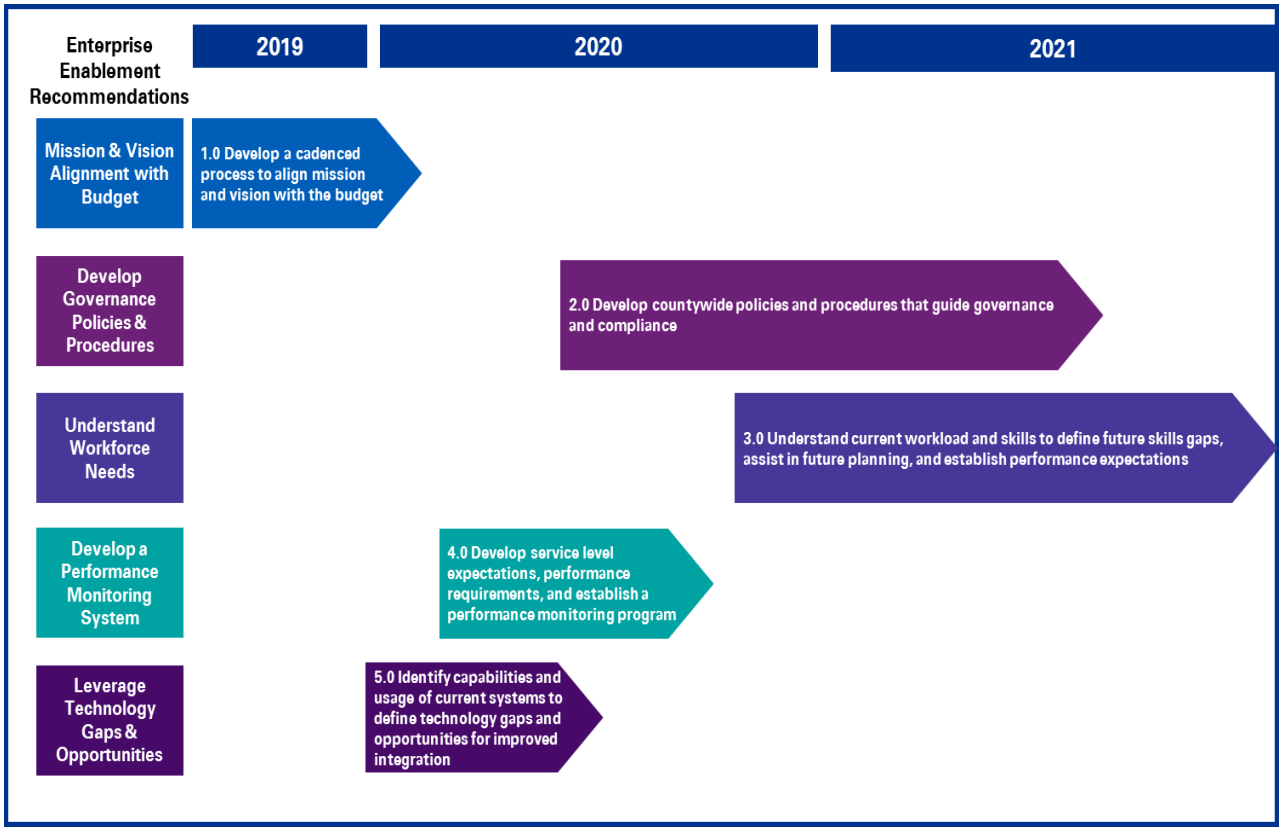


Figure 2 Source: KPMG LLP (2019)

Executive Summary

Implementation Roadmap

Implementing the proposed recommendations requires thoughtful and precise planning and strong project oversight, particularly with regard to the number of interdependencies and stakeholders involved with such changes. The implementation plan below outlines the recommended sequencing and timeline for the enterprise enablement recommendations over the next two to three years.



Enterprise Enablement Recommendations

Enterprise enablement recommendations relate to the systems and processes needed for the General Services department to manage their operations and activities to achieve the County's goals. The recommendations outlined below focus on providing strategic alignment and direction across all General Services divisions and the foundational systems for the department to become data driven with an emphasis on performance and outcomes to inform strategic decision-making.

#	Enterprise Enablement Recommendations
1.0	Develop a cadenced process to align the budget with the department mission and vision
2.0	Develop countywide policies and procedures that guide governance and compliance
3.0	Determine current workload and skills to define future skills gaps, assist in future planning, and establish performance expectations
4.0	Develop service-level expectations, performance requirements, and establish a performance monitoring program
5.0	Leverage capabilities and usage of current systems to define technology gaps and opportunities for improved integration

Enterprise Enablement

1.0 Develop a cadenced process to align the budget with the department mission and vision

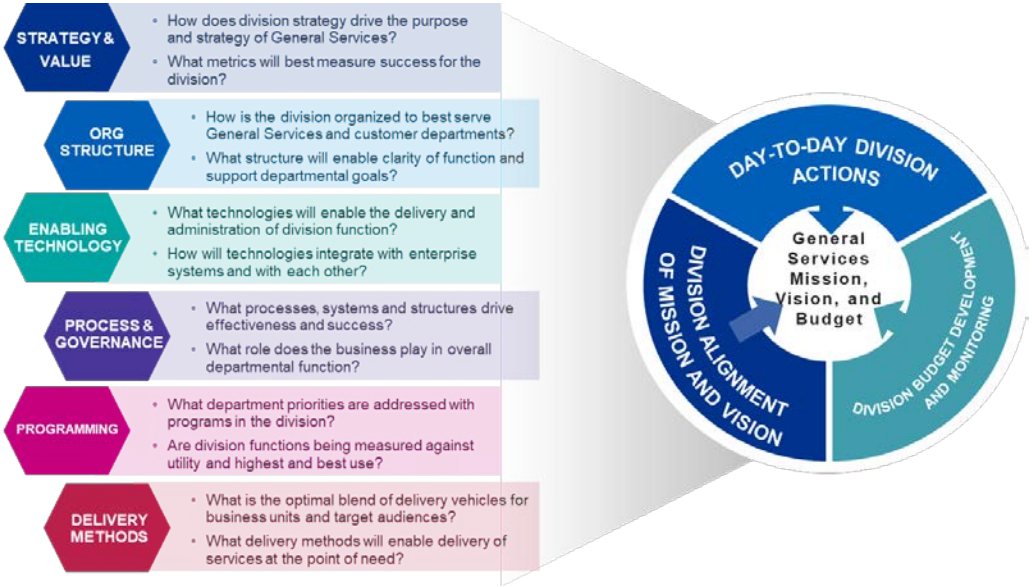
Observation and analysis

General Services has an established mission and vision, and all divisions of the department state their scope of services; however, not all divisions perform the functions of their stated scope of service. Moreover, not all divisions have integrated the General Services strategy into their day-to-day operations, which creates a negative feedback loop of some departments replicating the work General Services performs, creating confusion and variation among outputs and divisions operating in silos and not in a unified manner.

Align division activities to General Services' vision. It is critical for each division of General Services to understand how their activities support the department's mission and vision. Department leadership should clarify how operational objectives and activities across divisions contribute to the broader department-level goals and, ultimately, with goals identified as part of Renew '22 related to Improving customer service and operations. This messaging can be re-iterated during department-level performance reviews (as mentioned in the Enterprise Enablement Recommendation 1.2 of the Departmental Review of the County Executive Office (CEO), and reflected in department-level performance measures that should represent shared outcomes across the collective efforts of each division (detailed further in Recommendation 4.0).

Align division budgets to General Services' vision. As critical as it is to understand how divisions' actions align with the vision of the department, it is fundamental to the success of the department to ensure that division budgets reflect and align with the goals of the department. There have been historical issues around budget overrun that stem from a lack of communication and coordination between departments and divisions. This includes that centralization of the ISF rate setting process into Administration and Finance as outlined in Recommendation 6.2, in which Administration and Finance would be the central coordinator for the ISF rate setting, monitoring, reconciliation, future planning and communication of ISFs for the Department. There is an opportunity for the General Services department to participate in the enhanced budget

management process (as mentioned in the Enterprise Enablement Recommendation 2.1 of the Departmental review of the CEO), to more frequently monitor and update budgets in collaboration with division representatives. This enables a more collaborative relationship within the department to help ensure that budgeting and forecasting is driven by the strategic direction of the County, the mission and vision of the department, and operational, workforce and capital/investment needs across divisions.



Source: KPMG LLP (2019)

Once the department mission and vision is defined, there may be an opportunity to review the current location of the General Services' divisions throughout the County buildings. The current dispersement of staff across multiple locations can cause fragmentation within operations and create difficulties when managing employees and fostering collaborative relationships across the Department. As mentioned above, current operations have led to the creation of siloes which does not lead to efficient or effective processes. The consolidation of General Services division within one location could help improve the sharing of information and workflows between divisions and allow for increased insight into workload, and performance as outlined in Recommendations 3 and

4. In addition, there are Department initiatives and goals that span multiple divisions and will require combined efforts over the next one to five years, which under the current structure may be difficult to facilitate.

Anticipated impact

Aligning General Service divisions' budgets and actions to the overall department mission and vision will streamline operations, promote a unified department strategy, and support the goals of the county outlined in Renew '22. Aligning performance metrics to these goals, as described above, should ensure proper execution and evaluation of the success of this initiative.

The below implementation plan describes the necessary steps and action items to take when fully implementing this recommendation. It also describes who the stakeholder are, what the deliverables should be, and roughly how long it should take to implement.

Enterprise Enablement 1.0 Tearsheet

Develop a cadenced process to align mission and vision with the budget

It is imperative for each General Services division to understand how their actions and budgets roll up in to the departmental mission and vision. Aligning the mission, vision, and budget establishes a foundation in which all other improvements can occur.

Key Activities:

- **Guide a structured discussion around aligning division budgets** and activities using the following themes:
  - Strategy and value
  - Organizational structure
  - Enabling technology
  - Process and governance
  - Programming
  - Delivery methods
- These meetings should include department and division leadership, and the main action item from the first meeting should be for each division to build a document that describes each program in the division, what the budget of this program is, how many FTEs are assigned, and how this division supports the mission and vision of General Services.

Resources	Deliverables
— General Services Director, Assistant Directors, and Managers. CEO representation is optional.	— Mission and Vision documentation — Program-level information — Renew 22 alignment

Level of Impact	Level of Effort	Duration
High impact as this will directly affect day-to-day operations	Medium effort as this is an exercise is budget and program adjustment, not creation	6 – 9 months

2.0 Develop countywide policies and procedures that guide governance and compliance

Observation and analysis

There are challenges around the fact that there is both a lack of countywide policies and procedures, and a lack of compliance and enforcement of already established policies and procedures. Addressing these two challenges is critical to mitigating risk and minimizing variability across the County in services such as IT, procurement, and tracking of shared services. There must be an iterative, deliberate approach to addressing these issues that focuses on establishing the policies and procedures, developing a mechanism in which the policies and procedures are governed, and a way to track and address compliance.

— **Develop General Services policies and procedures.** General Services should lead a guided exercise with all stakeholder departments to develop clear policies and procedures to help ensure countywide consistency of service, but also to establish reasonable policies that drive towards shared outcomes, minimizing high-risk activities, identifying cost-saving opportunities, and minimizing differences in work across the County.

— **Establish a governance mechanism for policies and procedures.** Departments that utilize or deliver General Services supported, or similar services, should have a "dotted-line" relationship with General Services (i.e., matrix structure) to ensure adherence to General Services' policies and procedures. Examples of this are ICT support services, Purchasing services, and Facilities Maintenance. For this to be successfully accomplished, there needs to be support from appointed and elected leadership.

— **Policy and process compliance.** General Services is not tasked with policy and performance compliance of other departments, so it is incumbent upon General Services to position themselves as business partners and mentors to the other departments. By making policies, processes, and "best practices" easily accessible to the other departments, General Services can help drive the County as a whole towards compliance. Utilizing SharePoint, the County intranet, Box, or a similar repository of information is a thorough way to help ensure the dissemination of information.

Anticipated impact

The establishment of standardized policies and procedures within the General Services department and adoption throughout County departments helps to ensure more consistent service to county stakeholders and an effective policy while a procedure governance mechanism promotes iterative improvements to the General Services delivery model. Additionally, establishing General Services as a partner to other related

departments helps disseminate best practices and standardization across the County and lowers barriers to entry for policy and procedure adoption in other departments by leveraging an available knowledge base.

The below implementation plan describes the necessary steps and action items to take when fully implementing this recommendation. It also describes who the stakeholder are, what the deliverables should be, and roughly how long it should take to implement.

Enterprise Enablement 2.0 Tearsheet

Develop countywide policies and procedures that guide governance and compliance
A lack of policies and procedures, or an inability to enforce established policies and procedures, creates a large variation in service and product outcomes, while unnecessarily increasing risk. Addressing these in a standardized way should be a focus. **Key Activities:** — **Organize a guided exercise with department stakeholders** to understand where the highest impact would be by standardizing a process or policy. Then develop policies and procedures around services conducted by General Services, with prioritization of action around mitigating high risk activities or identifying high value savings. — **Develop a routine policies and procedures check** that focuses on identifying the outliers of compliance (acceptable use, underutilized vehicles, energy efficiency measures, collective purchasing, etc.) and establish a process to bring them back in to compliance.

Resources	Deliverables
— General Services Director, Assistant Directors, and Managers. CEO representation is optional.	— Mission and Vision documentation — Program-level information — Renew 22 alignment

Level of Impact	Level of Effort	Duration
High impact as this will directly affect day-to-day operations	Medium	9 – 12 months

3.0	Determine current workload and skills to define future skills gaps, assist in future planning, and establish performance expectations

Observation and analysis

The broad scope of General Services' responsibilities requires numerous, unique skill sets and years of experience. With that, it is incumbent on General Service to understand the skills possessed by their employees, the skills gaps within their workforce, whether or not their discrete teams are properly sized to perform the required work, and what skills are needed for the near- and long-term goals of the County. Some examples of current challenges are the lack of incoming staff with the required skills for analog and digital radio maintenance and repair, and the ability of the Fleet division mechanics to handle the different maintenance requirements for electric vehicles.

Establish current workload and skills needs. It is important for General Services to understand what the correct number of personnel and skill sets is for the functions it performs. More importantly is to, with consideration of General Services Enterprise Enablement Recommendation 4, establish a set of performance expectations once needs are identified, and clearly define where accountability lies within the reporting structures.

— Conduct a business needs assessment to understand departmental strategies and operational requirements, determine needed improvement to existing services, and surface opportunities for new services (e.g., needs of today and tomorrow).

— Conduct an inventory assessment of General Service's personnel to understand existing skills and determine the skills gap. This process will most likely require assistance from Human Resources to ensure that they understand the skills needs and gaps, allowing them to better tailor a recruiting process as enumerated in Recommendation 7.1 in the Departmental Review of the Human Resources Department. Ultimately, it will be the responsibility of the division manager to understand the current and future needs of their division, and engage with the Employee and Workforce Development division of the Human Resources Department to ensure that recruiting efforts are tailored to that need.

— Compare current skills and business needs with identified needs for the future, and establish a set of training and development goals for employees to best prepare for that change.

— Establish a minimum expectation of workload for each employee in which they are held accountable. This workload should have current and historical throughput, as well as

seasonality, taken into account. A crucial step in utilizing employee workload information will be to tie that data to employee performance reviews.

— Be willing to retrain/reposition existing staff to build out required capabilities.

Establish skills needed for the future. General Services needs to understand the current skills of their workforce and to establish a list of critical skills, by division, that are required to be present in that division to continue to serve the County. However, it is equally important for each division, and ultimately the department, to understand the skills that are needed for the future. Recruiting skills for the future and training staff to meet future needs determined through succession planning and preparing for the changing needs of the future (electric vehicles, digital radios, etc.) are important steps to continue to provide high-level service to customers.

Continuous improvement: Further defined in the next recommendation, it is critical for General Services to define performance measures and service levels that will be used to hold employees accountable. Monitoring these measures routinely should allow General Services and other departments to identify areas that require attention and invest in the right workforce mix to address gaps in expertise, and the changing needs of the County. The County is currently in the process of training employees in the PEAK Academy methodology, which embraces continuous improvement, but there are other models that define a structure for continuous improvement, such as the GovStat[1] model. By embracing these iterative models that elevate the need to constantly improve processes and outcomes, General Services and the County should have a more resilient workforce and create a better product and outcomes.

Anticipated impact

Understanding the current workforce profile enables the General Services department to identify gaps in their current skill base and properly anticipate future skill gaps. This exercise, executed in parallel with the creation of an iterative performance measurement system, creates a proactive rather than reactive workforce planning structure.

The below implementation plan describes the necessary steps and action items to take when fully implementing this recommendation. It also describes who the stakeholder are, what the deliverables should be, and roughly how long it should take to implement.

[1] https://www.americanprogress.org/wp-content/uploads/issues/2007/04/pdf/citistat_report.pdf

Enterprise Enablement 3.0 Tearsheet

Determine current workload and skills to define future skills gaps, assist in future planning, and establish performance expectations

It is critical for General Services to understand the skill levels, skills gaps, whether or not teams are sized appropriately, and whether the current workforce possess the skills need for the near, and long term future.

Key Activities:

- **Collaborate with division leadership** in General Services to understand current and future operational requirements, upcoming capital expenditures and the impacts on staff, and what goals each division has for employee growth.
- **Develop performance measures and service levels** (PEAK, Lean Six Sigma, etc.) that measure workload, identify skills gaps, track performance and service levels (further defined in the next recommendation), and holds employees, managers, and, ultimately, the director responsible. Notable measures can be reviewing productivity hours of employees, understanding throughput, and defining cycle time.
- **Work with the Human Resources department to set up a strategy** for prioritizing, recruiting for, and training to the gaps/needs identified for the current and future workloads of the department. When recruiting or training internally is not a successful strategy, it will be incumbent on General Services and Human Resources to identify regional strategic partners that can assist in the specific training needs identified.
    - E.g. colleges, universities, trade associations, two-year schools, etc.

Resources	Deliverables
— General Services Director, Assistant Directors, and Managers. Human Resources Department EWP & O&TD.	— Departmental skills profile that includes skills possessed, needs, and future gaps — MOU agreements with external partners

Level of Impact	Level of Effort	Duration
High impact	High	9 - 12 months

4.0 Develop service-level expectations, performance requirements, and establish a performance monitoring program

Observation and analysis

Although General Services does have some performance measures established to track operations, they are either qualitative, through the annual survey, or lack the ability to drill down to perform root-cause analyses. Fortunately, most General Service divisions have software systems that create robust data sets that can be used to establish performance metrics, yet few are used to do so. It is therefore recommended that the General Services department utilize those software systems, data sets, and qualitative data to establish a comprehensive set of performance metrics, service-level expectations, and monitoring programs to hold employees and divisions accountable and set expectations for customers.

Develop a service catalogue. A service catalogue can help departments understand what services are provided by General Services "menu" of services offered by General Services

- **Service Management:** Explaining how the service will be managed and requested (e.g., processes, systems) as well as points of contact for questions or needs.
- **Service Workflow:** This will demonstrate both who is responsible for what, and how long each step should take. This is a critical component to both service levels and performance management.

Develop service-level agreements (SLAs) with service-level indicators that define the level/performance of service to be delivered to departments, including but not limited to: cost, timeliness, accuracy, volume, and satisfaction. Examples of division-specific service levels are provided in the division recommendations.

Develop division-level performance measures. These should reflect the "value" provided to the County in terms of the effectiveness, efficiency, and quality of specific processes by measuring inputs against outputs. Examples of division-specific measures are provided in the following sections.

Develop a consistent monitoring program. Ensure services are consistently monitored, reported, and reviewed against SLAs and performance scorecards. Establish a communication process that identifies how reports will be distributed or accessed, the frequency of the reports and the audience for performance reports once they become operationalized. Ideally, there should not just be a monitoring program that operates for the sake of monitoring, but utilizes best in practice performance and process improvement methodologies to drive a better, continuously improved product, e.g., PEAK Academy, GovStat, Lean Six Sigma.

Anticipated impact
Establishing a matrix of programs at the service, department, operational, and monitoring level as described above should create clarity for other departments that engage General Services, drive accountability within the department and to the County vision, and provide a structured methodology for continuous performance improvement. The below implementation plan describes the necessary steps and action items to take when fully implementing this recommendation. It also describes who the stakeholder are, what the deliverables should be, and roughly how long it should take to implement.

Enterprise Enablement 4.0 Tearsheet

Develop service level expectations, performance requirements, and establish a performance monitoring program
Establishing service level agreements and tracking performance measures is critical to the success of any organization. Fortunately, most of General Services has performance data generated from existing software systems. **Key Activities:** — **Division managers should collaborate with their Assistant Directors to establish a list of all performance measures** generated by their divisions. They should then establish what the performance indicators (PI) and key performance indicators (KPI) are, and use KPIs to define service level agreements. There should also be a periodic re-evaluation of all performance and key performance indicators for usefulness to ensure that as the strategy changes and projects are completed, the metrics are still relevant to driving performance and the department mission and vision. — **Once PIs and KPIs are developed, the department should develop service level agreements with their customer departments.** These service levels should not be arbitrarily set, but based on the 90th percentile timeframe in which the department currently delivers a service, and a 10% improvement expectation should be factored in. — **The department should establish an internal monthly meeting** with department leadership to analyze the performance of each division in General Services. The meeting should identify the outliers in employee performance and on-time completion of services, and establish a root cause analysis exercise to resolve the issues. Following the CEO Enterprise Enablement Recommendation 1.2, the performance measures of each division should also be discussed with the ACEO and budget analysts at their monthly meetings.

Resources	Deliverables
— General Services Director, Assistant Directors, and Managers. — Representatives from customer departments	— Performance indicators for employee performance — Service level agreements — Monthly performance reports

Level of Impact	Level of Effort	Duration
High impact	Medium	6 – 9 months

5.0	Leverage capabilities and usage of current systems to define technology gaps and opportunities for improved integration

Observation and analysis

General Services has taken great strides to procure software suites that establish appropriate tracking levels of work and throughput. However, there are many instances in which existing software is not fully utilized, integrated with other systems, or used appropriately by employees. It is worth noting that a significant challenge for completely fulfilling this recommendation is the existence of software suites that were built by the County and that are structurally limited in their ability to communicate with commercial pieces of software. There are instances in which General Services has had limited success in establishing bidirectional software systems integration, but that is not a common outcome.

Understand functionality of current systems and fully adopt the day-to-day use of available functionality of all systems. Although there are robust software systems and data sets available, it is critical to understand the currently procured, and potential full, functionality of those systems. Ensuring that all employees are fully utilizing the software systems available not only provides consistency in service delivery to customers, it enables division and departmental management to understand the productivity, competency, and success of their workforce. Examples include ensuring the use of the full software suite of SpendMap, and the full adoption of Maintenance Connection by all Facilities staff. A strategic approach to understanding this need would be to develop a gap analysis that that establishes a comparison of the required functionality (essential versus desirable) against what the current systems can provide.

Identify all available reporting capabilities of systems. There are multiple instances across General Services in which native reporting functionality of software systems is not appropriately utilized, or a complicated, internally developed, single-person supported reporting function is being used. The department should prioritize and maximize the use of reporting functionality to drive performance management and SLA monitoring and pivot that analysis into data-driven decision-making.

Establish clear workflows for generating service requests. Almost all divisions of General Services utilize commercial software that has a ticketing functionality, yet many service requests are generated outside of that ticketing system via phone, email, or in-person. Establishing clear, strictly adhered to channels in which County employees can generate service requests for

General Services is critical to timely resolution of those service requests, as well as appropriate tracking and monitoring of performance.

Anticipated impact

Ensuring consistent use of current IT enterprise systems and mapping current reporting capabilities should generate more accurate and effective performance management and SLA monitoring with minimal additional expenditure.

The below implementation plan describes the necessary steps and action items to take when fully implementing this recommendation. It also describes who the stakeholder are, what the deliverables should be, and roughly how long it should take to implement.

Enterprise Enablement 5.0 Tearsheet

Leverage capabilities and usage of current systems to define technology gaps and opportunities for improved integration

General Services has made great strides in acquiring software systems that organize and track data in a thoughtful way, if used appropriately. However, there are numerous instances in which the software is not fully utilized, integrated, or appropriately used by employees. Fully adopting and integrating the currently owned technology is critical to operational efficiency, and utilizing and disseminating the data that is generated is key to the successful implementation of most of KPMG's recommendations.

Key Activities:

- **Establish reporting capabilities of currently used software systems**, and identify which reports satisfy the data reporting needs enumerated in Recommendation 4. Where there are gaps in stock reports, either work with the software vendor to create new versions of reports that fill the gaps, or work with internal IT staff to create those reports.
- **Develop standardized documentation around functionality and create frequent opportunities for training.** It is extremely important to create robust documentation around the functionality and reporting capabilities of software systems, but also to make trainings available to employees who wish to develop additional skills or receive a refreshed set of trainings.
- **Create an MOU with customer departments**, in which County leadership is a party, which clearly enumerates the appropriate channels in which a customer can create a request for service from the department.

Resources	Deliverables
— General Services Director, Assistant Directors, and Managers. — Representatives from customer departments — CEO representative	— Catalogue of reports, reporting functionality, and redesigned processes which include user trainings — MOUs between General Services and customer department

Level of Impact	Level of Effort	Duration
High impact	Medium	3 - 6 months

Division Recommendations

Division recomendations identify opportunities for the General Services department and divisions to more effectively prioritize activities, generate more efficient operations, provide strategic insight to other County departments, and improve service to General Services customers

#	Division Recommendations
Administration and Finance	
6.1	Establish Administration and Finance as owners of the budget development and monitoring process
6.2	Establish a cadenced and transparent Internal Service Fund rate setting and management process
Capital Projects	
7.1	Establish a prioritization criteria for the Capital Improvement Plan that balances need, lifecycle, and budget
7.2	Establish a framework for balancing the workload of project managers, and aligning the appropriate skills to capital projects
7.3	Utilize performance tracking to set portfolio management expectation for Capital Projects staff
ICT	
8.1	Conduct readiness assessment of ICT capacity and capability to deliver core system upgrades
8.2	Determine the delivery ownership of IT services between ICT and departments
8.3	Elevate the role of IT and consider establishing ICT as a stand-alone, independent department following implementation of 8.1 & 8.2
8.4	Establish a single, integrated Tier 1 and 2 service desk for the County
8.5	Expand ICT PMO intake process to all IT projects in the County
8.6	Establish a multi-faceted approach to prioritizing, developing & implementing IT policies
Energy	
9.1	Realign the Energy division to strategically focus on County energy policy and efficiency

Division Recommendations (continued)

#	Division Recommendations
Facilities	
10.1	Establish an asset maintenance strategy to address the deferred maintenance liability
10.2	Establish a Capital Assets Lifecycle Policy for elevating deferred maintenance projects to capital projects
10.3	Establish a strategic plan for prioritizing preventative maintenance and reactive maintenance requests
10.4	Define a framework for analyzing historical staffing demands with focus on the type of request, and set a strategy for staffing levels and types of trade skills needed
10.5	Fully adopt Maintenance Connection for Facilities staff and focus on tracking service levels and performance
Fleet	
11.1	Adopt a strategic plan for staffing and training of mechanics to reflect the greening of the fleet over the next five years and beyond
11.2	Establish a process and structure to help ensure routine maintenance compliance
11.3	Utilize scheduling tools to automate the scheduling of routine maintenance
11.4	Evaluate the implementation of telematics for enhanced fleet utilization
Purchasing	
12.1	Establish clear Board adopted policies to establish roles and responsibilities of Purchasing and county departments. s
12.2	Fully utilize available software systems to automate processes and more appropriately track activities
12.3	Coordinate with the Auditor-Controller to establish a cadenced spend analysis that complements the annual report currently generated
12.4	Establish a contract compliance and review process to reduce risk
12.5	Identify all common goods and services procured across the County and collectively bid

Division Recommendations (continued)

#	Division Recommendations
Real Property	
13.1	Utilize Yardi to establish average workload, determine expected workload, and define performance metrics
13.2	Coordinate with the Facilities division to determine building occupancy and consolidation opportunities
13.3	Establish strategy for asset management around land ownership; own versus sell versus lease

Administration and Finance

6.1	Establish Administration and Finance as owners of the budget development and monitoring process

Observation and analysis

During interviews with leadership and line staff, there was a consensus that there is a lack of communication and alignment between Administration and Finance and other divisions in General Services during the budget development and budget monitoring process throughout the fiscal year, leading to budget reconciliation problems at the end of each fiscal year. Although this problem is exacerbated because there is no central finance system, as mentioned in the CEO deparmental review, there are steps that Administration and Finance can take to mitigate the budget overrun and improve communication.

Establish a routine, pre-fiscal year, budget strategy session to be led by Administration and Finance

— The goal of this meeting is to align the goals of each division for the next fiscal year with the budget realities of General Services as a department. This will also be an opportunity to holistically look at the division-level budgets and prioritize how they roll up into the General Services department budget as a whole, based on Renew '22 alignment, stated priority of the department, and priority and guidance set by County elected and appointed leadership. It is also intended to serve as an opportunity to better support the ISF rate setting and planning process, as further enumerated in Administration and Finance Recommendation 6.2.

Develop an enhanced budget monitoring and management process by setting cadenced meetings between Administration and Finance and division managers to track performance and allow for proactive monitoring.

— Monthly meetings should focus on budget performance tracking, in which divisions are held accountable to their spending and if they go over budget. Critical to this meeting, beyond attendance by the division, is the need for full leadership support of Administration and Finance to host and lead these meetings and include the CEO budget analysts where appropriate.

— Quarterly meetings should focus on forecasting and budget trends related to the divisions, but should also reserve time to understand whether or not the ISFs are coming under, or over, budget, and what steps need to be taken to help mitigate the variation.

Anticipated impact

Increasing connectivity between the Administration and Finance and other General Services divisions will promote more dynamic decision making and budget prioritization process. Establishing cadenced budget strategy sessions and post-adoption monitoring reduces instances of information silos, encourages budget responsibility, and mitigates risk.

6.2 Establish a cadenced and transparent Internal Service Fund rate setting and management process

Observation and analysis

Of the four Internal Service Funds (ISF) that are generated by various divisions of General Services, we have found inconsistencies in the following processes and strategies:

- **Setting the rate and multiplier**
  - The fund rate (cost per widget) and multiplier (number of widgets) are set by the subject matter expert (SME) in the division based on historical usage data and projecting the future. However, the rate and/or multipliers are set many months in advance, in some instances they are set 12-18 months in advance of the budget in which the rate is used. Each year, the SMEs will have a discussion with departments about the set rate and come to an agreement; generally referred to as "Consensus Day." There is concern by staff and leadership that by setting the rate so far in advance, especially with rates that include reliance on commodities pricing, the County is not taking into consideration current realities in setting an annual budget for ISFs and creating an end of fiscal year reconciliation problem.
- **True up of actuals versus budget**
  - In most instances, we found a lack of data and processes that demonstrated reflection on the previous fiscal years actual usage against the rate used and whether or not there were funds needed to be recuperated for use of service.
- **Communication**
  - There is a need for consistent communications of the ISF rate, multiplier, budget, actuals, and process. In the KPMG survey, 62 percent of respondents stated that they had a "marginal to moderate" understanding of how to ISFs are created. However, we also noticed an inconsistency of understanding around the fluidity of the rate and the budgeting of the ISFs. For example, a budget set for the ICT ISF is based on a predetermined cost for service multiplied by a finite number of widgets (e.g., computers, ports, etc.). There were instances in which the departments did not recognize that this number was an estimate and not a static number that could not have budgetary overrun, if more widgets are added mid-year.

There is an opportunity to address these concerns comprehensively by establishing an alternative model for development of the ISFs that repositions the division managers as SMEs, and centralizes

the process into Administration and Finance. Below are three potential future states in which Administration and Finance should be the central coordinator for the ISF rate setting, monitoring, reconciliation, and future planning. The head of each division in which there is an ISF (Fleet, Utilities, ICT, and Communications) should be the consulted SME when determining best practices, but Administration and Finance should be ultimately responsible for the development and communication of the ISFs.

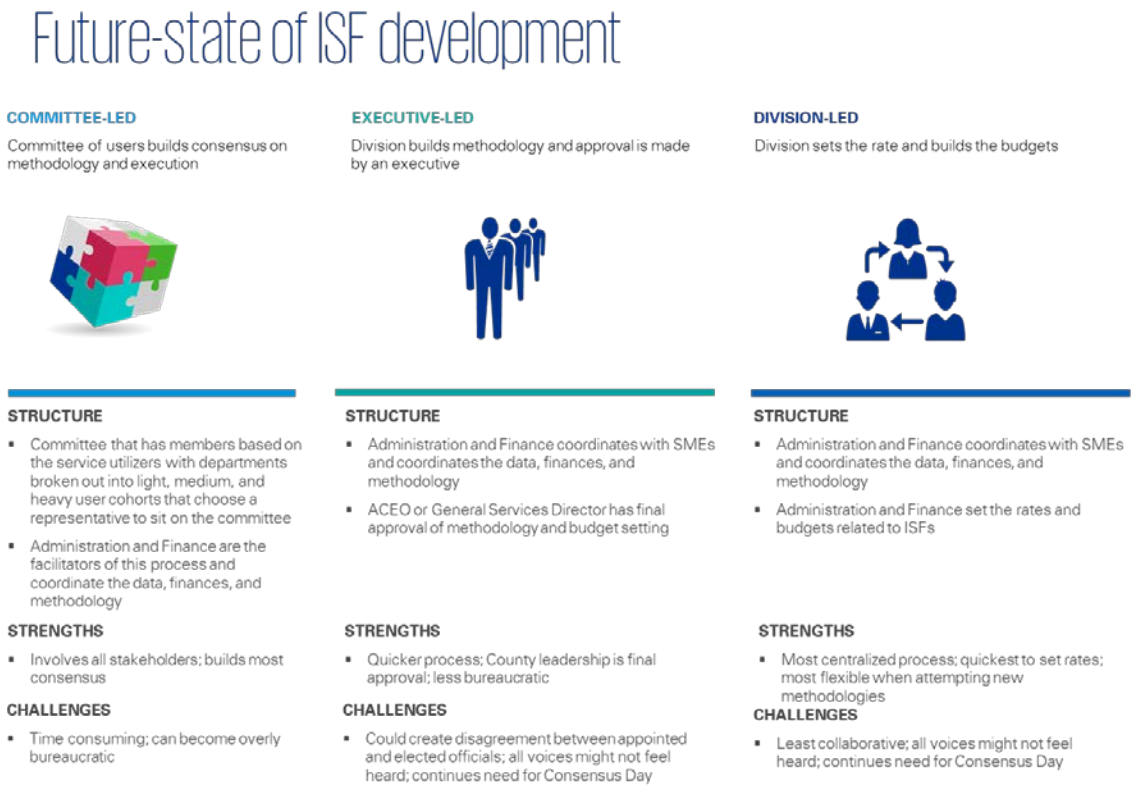


Figure 3
Source: KPMG LLP (2019)

Anticipated impact

Moving to one of three models above establishes a more cohesive oversight and ISF review process for General Services. Having Administration and Finance coordinate the ISF rate setting

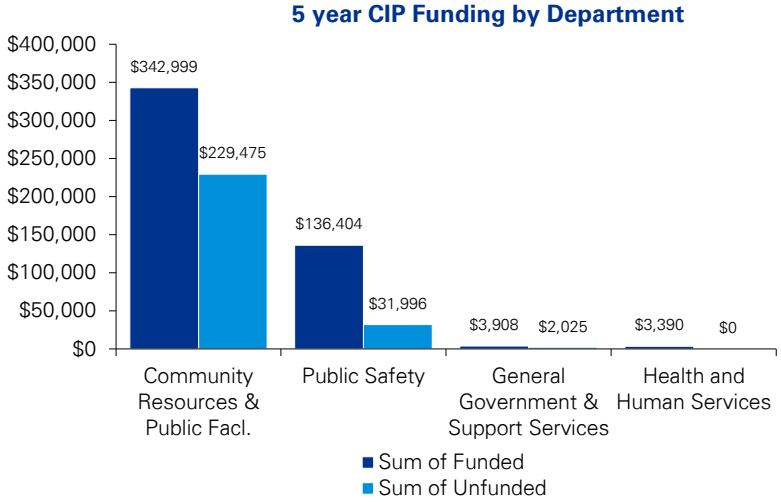
process provides transparent rate setting methodologies and consolidates the communication structure. Additionally, consolidation to one division creates a more dynamic real-time ISF monitoring system where risk can be managed at the department in addition to the division level.

7.1 Establish a prioritization criteria for the Capital Improvement Plan that balances need, lifecycle, and budget

Observation and analysis

Though General Services has a Capital Improvement Plan (CIP), the investment planning process is still relatively new, and lacks an agreed upon decision criteria, overall governance process, and a consistent, dedicated funding source.

— A critical aspect of a robust and defendable CIP is the ability to determine which projects receive priority and funding. There is currently no priority algorithm, nor is there a formally adopted policy that supports prioritization and provides guidance to the departments for how to best establish their own needs. Most critically, the CIP process is largely done without consideration to funding. Below is an example of the current fiscal year CIP, in which a significant portion is unfunded.



Source: KPMG LLP (2019)

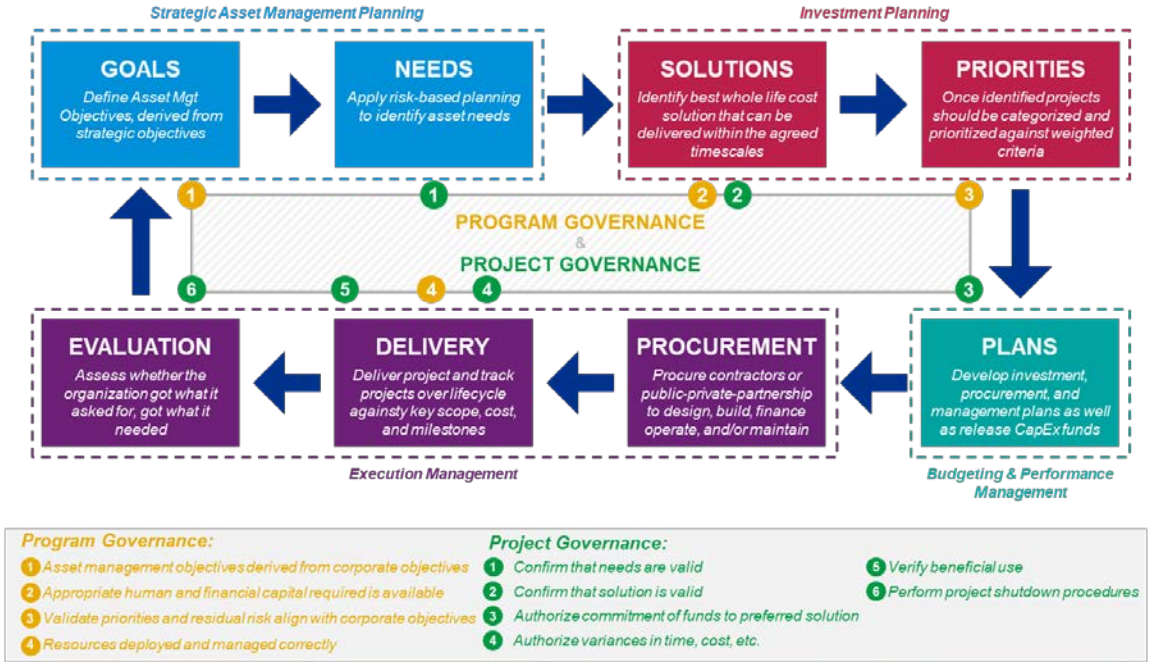
The County should formally adopt a policy that defines what qualifies as a CIP project and establishes a Capitalization Policy, an overarching investment planning process, criteria and weights that are reviewed annually, and a governance structure that is applied through the year and not just during the CIP process. For this policy to work, there must also be a focus on the data that feeds into the justification process of replacing an asset via the CIP process. Facilities Recommendations 10.1 & 10.2 make particular note of addressing both the facilities condition index and the process behind addressing the deferred maintenance backlog and when it should be moved to the CIP.

- **Process Creation:** Establishing a formally adopted (Board of Supervisors) document that defines the CIP process and establishes parameters that will serve as the guiding document for all departments that are creating their CIP list and structure.
- **Define:** With a growing liability around deferred maintenance, it is critical to define what constitutes as a CIP project, and what does not. Project complexity, scope, and cost are all categories to take into consideration when making this determination. It is important to recognize that this exercise must be a collaboration between Facilities and Capital Projects as both divisions have a responsibility in regards to maintenance and replacement of assets. Facilities Recommendation 10.2 addresses setting a threshold for moving maintained assets to the CIP for replacement, and should be considered a component of this recommendation during adoption and implementation.
- **Priority and Process:** In order to fully adopt a prioritization framework, the County must fully understand, at a minimum, the following about each project: project funding, phase of development, asset category, strategic importance, risk of inaction or asset failure, and criticality of asset.
- **Capital Planning Governance:** There should be strong consideration given to establishing an approval mechanism that is charged with establishing a capital-planning process that drives policy decisions and CIP project creation. This mechanism should be led by General Services and the CEO office, however, all projects should initially be prioritized by the departments that own the asset. Once completed, the General Services and CEO-led mechanism should then identify the "must do" projects, and the "shouldn't do" projects based on the prioritization framework, leaving the approval mechanism to spend their time on the highest priority projects.
- **Consistency and Transparency:** A focus of this process should to ensure high levels of transparency around the decision-making process, methodology and ranking, funding of projects, and, ultimately, how the projects were chosen. Moreover, continuing the practice of

creating a highly detailed project list that is adopted by the Board of Supervisors and posted publicly is critical to keeping an open, justifiable process.

A good example of a cohesive strategy, defined categories, and a weighting matrix comes from the City of San Diego which can be found at: https://docs.sandiego.gov/councilpolicies/cpd_800-14.pdf

Below is an example of an investment planning flow that starts with the asset planning phase and continues through the execution management phase.



Source: KPMG LLP (2019)

Equally important is understanding how to rank projects for prioritization. The example below of a qualitative analysis uses a "pairwise" model which takes the goals (decision criteria) of the organization (e.g. resiliency, sustainability, growth, ROI) and compares them to one another, giving a weighted structure to qualitative prioritization for the criteria. Performance scales are then developed for each criteria and the projects are scored against the performance scales, resulting in a quantitative analysis, based on cost-benefit analyses which groups projects into a

zoned matrix. It is important to recognize that there are many ways to rank and justify capital projects; the key takeaway should be that there needs to be a structured and measured approach adopted and applied consistently, resulting in a robust, defendable, and repeatable capital program that aligns with the goals of the organization.

EXAMPLE OF QUALITATIVE ANALYSIS

KPMG has utilized a "pairwise" model to weight prioritization criteria which then are used in the Analytic Hierarchy Process (AHP), to assist agencies in establishing priorities:

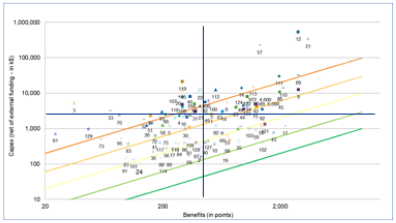
Resiliency	*is more important than*	Sustainability
ROI	*is slightly more important than*	Resiliency
Growth	*is less important than*	ROI
Sustainability	*is slightly less important than*	Growth

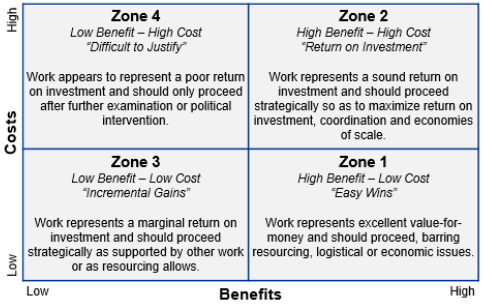
Upon success, weightings can be applied to benefit criteria:

Benefit	Example Weighting
Maintain Regulated Level of Service (Safety)	16%
Maintain Regulated Level of Service (other services)	18%
Maintain Discretionary Level of Service	13%
Maintain Aesthetic Level of Service	0%
Financial/ROI	7%
New Regulations (Safety)	15%
New Regulations (Service)	11%
Environmental Improvement (Sustainability)	4%
Enhance Discretionary Level of Service	2%
Enhance Aesthetics Level of Service	0%
Working Environment	2%
Resilience	5%
Growth	7%

EXAMPLE OF QUANTITATIVE ANALYSIS

KPMG has conducted cost-benefit analyses to group potential projects into one of four zones:





Source: KPMG LLP (2019)

Anticipated impact

Establishing a system that prioritizes, defines, and creates effective Capital Project requirements will provide a more deliberate and effective service delivery countywide. A more systematic approach will also help reduce unexpected capital expenditures and properly balance deferred maintenance liabilities on existing assets against new project initiatives.

7.2	Establish a framework for balancing the workload of project managers, and aligning the appropriate skills to capital projects

Observation and analysis

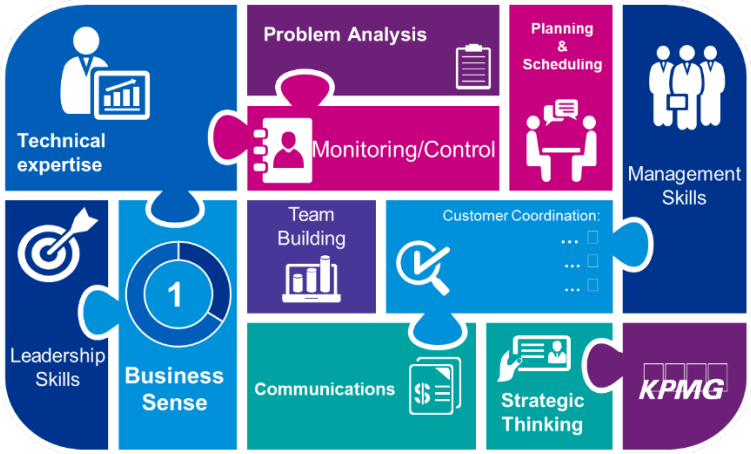
The 2019 Capital Improvement Plan currently has over 100 projects on the list. In addition to first reviewing and prioritizing the current projects on the list, there should also be consideration given to how the projects will be delivered. With only three Project Managers and two Capital Projects Coordinators, it is critical to ensure that each staff member is utilized as efficiently and appropriately as possible. Equally important is understanding the current and upcoming workload demand and skills needed by the projects to best assign staff and plan for the skills development needs of the future.

The County should analyze the current and future CIP project lists, as well as any other projects that have fallen under Capital Projects responsibility and gather a better understanding of expected hours needed to complete the current projects. Understanding the current office workload will help in better understanding how the work should be assigned to staff. More importantly, it will help in assessing staffing shortages. This understanding should also be factored into prioritization of projects and assignments. Benchmarking identified that the Santa Barbara Capital Projects division operates with three to four fewer FTEs than comparable counties.

The County should adopt a structured process and set of tools to best address the CIP. Ensuring that each Capital Projects employee is following the same processes and structure when work on projects is paramount to being able to track workload and time allocation. However, equally important is to ensure a set of tools that are uniformly adopted by employees for the tracking of work, minimization of administrative and clerical work, establishing project and performance tracking, and streamlining the recording the data. Whether this is accomplished through a commercial piece of software or an Excel document, these are critical to ensuring appropriate project management and tracking.

The County should analyze the current skill sets/competencies of the employees in Capital Projects by utilizing a competencies matrix, and then juxtapose that analysis with the needs and prioritization of each project in the CIP. It is imperative for Capital Projects to balance the workload of their employees, but also to assign the most appropriate skill sets to projects to

mitigate risk. Equally important is striking the correct workforce mix and prioritizing and balancing the project workload based on size, scale, complexity, level of risk, and duration.



Source: KPMG LLP (2019)

Anticipated impact

Generating an understanding of current and future workload, and conducting a skills inventory of current capital project managers and coordinators, allows for a more structured approach to project staffing leading to more efficient and successful project completion while maintaining an appropriate workload balance among team members.

7.3 Utilize performance tracking to set portfolio management expectation for Capital Projects staff

Observation and analysis

General Services Capital Projects division has limited staff that leads to an imbalance of workload based on the project management portfolio. The imbalanced workload is compounded without a memorialized framework for performance and process management.

The County should adopt project management key performance indicators (KPIs) that are used to drive availability of staff, quality and timeliness of work, and tracking of budget, with the purpose of tracking performance, understanding staffing needs, and determining workload requirements.

Timeliness	Budget	Quality	Effectiveness
Cycle Time	Budget Variance	Customer Satisfaction	Number of Milestones Completed On Time with Sign Off
On-Time Completion %	Budget Creation	Number of Errors	Number of Returns
Time Spent	Line Items in Budget	Customer Complaints	Training/Research Needed for Project
Number of Schedule Adjustments	Number of Budget Iterations	Employee Churn	Number of Cancelled Projects
FTE Days vs. Calendar Days	Planned Value		Number of Change Requests
Planned Hours vs. Time	Cost Performance		Billable Utilization
Resource Capacity			
Resource Conflict YOY			

Source: KPMG LLP (2019)

Anticipated impact

Establishing nuanced KPIs in the functional areas of timeliness, quality, budget, and effectiveness provides for a more robust evaluation of division performance and leverages the frameworks established in recommendations 2 and 3.

8.1	Conduct readiness assessment of ICT capacity and capability to deliver core system upgrades

Observation and analysis

There are a number of projects that the ICT division has planned to undertake over the next two years which are foundational to the standardization of applications across the County and will help facilitate delivery of a consistent service. These projects include the countywide Active Directory reconciliation, implementation of Microsoft Office 365, a website upgrade, and the Business Application Needs Assessment (BANA), which should be prioritized ahead of recommendations 8.2 - 8.6 in order to help ensure the core infrastructure is in place to support the future changes.

The division should first conduct an assessment of current ICT capacity and capability to support the implementation of these projects which will impact every County department. The readiness assessment should consider the current bandwidth of the existing resources and the risk that exists within the most impacted areas of the ICT infrastructure and assess the resiliency of the ICT environment to manage any additional strain from the implementation and transition.

These projects will require a significant level of investment, not only through funding but time, and resources to help ensure successful implementation. The ICT division should develop a clear implementation plan and sequencing for the projects, informed by the infrastructure readiness assessment. Consideration should be given to the capacity of current resources to undertake additional responsibilities and focus on delivery, especially given the criticality of the planned

projects. It may be worth considering other project delivery options to include cross-departmental project teams and outsourcing of delivery.

The figure below outlines the core components of ICT transformation and the areas that ICT should focus on as they implement their transformation strategy. The creation of the EITC demonstrates that the 'Strategic IT' component has commenced, recommendation 8.2 refers to much of the 'Tactical IT' changes, while recommendation 8.4 refers to 'Operational IT' through the single, integrated service desk for the County.

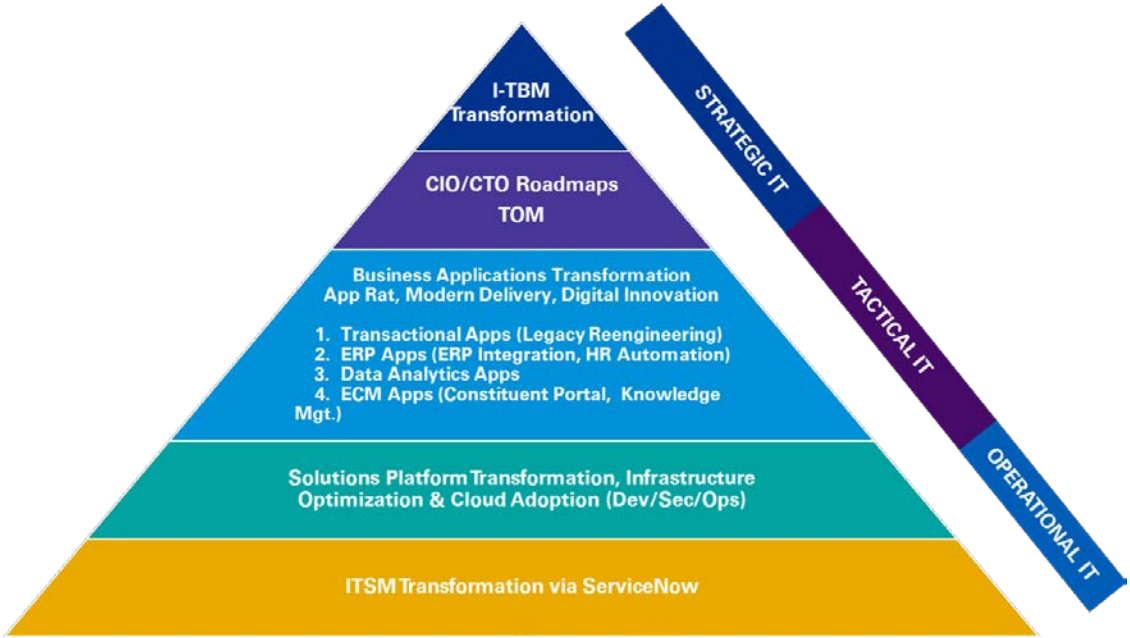


Figure 4

Source: KPMG LLP (2019)

Figure 4 outlines the core IT changes (transformations) that ICT should be undertaking in both the short and the long term. Years 1 through 3 are typically focused on the development of the CIO/CTO roadmaps and defining the IT Target Operating Model (TOM). The TOM will define which services, functions and processes ICT provides and supports, how the organization is structured and how IT is governed across the County, what technology systems are supported, how infrastructure is sourced (cloud or on premise), the definition of service levels and customer

expectations, and the management of risk and compliance across departments. The development of the TOM can be enabled through IT service management (ITSM) which refers to all the activities an organization undertakes to design, plan, deliver, operate and control information technology (IT) services offered to their internal customers. ServiceNow is the leading ITSM tool that provides significant IT automation capabilities that can dramatically improve ICT services and performance. In addition, IT business management (ITBM) can help ICT gain visibility into operations relating to cost of services, demand management and risk management across the ICT organization, and act as the basis for all future ROI in terms of IT investment. Within years 1-3, ICT should also consider the infrastructure upgrades required, as mentioned above, architecture requirements and future hosting options through cloud or on premise solutions. Once the TOM has been defined and a sustainable strategy set, years 3 through 5, should focus on the modernization and rationalization of business applications (app rat) to consolidate across departments, reduce risk and increase the level of resiliency, integration, and customer self-service via digital government transformation.

Anticipated impact

The readiness assessment of current capacity and capability will assist in the priortization of the implementation of core system upgrades and help determine future changes required to the ICT organizational and service delivery structure and support consistency across all County departments and improved customer service.

8.2 Determine the delivery ownership of IT services between ICT and departments

Observation and analysis

ICT currently has a mostly decentralized service delivery model as seen in Figure 4 below, which has the least ICT involvement in planning and building services compared to the hybrid and centralized service delivery models. Although ICT provides some common services related to infrastructure, operations and information security, departments can choose whether or not to involve ICT or use ICT services. This leads to a lack of transparency and consistency over who delivers what IT services and how they are delivered. The scope of County ICT involvement in departments largely varies, where some departments rely on ICT for common services and focus on managing uncommon services specific to their department while others consult with ICT for their expertise but still prefer to deliver solutions on their own, or may prefer to not engage with ICT at all.

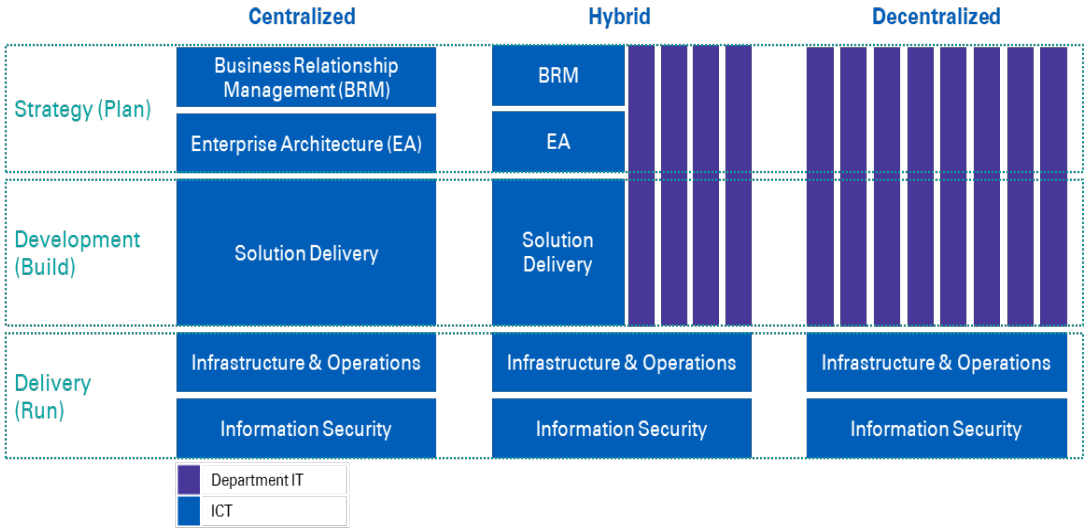


Figure 4

Source: KPMG LLP (2019)

As seen in Figure 4 above, the decentralized model allows departments greater flexibility and adaptation to meet their own requirements, the County is experiencing issues and risks that can be mitigated with more ICT oversight and service delivery—including higher duplication of IT assets, greater information security and regulatory risk, lack of IT capacity and capabilities spread thinly across departments that are experiencing challenges with recruiting and retirements, and obscured total cost of ownership.

To mitigate issues and risks associated with decentralized ICT, County should consider a longer term strategy of adopting a hybrid service delivery model, which would allow the County to remain flexible in meeting local needs while providing greater ICT oversight for countywide ICT strategy. This successful implementation of a hybrid service delivery model requires the County to determine what services are delivered by ICT versus departments.

While the priority should be to focus on the core infrastructure and system upgrades outlined in recommendation 8.1 over the next one to two years, it is recommended for ICT to take the following steps to determine their optimal service delivery options for ICT, these steps can be conducted concurrently with the implementation of the planned projects however may require a longer time period to ensure the required department consultation occurs.

— **Determine the nature of all IT activities** that need to be done to understand the degree of commonality between departments and the type of value provided to the County between operational versus strategic. A low degree of commonality between departments is defined as the need for physical proximity or localization and adaptation to the unique requirements of a specific department, whereas a high degree of commonality between departments implies the opportunity to standardize and scale through remote and central processing. Operational value to the County is provided through IT activities that are highly repetitive and transactional and focused on efficiency, whereas strategic value is provided through IT activities that require specialized skills or knowledge and are focused on effectiveness. The WTC report identified common functions performed by IT personnel in all County departments, the most common functions included: end user support, troubleshooting and problem resolution, application or database support, and user security and access management. These common functions could be considered as the first for consolidation and management by County ICT given the high degree of commonality and demand across all County departments.

— **Determine the delivery ownership of IT services** between department IT and ICT based on the assessed nature of IT work, as well as risk tolerance. This will distinguish between "ICT-led" services versus "department-led" services that are delivered by department IT

while still adhering to countywide IT policies and procedures and the Executive Information Technology Council (EITC) as the ICT governance body. The departments with the largest number of personnel performing ICT functions could be considered as starting point for the department discussions to understand which function is most aligned to deliver the services required. The figure below shows the number of personnel performing IT functions within each department. This analysis should be further developed to understand the nature of IT activities per department and the percentage allocation of resource time for those activities. The departments which have the highest number of personnel performing IT activities and the most common IT functions should be cross-referenced and used to direct the conversations regarding service delivery and alignment. In consultation with the departments, ICT should work to understand those services that departments prefer to undertake themselves and those that departments no longer wish to support, that ICT could support.

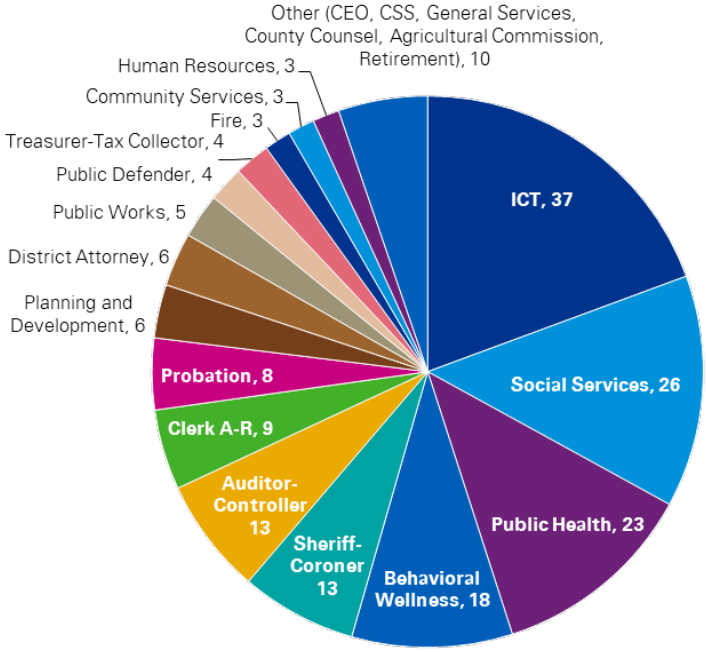


Figure 5

Source: WTC IT Inventory (2019)

Figure 6 summarizes what is commonly observed in IT service delivery models for the scope of services between local and central. As mentioned in Risk Management Recommendation 5 in the Departmental Review of the CEO Office, the CISO should be moved into ICT to standardize security across the County while still maintaining a reporting structure to either the County Executive Office or EITC for independence purposes.

Figure 6

Source: KPMG LLP (2019)

To implement the new hybrid service delivery model, there needs to be consultation with countywide departments and strong executive sponsorship of ICT's new mandate with clear communication of the vision and process. ICT also needs to assess the change implications of the new service delivery model on roles, responsibilities and reporting relationships across the *entire* IT function—meaning ICT as well as all IT personnel in other departments. As identified in the 2019 WTC IT inventory assessment, there are 189 personnel across the County performing many of the same functions for their respective departments, while this may not be their full time role, IT functions form a portion of their workload. ICT should build upon the WTC assessment and identify and address potential gaps in capacity and capabilities to support the transition to the new service delivery model.

Anticipated impact

Differentiating between ICT and department-led IT services creates more consistency countywide, reduces costs, and reduces risk while maintaining flexibility within departments to address their own specific needs.

8.3	Elevate the role of IT and consider establishing ICT as a stand-alone, independent department following implementation of 8.1 & 8.2

Observation and analysis

The Information & Communications Technology (ICT) division needs to take a more prominent leadership role to meet the growing business and IT needs within the County— especially when facilitating between departments to pursue countywide initiatives that are enabled by technology. However, ICT currently lacks presence at the senior leadership table as a division under the General Services department, and must compete with other divisions for executive sponsorship.

Following the successful execution of recommendations 8.1 and 8.2 the County should consider establishing ICT as a stand-alone department to demonstrate ICT as a priority for the County. This should be considered as a longer term strategy which may take three to five years to design and implement however it is important to have as few layers of management between ICT and the County Executive Office (CEO) and Board of Supervisors in order to provide ICT with a more visible platform for communicating ICT's vision, mission and goals (i.e., strategic plan) to the County, and more control in executing them. Another consideration for establishing ICT as a stand-alone department is the Business Application Needs Analysis (BANA), which needs ICT leadership to implement given the potential scale of change of the resulting recommendations. The following organizational structure in Figure 7 is recommended for ICT as a stand-alone department, which is also consistent with the Risk Management Recommendation 5.0 from the Departmental Review of the CEO to realign the information security function to ICT. Department consultation and a thoughtful implementation plan is extremely important when considering establishing ICT as a standalone department due to the scale of change which will impact all departments. While the establishment of a new department may increase costs initially the longer term benefits include increased resiliency, enhanced risk mitigation, reduced redundancy, better performance and improved customer service.

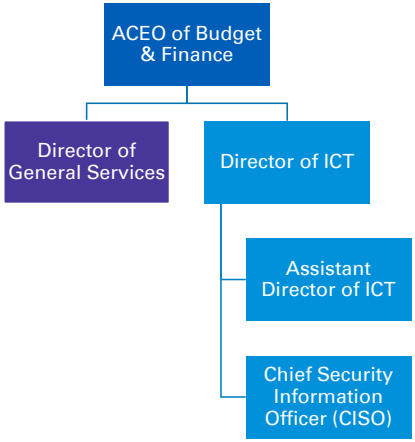


Figure 7
Source: KPMG modification of Santa Barbara organizational chart.

The County should establish a clear role for ICT, which informs which capabilities need to be further invested in. Currently, ICT acts with a "delivery" focus, protecting enterprise assets and managing service performance. As the County explores elevating ICT to a more strategic role, ICT will continue acting with a "delivery" but should also consider expanding to and balancing with other roles such as the following (illustrated in Figure 8 below):

- The **"Strategy"** role focuses on finding opportunities to support the business with service offerings and emerging technologies. This often requires further investing in business relationship management and enterprise architecture functions.
- The **"Development"** role focuses on modernizing and integrating solutions in an increasingly open and diverse ecosystem between departments, as well as partners outside of the County. This often requires further investing in business analysts and integration architects.

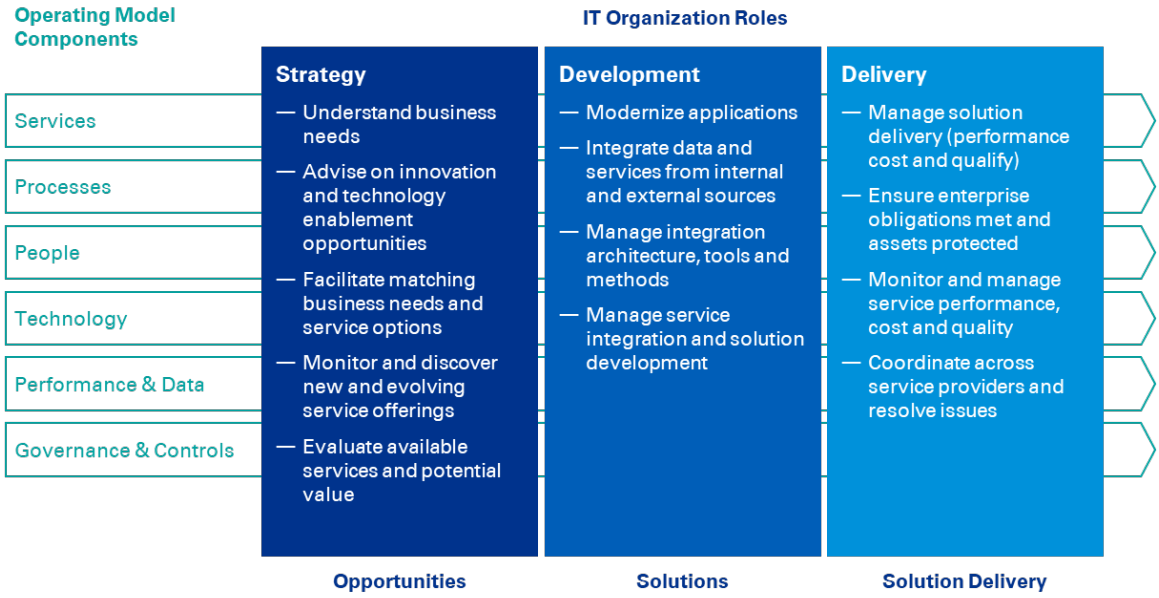


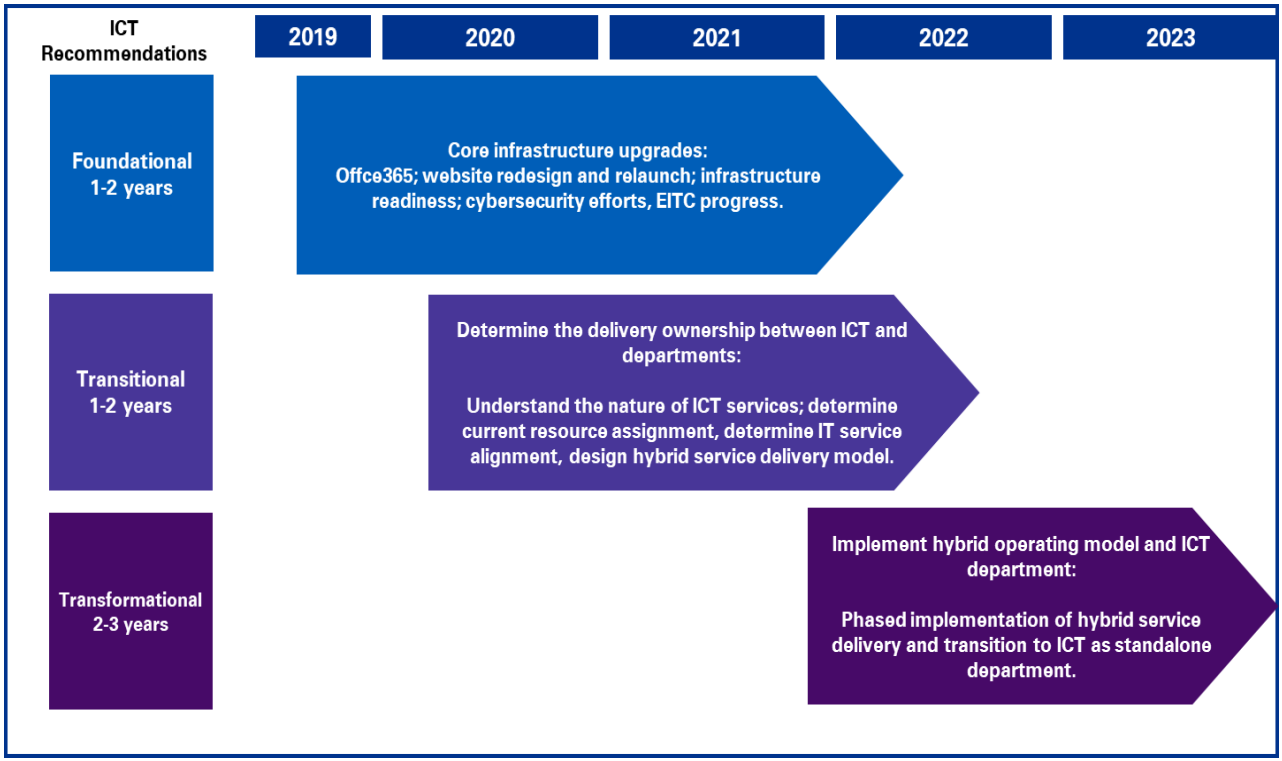
Figure 8
Source: KPMG LLP (2019)

Anticipated impact

Moving ICT to a stand-alone department will give the department the ability to act as a strategic partner to the County while maintaining its role as orchestrator of departmental ICT functions. Having ICT take on a role of "Strategy" and "Development" as described above creates a more cohesive county ICT vision with systems that leverage one another to provide valuable insights to each department. Additionally, establishing ICT as a stand-alone department would reduce complexity in allocating IT costs to other departments.

ICT Implementation Roadmap

Implementing the proposed recommendations requires thoughtful and precise planning and strong project oversight, particularly with regard to the number of interdependencies and stakeholders involved with such changes. The implementation plan below outlines the recommended sequencing and timeline for the enterprise enablement recommendations over the next three to five years, with a focus on recommendations 8.1-8.3.



8.4 Establish a single, integrated Tier 1 and 2 service desk for the County

Observation and analysis

There is a lack of clarity and consistency in how tiers of service requests are managed between ICT and departments. Tier 1 and 2 requests are sometimes escalated to ICT even when they can be resolved by department IT personnel (e.g., LAN Administrators). Some departments rely on ICT for all tiers, whereas some only rely on ICT for Tier 3 requests that involve complex issues and/or require specific permissions and access rights.

ICT has created a proof-of-concept for a countywide Tier 1/2 support desk after recognizing the lack of an IT Service Management (ITSM) process for the intake, triaging, routing and tracking of service requests. Although ICT had planned to run a pilot, it was placed on hold due a number of factors, including lack of ownership and buy-in and a shortage of IT support desk capacity and capabilities, and it was impeded by an unsuccessful rollout of the ITSM solution. As ICT continues to reconsider deploying a pilot, and in line with the timeline of recommendation 8.2, it is recommended to consider the following:

— **Communicate change with executive support:** Under the proposed hybrid delivery model, County ICT should be the non-optional service provider for Tier 1 and 2 support desk. This will require the necessary executive sponsorship from the CEO to speak with authority on the case for change and anticipated benefits for departments—such as improved visibility of progress and consistency of service delivery.

— **Realign support desk personnel:** Transitioning to a hybrid delivery model will require a re-alignment of IT personnel, skills, and roles and responsibilities across the County—this also applies to the 47 LAN Administrators who currently provide support for Tier 1 and 2 requests across the 21 departments. To help mitigate against possible shortage of IT capacity or capabilities, ICT should establish clear classification and prioritization of service requests and related procedures. See Appendix C for an example of prioritization of service based on level of urgency and business impact.

— **Explore self-service capabilities:** ICT should explore self-service options available through ServiceNow to minimize the volume and costs of phone or email-based interactions. This can help to reduce manual support for basic inquiries and service requests (e.g., password resets), and shift behavior of employees who are used to directly calling their preferred ICT contact. Setting the expectation for intake of all service requests through ServiceNow and

deterring direct calls should help ICT capture accurate service request data that is necessary for demand and supply (i.e., workload and workforce) management.

— **Ensure ITSM solution is fit-for-purpose:** ICT has made good progress by pursuing an enterprise-wide ITSM solution (i.e., ServiceNow) with supporting policies and procedures approved for incident management. Although ICT is already in the process of improvements to ServiceNow, ICT should pay close attention to ensure it is also fit-for-purpose for communications. Given that 60.5 percent of incidents from 2016 to 2018 were related to telephones (as seen in Figure 9), ICT should carefully consider unique requirements for communications such as addressing the double data entry required between MTS and Maintenance Connection for tickets opened in ServiceNow.

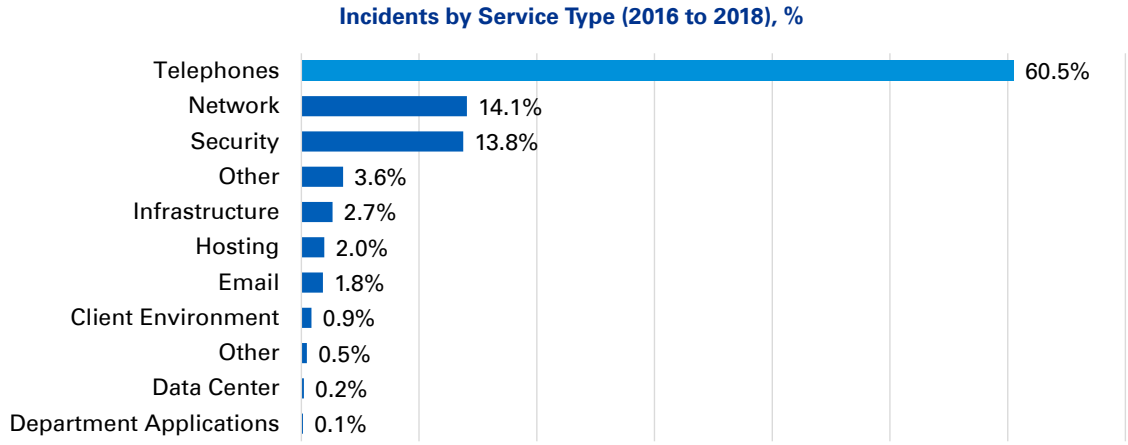


Figure 9
Source: KPMG analysis based on County incident data from FootPrints.

Anticipated impact

Creation of an ICT run Tier 1 and 2 support desk in conjunction with an effective ITSM and ticket processes will help standardize support for low-priority items and help ensure proper prioritization of requests based on business impact metrics. Additionally, the implementation of a mandated ITSM function creates more accurate datasets to use in workforce management.

8.5 Expand ICT PMO intake process to all IT projects in the County

Observation and analysis

The ICT PMO function was newly established in July 2018 and has over 57 projects in their pipeline and 6 projects currently in progress. ICT PMO is staffed with 2 FTEs with extra help from the prior IT assistant director. An intake and prioritization process was developed for any projects estimated to be greater than 30 days of effort, supported by a tool called SmartSheets. ICT PMO prioritizes projects based on alignment with Renew 22' and the ICT strategic plan, funding availability and whether there is project sponsor.

Currently, ICT PMO involvement in department IT projects is entirely at the discretion of the departments. To help ensure that all IT projects are consistent with the ICT strategic plan and Renew '22 initiative, ICT should expand the role of ICT PMO as a central intake point for all IT projects, including projects exceeding $100,000 that must be further evaluated by EITC, as well as those under $100,000. A central intake process would allow EITC to make strategic and investment planning decisions at the portfolio level across *all* IT projects instead of in silos of departments and would improve ICT oversight for the consistency of IT project management and delivery throughout the County. This will require a more rigorous intake process and prioritization criteria that enables ICT PMO to better triage the level of ICT involvement needed for a project as described below and illustrated in Figure 10.

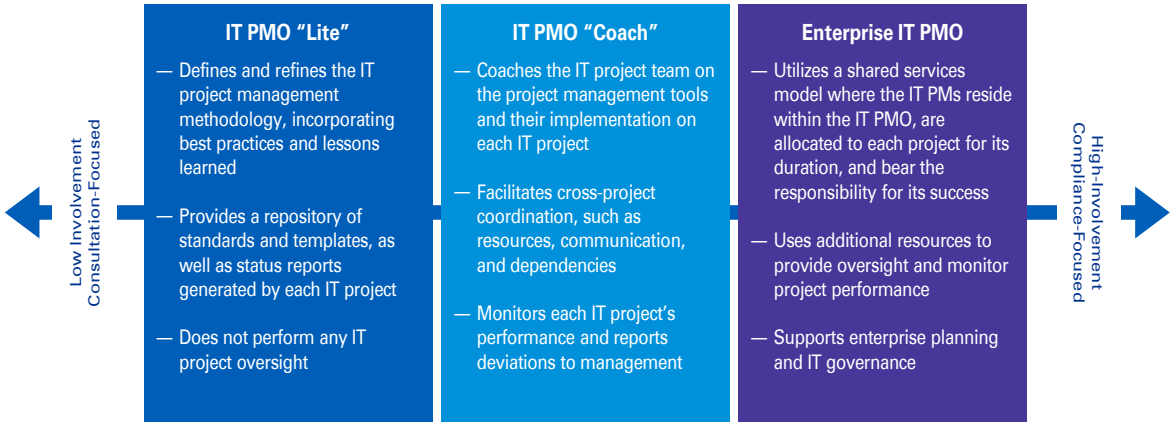


Figure 10

Source: Adapted from Project Management Institute (2011)

— **"Lighter" ICT PMO involvement** will be appropriate for projects that are under a certain cost threshold and/or determined as a departmental solution owned by the sponsoring department (as opposed to an enterprise solution for all departments). ICT PMO takes more of a consultative role—focusing on defining and providing guidance on common IT project management methodology, standards, templates and tools. Their goal is to support the successful delivery of the project and they will likely not be involved in project oversight.

— **"Heavier" ICT PMO involvement** will be appropriate for projects that are above a certain cost threshold and/or determined as an enterprise solution for all departments. ICT PMO will take more of a compliance-focused role—by assigning a PM who is accountable for the success of the project, mandating the use of common IT project management methodology, standards, templates and tools, and facilitating coordination between projects. Their goal is to ensure IT project benefits/value are being realized and to provide project oversight (e.g., monitoring and reporting on performance).

The prioritization criteria should be consistent with EITC's principles for determining the sequence and funding levels of IT projects. Examples of prioritization criteria are provided in Appendix D.

ICT should also establish a permanent role for Procurement in the EITC to provide oversight of IT project decisions that involves the Purchasing division. The Purchasing division should also incorporate an additional approval from an ICT designee during the procurement process for IT assets (e.g., software licenses). This will allow ICT to verify whether IT asset meets standards set by the EITC Standards Committee. In combination, a review of both IT projects and procurement of IT assets and services will provide the appropriate spend transparency.

Anticipated impact

Transitioning the ICT PMO function from a voluntary to a mandated project intake and evaluation process will promote more effective prioritization of projects and help ensure proper ICT involvement based on the criteria outlined above. A more robust PMO function can also accelerate implementation timelines, create standardized procurement processes, and ensure proper EITC evaluation of ICT strategy and countywide ICT decisions.

8.6 Establish a multi-faceted approach to prioritizing, developing and implementing IT policies

Observation and analysis

ICT has made good progress towards countywide oversight of IT by conducting an IT inventory assessment and creating a governance structure that includes: Executive Information Technology Council (EITC) focused on investment and portfolio planning, a Policy Committee focused on minimizing risk and meeting regulatory/compliance requirements, and a Standards Committee focused on making recommendations on the County's IT Enterprise Architecture and related technology standards.

Policies are currently suggested by the County Executive Officer (CEO), CISO and Assistant Director of ICT. To date, the Policy Committee has approved one policy for EITC consideration (Information Security Incident Policy) and has three policies in discussion, including: "Third Party Information Security Policy," "Transitory Electronic Records Retention Policy," and "Legacy IT Standards Exemption." However, interviews have indicated room for improvement to address the slow pace of developing policies and standards. Below are a few considerations for ICT to ensure the right policies are developed within the anticipated timeframe of three to six months:

— **Take a risk-based prioritization approach:** ICT should consider prioritizing policy topics based on business-critical risks, measured by the degree of liability to laws and regulations, exposure, cost, and impact to the business (e.g., departments) — such as inadequate operation of critical lines of business (e.g., public safety) and/or loss of data related to personal identifiable information and/or personal health information. We recommend also using the outputs of the IT security audit that is currently being procured, as inputs into the prioritization of policy development.

Interviews have also indicated the "lack of weight" behind policies due to insufficient controls in-place to mitigate risks and verification that those controls are operating effectively. To help ensure policies are implemented in an effective manner, ICT should consider the following:

— **Keep policies high level and save the details for standards and controls:** Given the heterogeneous nature of the County's IT environment in technologies, vendors and versions, EITC should keep policies higher level (e.g., stating in accordance with accepted industry standards) and focus on providing more detailed standards for the configuration and deployment of IT controls to keep departments in compliance.

— **Consider other aspects of the IT compliance landscape:** While policies and standards are core components of the IT compliance landscape, they must also be supported with user awareness, communication and training, ongoing monitoring and remediation,

internal/external audits, as well as a clearly defined governance approach. ICT's governance approach includes the EITC evaluation process where IT projects are assessed on whether they adhere to policies and standards. However, a common pitfall of ICT governance functions is focusing too much on formal governance by enforcing compliance (i.e., developing a reputation as "center of no"/"standards police").

To move away from the "yes or no" criteria of conformance to EITC, ICT may want to consider involving the Standards Committee in later project phases to advise on alignment of proposed solutions with the County's Enterprise Architecture. For example, ICT PMO can involve the Standards Committee in a consultation/partnership role (i.e., informal governance) during the project develop, test and transition phases (see Figure 11). The level of involvement can be determined by the ICT PMO based on criteria such as dollar threshold, regulatory/legal compliance, architectural significance, degree of change/complexity, and use of existing new versus emerging technologies.

Project Lifecycle Phase	EITC	ICT PMO	Standards Committee
Investment Review/Decision	Accountable	Consulted	Consulted
Initiate/Plan	Consulted	Responsible	Support
Analyze	Informed	Support	Responsible
Design	Informed	Support	Responsible
Develop	Informed	Consulted	Consulted
Test	Informed	Consulted	Consulted
Close	Informed	Responsible	Consulted
RACI = Responsible, Accountable, Consulted and Informed			

Figure 11

Source: Adapted from Gartner (2018)

Anticipated impact

Developing a policy and compliance approach that considers the broader County IT landscape as described above will help address high-risk areas and create a policy control framework that is department specific. Additionally, constructing a consultative IT compliance landscape will enable collaborative IT decisions that drive a cohesive countywide IT strategy.

Energy

9.1	Realign the Energy division to strategically focus on County energy sustainability and compliance

Observation and analysis

The stated function of the Energy division is focused on conducting energy audits, tracking/monitoring of utility data to identify and address anomalous utility bills, driving towards compliance with state and local efficiency laws, and developing the Utilities ISF. However, during the interview and analysis process, it was determined that there is very little documentation of workload and process in regard to utility bill analysis or energy audits, and the rate setting aspect of the ISF is set without documentation of the process.

A countywide energy audit was performed by a third-party which created a list of objectives in May; however, minimal work has been completed to progress those objectives. Separately, it was relayed to KPMG that an anomalous utility bill occurs "every 4-5 months," suggesting there is minimal workload in this activity.

There is an opportunity for the Energy division to realign their priorities and processes to reflect the needs of the County, as well as the mandates set by the State of California for energy efficiency. These changes should be accompanied with process documentation for the establishment of workload and succession planning.

The County should establish a strategic plan and prioritization of projects based on the energy audit

- The energy audit identified 12 countywide energy efficiency measures that, if implemented, "could reduce overall energy cost by 30.1% or an estimate $462,912 per year."
- These 12 measures include retrofits, lighting upgrades, insulation projects, upgrading of HVAC, and installing IoT thermostats. All of these projects could be led by the Energy division in collaboration with Capital Projects and Facilities.

Below is a table produced in the most recent energy audit for Santa Barbara County by Empower Solutions, LLC that describes the estimated savings if all efficiency objectives are implemented.

Table 1: Summary of energy efficiency measures										
	Annual energy savings				Project costs, incentives, and simple payback (SPB)					
Description	Electricity (kWh)/yr)	Peak demand (kW)	Natural gas (therms/yr)	Energy cost ($/yr)	Annual maintenance savings ($/yr)	Total annual cost savings ($/yr)	Gross project cost ($)	Utility incentive ($)	SPB w/Incentive (yrs)	SPB w/o Incentive (yrs)
EEM-0: Exterior Lighting Upgrade and Controls	299,538	0.0	0	$46,628	$7,763	$54,390	$258,762	$32,827	4.2	4.8
EEM-1: Interior Lighting Upgrade and Controls	1,747,453	269.5	0	$237,842	$80,131	$317,973	$2,671,035	$186,489	7.8	8.4
EEM-2: HVAC Unit Replacement	154,714	50.8	4,612	$30,367	$22,602	$52,969	$753,392	$27,472	13.7	14.2
EEM-3: Install/Optimize Programmable Thermostats	76,009	-5.0	6,956	$6,251	$1,399	$7,651	$46,645	$13,588	4.3	6.1
EEM-4: Demand Control Kitchen Ventilation	80,351	0.0	5,620	$13,660	$2,545	$16,205	$84,818	$14,463	4.3	5.2
EEM-5: Air Handler VAV Retrofit	280,465	67.9	31,474	$57,002	$27,086	$84,088	$902,876	$72,121	9.9	10.7
EEM-6: Economizer Retrofit	12,667	8.0	187	$1,775	$2,250	$4,025	$75,000	$3,480	17.8	18.6
EEM-7: Pump VFD Retrofit	166,488	26.5	8,537	$23,745	$6,305	$30,050	$210,156	$33,449	5.9	7.0
EEM-8: Boiler Requirement	19,186	2.0	2,939	$3,667	$60,461	$64,128	$2,015,362	$89,988	30.0	31.4
EEM-9: Cooler Tower Fan VFD Retrofit	52	1.0	0	$20	$486	$506	$16,206	$159	31.7	32.0
EEM-10: HVAC EMS Upgrades	265,444	7.4	20,478	$41,334	$29,763	$71,097	$992,100	$47,660	13.3	14.0
EEM-11: Insulate HVAC Piping	1,231	0.0	646	$621	$208	$829	$6,922	$595	7.6	8.4
Total Savings	**3,103,598**	**428.1**	**81,450**	**$462,912**	**$240,998**	**$703,909**	**$8,033,274**	**$522,291**	**10.7**	**11.4**
Existing Site Energy Usage	**9,490,786**	**2,729.9**	**366,695**	**$1,539,320**						
Percentage Savings	**32.7%**	**18.4%**	**22.2%**	**30.1%**						

Source: Combined HVAC, Controls, Interior Lighting, and Exterior Lighting RCx Audit Report for Santa Barbara County, 2019

The County should merge the energy audit action items with state and local energy policies such as the State of California's Title 24 and Santa Barbara County's Energy and Climate Action Plan to produce a comprehensive list of action items and goals for departments that are used to drive CIP and operational action, but ultimately it is the responsibility of the Energy division to partner with departments to identify efficiency opportunities, facilitate implementation, and ensure compliance.

Pursuant to Administration and Finance Recommendation 6.2, the County should move the responsibility of the Utilities ISF to Administration and Finance, and the Energy division should act as a subject matter expert during the rate setting process. Separately, the function of

utility bill reconciliation, billing, and error tracking should be fully moved into the purview of Administration and Finance.

On July 29, 2019, the Energy manager was moved into the Capital Projects division, and, by taking the above recommendations into account, the manager will be able to better position this role to be tactical and strategic towards the larger County goals of efficiency and resiliency.

Anticipated impact

Creating a strategic plan based on findings in the energy audit, CIP plan, and government mandates will reduce countywide energy costs, help eliminate unexpected utility bill spikes, and help to ensure that Santa Barbara County not only follows state law, but is able to adhere to self-imposed energy efficiency requirements.

Facilities

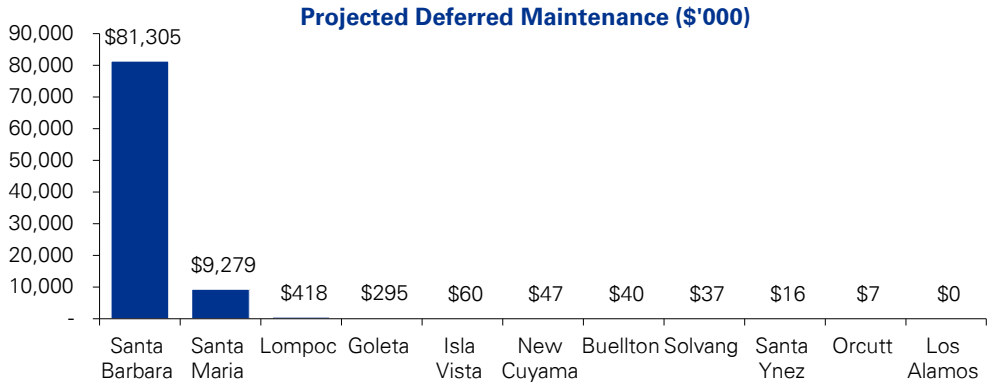
10.1	Establish an asset maintenance strategy to address the deferred maintenance liability

Observation and analysis

As recommended in Capital Projects recommendation 7.1, there should be greater strategy applied to prioritization around capital projects and how to best utilize a finite CapEx budget.

In 2014, the County commissioned a facility condition assessment performed by Jorgensen. This established a facilities condition index (FCI) score that assessed the ratio of deferred maintenance for each building and compared its replacement cost for all buildings maintained and owned by Santa Barbara County. It was found that General Services is "challenged by the lack of a comprehensive asset inventory." (Jorgensen, 2014) Though General Services is utilizing Maintenance Connection to help manage asset inventory, it is not done in a comprehensive or strategic way.

The Jorgensen report demonstrated an $84M deferred maintenance liability in 2014, and the Facilities division delivered a report to KPMG showing that liability has increased to $91M, with 94 percent of the liability being allocable to assets located within Santa Barbara. There are observed discrepancies in the deferred maintenance data, putting in to question the accuracy of that data set.

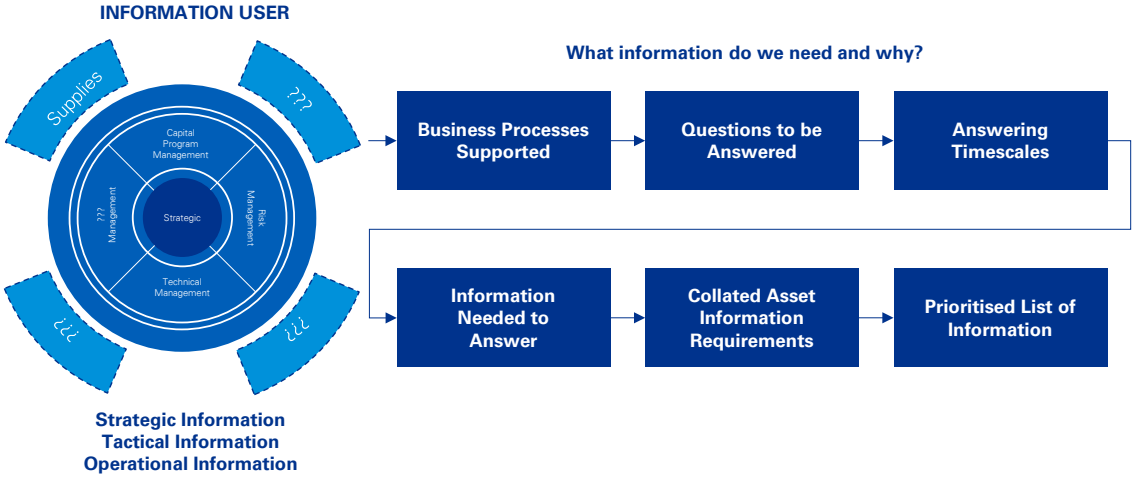


Source: Maintenance Connection data pull, visualized by KPMG LLP (2019)

The County should develop an Asset Maintenance Strategy that takes maintenance strategy (criticality of the asset, type of maintenance needed – run to failure, condition based, time based, etc.), maintenance planning (developing the preventative maintenance schedule based on maintenance needed), and maintenance execution (planning and scheduling – grouping tasks geographically, stretching out maintenance intervals to allow for tasks to be done concurrently) into account. Facilities Recommendations 10.1, 10.2, and 10.3 should be considered iterative steps towards establishing a comprehensive maintenance and capitalization strategy for the Facilities Division. The understanding of maintenance strategy, planning, and execution is critical to addressing the deferred maintenance liability currently realized by the County.

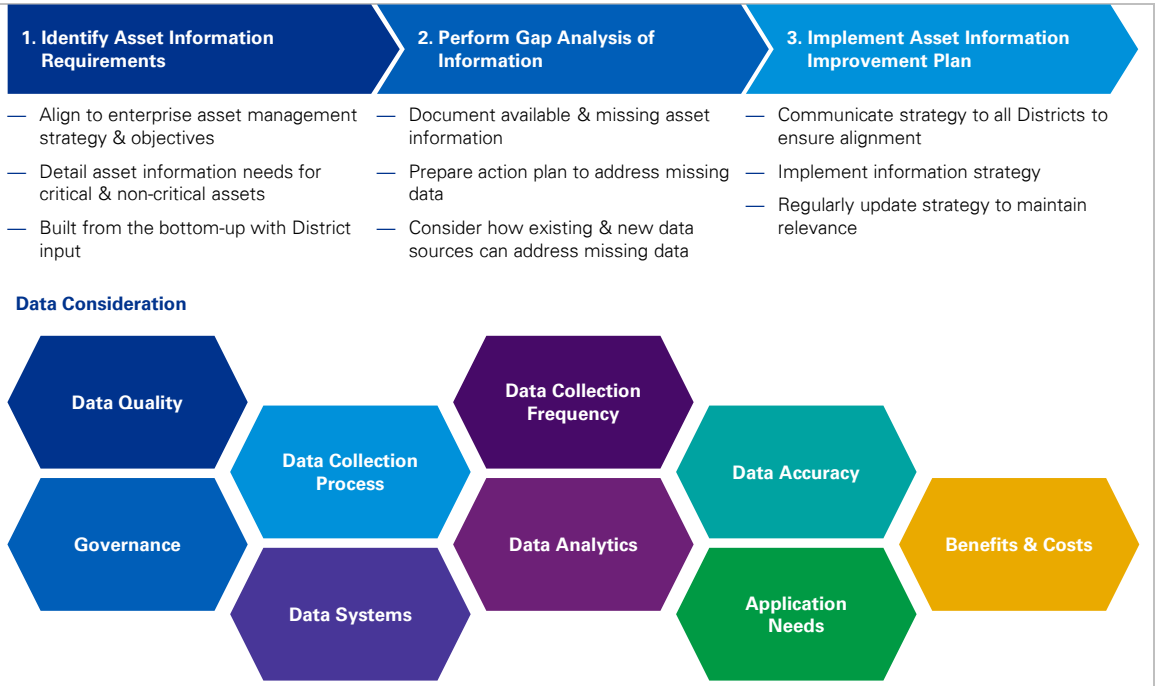
As Facilities begins to prioritize assets for either maintenance or capitalization, it is imperative to start collecting the below information from all proactive and reactive work orders and inspections. This information should then feed into the Capitalization Policy (Recommendation 7.2) and help prioritize where the asset will fall in the CIP priority (Capital Projects Recommendation 7.1).

- Asset hierarchy
- Required attributes of assets and acceptable values for these
- Geographical positions of assets
- Condition grades
- Categorizing and recording defects and failures
- Categorizing and recording root cause of asset failures
- Categorizing and recording consequences of asset failures
- Utilization and performance of assets
- Defining the required quality and accuracy of this information



Source: KPMG LLP (2019)

As the County better understands their assets and where they fall on the maintenance versus capitalization spectrum, it is imperative to create a cadenced asset information refresh that keeps leadership apprised of actual deferred liability, and where the most critical assets are. Below is an example of an iterative process for gathering, processing, and refreshing asset needs.



Source: KPMG LLP (2019)

Anticipated Impact

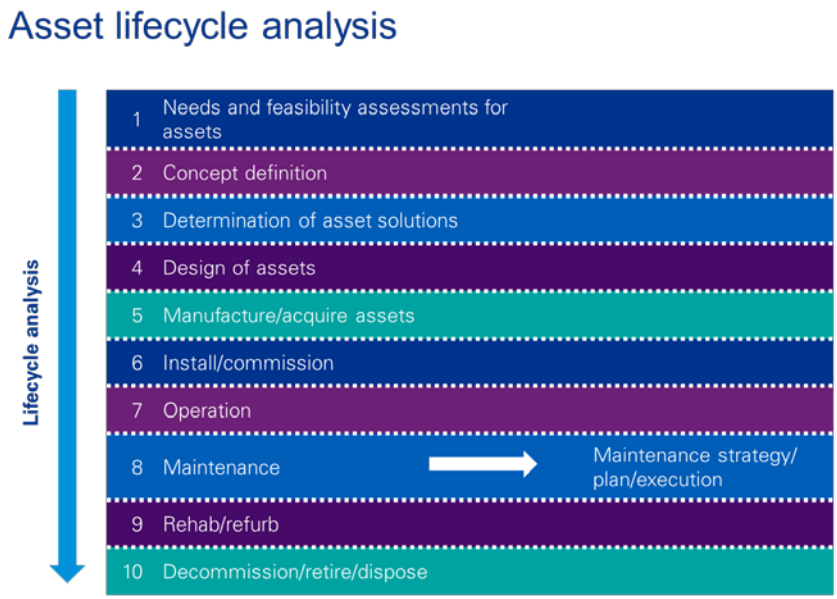
Developing a comprehensive asset maintenance strategy as outlined above, and in the next two recommendations, gives the Facilities division, which has limited budget and human resources, the ability to effectively address the growing deferred maintenance liability.

10.2 Establish a Capital Assets Lifecycle Policy for elevating deferred maintenance projects to capital projects

Observation and analysis

Where Facilities Recommendation 10.1 focuses on establishing a strategy around understanding assets, their maintenance, lifecycle, and the deferred maintenance liability, this recommendation focuses on making an informed, justifiable decision around when to move the asset from maintenance to replacement via the CIP. While the Jorgensen study produced a Facilities Condition Index (FCI), the General Services Facilities division has not established a methodology or policy that addresses the how, when, and why of elevating assets to the CIP.

The County should establish a Capital Assets Lifecycle Policy that defines a methodology and scoring for understanding and balancing the criticality of the assets, value of replacement versus continued maintenance, the value add to the County, and the consequences of not replacing or investing in the asset. There should be a continuous focus by the Facilities division on understanding and developing an asset lifecycle analysis, and a strategy for optimizing the asset over its lifecycle. Below is an example of an iterative process for understanding what steps should be taken once it is established where an asset is in its lifecycle.



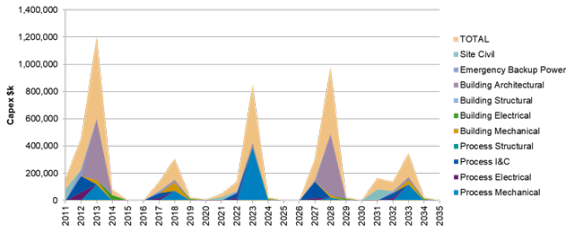
Source: KPMG LLP, 2019

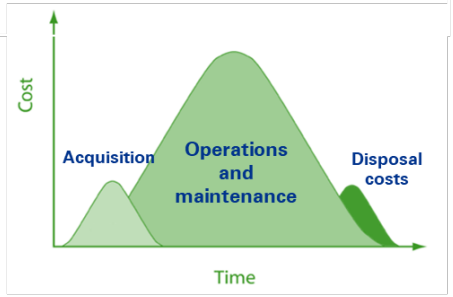
Understanding where an asset is in its lifecycle is important, but only part of the needed comprehension and strategy for asset maintenance. Below is a guide for optimizing an asset over its lifecycle that helps establish a justified methodology for when to perform major repairs or move the asset over to disposal and replacement.

Asset lifecycle strategies

Optimizing the asset over its lifecycle

Lifecycle modeling		Lifecycle costing
— Projections of interventions throughout the life of an asset — Identification of optimal interventions (including maintenance, refurbishment and replacement activities) — Realistic capital projection for replacements — Use of historical data and Weibull distribution of replacement/ refurbishment frequencies	+	— Sum of all expenses associated with a product or project, including acquisition, installation, operation, maintenance, refurbishment, discarding and disposal cost





Source: KPMG LLP, 2019

Although simplistic in nature, below is a well-defined, and justified, example of deferred maintenance planning guidelines established by the Department of the Interior[2].

[2] https://www.doi.gov/sites/doi.gov/files/migrated/pam/programs/asset_management/upload/2020_dmci_program_and_budget_guidelines_final.pdf

- **Facilities Condition Index versus Asset Priority Index (FCI/API)**
  - Helps establish prioritization that balances projects based on the combination of the assets' importance to the mission and the amount of needed repair relative to the replacement value
- **Scope of the benefits (SB)**
  - Establishes a weighted value that is relative to how well the asset/project aligns with the mission, vision, and strategic goals of the department and County
- **Investment strategy (IS)**
  - Establishes a weighted positive value on projects that can clearly define a positive return on investment, leverage outside interests (money), or reduce operation and maintenance costs
- **The consequences of failing to act (CFA)**
  - Establishes a weight value for projects with unacceptable risk if the project is not completed

Anticipated impact

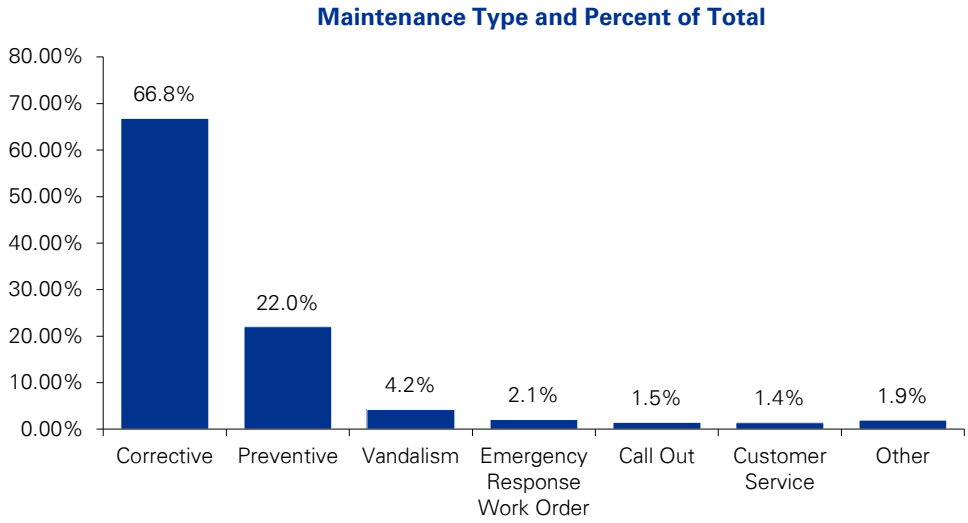
Creating a systematic process for elevating a deferred maintenance project to a capital project will enable more nuanced workload evaluation and strategic capital budgeting. Moreover, by fully adopting Recommendations 10.1 and 10.3, Facilities will be more prepared to become strategic partners with Capital Projects in their implementation of the newly prioritized CIP.

10.3 Establish a strategic plan for prioritizing preventative maintenance and reactive maintenance requests

Observation and analysis

A key responsibility of the Facilities division is to maintain all assets, which includes responding to work orders created by customers as corrective action is needed. However, an equally important role for Facilities staff is to perform preventative maintenance on assets. Preventative maintenance work orders are currently tracked through Maintenance Connection via automated work orders that reoccur based on a predetermined timeline. Analyzing the past 3 years of work orders, approximately 22% are preventative maintenance, and although a decrease in the number of corrective action work orders issued (-7%) has been observed, there has only been a marginal increase in the number of preventative maintenance work orders completed (+1%).

During interviews, staff discussed that through Maintenance Connection, they receive prioritization of work orders, but can be reassigned to complete lower priority tasks. This creates a compounding effect as staff is pulled away from both high-priority corrective action work orders, as well as preventative maintenance.



Source: Maintenance Connection data pull, visualized by KPMG LLP (2019)

The County should establish a framework for setting priority buckets and service levels for corrective work orders, which should be used as a basis for performance tracking of maintenance workers. Also, during discussions with leadership and line staff, it was made clear that on top of the maintenance typically included in maintaining buildings and assets such as generators, Facilities is expected to perform work such as hanging pictures, moving office equipment and furniture, and maintaining commercial appliances such as refrigerators. There should be scrutiny around what work the maintenance crews performs, and what is considered reasonable and provides the highest and best value. Any work performed outside of the reasonability determination should have a cost/benefit analysis performed with consideration of outsourcing that work.

Priority #1	Priority #2	Priority #3	Priority #4	Priority #5
Immediate/Same Day	48 Hours	10 Working Days	Date Sensitive	90 Days
— Direct health or safety impact and preventing the delivery of the core mission — E.g. Power outage to entire wing or floor, water leaks, emergency clean ups, downed tree	— If not attended to, possible direct health or safety import, or impact to core mission of Santa Barbara County — E.g. Elevator malfunction (no people), damaged doors, loss of water, broken glass	— No immediate health or safety impact but needs attention. Work needs to be complete but no immediate impact on the core mission — E.g. Malfunctioning light fixtures, ceiling tiles are moldy, missing washroom features	— Customer requests completion date and work is requested to keep operating functions normal — E.g. date specific requests, furniture moves, heavy waste removal, events	— Requests that have an impact on aesthetics or minor impact on the function of the building — E.g. damaged drywall, stained ceiling tiles, stall doors do not lock

Source: KPMG LLP, 2019

Establishing a prioritization framework for maintenance requests will allow effective maintenance tracking and performance improvement evaluation. Additionally, prioritization of

preventative maintenance requests will reduce instances of severe corrective action, service downtime, and more clearly set expectations with customers during the work order generation process.

10.4 Define a framework for analyzing historical staffing demands with focus on the type of request, and set a strategy for staffing levels and types of trade skills needed

Observation and analysis

During staff interviews, there were multiple instances in which staff indicated either a need for a trade skill (electrician, plumber, etc.) to perform the specialty work, or they indicated that their trade skill wasn't being utilized to the fullest extent (being tasked with remedial work).

Through the data collected from Maintenance Connection, KPMG was able to perform a staffing analysis based on throughput of work and category of work order (corrective, preventative, etc.); however, the data was not robust enough to track the type of work performed (electrical, plumbing, etc.).

Maintenance Order Volume by County Area

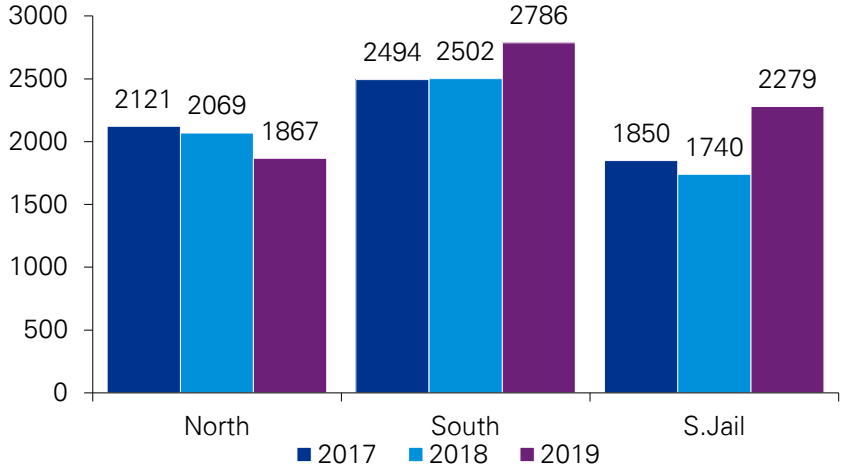


Figure 12
Source: Maintenance Connection data pull, visualized by KPMG LLP (2019)

This normalized look at work order volume shows the disparate trending (up versus down) when broken out geographically.

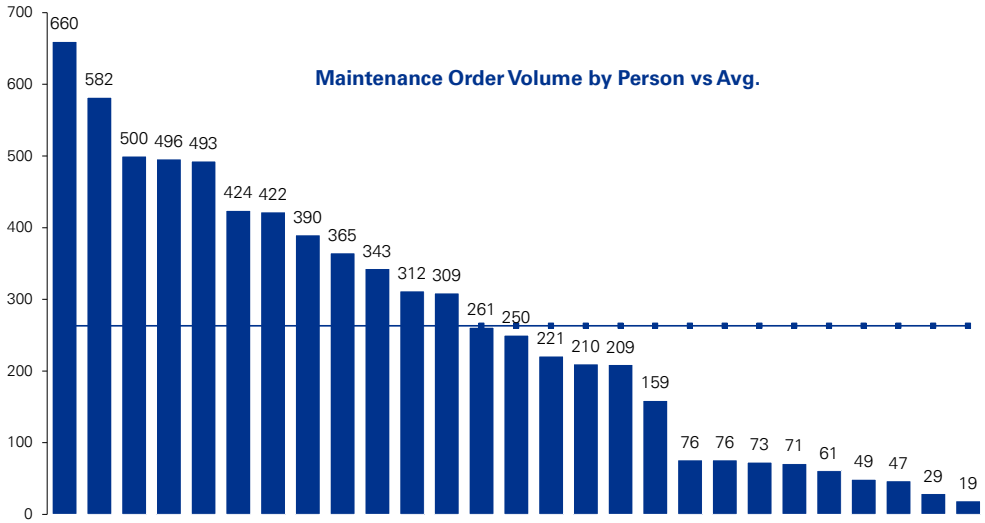


Figure 13
Source: Maintenance Connection data pull, visualized by KPMG LLP (2019)

This breakout of employee work order completion shows the variation in output from employee to employee.

Collaborate with Maintenance Connection to develop additional reporting capabilities around tracking actual time to complete a task against the time elapsed between creating and closing of a work order, and the granular type of work being performed (painting, carpentry, plumbing, electrical, etc.).

Establish an expected workload per maintenance employee that incorporates the additional data collected from Maintenance Connection.

- The data analysis performed in Figure 12 shows raw work orders generated by county location between 2017-2019 and demonstrates an increase in South County work orders, but a decrease in work orders generated for North County.
- Separately, the analysis performed in Figure 13 shows the closed work orders by employee.. This analysis is notable because of how disparate the workload is by employee.

Although these types of analyses shoud be used to demonstrate workload, and used in performance tracking, the data is lacking with regard to granularity for determining the type of skill sets needed when defining staffing levels, further enumerating the need for more robust data analysis and tracking.
Anticipated impact
Maintaining a more robust dataset, as described above, in conjunction with a skills inventory of maintenance workers should ensure that the maintenance function has the right capabilities, staffing levels, and assignment of projects.

10.5	Fully adopt Maintenance Connection for Facilities staff and focus on tracking service levels and performance

Observation and analysis

During line staff interviews, there was discussion that Maintenance Connection has not been fully adopted by all maintenance workers, and that all staff members are still filling out paper time cards.

Separately, there is currently no performance tracking of maintenance workers, and no formalized documentation of service levels. One consistent theme among all Facilities staff interviews was that all parties believed there needed to be more Facilities line staff or, at the very least, there needs to be more staff with trade skills. However, there is very little performance tracking of the employees square footage burden to determine workload, and no way to track the specific type of work performed to understand which trade skills are needed. Although data suggests that the average square footage per employee is higher than industry standards, the data does not allow for analysis of workload and the requisite capacity to serve that demand in terms of staffing capacity.

Establish a strategic plan for employees to fully adopt and implement Maintenance Connection. Not every employee in Facilities fully utilizes Maintenance Connection. This creates an inability of management to track workload and performance at the employee level. Separately, there is an expectation around Facilities management for each employee to fully utilize their day; however, there is a duplicative process of tracking hours in Maintenance Connection and tracking hours by writing them down on a time sheet (blue card). To fully eliminate the need for written time sheets, there needs to be a determination if the Maintenance Connection employee time tracker can be used to input work hours into FIN.

Develop clear guidelines around the opening, inputting of information, and closing of work orders. Although most work orders are created by customers through the Maintenance Connection portal, not all of them are created that way. Some work orders are internally created, and those created internally are not always consistently completed. In some instances, the work order was opened and closed immediately after, demonstrating the work was performed before the work order was opened. This type of data skewing will create long-term issues with data tracking, and needs to be addressed by developing clear rules around the opening and closing of those work orders.

Establish a plan around documenting at the close of each work order why the asset failed (old age, wrong maintenance, weather) and use that data to conduct root cause analyses, identify trends, and plan future work.

Establish a list of performance and KPIs for maintenance employees that are used for performance tracking and driving a better and timely product to customer departments

Maintenance Metric Suggestions
Percentage of work orders closed on time
Preventative maintenance backlog
Time to respond to work requests
Number of service complaints
Time to repair work requests
Cost per area ($/SF)
Corrective backlog maintenance completion
Equipment downtime
Adherence to planned maintenance completion
Percentage of budget spent on breakdown (unplanned maintenance)
Money per number of FTEs
Other metrics (percentage of open work orders, SF assigned per worker, billable time, cost as a % of revenue, etc)

Anticipated impact

Establishing formal procedures for all maintenance workers to adopt the full use of Maintenance Connection, described above and in recommendation 10.3 should provide the Facilities division the ability to establish a comprehensive management system that helps track workload, service levels, performance, and utilization. This would provide insights at a much more granular level enabling more strategic workforce management and service delivery.

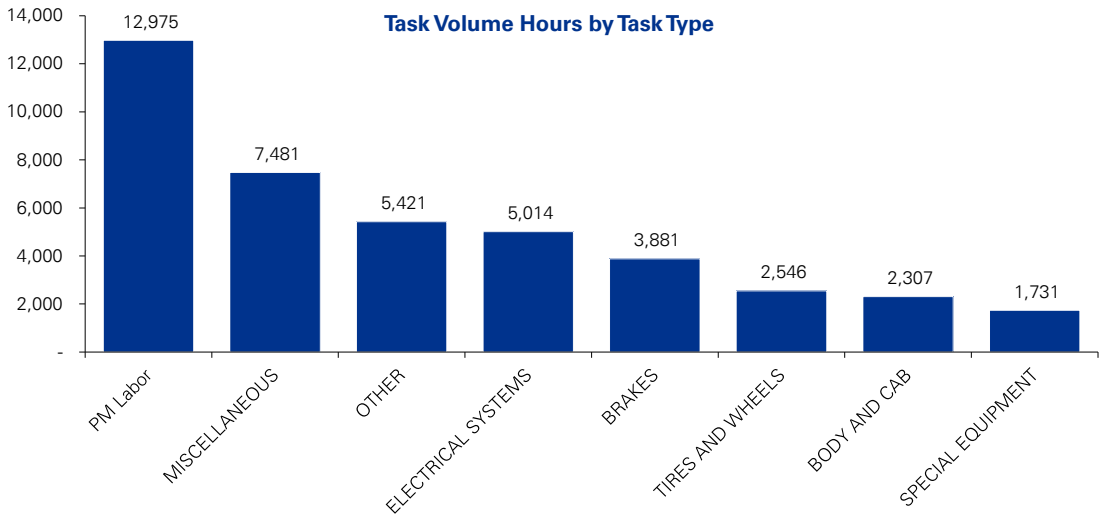
Fleet

11.1	Adopt a strategic plan for staffing and training of mechanics to reflect the greening of the fleet over the next five years and beyond

Observation and analysis

The Board of Supervisors has established a five-year plan that will add approximately 250 electric vehicles to the fleet. The practical impact of this policy is that Fleet staff will need to further their knowledge of maintenance requirements for electric vehicles, but will also start the process of changing the nature of their job duties.

Electric vehicles do not need oil changes, spark plug changes, or other maintenance which is common to an internal combustion vehicles, but they will, as well as any modern vehicle, need electrical work performed. Currently, the highest volume work performed by mechanics is preventative maintenance, and electrical systems are fifth highest volume. As the fleet moves to electric, those specific rankings in volume of work will start to change and skills gaps will start to become exacerbated.



Source: AssetWorks data, visualized by KPMG LLP (2019)

Clarify the skills-based needs of the Fleet division in the next 3, 5, and 10 years, and develop or provide the required trainings that satisfy those needs.

Collaborate with the Human Resources department, specifically Employee Workforce Training and Organization and Talent Development, to craft a strategy for future recruitments that reflects the changing needs of mechanics. With the county looking to add 250 electric vehicles to the fleet, there will be a reduction in preventative maintenance as electric vehicles do not have the same components combustion engines have to maintain; however, there will be a simultaneous addition of new components (electric motor, battery system, power electronics, etc.) that will require a different set of skills. Below is an infographic of the high-level differences between combustion-engine vehicles, hybrid vehicles, and battery electric vehicles.

Powertrain modifications during the next years until 2025/2030:	CONVENTIONAL	HYBRID	BATTERY ELECTRIC
Combustion engine *(Crankcase, cylinder head, crankshaft, connecting rods, camshafts, calves etc.)*	Modified/downsized	Modified/downsized	Omitted
Fuel supply *(Injectors, fuel pump, fuel rails, fuel tank, fuel piping, fuel filter etc.)*	Modified/downsized	Modified/downsized	Omitted
Air management and after-treatment *(Turbocharger, exhaust manifold, catalyst, particle filters, sensors, exhaust system etc.*	Modified/downsized	Modified/downsized	Omitted
Starter and alternators	Modified	Modified	Omitted
Gearbox, clutch	Modified	Modified	Modified/omitted
Radiator, water pump, air conditioning, etc.	Modified	Modified	Modified/omitted
Electric motor	-	New	New
Battery system	-	New	New
Power electronics	-	New	New

Source: KPMG LLP (2019)

Anticipated impact

Establishing a maintenance skills matrix, including current and future skill requirements, will enable the Fleet divisions to improve performance and anticipate the changing maintenance needs of an evolving fleet in a proactive manner.

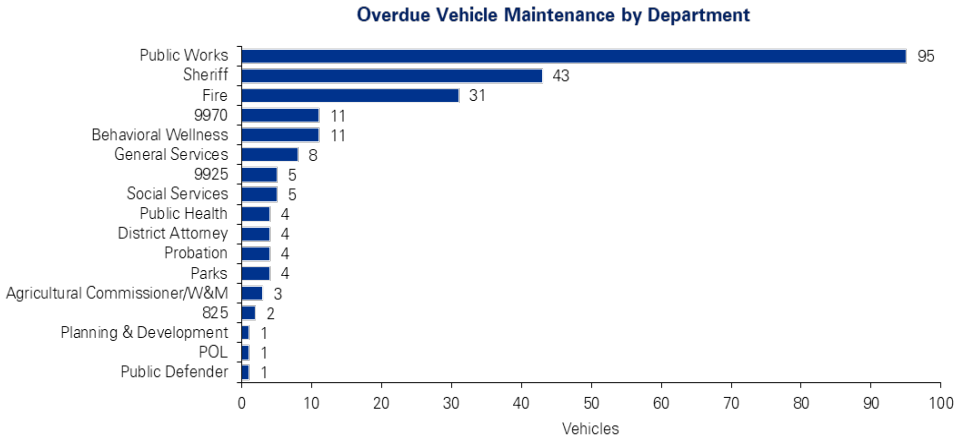
11.2 Establish a process and structure to help ensure routine maintenance compliance

Observation and analysis

The Fleet department is responsible for roughly 1,400 vehicles for which they perform all repairs and routine maintenance. However, there is no way to track non-routine maintenance (check engine light, etc.), and no incentive/disincentive structure set up, causing a negative feedback loop. During interviews, we heard that it is not uncommon for a person to show up late for an oil change, and there is also a check engine light on that has been on for a few months, compounding the length of time to complete the maintenance and therefore impacting the service level provided.

The Fleet division should be commended on the proactive and reactive steps they have set up for addressing noncompliance with routine maintenance. For example, at 1,500 miles overdue for routine maintenance (oil change, etc.) they will prevent the driver of the vehicle from refueling at one of the fuel sites maintained by the County. Separately, they have crafted language in County policy that defines the responsibility of the Department Director to address routine maintenance of vehicles in their department that are maintained by the Fleet division. However, it still stands that there are many outliers to this policy.

Also, Asset Works does not have the ability to conduct a historical search of which vehicles/departments go beyond their routine maintenance due dates; however, KPMG was able to perform an analysis based on a snapshot in time of currently overdue vehicles.



Source: AssetWorks data pull, visualized by KPMG LLP (2019)

Fleet should collaborate with the CEO office to establish a leadership-supported strategy that enforces Section (i)(1) of the County Policy 634-001, "Administration of Vehicle Fleet," and lower the miles overdue threshold for fuel site lockout.

I. Maintenance of vehicles

1) Department Directors shall ensure all vehicles assigned to their department are returned to Vehicle Operations for scheduled preventive maintenance. The General Services Director will ensure that departments receive appropriate notification regarding vehicle servicing and inspection schedules. Department Directors will ensure that all County vehicles within their departmental fleet are properly serviced and all maintenance/inspection schedules are followed.

Source: Santa Barbara County Policy 634-001

Concurrently, Fleet should embrace Recommendation 7.3 to better facilitate the scheduling of the routine maintenance work, which will help to balance the workload of mechanics and help identify non routine maintenance opportunities sooner.

Anticipated impact

Setting up an incentive structure for non-routine maintenance in conjunction with more stringent enforcement of routine maintenance policies will create a Fleet division that is able to anticipate and minimize mechanical issues, operate a more compliant fleet, and balance workload more efficiently.

11.3 Utilize scheduling tools to automate the scheduling of routine maintenance

Observation and analysis

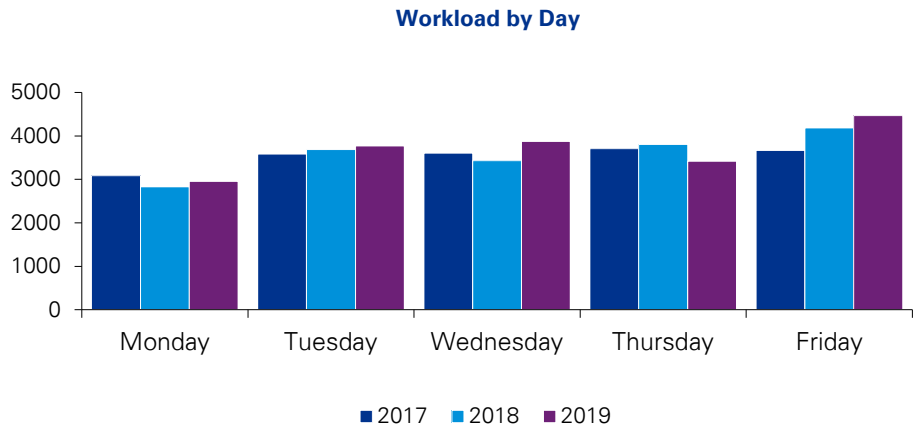
During multiple interview sessions, it was stated by line staff, and witnessed by KPMG staff, that Fleet clients routinely show up for service without notifying the Fleet department or setting an appointment, and there is currently no process in place to list whether or not an action performed by a mechanic was scheduled or ad hoc.

Fleet has a cadenced process for sending routine maintenance notifications to employees with vehicles maintained by Fleet staff, but a scheduling system is not utilized to control the flow of work. Due to that lack of technology in place, multiple departments can book the same time slot, leading to vehicles showing up at the same time for repair, increasing the turnaround time to perform the work.

Establish a fully, or semi-, automated process for scheduling routine maintenance that takes employee workload and repair trends into consideration.

— Collaborate with ICT to determine the feasibility of AssetWorks serving as an automated scheduling tool, or establish a process in which a currently owned scheduling tool is utilized in the process, for example, Outlook.

— Utilize the robust data set that AssetWorks generates to continually analyze mechanic workload to find ways to balance their time and effort through more effective scheduling based on historic trends. Below is analysis of 2017-2019 Fleet data demonstrating which days during the week are historically the busiest. In 2019, Mondays and Thursday have shown to be the least busy days, where Fridays have, since 2017, become increasingly busy for mechanics.



Source: AssetWorks data pull, visualized by KPMG LLP (2019)

Anticipated Impact

Transitioning the Fleet division to a more comprehensive scheduling model should ensure that workload is optimally distributed across days and employees, appointment times are not double booked (which will improve service levels), and datasets are more robust to provide a basis for performance measurement insights.

11.4 Evaluate the implementation of telematics for enhanced fleet utilization

Observation and analysis

Although the Fleet department should be commended for utilizing data, depreciation modeling, asset management tools, and strict policies around utilization, they are not fully utilizing all technologies available to them.

Telematics have become an industry standard in Fleet maintenance, and are a force multiplier in many aspects of maintenance and utilization.

In 2018, the State of Utah completed a telematics pilot with a focus on fuel savings, maintenance savings, and safety (insurance) savings. With telematics installation on 25 percent of their fleet, the study demonstrated a net savings of $2.05/vehicle/month.

Short-term savings summary

Based on the study of 1,091 vehicles from the four pilot agencies (DAS, DABS, DHS and Corrections), the State of Utah generated a summary of savings values based on the monthly values based on monthly and annual analyses, excluding utilizations savings.2

Table 2. Savings summary (with telematics in 25% of fleet)

	Fuel savings	Maintenance savings	Safety savings	Total savings	Cost of telematics
Cumulative monthly	$11,540.00	$7,500.00	$4,763.00	$23,803.00	$21,547.00
Cumulative annually	$138.460.00	$90,000.00	$56,760.00	$285,220.00	$258,567.00
Per device per month	$10.60	$6.90	$4.30	$21 80	$19.75

Source: Mottishaw, J. and Brown, M. (2018, Sep). Geotab Pilot Study: Year One Summary Report. State of Utah, Department of Administrative Services, Division of Fleet Operations.

Fleet should explore the benefits around implementing vehicle telematics. By implementing telematics in Santa Barbara County's fleet, there is an opportunity to reduce fuel costs, minimize underutilization with a granular hour-to-hour analysis, and engage in proactive vehicle maintenance that helps reduce catastrophic failures, roadside failures, and unscheduled

downtime. Part of that exploration will be understanding what stakeholders need to be brought to the table for the development of a potential program, understanding the size of the pool of vehicles and which vehicles to structure the pilot program around, and engaging with the CEO office and Purchasing to develop an RFP.

Anticipated impact

Developing and implementing a telematics initiative in the Fleet division could reduce vehicle downtime and fleet expenditure. More importantly, telematics should enable improved service delivery in critical areas like emergency response time.

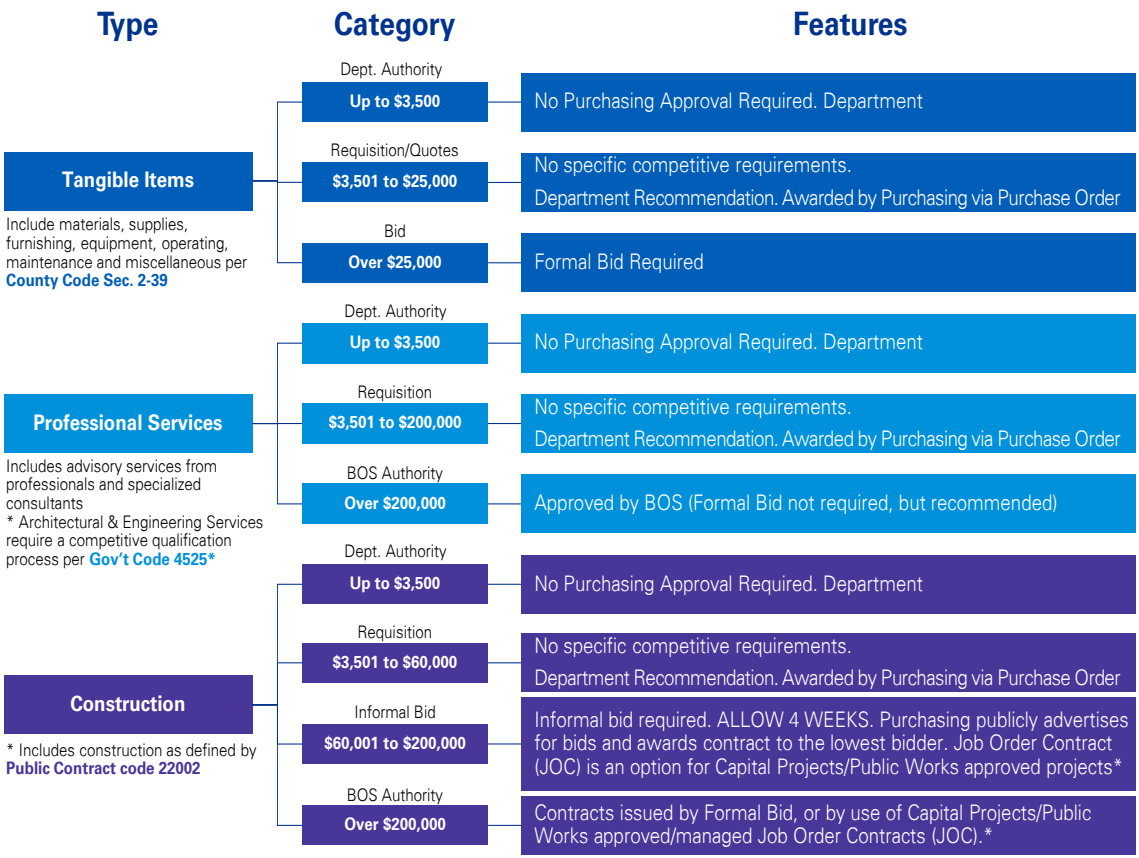
Purchasing

12.1	Establish clear Board adopted policies to establish roles and responsibilities of Purchasing and county departments.

Observation and analysis

Although Santa Barbara County has some individual policies that help to guide the structure and mechanism of approval of bids and requisitions, there is no cohesive purchasing strategy that clearly outlines the roles and responsibilities of Purchasing including when, and how, the Purchasing division is engaged when a department requires a service or item.

This was confirmed during staff interviews when it was described that purchasing is typically engaged after the transaction had occurred at the department level, leaving the staff to describe themselves as clerical and perfunctory.



Source: Santa Barbara County Purchasing Division

Creating a series of defined processes and standardized documents without holistically addressing the lack of a cohesive purchasing strategy will inevitably lead back to the current situation. In addition to the adoption of clear Board adopted policies and procedures for Purchasing and county departments, in order to make a lasting, strategic impact, Purchasing must:

Establish a mission, vision, and procedure document for the Purchasing division that focuses on defining when and how Purchasing is engaged. The following elements should be considered when drafting this document:

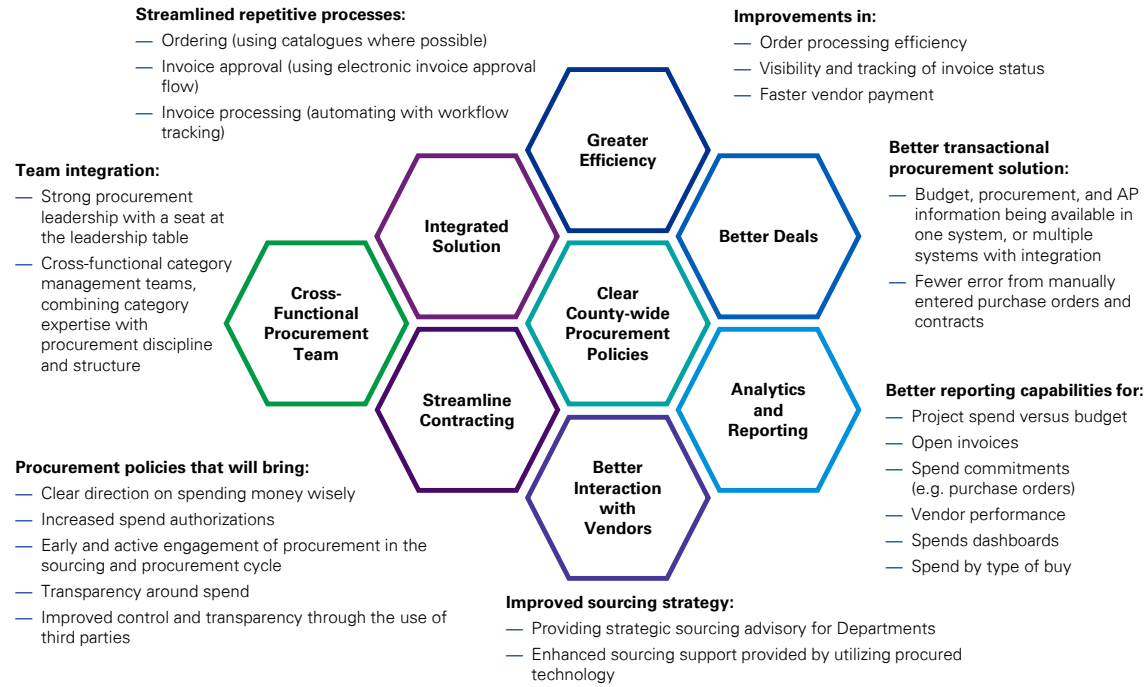
- Process for engaging the Purchasing division for new purchases and contract renewals
- Contracting ethics, procurement laws, defining conflict of interest, and conflict disclosure statements
- Determining the need for service and supply contracts
- Processes for purchasing under the Board of Supervisors bid limit
- Processes for purchasing over the Board of Supervisors bid limit
- Contract administration and compliance
- Consequences of not following standard processes.

When focusing on addressing the adoption of a mission and vision, Purchasing has to be acutely aware of the inherent risks of continuing to operate under their current model, which are not exclusive to the Purchasing office, but to the County as a whole. Inaction will lead to a continuation of the overall risk of violation of local (self-imposed) and state procurement laws through multiple, disparate procurement processes, not providing the best service to the customers of Purchasing, and not making the best use of tax payer dollars.

Ultimately, the Purchasing division should prioritize transitioning into being a center-led service provider to the County. There are instances in which departments, and divisions of, will be better equipped to screen and process RFPs and subsequent contracts (e.g. Public Works selecting engineers for projects), however it is critical that when this occurs, Purchasing is:

- aware and able to scrutinize the process to ensure mitigation of risk around violation of state and local procurement laws;
- mitigating cost overrun and unnecessary spend;
- scrutinizing the supply chain to screen for false invoices or unscrupulous vendor behavior, and;
- ensuring the capitalization on the inherent economies of scale.

Also, critical is that, as Purchasing adopts and executes this recommendation and starts taking strides to become less transactional and more of a strategic partner, they should be coordinating with departments to better understand purchasing needs for future fiscal years—for example, working with EITC on major IT procurements, understanding what renewals are upcoming and looking at how to negotiate a better value for the County, and driving towards a cohesive purchasing strategy. The graphic below demonstrates themes and elements that will help structure the conversation around standardization of policies and processes.



Source: KPMG LLP (2019)

Anticipated impact

Standardizing processes and procedures for engaging the Purchasing division will reduce costs through effective consolidation and contract negotiation as well as ensuring compliance through more proactive front-end purchase evaluation processes and long-term planning.

12.2	Fully utilize available software systems to automate processes and more appropriately track activities

Observation and analysis

Purchasing uses a procurement system with extensive functionality called SpendMap; however, the software is used more like a database than a strategic purchasing software suite. Purchasing currently owns the Procure-to-Pay, and has access to the reports and dashboards feature that is standard with ownership of any module.

The current process followed by Purchasing and departments is to have each department fill out a paper form pursuant to the need of the department (requisition, renewal, etc.) and hand deliver it to Purchasing. The Purchasing buyer will then take the paper form and manually enter and check data in the SpendMap environment. If the request is approved, the information will be noted in SpendMap and the process moves forward. However, if not approved, the process will restart. One currently owned module allows for electronic requisition functionality. This allows for a paperless, customer department–generated requisition process. If correctly used, this would allow for the Purchasing staff to not act in a clerical manner, and free up significant staff time to better position themselves to be strategic partners to the departments.

SpendMap, in all versions of its usage, has a robust data reporting and tracking function that is also not currently utilized. Instead, although this does satisfy some reporting needs, they have utilized a County employee to create an intranet portal that pulls data from SpendMap to generate similar reporting to the native reports in the software suite. The process of creating and pulling these reports utilizes more staff time than relying on the built-in functionality of SpendMap.

As illustrated below, Purchasing should establish a series of short-, mid-, and long-term goals around procurement software utilization.

01

Short-term (3 months)

- Reach out to SpendMap and coordinate a software training for Purchasing staff, and all staff members in customer departments with a purchasing role.
- Incorporate the County-wide use of the electronic requisition.
- Understand the native reporting functions to SpendMap and establish performance tracking and goals on those reports.

02

Mid-term (1 year)

- Analyze the full functionality of SpendMap and determine the value add of purchasing other modules, and whether they assist in the realization of Purchasing goals.

03

Long-term (3 years)

- Coordinate with the CEO's office, ICT, and the Auditor-Controller to develop a strategy and requirements around what an enterprise-wide procurement suite would look like, and begin a vendor outreach process.

Source: KPMG LLP (2019)

Anticipated Impact

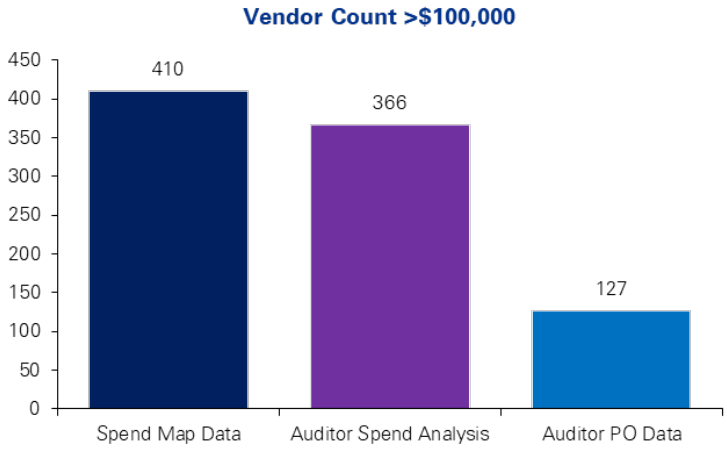
Leveraging existing software systems (i.e., SpendMap) will reduce time spent by Purchasing staff on routine transactions, which should increase capacity to identify strategic opportunities like purchasing vendor consolidation. Additionally, mandating departments collaborate with the Purchasing division through software solutions for purchase requisitions will encourage more efficient spending and compliance habits among departments.

12.3 Coordinate with the Auditor-Controller to establish a cadenced spend analysis that complements the annual report currently generated

Observation and analysis

There is currently no spend analysis being performed by the Purchasing division. Fundamental to generating the best use of money is to understand who the County purchases from, what they are procuring, and why it is being procured.

During the data analysis phase for this recommendation, KPMG found inconsistencies in data among multiple datasets. The inconsistencies ranged from number of vendors to amount spent.



Source: SpendMap, Auditor-Controller PO data, visualized by KPMG LLP (2019)

Although there is an annual spend analysis performed by the Auditor-Controller's office, it does not provide the in-depth analysis needed to give Purchasing the perspective to provide the insights needed to become the strategic partner needed for County procurements. In order to conduct any form of in-depth spend analysis the County should first establish a master vendor list to allow complete and reliable analysis to be conducted. Currently there is fragmentation between the SpendMap software used by the Purchasing division and the FIN system utilized by the Auditor-Controller. The two systems contain different identifiers for vendors and do not

contain a mechanism to be able to reconcile transactions. It is therefore imperative that a master vendor list is established and improved collaboration between the two systems established.

Purchasing should establish a framework for conducting routine spend analyses that focus on improving spend data accuracy, developing needed insights into spend fragmentation, and preparing supporting data to facilitate a category and contract deep dive. The spend analysis should look to provide insights such as spend by category, year over year changes, trends by category, and methods of spend. SpendMap, if adopted and fully implemented has the reporting ability to assist in a basic spend analysis. This analysis should be performed annually and refreshed semiannually with dissemination to customer departments and CEO leadership. The most important aspect and overarching insight Purchasing should look to glean from this analysis is to fundamentally understand the supply and demand of the County. This analysis should serve as a tool for Purchasing to understand where they can cross-cut the departmental spend and create unique opportunities for procurement partnership.

	Spend Analysis	Category Deep Dive	Category Plan	Execute
Objectives	• Improve spend data accuracy • Prepare supporting data required for category deep dive	• Identify opportunities to consolidate • Model high level impact of changes	• Create short term category plan to be executed over next 60 days	• Implement rationalization and process changes • Conduct supplier negotiation • Track benefits

Tasks	• Conduct full re-categorization of spend with a focus on data cleaning
	• Detailed spend analysis for categories with highest opportunities
	• For each category, identify medium term:
	  • Supplier offering / pricing
	  • Demand profile
	  • Contract details
	  • Demand owners
	• Create category contract summary
	• Calculate spend and supplier fragmentation, and validate what is under contract
	• Validate with category stakeholders
		• Conduct high level supply market analysis
		• Identify hypothesis changes
		• Model impact of each change, based on impact to:
		  • Demand pattern change or demand constraint
		  • Supplier change
		  • Order management change
		• Calculate benefit ranges
		• Document assumptions, risks and dependencies, and validate with suppliers and demand owners:
		  • Supplier capabilities and pricing assumptions
		  • Demand change impact assumptions
		  • Process owners and activity assumptions
			• Create category plan to illustrate:
			  • New supplier parameters
			  • Demand plan
			  • Interim compliance tracking
			  • Benefits tracking
			• Identify and establish cross functional category council teams and conduct handover to them to manage execution
			• Identify execution action plan and key milestones, including supplier negotiation calendar
				• Conduct supplier validation and negotiation meetings
				• Implement process changes and track compliance
				• Update system changes and data adjustments
				• Create a basic contracts register database with monthly forward visibility reports on a critical path to trigger renegotiations and renewals
				• Create a basic spend analysis database and dashboard to monitor spend pattern changes, demand owners, supplier tracking to budget etc.

Deliverables	• Updated spend matrix • Category contract summary • Any existing category analysis or reports	• Category change recommendations and business case	• Category Plans and action lists (including roles and responsibilities)	• Supplier negotiation preparation packs • Compliance and benefits tracking report • Contracts register and reports • Spend analysis and reports

Source: KPMG LLP (2019)

Anticipated impact
Defining the cadence and dimensions of a quarterly spend analysis will provide the necessary information to effectively implement purchasing recommendations 12.1-12.4 by providing a baseline for discussions between Purchasing and County departments. Additionally, increasing the frequency of spend analysis from one to four times a year enables preventative action and more relevant spend analysis.

12.4 Establish a contract compliance and review process to reduce risk

Observation and analysis

With the Purchasing division's role more aligned to clerical work, there is an inability for more strategic activities such as reviewing contracts for best use, potential for streamlining or collaborative purchasing, or compliance. This lack of scrutiny creates a compounding issue that exacerbates risk and does not make the best use of budget. Moreover, due to the current paper-heavy processes followed by Purchasing, there is a deadline set by Purchasing for contract renewals many months before the renewal occurs. This deadline is routinely missed by departments causing significant backlogs of work for Purchasing staff, also limiting their ability to provide scrutiny to contracts and act a strategic partner to the departments.

Purchasing should develop a contract review and compliance process that establishes a minimum set of data points for review that each contract is subject to. It is important to ensure that each contract is reviewed for expiration, compliance, breach, and other factors that could increase risk to the County. Separately, the timing of the contract renewal must be taken into account when going through reviews to ensure no contract is expired or close to expiration. This scrutiny should also be extended to the RFP process and ensuring timeliness of vendor submission for RFP. Although Purchasing is ultimately responsible for the County's compliance in regard to contracts, it is also incumbent on leadership in Purchasing and General Services to get CEO support when enforcing these rules.

Purchasing should establish a process, with consideration of the framework from Recommendation 12.1, that establishes a work plan of objectives, tasks, and deliverables that begins with an analysis of all contracts by category and leads to strategic sourcing opportunities. During this process there will opportunities to find contract compliance issues and determine opportunities for savings and strategic contract riders, for example, early payment discount. This recommendation describes a contract and contract category management process that provides structure and timely approach to reviewing and buckets all contracts for the purpose of strategic sourcing, which is further enumerated in Recommendation 12.4.

Category Deep Dive and Plan

— **Category Evaluation –** Focus on categorization and segmentation of the various categories of purchase and prioritize where the category lies as juxtaposed against business impact and

complexity of market. Segment examples are: critical supplier, strategic supplier, new/phase out supplier, and leverage supplier.

— **Value levers –** Focus on savings opportunities identified through collaborative, structured investigation. End result is to evaluate opportunities against the priorities structure to help ensure an opportunity check (competition, consumption, contracting, and consolidation), and to understand the benefit ranges or potential contract mergers, renegotiations, or cancellations.

— **Category Planning –** This step takes the categories and identifies priority for implementation. Priority is determined based on time to implement versus savings potential and benefit/sustainability versus ease of implementation. Ideally, this plan does not go out further than 60 days, as the market and customer needs can change beyond that, and the action list produced from this step will have assigned roles and responsibilities. To ease the learning curve on buyers during the first implementation of this recommendation, there could be benefit in assigning roles based on current Purchasing commodity responsibilities.

	Spend Analysis	Category Deep Dive	Category Plan	Execute
Objectives	• Improve spend data accuracy • Prepare supporting data required for category deep dive	• Identify opportunities to consolidate • Model high level impact of changes	• Create short term category plan to be executed over next 60 days	• Implement rationalization and process changes • Conduct supplier negotiation • Track benefits

Tasks	• Conduct full re-categorization of spend with a focus on data cleaning
	• Detailed spend analysis for categories with highest opportunities
	• For each category, identify medium term:
	  • Supplier offering / pricing
	  • Demand profile
	  • Contract details
	  • Demand owners
	• Create category contract summary
	• Calculate spend and supplier fragmentation, and validate what is under contract
	• Validate with category stakeholders
		• Conduct high level supply market analysis
		• Identify hypothesis changes
		• Model impact of each change, based on impact to:
		  • Demand pattern change or demand constraint
		  • Supplier change
		  • Order management change
		• Calculate benefit ranges
		• Document assumptions, risks and dependencies, and validate with suppliers and demand owners:
		  • Supplier capabilities and pricing assumptions
		  • Demand change impact assumptions
		  • Process owners and activity assumptions
			• Create category plan to illustrate:
			  • New supplier parameters
			  • Demand plan
			  • Interim compliance tracking
			  • Benefits tracking
			• Identify and establish cross functional category council teams and conduct handover to them to manage execution
			• Identify execution action plan and key milestones, including supplier negotiation calendar
				• Conduct supplier validation and negotiation meetings
				• Implement process changes and track compliance
				• Update system changes and data adjustments
				• Create a basic contracts register database with monthly forward visibility reports on a critical path to trigger renegotiations and renewals
				• Create a basic spend analysis database and dashboard to monitor spend pattern changes, demand owners, supplier tracking to budget etc.

Deliverables	• Updated spend matrix • Category contract summary • Any existing category analysis or reports	• Category change recommendations and business case	• Category Plans and action lists (including roles and responsibilities)	• Supplier negotiation preparation packs • Compliance and benefits tracking report • Contracts register and reports • Spend analysis and reports

Source: KPMG LLP (2019)

Anticipated impact
Establishing a cadenced purchasing compliance and review process will help transition purchasing from an administrative to a strategic role. This structure can give the Purchasing division the authority and time to properly evaluate contracts as outlined above leading to more favorable contract terms, differentiated sourcing opportunities, and dissemination of purchasing best practices across departments.

12.5 Identify all common goods and services procured across the County and collectively bid

Observation and analysis

There is currently no formalized or structured strategy and cooperation around Purchasing-led proactive buying plans, creating instances in which departments are procuring the same type of services or items from different vendors. Examples of this are:

- Paper shredding - $182,000 cumulative spend in 2019 between three vendors
- Furniture moving services - $122,000 cumulative spend in 2019 between three vendors
- Security cameras - $129,667.85 cumulative spend in 2019 between six vendors.

It is important to note that the above-mentioned opportunities for collective purchasing were identified by a "fuzzy search" of free text in SpendMap data fields. The current method in which data is entered does not provide a convenient way to identify shared spend. Although this issue can be partly rectified by the Purchasing office fully utilizing the technology available to them, there is still a barrier in place because departments are not required to, at the very least, notify Purchasing of their goals, needs, and purchasing activities prior to executing.

Moreover, Purchasing, without a comprehensive strategy and deep understanding of spend and contracts, cannot provide the best service to their customer departments. By iteratively addressing Recommendations 12.3 and 12.4, they will have positioned themselves not only to identify opportunities for consolidating common goods purchases, but to have a comprehensive understanding of all contracts across the County and of when the best opportunities are for renegotiation.

Purchasing should develop a routine continuation of Recommendations 12.3 and 12.4, that focuses on collecting the spend analyses, category deep dives, and category plans, and uses them to conduct supplier negotiations and renegotiations. Priority for renegotiation and common goods contracts should be a balance struck between opportunity costs, timing, and customer-defined needs.

Purchasing should also set up reoccurring meetings with customer departments to discuss upcoming purchasing needs.

	Spend Analysis	Category Deep Dive	Category Plan	Execute
Objectives	• Improve spend data accuracy • Prepare supporting data required for category deep dive	• Identify opportunities to consolidate • Model high level impact of changes	• Create short term category plan to be executed over next 60 days	• Implement rationalization and process changes • Conduct supplier negotiation • Track benefits

Tasks	• Conduct full re-categorization of spend with a focus on data cleaning
	• Detailed spend analysis for categories with highest opportunities
	• For each category, identify medium term:
	  • Supplier offering / pricing
	  • Demand profile
	  • Contract details
	  • Demand owners
	• Create category contract summary
	• Calculate spend and supplier fragmentation, and validate what is under contract
	• Validate with category stakeholders
		• Conduct high level supply market analysis
		• Identify hypothesis changes
		• Model impact of each change, based on impact to:
		  • Demand pattern change or demand constraint
		  • Supplier change
		  • Order management change
		• Calculate benefit ranges
		• Document assumptions, risks and dependencies, and validate with suppliers and demand owners:
		  • Supplier capabilities and pricing assumptions
		  • Demand change impact assumptions
		  • Process owners and activity assumptions
			• Create category plan to illustrate:
			  • New supplier parameters
			  • Demand plan
			  • Interim compliance tracking
			  • Benefits tracking
			• Identify and establish cross functional category council teams and conduct handover to them to manage execution
			• Identify execution action plan and key milestones, including supplier negotiation calendar
				• Conduct supplier validation and negotiation meetings
				• Implement process changes and track compliance
				• Update system changes and data adjustments
				• Create a basic contracts register database with monthly forward visibility reports on a critical path to trigger renegotiations and renewals
				• Create a basic spend analysis database and dashboard to monitor spend pattern changes, demand owners, supplier tracking to budget etc.

Deliverables	• Updated spend matrix • Category contract summary • Any existing category analysis or reports	• Category change recommendations and business case	• Category Plans and action lists (including roles and responsibilities)	• Supplier negotiation preparation packs • Compliance and benefits tracking report • Contracts register and reports • Spend analysis and reports

Source: KPMG LLP (2019)

Anticipated impact

Creation of a set of prospective purchasing meetings with County departments will help Purchasing develop a matrix of needs both within and across departments to identify opportunities for creative contract consolidation, cost reduction, and elimination of duplicative work.

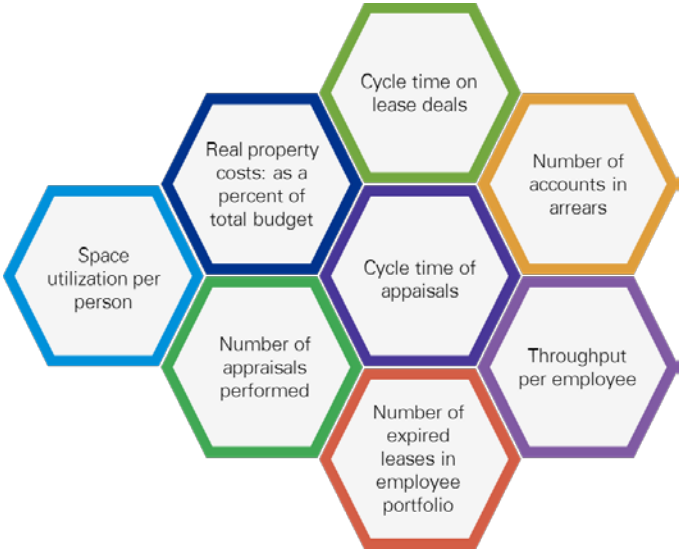
13.1	Utilize Yardi to establish average workload, determine expected workload, and define performance metrics

Observation and analysis

Yardi is a robust real estate portfolio management software utilized by the Real Property division, that has the capability to help notify when leasing and rent is due for renewal, manage the processing of rent and lease payments, indexing of CPI, and much more. There are some performance measures established and demonstrated in the budget, however, they do not drive employee performance reviews and accountability, and the full functionality of Yardi's tracking is not used.

The County should collaborate with customer departments to establish appropriate service levels that are used to monitor performance and drive operations towards stated outcomes. E.g. knowing how many lease renewals are upcoming, and determining appropriate staffing requirements.

Establish a list of performance and key performance indicators for Real Property employees that are used for performance tracking and driving a better and timelier product to customer departments.



Source: KPMG LLP (2019)

Anticipated impact

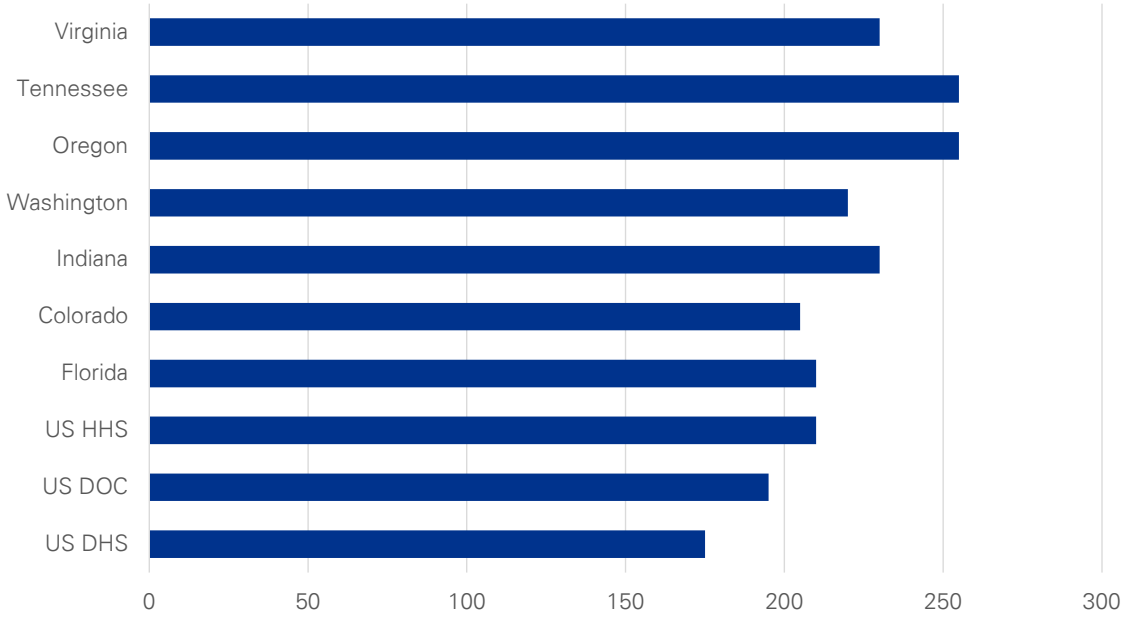
Fully leveraging the available Real Property software systems (i.e. Yardi) in parallel with generating robust and relevant KPIs will enable more effective workforce planning and service delivery ultimately reducing lease costs, ensuring timely contract renewals, and appropriate space utilization across the County real estate portfolio.

13.2 Coordinate with the Facilities division to determine building occupancy and consolidation opportunities

Observation and analysis

The 'General Services Building List' was provided to KPMG in which there were fields that demonstrated the total square footage, common square footage (hallways, bathrooms, etc.), and occupied square footage. When total square footage is adjusted to have the common space removed, the data shows that the County is at 100% occupancy. However, there have been multiple observed instances in which there has been vacant offices that were not recorded as being vacant, demonstrating that the data is not tracked appropriately.

Target Square Footage Per Employee



Source: KPMG LLP (2019)

Real Property should take the lead on a collaborative project with Facilities to document the actual occupancy rate of all owned and leased buildings by Santa Barbara County, with the goal of understanding the average workspace square footage allocation to employees, and comparing that to industry and government standards/averages. The US General Services

Administration[3] released a benchmark of workspace allocation in government agencies across the nation. This document should be used as a starting point for building an internal policy around office space standards. An alternative to Real Property leading the exercise would be for Real Property to hire a consultant, and manage the contract that undertakes this analysis.

Ultimately, this exercise should drive towards Real Property producing a report that enumerate the opportunities for space consolidation and minimizing employee sprawl and alignment of teams where appropriate. This recommendation should be closely aligned with Recommendation 13.3.

Anticipated impact

Creating an accurate occupancy profile will enable the Real Property division to identify opportunities for overhead spend reduction and make accurate evaluations of usage against industry standards.

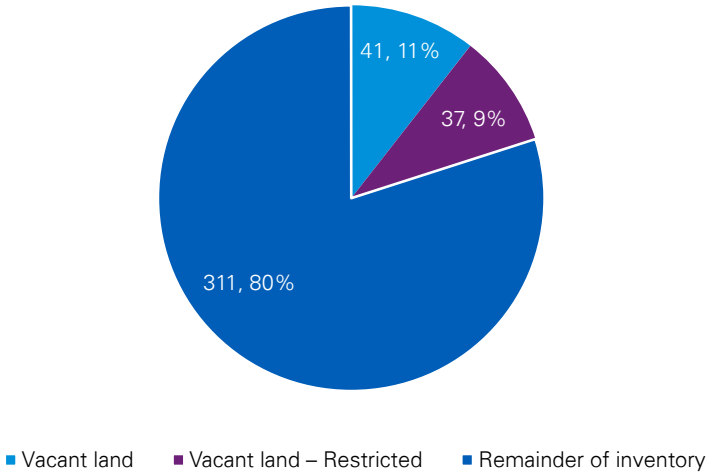
[3] https://www.gsa.gov/cdnstatic/Workspace_Utilization_Banchmark_July_2012_%281%29.pdf

13.3 Establish strategy for asset management around land ownership (own versus sell versus lease)

Observation and analysis

Real Property is the division tasked with, among other areas, managing the inventory of owned property in the County. As such, the County conveyed their district inventory to KPMG, which is representative of land owned by the County. During our analysis, we found that 20% of owned land is classified as 'vacant', with two distinctions in the data; 'Vacant Land' (11%) and 'Vacant Land – Restricted' (9%).

County owned property



Source: KPMG analysis of real property division data

Develop a countywide strategy around land ownership and justification for that ownership. There are justifiable reasons for owning vacant land, however there was no concrete explanation given for why 20% of the inventory is vacant land. Land sales can be a useful tool for raising capital to address priority issues such as an unfunded CIP or addressing critical deferred maintenance.

Develop a plan for understanding current office-space leasing in non-County owned buildings. Coupled with the employee occupancy analysis recommended in 13.2, establish a cohesive policy and strategy for understanding where there are opportunities to consolidate employees to free up office space, and when to build out currently owned buildings for use by employees instead of leasing. There are pros and cons to owning and leasing office space, however there needs to be a clear and transparent justification of that decision, which should be made between Real Property, Facilities, and departmental leadership. Factors to consider when making those justifications are value of land if sold, variable cost of leasing office space, freed up capital if leasing, and loss of equity through leasing.

Anticipated impact

Leveraging or divesting un-utilized real assets will provide additional revenue streams to support strategic initiatives across the Capital Projects, Facilities, and Real Assets divisions.

Implementation Tear Sheets

The implementation roadmap is accompanied by a detailed "tear sheet" for each enterprise enablement recommendation outlined in the roadmap, and for each division recommendation that would have the most impact or is anticpated to be the most difficult to implement. Each tear sheet provides an explanation of the activities, resources required, impact, level of effort, and other considerations. With careful assessment of these factors and the organization's current capabilities, the sequence of recommendations reflects the appropriate course action that the County should take in implementing the recommendations.

Administration and Finance

Key Activities
With the recommendation that Administration & Finance division of General Services becoming the central coordinator of the ISF rate setting, monitoring, reconciliation, and future planning process, it is incumbent on the division to iteratively plan for each step in that process, and take into consideration some of the current processes gaps. **Key Activities:** — **Design the new ISF process** that is either Executive, Committee, or Division-led. Document all current justifications of the current methodologies, including, identifying how the rate (cost per widget) and multiplier (number of widgets) are set. These values should be pressure tested up against benchmarked counties, but most importantly, the opinion of the customer departments. — **Perform a complete financial analysis** on the ISF funds past 5 fiscal years budgets versus actuals. — **Establish a set of reoccurring meetings that are dedicated exclusively to ISF rates and budgets.** This will be an iterative look, performed at strategic intervals during the fiscal year, with division managers and department stakeholders in order to understand where consumption of a service is at compared to the budget.

Resources	Deliverables
— CEO office, General Services Director, Administration & Finance Assistant Director, ISF subject matter experts	— Justified and demonstrable methodology — Structured meetings throughout fiscal year

Level of Impact	Level of Effort	Duration
High impact	High effort	12 – 18 months

Capital Projects

Key Activities
Changing the Santa Barbara County's Capital Improvement Plan process to incorporate mission, vision, and priority is going to be a critical, and fundamental, change to the current process. **Key Activities:** **Formally adopt a policy that establishes a framework for submission, advocacy, priority, and adoption of a project on the CIP list** — **The policy creation activity will serve as the legislative mechanism** in which all projects will be graded and ranked, and will be a public facing document rooted in justification. This document creation will need to a public process with an opportunity for public input. — **The prioritization process will be the crux of the CIP prioritization framework.** This process will define the project funding, development, and prioritization aspects of CIP projects, but will strictly define the prioritization framework that all projects will go through. — **The project definition process will be performed in a collaboration between Facilities and Capital Projects.** This process will establish the threshold in which capital assets are moved from maintenance to replacement. This will include an understanding of complexity, scope, and cost. — **Establishing the creation vehicle for approval of projects will include the creation of the committee** that, at the start, established the CIP process and crafts policy. This committee will eventually be the approval mechanism for the highest rated (priority) projects. This committee will not be tasked with reviewing all CIP projects, but the highest priority ones.

Resources	Deliverables

— General Services Director, CEO representative, department stakeholders	— CIP policy — CIP committee — Comprehensive Capital Improvement Plan

Level of Impact	Level of Effort	Duration
High impact	High	1 - 2 years

ICT

Key Activities

There is an opportunity for ICT to take a more prominent leadership role to meet growing needs within the County, however, there will need to be a deliberate process around the potential creation of a new department. Separately, while focusing on the steps that need to go into potentially establishing a new department in the longer term, there needs to be steps taken to clarify ICTs role in relation to customer departments over the next 12-18 months.

Key Activities:

- **Establish a list of stakeholders and develop a cadence of meetings for feedback and needs.** Prior to ICT potentially becoming a standalone department, there must be a deliberate focus on understanding the current and future needs of customer departments, as well as their concerns. This exercise cannot be completed in one sitting, so there must be a prioritization structure applied. For example, ICT can meet more frequently with departments that have high service-volume and/or underperforming areas (i.e. based on service level indicators) to ensure their needs and issues are addressed more closely.
- **Develop a strategy for delineation of services offered to the customer.** As ICT takes a more prominent role in leadership in the County, there is a need for a broader, more strategic focus with regards to how ICT interacts with customer departments and the services offered. There should be a series of internal (ICT) stakeholder meetings to understand what services are being performed by departments and the level of resources currently utilized, and what IT activities fall into which service area (delivery, strategy, development). This planning session should also establish a timeline for how to strategically delineate rolls and sequence the phase implementation.
- **Develop a mechanism around accountability and creation of a feedback loop.** Irrespective of where ICT sits, there is a critical need for both external accountability (i.e. who do we call?) and the development of a feedback loop (i.e. what did we learn?). These two mechanisms must be embedded in the department in a substantive way, as well as routinely disseminated to department staff.

Resources	Deliverables
— CEO Office — General Services Director — ICT Leadership — Department Stakeholders	— Cadenced set of meetings with customer departments — Understanding of IT activities and resources countywide — Delineation of service offerings — Feedback loop

Level of Impact	Level of Effort	Duration
High	High	12-18 months

Facilities

Key Activities
In partnership with Capital Projects Recommendation 7.1, this recommendation will be critical to understanding how assets are moved from maintenance to the CIP. Having a Capitalization Policy that establishes methodologies and justifications around moving capital assets to capital projects is as important, if not more so, as having a justified CIP process. **Key Activities:** — **Re-establishing a facility condition index and using that to understand the criticality of the asset is fundamental** to being able to understand when to move capital assets from maintenance to replacement will be to setting the series of scores used to justify that move. FCI/API comparison, scope of the benefits, investment strategy, and consequences of failing are all score that need to be understood about an asset before making the determination to move it to capital projects or not. — **Ranking the assets using the methodology defined in this recommendation** and the ranking process enumerated in Facilities Recommendation 7.1, will apply a score to each asset under the maintenance of the Facilities division of General Services. This list should be refreshed if not every two years, annually, to best understand the current condition of all maintained capital assets. — **Collaborate with Capital Projects.** Each year, prior to the departments submitting their CIP lists to General Services, Facilities and Capital Projects should meet to discuss the current state of all the assets with the goal of determining what they should expect to see on the CIP list coming from the departments. This will not only be an exercise in cadenced communications, but a pressure test as to whether the departments are doing a good job of adopting the methodologies.

Resources	Deliverables

— General Services Director, General Services Assistant Director, Facilities and Capital Projects Managers	— Capitalization Policy — Structured internal meetings — Asset rankings

Level of Impact	Level of Effort	Duration
High impact	High	1 - 2 years

Fleet

Key Activities
The Fleet department has demonstrated a commendable performance around utilizing data, depreciation model of assets, setting policies around utilization, and utilizing asset management tools. Though there are actions Fleet can take to improve all of those processes, the single largest step they can take in modernizing practices and utilizing available technologies would be to implement telematics. **Key Activities:** — **Analyze the potential benefits and detractions around the implementation of telematics.** The first step to determining whether to implement telematics is for Fleet to understand the value it could bring. Select a group of departmental stakeholders to help provide guidance around the pros and cons of telematics from their perspectives, and to ideate around what a telematics pilot would look like. There should be consideration of which vehicles to include in the pilot, what the threshold would be for miles per year, and what the pilot would look to understand. Consideration could include, but is not limited to, analyzing fuel costs and usage, underutilization, scheduled maintenance, and minimization of unplanned downtime. — **Draft RFP and launch the pilot.** If the stakeholder group sees merit in developing a pilot program, the first step should be to develop an RFP. This step should be done in close relationship with departmental leadership, the CEO office, and Purchasing. — **Analyze the results.** After the pilot, the Fleet division should analyze whether or not the ROI of telematics would justify a continuation and expansion of the program. The results should be presented to the CEO's office and the Board of Supervisors. — **Implementation.** If the department determines that there is merit in adopting telematics into the fleet, the normal procurement processes should occur with bidding opportunities and identification of best value to the County.

Resources	Deliverables

— General Services Director — Fleet Manager — CEO's Office — Board of Supervisors	— Telematics pilot program — Report to County leadership — Potential telematics program

Level of Impact	Level of Effort	Duration
High impact	Medium	9 – 12 months

Purchasing

Key Activities

Although Santa Barbara County has some individual policies that help to guide the structure and mechanism of approval of bids and requisitions, there is no cohesive purchasing strategy that guides when, and how, the Purchasing division is engaged when a department needs a service or item. Establishing a mission, vision, and guiding principles document for all purchases made in Santa Barbara County is a critical first step in modernizing this division.

Key Activities:

- **Mission and vision setting.** Establishing a mission and vision is a critical aspect of defining how departments engage in the procurement process. This process should be reflective of the division defining its values, which will create a guide for how departments should act.
- **Developing standard policies and procedures.** After establishing a mission and vision, the next logical step will be to create a set of guiding documents for how each department should start their procurement processes. This document is going to need to reflect the current de-centralized model, but also embrace a future state that is reflective of a Purchasing-led model that defines values and processes. Elements to be considered when drafting this document are:
    - Process for engaging the Purchasing division for new purchases and contract renewals; Contracting ethics, procurement laws, defining conflict of interest, and conflict disclosure statements; determining the need for service and supply contracts; processes for purchasing under the Board of Supervisors bid limit; processes for purchasing over the Board of Supervisors bid limit; contract administration and compliance; consequences of not following standard processes
- **Formally adopt the policies and procedures.** The most important aspect of creating a document like this is having all of County leadership adopt this policy. There should stakeholder engagement meetings with the departments to explain justification for

policy, and get their buy in. After the stakeholder engagement is complete, the Board of Supervisors should formally adopt this document.

Resources	Deliverables
— General Services Director, Administration and Finance Assistant Director, Purchasing Manager — Stakeholder departments — Board of Supervisors	— Mission and vision — Procurement manual — Formal adoption by Board of Supervisors

Level of Impact	Level of Effort	Duration
High impact	High	12 - 18 months

Real Property

Key Activities
Real Property is tasked with maintaining all owned land, as well as facilitating all leases for the County. There is currently a lack of policy and justification around land ownership, as well as a lack of balance struck between the decision to lease space or build out currently owned space. **Key Activities:** — **Develop a Countywide strategy around land ownership and use.** Real Property should collaborate with County leadership to understand the willingness to move unused, underused, and vacant land to sale, and set a temporal and market value-based guideline for when that move should occur. — **Establish a strategy for determining whether to develop owned property or lease for office space.** Equally important is for Real Property to collaborate with Facilities and determine whether or not currently-owned property is better for build out for occupancy than leasing property from a private owner. — **Formally adopt land ownership guidelines.** Equally important to setting rules around land ownership, is to receive County leadership buy-in. This document should be adopted by leadership.

Resources	Deliverables
— General Services Director, Assistant Directors, and Real Property and Facilities Managers. — CEO's office	— Land ownership strategy — Formalized document adopted by leadership — List of properties to be moved to sale

Level of Impact	Level of Effort	Duration
Medium	Medium	6 - 12 months

Appendix A: Benchmark comparisons

Benchmark comparisons were conducted with the recommended eight benchmark Counties. It should be noted that not all Counties have the same organizational structure and therefore cannot be compared on a like-for-like basis. The matrix below outlines the organizational alignment of the General Services department within the benchmark Counties. Green boxes indicate that the comparable County includes that function underneath their General Services department. Grey boxes indicate that the County provides the service but through a separate department with text indicating which department the services are offered through.

	Santa Barbara County	Sonoma County	Tulare County	Solano County	Monterey County	Placer County	San Luis Obispo County	Santa Cruz County	Marin County
Administration						Public Works	Central Services		Public Works
Capital Projects						Public Works	Public Works		Public Works
Energy and Sustainability									Community Development Agency
Facilitates Operations, Maintenance, Management, Grounds and Custodial						Facilities Management	Public Works		Public Works
Fleet					CAO	Public Works	Central Services		Public Works
Purchasing, Surplus and Mail						CEO	Central Services		Public Works
Information and Communications Technology		Information Systems Department	Information and Communications Technology	Department of Information Technology	Information Technology	Information Technology	Information Technology	Information Services	Information Services and Technology
Property and Real Estate Management						Facilities Management	Central Services		Public Works
Parks & Recs									
Traffic, Transportation, Road Maintenance									
Utilities									
Waste Management									

The scope of General Service functions varies across comparable counties. Santa Barbara General Services shares similar scope with all counties except Placer and San Luis Obispo. The Santa Barbara General Services department is unique in that it provides a countywide ICT division as part of its scope of services whereas each comparable County operates standalone ICT department.

	Budgets in $'000	Santa Barbara County	Average	Marin County	Placer County	SLO County	Santa Cruz County	Solano County	Sonoma County
2017	Budget Administration and Finance	$2,329	$2,009	$5,617	$908	-	$1,186	$1,437	$898
	Percent of Enterprise	0.2%	0.3%	1.0%	0.1%	-	0.2%	0.1%	0.1%
	FTE Administration and Finance	12	10	-	10	-	-	9	-
	Percent of Enterprise	0.3%	0.3%	-	0.3%	-	-	0.3%	-
2018	Budget Administration and Finance	$2,440	$2,475	$9,283	$1,030	$845	$1,233	$1,471	$987
	Percent of Enterprise	0.2%	0.4%	1.7%	0.1%	0.1%	0.2%	0.1%	0.1%
	FTE Administration and Finance	12	9	-	11	6	-	9	11
	Percent of Enterprise	0.3%	0.3%	-	0.4%	0.2%	-	0.3%	0.3%
2019	Budget Administration and Finance	$2,657	$2,208	$6,258	$1,278	$909	$1,400	$1,539	$1,864
	Percent of Enterprise	0.2%	0.3%	1.1%	0.1%	0.1%	0.3%	0.2%	0.1%
	FTE Administration and Finance	12	9	-	11	6	-	9	11
	Percent of Enterprise	0.3%	0.3%	-	0.4%	0.2%	-	0.3%	0.3%

*County representation in the benchmarking table is based on the availability of comparable county programs and budget information

The Santa Barbara Administration and Finance division budget and FTEs as a percent of enterprise falls within 0.1% of the average across comparable counties in each fiscal year. Santa Barbara is second only to Marin County in total budget spend. It should be noted that the extent to which comparable County General Services operations rely upon a centralized administration and finance function effects the comparability of datasets.

	Budgets in $'000	Santa Barbara County	Average	Monterey County	Placer County	SLO County	Solano County	Sonoma County
2017	Budget Capital Projects	$1,397	$1,304	$506	$1,786	-	$1,147	$3,084
	Percent of Enterprise	0.1%	0.1%	0.04%	0.2%	-	0.1%	0.2%
	FTE Capital Projects	6	10	-	16	-	6	8
	Percent of Enterprise	0.1%	0.3%	-	0.6%	-	0.2%	0.2%
2018	Budget Capital Projects	$1,217	$2,465	$506	$1,795	$4,335	$1,722	$3,966
	Percent of Enterprise	0.1%	0.3%	0.0%	0.2%	0.7%	0.2%	0.3%
	FTE Capital Projects	7	10	-	16	-	6	8
	Percent of Enterprise	0.2%	0.3%	-	0.6%	-	0.2%	0.2%
2019	Budget Capital Projects	$3,267	$2,206	$201	$2,223	$3,727	$1,663	$3,216
	Percent of Enterprise	0.3%	0.2%	0.0%	0.2%	0.6%	0.2%	0.2%
	FTE Capital Projects	7	10	-	16	-	6	7
	Percent of Enterprise	0.2%	0.3%	-	0.6%	-	0.2%	0.2%

*County representation in the benchmarking table is based on the availability of comparable county programs and budget information

The Santa Barbara Capital Projects division budget falls within 0.1% of the average of comparable counties in all three fiscal years as a percent of enterprise. Additionally, the Capital Projects division operates with 3-4 fewer FTEs than comparable County averages depending on the fiscal year. Certain Counties, like Monterey, do not directly allocate FTE's to the Capital Projects group as they share resources with other divisions like Facilities Maintenance to execute Capital Projects and thus the departments are not directly comparable.

	Budgets in $'000	Santa Barbara County	Average	Marin County	Monterey County	Placer County	SLO County	Santa Cruz County	Solano County	Sonoma County
2017	Budget Facilities	$10,242	$6,780	$6,113	$3,935	$1,158	$6,050	$7,839	$16,624	$5,742
	Percent of Enterprise	1.0%	0.9%	1.1%	0.3%	0.1%	-	1.6%	1.7%	0.4%
	FTE Facilities	32	47	-	29	-	51	-	61	-
	Percent of Enterprise	0.8%	1.1%	-	0.6%	-	1.9%	-	2.0%	-
2018	Budget Facilities	$8,584	$7,822	$6,516	$5,542	$1,441	$6,428	$8,439	$19,007	$7,381
	Percent of Enterprise	0.8%	1.0%	1.2%	0.4%	0.2%	1.1%	1.7%	1.8%	0.5%
	FTE Facilities	32	51	-	28	-	51	-	62	65
	Percent of Enterprise	0.8%	1.5%	-	0.5%	-	1.9%	-	2.0%	1.5%
2019	Budget Facilities	$8,557	$7,728	$3,214	$6,362	$1,915	$6,829	$8,689	$20,405	$6,680
	Percent of Enterprise	0.7%	0.9%	0.5%	0.4%	0.2%	1.1%	1.6%	2.0%	0.4%
	FTE Facilities	32	48	-	28	36	51	-	62	62
	Percent of Enterprise	0.8%	1.4%	-	0.5%	1.2%	1.8%	-	2.0%	1.5%

*County representation in the benchmarking table is based on the availability of comparable county programs and budget information

The Santa Barbara Facilities division operated with a larger than average budget and less than average FTE count over the 2017-2019 fiscal years. This trend holds when considering budget and FTE as a percent of total enterprise. Certain Counties, like Solano and Monterey, classify certain FTE's, functions, and budgets to Facilities that Santa Barbara allocates to its Capital Projects division. This should be taken into consideration when making direct comparisons across counties.

	Budgets in $'000	Santa Barbara County	Average	Monterey County	Placer County	SLO County	Solano County	Sonoma County
2017	Budget Real Estate Management	$622	$1,550	$525	$768	$2,584	$837	$3,036
	Percent of Enterprise	0.1%	0.2%	0.0%	0.1%	0.4%	0.1%	0.2%
	FTE Real Estate Management	5	3	3	-	4	1	-
	Percent of Enterprise	0.1%	0.1%	0.1%	-	0.1%	0.0%	-
2018	Budget Real Estate Management	$838	$1,620	$545	$1,003	$2,682	$730	$3,138
	Percent of Enterprise	0.1%	0.2%	0.0%	0.1%	0.4%	0.1%	0.2%
	FTE Real Estate Management	5.0	2	2.0	-	4.0	1.0	-
	Percent of Enterprise	0.1%	0.1%	0.0%	-	0.1%	0.0%	-
2019	Budget Real Estate Management	$921	$1,388	$473	$1,256	$2,692	$921	$1,600
	Percent of Enterprise	0.1%	0.2%	0.0%	0.1%	0.4%	0.1%	0.1%
	FTE Real Estate Management	5	2	2	-	4	1	-
	Percent of Enterprise	0.1%	0.1%	0.0%	-	0.1%	0.0%	-

*County representation in the benchmarking table is based on the availability of comparable county programs and budget information

The Santa Barbara Real Estate Management division is relatively underfunded compared to other comparable counties despite budget growth of 34.7% and 10% in 2018 and 2019 respectively. Additionally, the Real Estate Management division employees more FTEs than any other comparison county with available FTE data. It should be noted that certain Counties, like San Luis Obispo, include additional real estate functions such as use and access permits for County owned real property.

	Budgets in $'000	Santa Barbara County	Average	Placer County	SLO County	Sonoma County
2017	Budget Fleet Operations	$11,075	$8,733	$8,087	$6,172	$11,940
	Percent of Enterprise	1.0%	1.0%	1.0%	1.1%	0.9%
	FTE Fleet Operations	18	22	31	13	-
	Percent of Enterprise	0.4%	0.8%	1.1%	0.5%	-
2018	Budget Fleet Operations	$12,154	$8,863	$8,804	$6,245	$11,540
	Percent of Enterprise	1.1%	0.9%	1.0%	1.0%	0.7%
	FTE Fleet Operations	20	17	31	13	23
	Percent of Enterprise	0.5%	0.5%	1.1%	0.5%	0.6%
2019	Budget Fleet Operations	$13,364	$9,021	$9,023	$6,383	$11,656
	Percent of Enterprise	1.2%	0.9%	0.9%	1.0%	0.7%
	FTE Fleet Operations	20	22	31	13	23
	Percent of Enterprise	0.5%	0.7%	1.1%	0.5%	0.6%

*County representation in the benchmarking table is based on the availability of comparable county programs and budget information

The Santa Barbara Fleet Operations division budget is higher than any comparable county with a 2019 budget 3.13M higher than average. Fleet Operations operates with average or below average FTEs despite its relatively large budget size. It should be noted that comparison Counties not shown in the table do not provide the same breadth of services, specifically procurement, and thus were excluded for benchmarking purposes.

	Budgets in $'000	Santa Barbara County	Average	Monterey County	SLO County	Santa Cruz County	Solano County	Sonoma County
2017	Budget Purchasing, Surplus and Mail	$970	$1,056	$1,016	$950	$121	$1,639	$1,555
	Percent of Enterprise	0.1%	0.1%	0.1%	0.2%	0.0%	0.2%	0.1%
	FTE Purchasing, Surplus and Mail	6	9	-	6	-	11	-
	Percent of Enterprise	0.2%	0.2%	-	0.2%	-	0.4%	-
2018	Budget Purchasing, Surplus and Mail	$1,171	$1,127	$1,140	$998	$183	$1,976	$1,338
	Percent of Enterprise	0.1%	0.1%	0.1%	0.2%	-	0.2%	0.1%
	FTE Purchasing, Surplus and Mail	8	9	-	6	-	11	9
	Percent of Enterprise	0.2%	0.3%	-	0.2%	-	0.4%	0.2%
2019	Budget Purchasing, Surplus and Mail	$1,206	$1,123	$1,048	$1,031	$350	$1,983	$1,206
	Percent of Enterprise	0.1%	0.1%	0.1%	0.2%	0.1%	0.2%	0.1%
	FTE Purchasing, Surplus and Mail	8	6	-	6	-	11	7
	Percent of Enterprise	0.2%	0.2%	-	0.2%	0.0%	0.4%	0.2%

*County representation in the benchmarking table is based on the availability of comparable county programs and budget information

The Santa Barbara Purchasing, Surplus and Mail division operates near comparable county average for both FTE and budget between 2017 and 2019. The division budget grew 17.1% between 2017 and 2019. It should be noted that certain Counties, like Marin, do not break out the purchasing program budget and thus were excluded for benchmarking purposes.

	Budgets in $'000	Santa Barbara County	Average	Marin County	Monterey County	SLO County	Solano County	Sonoma County
FY 19	*CIP Budget*	**$134,887**	$100,352	$51,949	$149,940	-	$31,657	$167,860
FY 20	*CIP Budget*	**$129,277**	$119,561	$49,970	$98,938	$84,337	-	$209,776
FY 21	*CIP Budget*	**$150,752**	$82,579	$48,825	$14,298	$58,535	-	$184,613
FY 22	*CIP Budget*	**$124,865**	$79,615	$49,025	$53,177	$96,898	-	$136,644
FY 23	*CIP Budget*	**$80,850**	$81,937	$58,913	-	$43,101	-	$104,960
19 -23	*5 Year Average*	**$124,126**	$92,809	$51,736	$79,088	$70,718	$31,657	$160,771
19 -23	*5 Year Total*	**$620,631**	$464,043	$258,682	$316,353	$282,870	$31,657	$803,853

***County representation in the benchmarking table is based on the availability of comparable county programs and budget information**

The Santa Barbara County Capital Improvement Plan includes $156.6M more capital expenditure over five years or more than $31.3M per year compared against comparable county averages. The County projects the largest capital outlay in fiscal year 21 of $150.7M and the smallest in fiscal year 23 of $80.6M. The CIP numbers above include both funded and unfunded Capital Projects.

The total funded and unfunded Capital Improvement balance for Santa Barbara in thousands is $483,761 and $260,776 respectively. These funded and unfunded totals include Capital Expenditures before and after this 5 year horizon as funding status is not broken out on a year to year basis.

	Budgets in $'000	Santa Barbara County	Average	Monterey County	Sonoma County	SLO County	Placer County	Solano County	Santa Cruz County	Marin County
2017	*IT FTE*	33	91	107	117	82	63	55	107	103
	Percent of Enterprise	0.8%	3.1%	2.1%	2.8%	3.1%	2.2%	1.8%	5.0%	4.6%
	IT Budget	$15,049.0	$21,596.9	$22,984.8	$42,564.8	$11,281.7	$15,916.2	$22,002.7	$13,143.0	$23,285.3
	Percent of Enterprise	1.6%	2.6%	1.8%	3.1%	2.0%	2.0%	2.2%	2.7%	4.3%
2018	*IT FTE*	34	89	101	117	86	62	64	101	94
	Percent of Enterprise	0.8%	3.0%	1.9%	2.8%	3.1%	2.1%	2.1%	4.8%	4.1%
	IT Budget	$16,964.4	$22,766	$12,583.9	$47,062.2	$16,609.9	$18,096.8	$23,036.3	$18,889.8	$23,082.6
	Percent of Enterprise	1.6%	3.2%	0.8%	7.8%	1.9%	1.7%	4.6%	3.4%	2.1%
2019	*IT FTE*	37	88	100	117	88	57	64	100	94
	Percent of Enterprise	0.9%	3.0%	1.9%	2.9%	3.2%	2.0%	2.1%	4.7%	4.1%
	IT Budget	$18,455.0	$25,454.8	$25,394.7	$46,799.5	$18,244.6	$16,573.5	$27,212.4	$20,405.2	$23,553.5
	Percent of Enterprise	1.7%	3.3%	1.6%	7.5%	1.9%	1.6%	5.0%	3.5%	2.1%
	*Scope of Services**	**County ICT functions are similar across counties but the extent to which services are centralized varies for each respective county department**								

On an absolute basis the Santa Barbara County ICT division operates with significantly less FTE and budget resources than the average of comparison counties. However, on a budget per employee basis the division operates significantly higher than other County ICT division. The decentralized nature of Santa Barbara County ICT makes tracking of total Countywide costs and division benchmarking efforts difficult.

Appendix B: Customer survey analysis

The below graphics represent a summary of findings from the General Services Customer Survey. The purpose of the survey was to solicit feedback from all General Services customers regarding the level of service they receive from the General Services departments.

ICT

Do you think that your department provides duplicative services that ICT is or should be providing? If yes, please elaborate

No
44%

- *"The Sheriff's Office IT and General Services ICT appear to offer similar services, but having both entities up and running appears to slow the process for getting things accomplished"*

Yes
42%

- *"Our staff is robust and we are charged for ICT staff that we do not utilize. I personally believe we would be better off managing our own server and connections on our own as we pretty much do and this would save tremendous costs for the department and therefore the county as a whole"*

Of the surveyed General Services customers 42% believe that there is duplicated services within their department leading to increased costs and lower connectivity between departmental IT systems. The high level of duplication informs ICT recommendation 8.2 in regards to delineating between IT-led and department-led IT services.

Fleet

What are the top 3 services/offerings you need from Fleet to help your department be successful?

Service
Repair
Car
Time
Fuel
Vehicle
More
Staff
Maintenance
Need
Up
Mechanics
Truck
Pick
Out
Way
Pool
Gas
Clean
Fleet
Go
Available
Access
Provide
Better
Manner
Department
Problem
Acquisition
Communication
Reservation
Scheduled
Clear
Back
Seems
Ensure
Fix
Lead
Dept
New
Work
Good
Equipment
Issues
Cost
Due
Use
Thing
Safe
Ready
Still
Sick
Etc
Another
Shop
Notifying
Large
Employee
Division
Everything
Fill
Job
Invite
Routine
Replaced
Charged
Individual
Electric
Turn
User
Much
Enough
Easy
Day
Remove
One
System
Check
Little
Again
Within
Heavy
Mobile
Lots
Two
Once
Cals
Around
Dss
Tank
Tracked
Automated
Coming
Simple
Frequently
Given
Lowest
Down
Contact
Paper
Month
Range
Windshield
Such
Oil
Lined
Result
Inside
Calendar
Greater
Hooks
Weekly
Items
Information
Scabies
Budget
Program
Manager
Dependent
Excellent
Proactive
Morning
Office
Usage
Require
Parasites
Feel
Think
Effective
Reliable
During
Tools
Allow
Perhaps
Public
Show
Follow
Asked
Easily
Policy
Please
Contact
Fiscal
Products
Wipe
Sent
Erik
Drive
Basis
Daily
Property Solution
Support
Remove
Safety
Parking
Being
Exchange
Asset
Order
Focus
Hard
Email
Motor
Supply
Amount
Business
County
Remains
Made
Outlook
Fire
Top
Calls
Thing

Capital Projects

What are the top 3 services/offerings you need from Capital Projects to help your department be successful?

1. **Timely assistance with projects including timely response to request**

2. *"Plan and build for the future generations - think about the nearby communities, their needs, as well as other agencies and what their needs are for the good of the whole county, not to just get the project completed"*

3. **Better project management, providing cost effective services and better future planning**

Surveyed General Services customers indicated timely assistance with projects, holistic capital planning, and more effective project management as the three most impactful areas of Capital Project operations that will enable their department's success.

Facilities

What are the top 3 services/offerings you need from Facilities to help your department be successful?

Timely response
"Timely response to get projects done that are dependent on General Services involvement"
"Continued response to work orders in a timely manner"

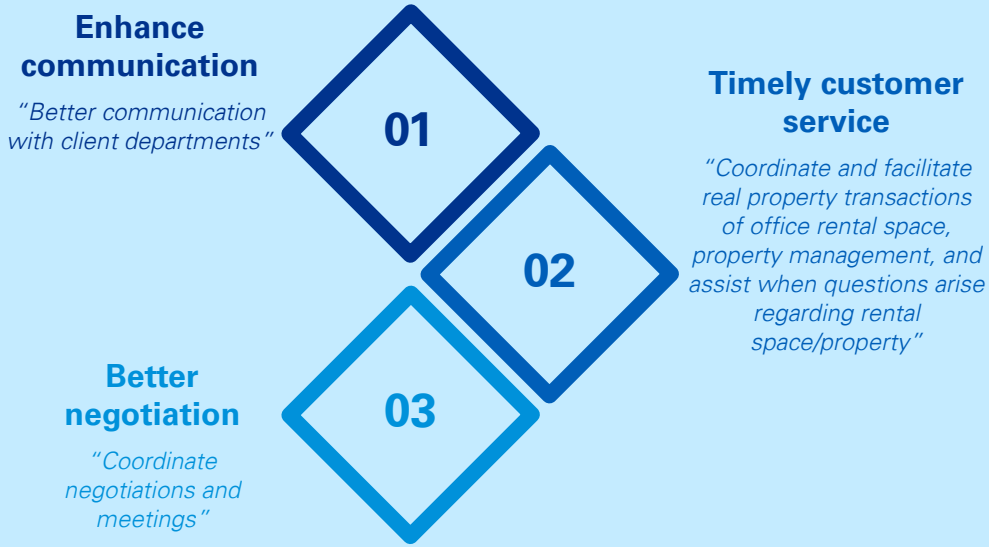
Technical & logistic support
"Preventative maintenance on camera systems is recommended"
"A modern physical security access control system is needed"

Regular maintenance
"Regular maintenance of restrooms"
"Continue maintaining our office buildings, custodial services and preventative maintenance, and communicate/complete department work orders as requested"

Surveyed General Services customers indicated timely responses, technical and logistic support, and regular maintenance as the three most impactful areas of Facilities operations that will enable their department's success.

Real Property

What are the top 3 services/offerings you need from Real Property to help your department be successful?



Surveyed General Services customers indicated enhanced department communication, more timely service delivery, and improved collaboration in negotiations as the three most impactful areas of Real Property operations that will enable their department's success.

Purchasing

What are the top 3 services/offerings you need from Purchasing to help your department be successful?

01

Better manuals/guides on purchasing policies and practices

"We need an up-to-date manual that clearly and concisely explains county-wide purchasing processes, including the processes for hiring planning and engineering consultants"

02

Timely response and better communication

"Quick turnaround, which we receive"
"Speedy assistance"

03

Assistance with bid process

"Following federal procurement guidelines for bidding, and follow our county policies and be consistent"

Surveyed General Services customers indicated improved policies and procedures, timely service delivery, and improved assistance during bid processes as the three most impactful areas of Facilities operations that will enable their department's success.

Appendix C: Support desk prioritization

This section provides examples of criteria for prioritizing support desk service based on level of urgency and business impact.

	High – Organization — The damage caused by the incident increases rapidly. — Work that cannot be completed by staff is highly time sensitive. — A minor incident can be prevented from becoming a major incident by acting	**Medium – Significant Response** — The damage caused by the incident increases considerably overtime. — Work that cannot be completed by staff is time sensitive.	**Low – Moderate Response** — The damage caused by the incident only marginally increases overtime. — Work that cannot be completed by staff is not time sensitive.
High – Organization — One or more Business Critical service(s) down — >=X associated service(s) down — >=X% of users are not able to work — >=X% of users in high risk business area not able to work — Significant reputational or regulatory impact — Risk of significant data loss or impact on data integrity	Priority 1	Priority 2	Priority 3
Medium – Department (or) VIP — None of the factors for high impact apply — <X service(s) down — Business Critical service(s) operating slowly — <X% of users are not able to work (including a single user) — <X% of users in high risk business are not able to work — >=X users are affected but able to work — Some reputational or regulatory impact — Risk of data loss or impact data integrity	Priority 2	Priority 3	Priority 4
Low – Individual — None of the factors for high or medium impact apply — Service(s) operating slowly — <X users are affected but able to work	Priority 3	Priority 4	Priority 4

Appendix D: ICT PMO prioritization criteria

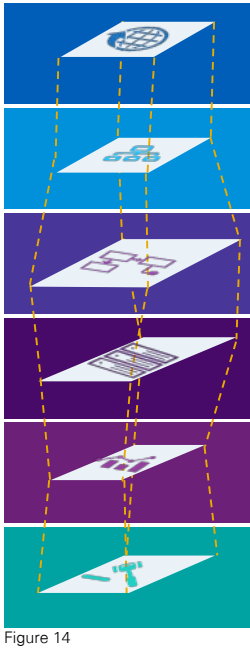
This section provides examples of criteria for prioritizing IT projects.

Type	Criteria	Scoring Methodology				
		1	2	3	4	5
Ease of Execution	Resource availability	**Absolutely no available internal resources** (either for full or part-time dedication)	**Minimal availability of 1+ internal resources** (1+ resources dedicated part-time only, with lead time required for onboarding)	**Mixed availability of 1+ internal resources** (1+ resources dedicated full-time with existing project knowledge, minimal onboarding)	**Scalable availability of 2+ internal resources** (1+ resources dedicated full time, with ability to quickly add 1+ resources full or part-time)	**Pool of cross-trained internal resources** (2+ interchangeable resources dedicated full time with ability to add 1+ resources full or part-time)
	Project duration	**> 1 year in duration** (no significant progress milestones until > 6 months)	**9-12 months in duration** (1+ significant progress milestones within 6 months)	**6-9 months in duration** (1+ significant progress milestones within 6 months)	**3-6 months in duration** (50%+ of significant milestones within 3 months)	**< 3 months in duration** (50%+ of significant milestones within 1 month)
	Number/nature of dependencies	**1+ immediate business and IT dependencies** (1+ business as well as 1+ IT dependencies must be addressed to start project)	1**+ immediate business dependencies** (1+ business dependencies must be addressed to start project, IT dependencies can be addressed post execution)	**1+ immediate IT dependencies** (1+ IT dependencies must be addressed to start project, business dependencies can be addressed post execution)	**1+ delayed (short term) business and IT dependencies** (initial project execution does not require addressing any dependencies for up to 1 month)	**1+ delayed (long term) business and IT dependencies** (initial project execution does not require addressing any dependencies until after 1st month)
	Need for business consensus/coordination	**Regional approach; gap in business ownership** (requires significantly unique approach by region with no business owner 'candidates' identified)	**Regional approach; business ownership 'candidates'** (requires unique approach by region; but with business owner 'candidates' identified)	**Flexible regional approach; business ownership agreement** (some global aspects can be applied to overall approach; agreement from business owners confirmed)	**Highly flexible regional approach; identified business team** (most global aspects can be applied to overall approach; business owner identified their functional support team)	**Global approach; confirmed business resources for teaming** (all global aspects can be applied to overall approach; business owner confirmed their business team. aligned to corresponding IT team)
Risk Mitigation	Reduce disruptive/productivity downtime	**Marginal to no impact on productivity** neither adversely or positively impacts user productivity	**Minimal increase to productivity, targeting small user subset** small user subset receive minor productivity improvement (qualitative)	**Minimal increase to productivity, targeting broader user subset** broader user subset receive minor productivity improvement (qualitative)	**Measureable increase to productivity, targeting 1+ departments** 1+ regions acknowledge a quantifiable productivity improvement	**Measureable increase to productivity, targeting 2+ departments** 2+ regions or global acknowledge a quantifiable productivity improvement

	Identify and resolve business vulnerabilities	**Marginal to no ability to identify risk exposure** no direct or indirect contribution to uncovering new business risks	**Minimal ability to identify risk exposure** indirectly contributes to uncovering only minor business risks	**Direct ability to identify risk exposure** directly contributes to uncovering a variety of business risks	**Direct ability to identify and support risk/issue management** directly contributes to uncovering and supporting management of business risks and issues	**Direct ability to identify and enable risk/issue mitigation and resolution** strategic contributions to the risk lifecycle (from risk identification to mitigation and final resolution)
	Improve compliance to business controls	**Marginal to no impact on controls compliance** neither adversely or positively impacts management of controls compliance	**Indirect, minimal impact on controls compliance** indirectly contributes to improving management of controls compliance	**Direct impact on controls compliance** directly contributes to improving management of controls compliance	**Direct impact on a time-sensitive controls compliance issue** directly contributes to addressing a controls compliance situation, with legal implications	**Direct impact on an immediate controls compliance issue** directly contributes to addressing an immediate compliance situation, with significant legal implications
Business Value Realization	Increase customer satisfaction	**Marginal to no impact on CSI (customer satisfaction index)** neither adversely or positively impacts user satisfaction	**Indirect, minimal impact on CSI** indirectly contributes to improving user satisfaction	**Direct, limited impact on CSI** directly contributes to improving user satisfaction for subset of users	**Direct, expanded impact on CSI for 1+ departments (longer term)** 1+ regions acknowledge user satisfaction improvement	**Direct, expanded impact on CSI for 1+ departments (near term)** 1+ regions rapidly affirm user satisfaction improvement
	Decrease business operational overheat costs	**Minimal to no impact on business cost** neither adversely or positively impacts overhead cost	**Indirect, minimal impact on business cost** indirectly contributes to reducing overhead cost (i.e. efficiency gains)	**Direct, measureable impact on business cost (timing TBD)** directly contributes to reducing overhead cost	**Direct, measureable impact on business cost (longer term)** directly contributes to overhead cost reduction over time	**Direct, measureable impact on business cost (near term)** directly contributes to overhead cost reduction in near term
	Decrease IT support/maintenance costs	**Minimal to no impact on IT cost** neither adversely or positively impacts IT cost	**Indirect, minimal impact on IT cost** indirectly contributes to reducing IT cost (i.e. efficiency gains)	**Direct, measureable impact on IT cost (timing TBD)** directly contributes to reducing IT cost	**Direct, measureable impact on IT cost (longer term)** directly contributes to IT cost reduction over time	**Direct, measureable impact on IT cost (near term)** directly contributes to IT cost reduction in near term

Appendix E: Operating model framework

This section describes the operating model framework that was developed to articulate how a function should be designed, structured and operated to improve operational efficiency, effectiveness and service delivery. It consists of six interacting layers that need to be considered in conjunction with each other to determine how to optimally deliver services to the County (as depicted in Figure 14 below).



	Design Layer Descriptions
Service Delivery Model Layer	Describes how services are delivered and by who, ranging from decentralized to centralized functions.
People Layer	Describes the organizational structure, accountabilities, capabilities, and performance expectations for people and functions required to deliver on services.
Process Layer	Describes how specific processes link to functions and/or departments and related policies and procedures.
Technology Layer	Describes the required technologies to support the execution of processes, manage data and generate reporting.
Data & Reporting Layer	Describes the performance insights and reporting needs to support the execution of processes and decision-making.
Governance & Controls Layer	Describes the approach to govern the organization and manage associated strategic, operational, financial and compliance risks.

Figure 14
Source: KPMG LLP (2019)

Appendix F: Data Tracker

This section provides detail on data received throughout the General Services Departmental Review.

Document Name	Division/Type	Subject
2018 General Service Satisfaction Survey	Administration and Finance	Customer
Customer Service Survey 2017 Responses - By Department	Administration and Finance	Customer
Customer Service Survey Results 2018 Responses - By Department	Administration and Finance	Customer
DeptVendorContractList	Administration and Finance	Vendor
FIN Board Contract and PO Listing	Administration and Finance	Vendor
GS Admin-Finance Division Org Chart	Administration and Finance	Organizational
KPMG_Spendmap	Administration and Finance	Financial
5 Year Budget & Actual Breakdown - General Services	Budget	Historical financial
General_Services FY 2019-20 Budget and Performance Measures	Budget	Prospective financial
Capital Projects Standards Manual	Capital Projects and Facilities	Procedural
CIP 2019_24	Capital Projects and Facilities	Prospective financial
GS CP Org Chart	Capital Projects and Facilities	Organizational
GS Facilites Org Chart	Capital Projects and Facilities	Organizational
Jorgensen - SBC Phase I Report - Facility Condition Assessment - 2014	Capital Projects and Facilities	
Jorgensen - SBC Phase II Report v5.2 8-23-14 Maint Mgmnt Plan	Capital Projects and Facilities	Financial and operational
063 GS FY 2018-19 Performance Measures	Capital Projects and Facilities	Customer
Actual Completion Date Report 08_30_2019	Capital Projects and Facilities	Operational
Closed Project	Capital Projects and Facilities	Operational
Evaluation Form	Capital Projects and Facilities	Operational
Information Guide 07.02.2019	Capital Projects and Facilities	Operational
Lease Amendments Listing 08_30_2019	Capital Projects and Facilities	Operational
Lease Expiration 08_30_2019	Capital Projects and Facilities	Operational
New Employee Handbook	Capital Projects and Facilities	Operational
Project Added Date 08_30_2019	Capital Projects and Facilities	Operational
RE_ Data Request	Capital Projects and Facilities	KPMG Engagement
Rent Roll 08_30_2019	Capital Projects and Facilities	Operational/Financial
KPMG_MC	Capital Projects and Facilities	Operational
County Space Leased Out	Capital Projects and Facilities	Financial
District Inventory	Capital Projects and Facilities	Property listing
List of Department Locations - Building Occupancy Report	Capital Projects and Facilities	
2018-2019 Class Cost Data Source CPM 070318	Fleet	Financial
2018-2019 Vehicle Accounting by Class	Fleet	Financial
2019-2020_Rates_draft 11-16-18_EB	Fleet	
2019-2020-Rates_CMP_backup	Fleet	Financial
2019-2020-Rates_interest_estimate	Fleet	Financial
2019-2020-Rates_Property_Insurance_Count	Fleet	Inventory
Employee Labor Billable	Fleet	Operational
Vehicle Operations Position ID Chart FY 19-20	Fleet	Organizational
CEO Vehicle Acquisition Log	Fleet	Operational

Document Name	Division/Type	Subject
PP201726 GS BIWEEKLY STAFFING	ICT	Financial
PP201826 GS BIWEEKLY STAFFING	ICT	Financial
2016 GS Compensation Data	ICT	Financial
2017 GS Compensation Data	ICT	Financial
2018 GS Compensation Data	ICT	Financial
General Services 5 Year Compensation Data	ICT	Financial
PP201601 Through PP201826 GS HIRES	ICT	Organizational
PP201601 Through PP201826 GS LOST TIME REPORT	ICT	Operational
PP201601 Through PP201826 GS LOST TIME REPORT	ICT	Operational
PP201601 Through PP201826 GS SEPARATIONS	ICT	Organizational
GS Dept Divisions 7.12.19	ICT	Organizational
GS Org Chart All Dept 7.16.19	ICT	Organizational
Santa Barbara GS Org Chart	ICT	Organizational
11 9 18 Audit Report Voyager - Motor Pool	Support Service	Operational
Electric Vehicle Analysis Board Letter	Support Service	Operational
Electric Vehicle Analysis Board Presentation	Support Service	Operational
Equipment Count by Class-Fleet	Support Service	Inventory
GS Fleet Org Chart	Support Service	Organizational
GS Real Property Division	Support Service	Organizational
Real Property Lease Listing	Support Service	Inventory
Marin County_PW Org Chart	Benchmark Organizational Charts	Org. Benchmark
Placer County_PW and Facilities Org Chart	Benchmark Organizational Charts	Org. Benchmark
Sonoma County_GS Org Chart	Benchmark Organizational Charts	Org. Benchmark

Appendix G: Meeting Tracker

This section provides detail on interviews conducted throughout the General Services Departmental Review.

Meeting (Topic)	County Attendee(s)	KPMG Attendee(s)	Date
GS - Director	Janette Pell	Bill Zizic, Caoimhe Thornton, Steven	7/17/2019
GS - Budget Analyst	Richard Morganiti	Caoimhe Thornton, Steven David	7/18/2019
GS - ICT	Tom Gresham	Caoimhe Thornton, Steven David	7/23/2019
GS - Admin & Finance	Lynne Dible	Caoimhe Thornton, Steven David	7/24/2019
GS - Procurement	Sylvester Donelson	Caoimhe Thornton, Steven David	7/30/2019
GS - Finance	Brian Duggan	Steven David, Stella Cheng	7/30/2019
GS - ITS	Rob Leaver	Caoimhe Thornton, Brett Helsel	7/30/2019
GS - Network	Virgina Butterfield	Steven David, Stella Cheng	7/30/2019
GS - Comms	Carl Thornton	Steven David, Stella Cheng	7/30/2019
GS - Support Services	Skip Grey	Caoimhe Thornton, Stella Cheng,	8/12/2019
GS - Facilities and Capital Projects	Patrick Zuroske	Caoimhe Thornton, Stella Cheng,	8/12/2019
GS - Real Property	Carlo Achdjian	Stella Cheng, Steven David	8/12/2019
GS - Fleet	Erik Barker	Stella Cheng, Steven David	8/12/2019
GS - Energy	Roy Hapeman	Stella Cheng, Steven David	8/12/2019
GS - Communications Line Staff	Norm Krock	Stella Cheng, Steven David	8/13/2019
GS - Facilities South County Line Staff	George Kossoff, Athena Ontivero, Joe Morgan, Joseph Padilla	Stella Cheng, Steven David	8/13/2019
GS - Real Property Line Staff	Alanna Chumney, Julie Lawrence,	Stella Cheng, Steven David	8/14/2019
GS - Procurement Line Staff	Mark Masoner, Phung Loman	Stella Cheng, Steven David	8/14/2019
GS - Admin & Finance Line Staff	Toni Bailey, Gail Hurd	Stella Cheng, Steven David	8/14/2019
GS - ICT Line Staff	Matt Murray, Michael Maclear, Thomas Ross, Jessica Mlinek	Stella Cheng, Steven David	8/14/2019
GS - Communications South County Line Staff	Stacy Janos	Stella Cheng, Steven David	8/15/2019
GS - Fleet South County Line Staff	Steve Graybill, Ruben Garcia, Jose Beas, Eric Jennings	Stella Cheng, Steven David	8/15/2019

GS - Communications North County Line Staff	John Nichols	Caoimhe Thornton, Steven David	8/20/2019
GS - Facilities North County Line Staff	Ryan Estes, Luis Moreno, Steve Fernandes, Traci Lothery	Caoimhe Thornton, Steven David	8/20/2019
GS - Fleet North County Line Staff	Alex Reynose, Matt Collins	Caoimhe Thornton, Steven David	8/20/2019
GS - Capital Projects Line Staff	John Green, Adriana Seymour, Todd	Caoimhe Thornton, Steven David	8/20/2019
Progress Update	Janette Pell	Caoimhe Thornton, Steven David	8/22/2019
GS Theme Review	Jeff Frapwell	Caoimhe Thornton, Steven David	8/22/2019
GS - Procurement Line Staff	Phung Loman	Steven David	8/28/2019
GS - Procurement Line Staff	Rick Hardy	Steven David	8/28/2019
GS Theme Review cont.	Jeff Frapwell	Caoimhe Thornton	8/30/2019
GS - ICT Discussion	Tom Gresham	Caoimhe Thornton, Steven David	8/30/2019
GS - Meeting with Director	Janette Pell	Caoimhe Thornton, Steven David	9/10/2019
GS - ISF Discussion	Lynne Dible, Brian Duggan	Caoimhe Thornton, Steven David	9/11/2019
GS - Data Discussion	Chris Rauzino	Steven David	9/11/2019
GS - Fleet ISF	Erik Barker	Caoimhe Thornton, Steven David	9/12/2019
GS - ICT ISF	Virgina Butterfield	Steven David, Stella Cheng	9/16/2019
GS - Communications ISF	Carl Thornton	Steven David, Stella Cheng	9/16/2019
GS - Utilities ISF	Roy Hapeman	Steven David	9/19/2019
GS - Utilities ISF Follow Up	Patrick Zuroske, Skip Grey, Lynne Dible, Roy Hapeman	Bill Zizic, Steven David	9/26/2019
GS - CEO Update	Jeff Frapwell	Bill Zizic, Steven David	9/30/2019
GS - Capital Projects and Facilities	Patrick Zuroske	Steven David	9/30/2019

Contact us

Ian McPherson
Principal, Advisory
Government and Infrastructure Strategy
Performance and Operations
ianmcpherson@kpmg.com

William Zizic
Managing Director, Advisory
Government and Infrastructure Strategy
Performance and Operations
wzizic@kpmg.com

Caoimhe Thornton
Director, Advisory
Government and Infrastructure Strategy
Performance and Operations
caoimhethornton@kpmg.com

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