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DEPARTMENT OF PUBLIC SOCIAL SERVICES
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May 2, 2006

The Honorable Board of Supervisors
County of Los Angeles
500 West Temple Street
383 Kenneth Hahn Hall of Administration
Los Angeles, California 90012

Dear Supervisors:

RECOMMENDATION TO AUTHORIZE THE CHIEF INFORMATION OFFICER TO EXECUTE A SERIES OF WORK ORDERS WITH COGNOS CORPORATION FOR BUSINESS INTELLIGENCE SOFTWARE CONSULTING SERVICES
(All Districts - 3 Votes)

CIO RECOMMENDATION: APPROVE [✓] APPROVE WITH MODIFICATION [ ] DISAPPROVE [ ]

IT IS RECOMMENDED THAT YOUR BOARD:

Approve and direct the Chief Information Officer (CIO) at the request of the Director of the Department of Public Social Services (DPSS) to execute a series of Work Orders (WOs) for consulting services under the County's Business Intelligence Software Services Master Agreement (Master Agreement) with Cognos Corporation (Cognos) for the development of a DPSS Data Warehouse for a maximum amount not to exceed $3.5 million. This is in accordance with your Board directive which requires that WOs that exceed $100,000 be approved by your Board.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The data for the public assistance and employment programs administered by DPSS currently reside on a variety of different mainframe and stand-alone computer systems. These include systems internal to the Department as well as State-operated systems. DPSS is undertaking a major effort to revise the entire process of data extraction and report production from these different computer systems, with the purpose of developing a unified, comprehensive Data Warehouse. The Data Warehouse will accommodate data from all programs and operations administered by DPSS, expedite reporting on these programs and support the executive decision-making processes.

In July of 2004, the Department was selected by the Chief Administrative Office (CAO) to be the pilot site to test the efficacy of the "STATS" process, first introduced to fight crime in New York City, as a strategy for improving the performance of the County in the delivery of social services to its residents. Within a year, DPSSTATS became fully operational. Regular monthly meetings are being held and the purpose of these meetings as a critical vehicle for reviewing performance is now institutionalized.

The implementation of DPSSTATS created technological and resource-based challenges for DPSS. The swift execution of DPSSTATS failed to provide opportunity for comprehensive planning of the Cognos solution and a Data Warehouse, leaving DPSS in the current situation of trying to "mine the data on the fly" for results that need to be displayed at the meetings. The short-term strategies that were pursued did not allow for full examination of the impact and requirements of this solution, resulting in the implementation of interim solutions based on a cumbersome process. To maximize DPSS' investment, further technological investment in a Data Warehouse is required.

According to the evaluation of the DPSSTATS project conducted by CAO independent consultants, the Department must make sure that the data warehouse project proceeds with the necessary resources and support to ensure its timely completion.

The WOs will include, but not be limited to, the provision of the following services:

- Developing requirements for a Data Warehouse in concert with the end users of the system at an estimated cost of $280,000;
- Creating the technical architecture for the development, test and production environments of the Data Warehouse based on projected storage requirements, anticipated workload and business service levels at an estimated cost of $210,000;
- Designing the logical and physical data models to support the reporting and analysis requirements at an estimated cost of $315,000;
- Cleansing legacy data using a layered approach to data quality at an estimated cost of $385,000;

- Designing, developing and testing processes to populate the Data Warehouse staging, target and summary tables with data from the sources including LEADER (Caseload and Application Processing), GEARS (Welfare-to-Work Services and Activities), Item Control (HRMS Budgeted, Allocated, Encumbered, Long Term Leave and On Loan detail staff information by organizational level) and CMIPS (IHSS Consumers, Providers and Authorized Hours) at an estimated cost of $1,225,000;
- Developing reports in the areas of Intake, Caseload, Providers, Welfare-to-Work and Staffing in order to meet the requirements at an estimated cost of $770,000; and
- Performing data quality, data validation, unit, system, performance and applicable acceptance testing at an estimated cost of $315,000.

Since there is a CalWORKs and Food Stamps Maintenance of Effort (MOE) requirement, which will be met by the County, there is no additional net County cost for these programs. The share of costs associated with programs such as General Relief results in an estimated net County cost (NCC) of $298,000.

Implementation of Strategic Plan Goals

The Chief Administrative Officer states that the Strategic Plan transforms the culture of the Los Angeles County organization. DPSSTATS and the Data Warehouse constitute a major step forward, changing the focus of DPSS from simply ensuring that services are provided efficiently to measuring and reporting the outcomes of these services and their impact on program participants.

These initiatives support Goal 4, Strategy 2: to implement performance-based management decision-making processes based on Performance Counts! data. They also support the organizational effectiveness objective of establishing a centralized business intelligence reporting infrastructure based on the County standard software.

BACKGROUND

On May 10, 2005, your Board approved a Master Agreement with Cognos for BI Software Services that allows County departments to acquire consulting services for the development of reports, datamarts and dashboards that will provide the departmental staff and management with accurate information for effective decision-making.

The Master Agreement offers a structure for acquiring needed services through a streamlined acquisition process that is standard across the entire enterprise. Under the Work Order issuance process, individual department heads have the discretion and accountability for their respective projects. WOs established as part of the Master

Agreement will be entered into the County's Information Technology Tracking System (ITTS), with defined deliverables delineated.

FISCAL IMPACT/FINANCING

The total amount for the WOs will not exceed a maximum of $3,500,000. The funds will be expended from FY 2005-06 through FY 2006-07. Since there is a CalWORKs and a Food Stamps Maintenance of Effort (MOE) requirement, which will be met by the County, there is no additional NCC for these programs. The share of costs associated with programs such as General Relief results in an estimated NCC of $298,000.

Costs for Fiscal Year 2005-06

The total maximum cost for the WOs in FY 2005-06 is estimated at $150,000. Since there is a CalWORKs and Food Stamps MOE requirement, which will be met by the County, there is no additional NCC for these programs. The share of costs associated with programs such as General Relief results in an estimated NCC of $13,000. Sufficient funding is included in the Department's FY 2005-06 Adopted Budget.

Costs for Fiscal Year 2006-07

The costs for the WOs in FY 2006-07 are estimated at a maximum of $3,350,000. Since there is a CalWORKs and Food Stamps MOE requirement, which will be met by the County, there is no additional NCC for these programs. The share of costs associated with programs such as General Relief results in an estimated NCC of $285,000. Upon your approval, funding will be requested in FY 2006-07 Final Changes.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Master Agreement approved by your Board enables departments to utilize WOs for BI software installation, consulting services, employee training, design assistance and expertise in the use of Cognos Business Intelligence technology. As required in the CIO's letter to your Board, WOs over $100,000 shall be directed to your Board for authorization.

CONTRACTING PROCESS

In July 2003, the County released a Request for Proposals (RFP) for Business Intelligence Software, in response to which Cognos was selected as the winning bidder. As a result, on May 27, 2004, County and Cognos entered into a Purchase Order (PO) Software License Agreement and, consequently, on May 10, 2005, a Master Software Services Agreement. The Department has acquired BI Software licenses under the Software License Agreement and is seeking to procure professional services, consisting

of BI Software installation, consulting services, employee training, design assistance and expertise in the use of Cognos BI technology in the development of reports, datamarts, dashboards and scorecards, under the Master Agreement.

IMPACT ON CURRENT SERVICES/PROJECTS

The DPSSTATS effort creates a departmental framework that highlights measures critical to departmental success and provides the basis for managers to monitor results throughout the organization. Implementation of the Data Warehouse will enable comparison among offices, units and workers in the line offices and GAIN regions, as well as administrative staff operations, via self-serve access. This will allow the Department to bridge the gap between individual and organizational performance.

The end result of these endeavors will replace an ineffective data management and reporting system with a viable system that can be maintained and managed in the long term. Most importantly, it will provide more accessible, accurate and comprehensive data relating to DPSS programs and processes.

CONCLUSION

Upon approval, the Executive Officer, Board of Supervisors, is requested to return one (1) adopted stamped Board Letter and three (3) certified copies of the Board Order to the Director of the Department of Public Social Services.

Respectfully submitted,

DEPARTMENT OF PUBLIC SOCIAL SERVICES

Bryce Yokomizo
Director

Reviewed by:

CHIEF INFORMATION OFFICE

Jon W. Fullinwider
Chief Information Officer

BY:JWF:ab

c: Chief Administration Officer
County Counsel
Executive Officer, Board of Supervisors
Auditor-Controller
Chair, Information Systems Commission

CIO ANALYSIS

BUSINESS INTELLIGENCE WORK ORDERS WITH COGNOS CORPORATION FOR THE DEVELOPMENT OF A DPSS DATA WAREHOUSE

CIO RECOMMENDATION: ☒ APPROVE ☐ APPROVE WITH MODIFICATION ☐ DISAPPROVE

Contract Type:
☐ New Contract ☐ Contract Amendment ☐ Contract Extension
☐ Sole Source Contract ☐ Hardware Acquisition ☒ Other

New/Revised Contract Term: Base Term: 2 Yrs # of Option Yrs 0

Contract Components:
☐ Software ☐ Hardware ☐ Telecommunications
☒ Professional Services

Project Executive Sponsor: Lisa Nunez

Budget Information :

Y-T-D Project Expenditures	$0
Requested Project Amount	$3,500,000
Aggregate Project Amount	$3,500,000

Project Background:

Yes	No	Question
☐	☒	Is this project legislatively mandated? No.
☒	☐	Is this project subvented? If yes, what percentage is offset? Approximately 92% of the cost of the project will be offset using the Department's public assistance funds originating from the State of California.
☐	☒	Is this project/application applicable to (shared use or interfaced) other departments? If yes, name the other department(s) involved? No.

Strategic Alignment:

Yes	No	Question
☒	☐	Is this project in alignment with the County of Los Angeles Strategic Plan? The Department's data warehouse project supports the County's Strategic Plan Goal No. 4 for Fiscal Responsibility, Strategy No. 2 to implement performance-based management decision- making based on Performance Counts data.
☒	☐	Is this project consistent with the currently approved Department Business Automation Plan? The project is identified in the Department's FY 2005-2006 and FY 2006-2007 Business Automation Plans.

Strategic Alignment, Continued

Yes	No	Question
☒	☐	Does the project's technology solution comply with County of Los Angeles I/T Directions Document? The Department's data warehouse project complies with I/T Directions document by conducting government electronically to improve the delivery of services.
☒	☐	Does the project technology solution comply with preferred County of Los Angeles I/T Standards? The Department's data warehouse project utilizes Cognos Corporation and Oracle, both County preferred products.
☒	☐	This contract and/or project and its milestone deliverables must be entered into the Information Technology Tracking System (ITTS).

Project/Contract Description:

The Department of Public Social Services (DPSS) is seeking your Board's approval for the Chief Information Officer (CIO) to execute a series of Business Intelligence (BI) Work Orders (WOs) with Cognos Corporation (Cognos) for a total maximum cost of $3,500,000 as provided for in the CIO's Business Intelligence (BI) Software Services Master Agreement (Master Agreement) with Cognos executed May 10, 2005. The WOs will assist DPSS in the development of a data warehouse that is needed for the full implementation of performance-based decision-making utilizing the Department's Performance Counts! data.

The data warehouse project is included in the Department's FY 2005-2006 and FY 2006-2007 Business Automation Plans. Funding for all but $298,000 of the $3,500,000 will be offset using the Department's funds originating from the State of California. The initial $13,000 of the $298,000 is included in the Department's FY 2005-2006 Adopted Budget and balance of $285,000 will be requested in FY 2006-2007 Final Changes.

Background:

In July 2004, DPSS was selected by the Chief Administrative Office (CAO) to be the initial County department for implementing a comparative statistical (CompStat) process as a strategy for improving the County's performance in the delivery of social services to its residents. DPSS has developed the data structure needed for incorporating Performance Counts data into the Department's CompStat process, called DPSSTATS. In 2005, the Department deployed a DPSSTATS Business Intelligence dashboard application for displaying and analyzing the Performance Counts data in its bi-monthly management meetings.

The information required for the DPSSTATS dashboard resides on numerous departmental and State-operated computer systems. DPSS, in the initial implementation of its DPSSTATS process, manually extracted the information from these computer systems and keyed the information into the data structure that provides the inputs for the DPSSTATS dashboard.

DPSS is now undertaking a major effort to revise its initial DPSSTATS process from one of manually extracting data from these computer systems to an implementation that would automatically extract and load the information into a data warehouse. The data warehouse

would then provide the inputs for the visual display in the DPSSTATS dashboard and other departmental reporting and analysis.

Project Justification/Benefits:

The DPSSTATS process creates a departmental framework that highlights performance measures that are critical to DPSS' success and provides the basis for DPSS executives to monitor results throughout the Department. The implementation of the data warehouse will enable comparison among DPSS offices, units and workers in the line offices and GAIN regions, as well as administrative staff operations. The DPSS data warehouse which stores data from all DPSS programs and operations will also provide the following benefits:

- Information for the DPSSTATS dashboard and support for executive decision-making processes;
- Effective data management and reporting system that can be maintained and managed over the long term; and
- More accessible, accurate and comprehensive information management relative to DPSS programs and processes.

Project Metrics

The data warehouse project will be divided into phases in which a defined portion of the data from LEADER, GEARS, DPSS Item Control and CMIPS will be incorporated into the data warehouse. Each phase will undergo the following processes:

- Developing requirements for the reporting and analysis that is desired from the data warehouse in concert with the end users of the system;
- Designing the data models to support the reporting and analysis requirements;
- Designing, developing, cleansing and testing processes to populate the data warehouse with data from the above sources;
- Developing reports in the areas of Intake, Caseload, Providers, WtW and Staffing in order to meet the developed reporting and analysis requirements; and
- Performing data quality, data validation, unit, system, performance and applicable acceptance testing.

The first phase will utilize this series of BI Work Orders for its implementation as defined in the above processes. Each Work Order is a fixed priced contract between DPSS and Cognos for deliverables defined in the Work Order. As such the County will have incremental value as each Work Order is completed and deliverables accepted. Subsequent phases will be implemented by County staff.

Impact On Service Delivery Or Department Operations, If Proposal Is Not Approved

The impact on DPSS' departmental operations if not approved will be the continued inefficiencies of manually loading the information required for the DPSSTATS dashboard. The DPSSTATS process has proven to be of immense value to DPSS as they provide services to the County's residents and the automation of loading information into DPSSTATS will increase its value.

Alternatives Considered:

Initially, the data for the DPSSTATS dashboard was loaded manually. This approach was found to be too labor intensive and DPSS is seeking to implement a data warehouse to automate the collection and storage of data for the DPSSTATS project. The data warehouse will also provide a platform for aggregating a larger set of departmental information and for more in-depth data analysis by the Department. The data warehouse project utilizes the BI software standard as approved by the Board of Supervisors and represents the most effective and efficient method for acquiring and organizing the data needed for the DPSSTATS process.

Project Risks:

The data warehouse project has the normal risks for system implementation, The Department has mitigated these risks by providing executive sponsorship, stable project staffing, clear roles and responsibilities, full-time project manager, project plan and defined objectives. The project has a defined issue management process for resolving risk as they appear. The current risks that are being monitored are:

- End user availability for developing the requirements processes;
- Lack of LEADER, GEARS and Item Control and CMIPS interface documentation;
- Continuity of outside project consultants; and
- Availability of training for DPSS staff.

Risk Mitigation Measures:

The project team is devising mitigation plans for each of the above risks and will continue to monitor these risks as well as other risks as they arise.

Financial Analysis:

The series of Work Orders for Phase 1 will be developed and encompass the following areas:

Develop requirements for the data warehouse	$280,000
Create the technical architecture for the data warehouse	$210,000
Design the logical and physical data models	$315,000
Cleanse the data from LEADER, GEARS and Item Control and CMIPS	$385,000
Design, develop and test data population processes	$1,225,000
Develop reports for the defined areas	$770,000
Perform data quality, validation, performance and acceptance testing	$315,000
New Contract Total	$3,500,000

CIO Concerns:

None.

CIO Recommendations:

The Department of Public Social Services' data warehouse project for its DPSSTATS process is aligned with the County's Strategic Plan and County's I/T Strategic Directions. Data warehouse initiatives such as this add value to the County as a whole and improve the organization's ability to share data across departments. My office supports this action and recommends approval by the Board.

CIO APPROVAL

Date Received: April 4, 2006

Prepared by: _____

Date: April 20, 2006

Approved: _____

Date: April 20, 2006

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