

**Consolidation Inquiry
Bureau Director Check-in Meeting
February 18, 2015**

Meeting Participants: Erin Janssens, Jim Hagerman, and Fred Miller.
OMF Staff: Jane Braaten, Aaron Beck, Betsy Ames, Elyse Rosenberg, and Mark Grabow.

The group discussed efforts made in the revenue collection portion of the Consolidation Inquiry and provided brief updates on facilities management and PTE contracting. Because the bureau directors already reviewed both the facilities management and the PTE contracting findings in December, this meeting focused on revenue collection research. OMF staff discussed the revenue collection research methodology, presented initial findings, and discussed draft recommendations.

Revenue Collection Methodology

OMF discussed the approach used in gathering information from revenue collecting bureaus. Bureaus were selected for the Inquiry based on one of the following two criteria: 1) the bureau was budgeted to collect more than \$10,000,000 in external revenues in Fiscal Year 2014-15; or 2) the bureau directors overseeing the Inquiry identified specific divisions to research during the scoping process.

OMF developed a revenue collection questionnaire for bureaus to complete. Two group meetings were held to discuss the collection form and to answer questions. One-on-one meetings were also held with select divisions regarding specific topics based on guidance from the bureau directors in their initial scoping meeting and notes were made during these meetings. OMF analyzed the completed questionnaires and cross-checked findings with notes from the group and one-on-one meetings, identifying potential opportunities. These findings formed the basis of the “Revenue Key Observations and Opportunities” document.

Revenue Collection Findings

OMF presented a draft document on “Revenue Key Observations and Opportunities.” The group discussed the key findings from the revenue collection research. Each of the key findings provided a potential opportunity, and those were discussed.

The group discussed the potential for the City to expand its online payment options for customers. Several bureaus that participated in the Inquiry expressed internal and external customer interest in expanded payment options. The directors discussed the potential of applying for a micro-grant under the Innovation Program in order to fund an expansion in Citywide payment options such as a mobile app.

- Opportunity Confirmed: It was agreed upon that pursuing expanded payment options is an opportunity. The group discussed Portland Parks and Recreation’s

(Parks) new pay-by-phone app being created as an example of a bureau currently working to expand payment options.

The group discussed inter-governmental payment options. Research found that there are a number of revenue charges currently being paid through paper checks, while similar charges in other bureaus have switched to electronic payment methods. The potential to move the paper check payments into an electronic option was discussed.

- Opportunity Confirmed: It was agreed upon that further researching alternative payment options for inter-governmental charges that are paid using paper checks is an opportunity. It was subsequently learned that the City recently converted all State of Oregon check payments to ACH while this research was occurring.

The potential for bureaus to use a shared enterprise system for room/facility reservations was discussed. OMF staff explained that some bureaus currently rely on Excel spreadsheets and email alone for room/facility reservations. OMF informed the directors that Parks made their scheduling system "ActiveNet" available for other bureaus to utilize.

- Opportunity Confirmed: It was agreed upon that further research into a shared room/facility reservation system is a potential opportunity. The group noted that this opportunity may not work for certain bureaus that are satisfied with their current room/facility reservation system.

The group discussed the process of records requests throughout the City. OMF shared findings discovered through research and how those findings coincide with work currently being done regarding records request best practices. OMF noted that the City Attorney and the City Treasurer are working on a Citywide best practice for handling the deposit, payment and refund process involved in records requests. OMF reported that an opportunity lies in continuing this work and in communicating the efforts being done with bureaus who manage records request financial transactions.

- Opportunity Confirmed: Continue to support the work of the City Attorney, City Treasurer, and bureau staff in developing a common process for handling revenue associated with records requests, and communicate progress with bureaus managing records request revenues.

The group discussed the Public Sector Collection and Disbursement (PSCD) module of SAP, which is owned by the City. OMF explained to the directors that Enterprise Business Solutions (EBS) is currently working with the Office of Community Technology to transfer utility license fees and franchise fees from Excel into PSCD.

- Opportunity Confirmed: It was agreed upon that supporting EBS in demonstrating the functionality of PSCD and considering expanded use of PSCD is an area worth pursuing.

The Flexible Real Estate module of SAP is also owned by the City and was discussed with the bureau directors. OMF noted that EBS is currently working to implement this module where appropriate.

- Opportunity Confirmed: The directors agreed that considering options for managing leases and cell towers as part of the implementation of the Flexible Real Estate module of SAP is an opportunity worth pursuing.

The group discussed findings from the Revenue Division within the Bureau of Revenue and Financial Services (BRFS). OMF reported that the Revenue Division expressed a need to replace the various separate tax administration systems with a commercial off the shelf (COTS) system. The directors asked if the Revenue Division made any suggestions on suitable COTS systems to be used. OMF reported that their research did not indicate whether or not Revenue Division has identified potential COTS systems. It was expressed that further conversations will be needed with the Revenue Division.

- Opportunity Confirmed: It was agreed upon that further research is needed into a COTS system for the Revenue Division.

The group discussed collections processes across the City. Bureaus may have individual collections agency contracts, while others may be on joint contracts. OMF reported that there may be opportunities for bureaus to share a collections agency contract.

- Opportunity Confirmed: It was agreed upon that further research is needed in evaluating collection agency contracts to determine if there is potential to share contracts. It was subsequently learned that Procurement recently established a Citywide contract for collections while this research was occurring.

OMF presented findings in the areas of collections and delinquent account procedures. OMF noted that multiple bureaus expressed interest in receiving assistance with validating delinquent accounts. OMF stated that bureaus reported spending significant staff time working to collect revenues on delinquent accounts. Providing a centralized unit or staff person(s) to research and verify the vendor validity prior to further collection efforts would free up staff to work on more complex issues.

- Opportunity Confirmed: It was agreed upon that exploring the potential of a central delinquent account validation process is an opportunity worth pursuing.

Discussion

The directors noted that the findings presented feasible opportunities for further action. They discussed how to get feedback and participation by other bureaus on the best ways to move forward. OMF noted that some of the opportunities will be more easily attainable than others. The directors discussed presenting findings during a future Bureau Directors Meeting. The directors were in consensus that the findings presented

tangible and sound opportunities. They noted a need to gain input from those bureaus who are interested in shaping the next steps in implementing some of the opportunities.

The directors discussed possible ways in which the Consolidation Inquiry findings can be evaluated by other bureaus. OMF noted that the majority of the facilities managers who participated in the facilities maintenance and management portion of the Inquiry were interested in attending monthly or quarterly meetings with other facilities managers. It was stated that this might be a good venue for discussing and prioritizing facilities related findings, which would allow those managers to decide which opportunities are the most readily attainable and how to best proceed. The directors found this approach suitable for further evaluating the facilities related findings.

The directors asked OMF to evaluate and categorize findings from each area of the inquiry into potential implementation priority groups such as “most interest – least interest,” or “simplest – most complex.” The directors also discussed options and venues for outreach to bureaus interested in participating. OMF will include recommendations in the categorization.

Next Steps

- OMF noted that they are adding some text to the PTE Key Opportunities document based on some recent feedback, and it will be emailed to the bureau directors once complete.
- OMF will create a matrix for evaluating the priority level of the proposed opportunities.
- OMF will evaluate and categorize all Consolidation Inquiry opportunities based on requirements needed to implement and will share with directors for review once complete.
- OMF will send the “Revenue Key Observations and Opportunities” to participating bureaus and ask for feedback. They will then share the final version with the directors.
- OMF expects to complete the Consolidation Inquiry report and send to the directors for review by early March.
- OMF will post all Consolidation Inquiry materials to the Business Operations page of the OMF website once the Inquiry is complete and the final report approved by the overseeing directors.
- OMF will ask the Revenue Division whether they partner with other City bureaus who interact with the business community, such as Fire and BDS, to help with tax compliance verification.