

ORDINANCE NO.

*Authorize the Chief Administrative Officer to implement recommendations regarding the provision of citywide administrative services. (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The Portland City Council passed Ordinance No. 174410 on May 3, 2000, which recognized the need for improved oversight and system-wide accountability of all City administrative services.
2. The Portland City Council recognized that reorganization of administrative services would strengthen citywide accountability to the Council.
3. Ordinance No. 174410 created the Office of Management and Finance whose responsibilities include providing for the ongoing evaluation and proposed improvements to administrative services in all city bureaus.
4. The Portland City Council created the position of Chief Administrative Officer to direct the Office of Management and Finance and authorized the Chief Administrative Officer to determine whether the City's administrative services could be more effectively provided by another configuration or organization of bureaus and to recommend such configuration or reorganization to the City Council.
5. The Portland City Council supported the Administrative Services Review (ASR) process through its October 4, 2000 memorandum to City Bureau Managers.
6. The mission of the ASR process is to provide quality administrative services at competitive costs in support of high quality services to the public.
7. The financial forecast for the city for the next five-year period is guarded, making it essential that services are provided at an affordable cost.
8. The Administrative Review Process has been conducted and completed. Input from the various bureaus, administrative staff members and outside expert advisors has been obtained, and the Chief Administrative Officer has formulated his recommendations to the City Council.
9. The Chief Administrative Officer has determined the need to reconfigure City administrative services to realize cost savings, improve the provision of services to bureaus and increase accountability.

10. The Chief Administrative Officer has concluded that the most efficient means of providing administrative services is through a general model that centralizes accountability, while creating flexibility to deploy resources to meet the business needs of bureaus. The model is described in Exhibit "A."
11. The Chief Administrative Officer has made recommendations in several areas of administrative services which are attached as Exhibit "B"
12. The Chief Administrative Officer recommends the immediate reconfiguration of citywide Human Resources and Information Technology operations and the development of detailed transition plans.

NOW THEREFORE, the Council directs:

- a. Although not binding, the Chief Administrative Officer's recommendations included in Exhibit "B" will be considered as part of the Mayor's Proposed Budget for FY 2001-2002.
- b. The Chief Administrative Officer is to pursue the most efficient means of providing administrative services through a general model that centralizes accountability, while creating flexibility to deploy resources to meet the business needs of the city.
- c. The Chief Administrative Officer is authorized to immediately implement changes to the administration of human resource and information technology services to provide for system-wide accountability and deployment of resources.
- d. The Chief Administrative Officer shall oversee the preparation of transition plans to implement the changes.
- c. The Directors of the Bureaus of Human Resources and Information Technology will assume responsibility for their areas of responsibility on a citywide basis.
- d. The incumbents of all positions performing human resources work will be reassigned to report to the Director of Human Resources, effective March 1, 2001 together with the budget appropriation to support them.
- e. The incumbents of all positions performing information technology work will be reassigned to report to the Director of the Bureau of Information Technology, effective April 12, 2001, together with the budget appropriation to support them.

- f. The Director of the Bureau of Information Technology shall establish a standard methodology for all new system analysis/evaluation/decision making and development by July 1, 2001, and all systems under development will remain the responsibility of the bureau of origin until reviewed by the Director of Information Technology.
- g. All City bureaus and employees will assist the Chief Administrative Officer, as requested, to make the transition to a new model of administrative services a success.
- h. The Chief Administrative Officer, working with the Directors of Human Resources and Information Technology, shall develop detailed transition plans to provide for the successful implementation of recommendations.
- i. The Chief Administrative Officer will negotiate service agreements with the various City bureaus, which articulate service expectations, costs and performance measures.
- j. The City's bureau managers will serve in an advisory role to the Chief Administrative Officer on policy and strategic issues.
- k. The Chief Administrative Officer will submit to the Council in the Spring Budget Monitoring Report the necessary appropriation transfers to support the shift in positions and accountability for Information Technology and Human Resources.
- l. The Chief Administrative Officer will submit to the Council the necessary amendments to the Code of the City of Portland to implement these changes in service accountability.
- m. The Chief Administrative Officer will return to the Council by July 1, 2001 with a multi-year work plan incorporating the administrative service changes along with other projects for which the Office of Management and Finance is responsible.

Section 2. The Council declares that an emergency exists in order that there be no delay in implementing the changes to the provision of citywide human resources and information technology services; therefore, this ordinance shall be in force and in effect from and after its passage by the Council.

Passed by the Council,

Mayor Vera Katz
Office of Management and Finance
TG:TF
February 14, 2001

GARY BLACKMER
Auditor of the City of Portland
By
Deputy