ITEM: 3.15
(ID # 17882)
MEETING DATE:
Tuesday, January 25, 2022

FROM :   RIVERSIDE COUNTY INFORMATION TECHNOLOGY:

SUBJECT: RIVERSIDE COUNTY INFORMATION TECHNOLOGY: Approval of FY 22/23 RCIT Enterprise and RivcoPRO Rates and Rates Allocations and Approval of Capital Asset Plan for FY 21/22 – FY 25/26 for RCIT, All Districts. [$600,000, 100% Departmental Budgets] (4/5 Vote Required)

RECOMMENDED MOTION: That the Board of Supervisors:
1. Approve the RCIT Enterprise Internal Services Fund rates and rate allocation for FY 22/23 as shown in Attachment A & B;
2. Approve the RCIT RivcoPRO General Support Services rate allocation for FY 22/23 as shown in Attachment B; and
3. Approve the update of the Capital Asset/Project Plan for RCIT - $5,500,000 for the use of restricted net position designated for capital asset replacements, as permitted by the department's available budget for FY 21/22 – FY 25/26.

ACTION:Policy, 4/5 Vote Required

Jim Smith
Jim Smith, Chief Information Officer   11/30/2021

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Spiegel seconded by Supervisor Washington and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None   Kecia R. Harper
Date: January 25, 2022   Clerk of the Board
xc: RCIT   By:
                                                                            Deputy

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	$ 600,000	$ 0	$ 600,000	$ 0
NET COUNTY COST	$ 0	$ 0	$ 0	$ 0
SOURCE OF FUNDS: 100% Departmental Budgets			Budget Adjustment: No	
			For Fiscal Year: 21/22 – 25/26	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

This Board item is for the establishment of RCIT's allocations and rates for Fiscal Year (FY) 22/23. In compliance with the Executive Office Memo dated September 17, 2021, RCIT has absorbed labor increases. RCIT is submitting a preliminary budget of $89,373,085 for FY 22/23 comprised of $87,108,785 for RCIT Operations and $2,264,300 for GIS.

In FY 20/21, the department reduced costs to departments through a revised rate reduction in response to the pandemic and subsequent budget deficits. On June 16, 2020 (Item 3.15), the Board of Supervisors approved the revised rates for FY 20/21. The revision represented a cost reduction of ($3.9M) from the previously approved FY 20/21 rates. This resulted in the elimination of some services to departments and the delay in replacing end of life equipment. This decrease rolled over into FY 21/22.

Given direction from the Executive Office to maintain a roll-over budget from prior fiscal year there are still many projects and "end of life" mission critical equipment that will require funding in future years. RCIT remains committed to using technology and efficient management strategies to ensure resources are utilized in the most effective manner possible.

RCIT's fixed allocation model is comprised of calculating and establishing baseline percentages for determining cost allocations across departments for the Access and Support allocations now known as the "Enterprise" allocation. The Enterprise allocation encompasses core services such as the County phone system, CORNET, support for devices and the RC3 data center, back-up, disaster recovery, and Office 365, etc. Although the "Access" and "Support" allocations have been combined, departments are only charged if the service is managed by RCIT. Allocations have also been developed for Document Management and Dedicated Staff, which are not fully utilized by all departments. Effective FY 22/23, RivcoPRO will shift from being managed by Purchasing and Fleet to being managed by RCIT. The RivcoPRO allocation is based on number of Purchase Orders (POs) processed in FY 20/21. RCIT continues to use a "Fixed Allocation Methodology" which has been further refined to eliminate large unpredictable swings and provide a more consistent way to bill and forecast IT spend across departments.

SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

With the need to be prepared for a county-wide emergency response and in accordance with Board Policy B-28, Riverside County Information Technology (RCIT) Operations is requesting to update its Capital Asset/Project Plan to set aside additional reserves as funding permits in the current and in future budgets for capital asset purchases and replacements. This five-year plan is part of the department's overall management strategy to ensure RCIT infrastructure and systems are properly maintained, managed, and kept up to date. The plan identifies necessary upgrades to address future enterprise infrastructure needs and equipment.

This five-year plan incorporates maintaining an ongoing reserve of up to $5,500,000 - RCIT Budget, this includes an incremental increase of $600,000. RCIT manages more than 3,000 county-wide mission critical capital assets. This plan will help to finance the continued investment necessary to properly maintain, replace or upgrade enterprise systems (e.g., PeopleSoft and ServiceNow) and core infrastructure equipment (e.g., servers, routers, mission critical hardware, and data center equipment) and to ensure the department meets expected service levels.

This update does not increase rates and costs to the departments. Through more efficient management of resources, departmental restructuring, enhanced contract negotiations, financing technology where possible and reserving a portion of unrestricted net assets, RCIT plans to fund this Capital Asset/Project Plan going forward as permitted by the department's budget and available reserves.

All future capital asset purchases will be purchased in accordance with all applicable procurement guidelines and will come separately to the Board for approval as part of the annual or quarterly budget process or individually where required.

Impact on Residents and Businesses

Direct departmental service will still be available through direct billing, but some service levels maybe delayed. This updated five-year Capital Asset/Project Plan will positively impact the ability of our departments to serve the citizens and businesses of the County.

Additional Fiscal Information

The proposed fixed allocation and rates will ensure full cost recovery for RCIT and help RCIT's customers in their budgeting by providing a pre-determined budgetary amount.

ATTACHMENTS:
    A. RCIT FY 22/23 Rate Schedule
    B. RCIT FY 22/23 Department Allocation

Rene Casillas   _Tanya Harris_

Rene Casillas, Internal Audits Chief   12/27/2021   Tanya Harris, Assistant Auditor Controller   12/29/2021

RIVERSIDE COUNTY INFORMATION TECHNOLOGY FY 22/23 RATE SCHEDULE

PRODUCT OR SERVICE	UNIT	FY 22/23	FY 21/22	VARIANCE	% incr/decr
Enterprise IT Services (All)	see Cost Allocation				
Laserfiche (Designated)	per License/per Month	$ 47.52	$ 47.52	$ 0.00	0%
Standard Server Rack Unit (upon request)	per Unit/per Month	$ 60.16	$ 60.16	$ (0.00)	0.00%
3-Phase Server Rack Unit (upon request)	per Unit/per Month	$ 81.76	$ 86.36	$ (4.60)	-5.33%
Application Developer (upon request)	actual cost			$ -	0.00%
Business System Analyst (upon request)	actual cost			$ -	0.00%
Database Administrator (upon request)	actual cost			$ -	0.00%

Add-On Rates					
PRODUCT OR SERVICE	UNIT	FY 22/23	FY 21/22	VARIANCE	% incr/decr
Access Support	per User/per Month	$ 163.76	$ 163.76	$ -	0%
Device Support	per Device/per Month	$ 82.13	$ 82.13	$ -	0%
Public Device Support	per Device/per Month	$ 31.01	$ 31.01	$ -	0%
Physical Server Support	per Server/per Month	$ 2,334.70	$ 2,334.70	$ -	0%
Virtual Server Support	per Instance/per Month	$ 773.57	$ 773.57	$ -	0%

Additional Expert Time - Direct Billing based on Actual cost					
SERVICE	DEFINITION	FY 22/23	FY 21/22	VARIANCE	% incr/decr
Application Expert Time	Business Process Analyst and Web Developer			$ -	0%
Application Expert Time Overtime	Business Process Analyst and Web Developer after-hours			$ -	0%
Engineering Expert Time	Communication Analyst, Data Engineer, Network Administrator, Infrastructure Engineer and System Administrator			$ -	0%
Engineering Expert Time Overtime	Communication Analyst, Data Engineer, Network Administrator, Infrastructure Engineer and System Administrator after-hours			$ -	0%
Technical Support Expert Time	System Operator, Telephone Coordinator, Telephone Technician and User Technician			$ -	0%
Technical Support Expert Time Overtime	System Operator, Telephone Coordinator, Telephone Technician and User Technician after-hours			$ -	0%
GIS Expert Time	Includes mapping, analysis, research, plotting, scanning, addressing, exhibits, queries, etc. of geographical information	$ 57.38	$ 57.38	$ -	0%
GIS Expert Time Overtime	Includes mapping, analysis, research, plotting, scanning, addressing, exhibits, queries, etc. of geographical information on weekends and after-hours	$ 86.07	$ 86.07	$ -	0%

			Outside Agencies (Non-County Departments)		
SERVICE	**DEFINITION**	**FY 22/23**	**FY 21/22**	**VARIANCE**	**% incr/decr**
Analog Line (per Month)	Analog line used for faxes, modems and TDD (Telecommunications Device for the Deaf).	3.62	3.62	$ -	0%
Analog Port - Auto Attendant (per Port per Month)	A device which answers callers with a digital recording and allows callers to route themselves to an extension through a touch tone input, in response to a voice prompt.	20.52	20.52	$ -	0%
Cisco Analog Line (per Month)	Analog line used for faxes, modems polycom conference phones, POS (point of Sale) and TDD (Telecommunications Device for the Deaf).	3.19	3.19	$ -	0%
Cisco Analog Phone (per Month)	Analog Phone Instrument.	9.57	9.57	$ -	0%
Cisco User Phone - Non Core (per Month)	A VoIP phone that is not assigned to a staff member (lobby phone, kitchen, wall phone, a count that is above what the COR is covering)	15.96	15.96	$ -	0%
Cornet Connectivity (per Desktop per Month)	Per PC charge for CORNET access and support.	24.47	24.47	$ -	0%
Norstar Phone (per Month)	Instruments: M7310, M7208, M7316, 7324, 7406 (Cordless).	1.26	1.26	$ -	0%
Norstar Voice Mailbox (per Month)	An electronic storage medium associated with the Norstar Key Telephone System. Voice mail provides the means to answer, page, notify "out of office" and store messages.	0.25	0.25	$ -	0%
PeopleSoft Financials (per Transaction)	PeopleSoft financial rate is based on transaction lines entered into the financial system.	6.38	6.38	$ -	0%
PeopleSoft HRMS (per Warrant)	PeopleSoft HRMS rate is based on the payroll warrants counted each pay period.	14.53	14.53	$ -	0%
Phone-Digital (per Month)	Instrument: 213	38.80	38.80	$ -	0%
Security Services (per Month)	Per PC charge for security services.	10.88	10.88	$ -	0%
Voice Mailbox (per Month)	integrated with the Cisco/VOIP. Voice mail provides the means to answer, page, notify	0.34	0.34	$ -	0%
VPN - Remote Access (per Account per Month)	Per remote access account to log into the Counties network (CORNET) remotely via virtual private network.	4.66	4.66	$ -	0%
Website Hosting, Static Content (per site per Month)	Hosting services for static content websites.	247.93	247.93	$ -	0%

RCIT Five-Year Capital Asset Plan
Business Unit: ITARC
Fund-Dept ID: 45500-7400101000

Project Title	FY21/22	FY22/23	FY23/24	FY24/25	FY25/26	Total
RCIT End Of Life Equipment	$2,070,000	$1,950,000	$280,000	$380,000	$380,000	$5,060,000
Software	$120,000	$215,000	$35,000	$35,000	$35,000	$440,000
Total	$2,190,000	$2,165,000	$315,000	$415,000	$415,000	$5,500,000

Note:
We are asking for an incremental increase of $600K for End of Life Equipment and Software.