

MTA Business Service Center

MTA Finance Committee

October 23, 2017



Agenda

- ❑ Update on Non-Core Procurement Consolidation
- ❑ Services Overview
- ❑ Accomplishments
- ❑ Current Projects
- ❑ Goals for 2018

Significant Reductions in Open Requisitions

	<u>High Point – 6/19</u>	<u>Current</u>	<u>Change</u>
<u>Requisitions</u>	2,793	1,514	-1,279 (-46%)
<u>Avg. Open Days</u>	124	114	-10 (-8%)

Strategies Utilized:

- Combined similar requisitions
- Hired consultants
- Implemented Contract Release function
- Implemented Strategic Sourcing, Auto Dispatch and Auto Close
- Emphasized business process change e.g. Fuel

Procurement Consolidation Staffing

Summary:

- 112 Positions in the new consolidated organization
 - 81 positions currently filled
 - Includes 9 incumbents to be transferred from NYCT for non-core inventory work
 - 31 vacancies in various stages of recruitment

- Consultant Stop/Gap
 - 22 On-Board and 4 being Sourced

MTA Procurement Projected Savings

Select Projects Completed 2016-YTD2017	Projected Contract Savings* (\$M)	
	2016	2017
NYCTA Medical Health Benefits Program RFP	-	\$40.88
IT Consulting Services RFP	\$2.55	\$10.85
IT Hardware RFP	\$4.71	\$6.65
Dental Benefits Contract Extension Negotiations	-	\$6.00
Wireless Services RFP	\$3.71	\$4.51
Security Services RFP	-	\$1.79
STD/LTD/Life Insurance Benefits RFP	\$2.07	\$2.07
Enterprise Agreement for ESRI Software	-	\$0.20
Property Management Services RFP	\$0.46	\$0.69
Office Supplies RFP	\$0.44	\$0.95
Enterprise Agreement for TOAD Software	\$0.36	\$0.86
Fleet - Vehicle Maintenance Services	\$0.29	\$0.59
Facilities Custodian Services Adjustments	\$0.29	-
Fuel RFP	-	\$0.10
Total	\$14.88	\$76.14



Services Overview



Our Services



PROCUREMENT



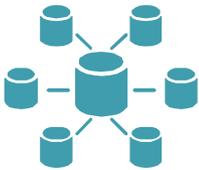
FINANCE

Accounting
Accounts Payable
Accounts Receivable
Payroll



HUMAN RESOURCES

Employment
HRIS
Training
Testing
Benefits



BUSINESS OPERATIONS

Customer Management Center
Document Management Center
Business Process Management



GOVERNANCE

Agency Relations
Budget
Communications
Facilities
Quality Assurance
Organizational Change Mgmt.



IT

PeopleSoft Support
Infrastructure administration
PeopleSoft administration
PeopleSoft 9.2 upgrade
Maintenance, enhancements

Our Annual Workload

PAYROLL

19 Payroll groups
2.3M Payments
(43 FTE)

ACCOUNTS PAYABLE

325K AP Payments
or \$11 billion
(38 FTE)

HRIS

9,000 New Hires
491,000 Applicants
(24 FTE)

IT

Latest software
upgraded,
243,000 service
requests
(79 FTE)

TESTING

7,000 Conductor
& Police Tests
administered
(6 FTE)

EMPLOYMENT

9,488 Promotions,
Transfers
processed
(22 FTE)

GENERAL LEDGER

2,000 Bank
Reconciliations
(8 FTE)

BENEFITS

12,548 Benefit Plans
76,000 Forms
processed
(38 FTE)

PROCUREMENT

\$679M
awarded
(112 FTE in 2017)

ACCOUNTS RECEIVABLE

18,000 Invoices
worth \$1.4 billion
(12 FTE)

BSC Services:

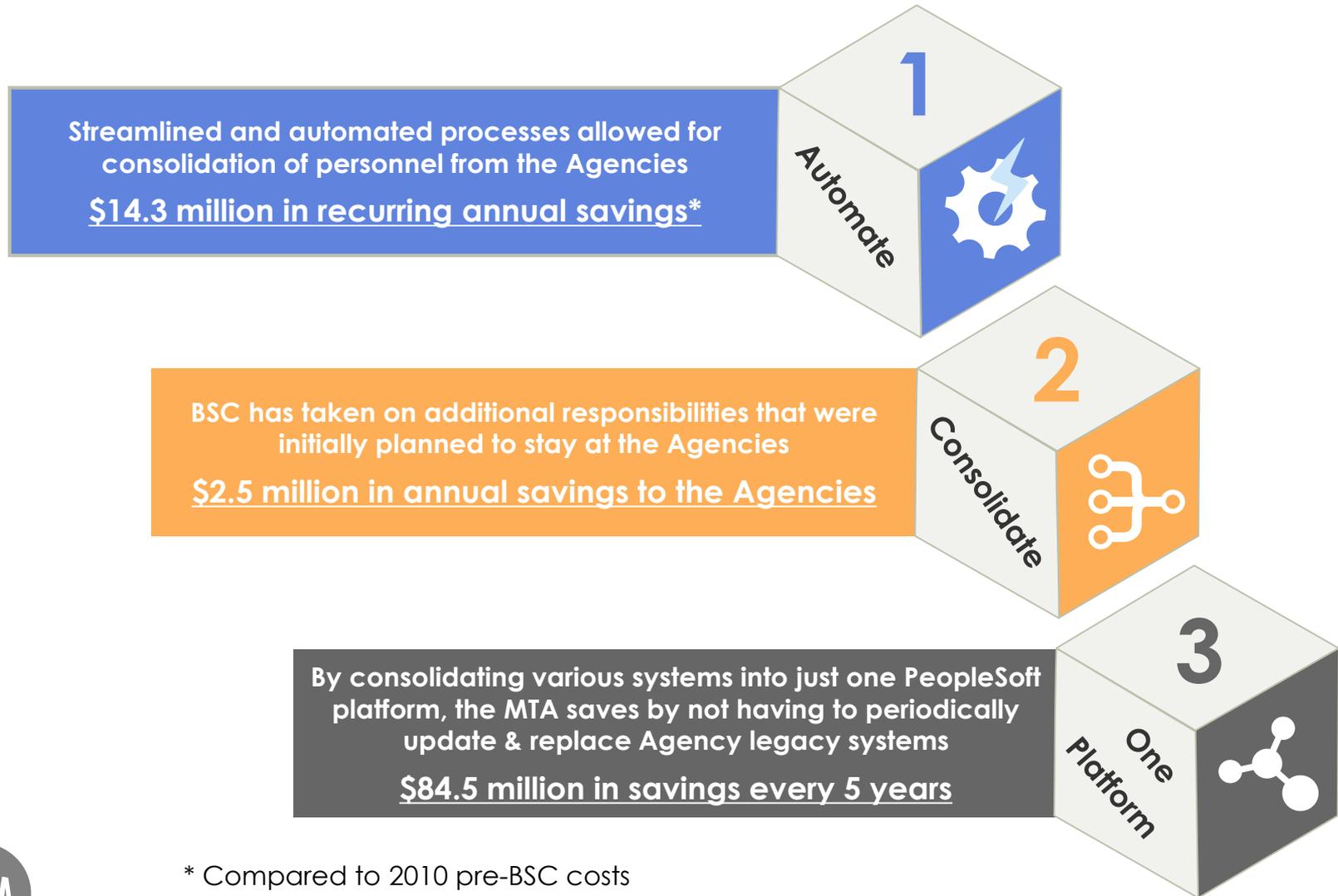
73K Employees
143K Dependents
48K Retirees
16K Vendors

Staff:

438 Employees



Savings and Cost Avoidance



* Compared to 2010 pre-BSC costs

Accomplishments since October 2016



Our Accomplishments

Savings

Dependent Verification Audit

- Completed coverage changes from NYSHIP dependent audit.
- \$5.5M in annual savings based on cancellation of medical, dental, vision and life insurance benefits.

Early Payment Program

- Savings Since Inception
 - 2015 (Started in July) savings is \$51K
 - 2016 \$175K
 - 2017 (through August) \$136K
 - Total \$362K

Fuel Procurement

- Consolidated all fuel procurement except Bus Fuel
- Reduced number of LIRR POs from 300POs/year (900 over 3 year contract term) to 6POs due to change of the contract release process

Space Densification

- Added 95 cubicles at BSC 34th Street, equivalent to \$1.1M in reduced expense

Upkeep

Benefits: Major Carrier Change & Self Billing

- Converted UHC and Empire to Aetna (141,000 NYCT employees & retirees)
- Self service for recertification of college age dependents
- Visibility for employees to view life insurance beneficiaries
- Postcard mailing replacing expensive catalog

IVR Upgrade

- Replaced end of life phone system with new voice over IP telephone solution in the call center.

Retro Wage Adjustments (RWAs)

- \$15.5M paid to 42,000 employees in accordance to schedule which is 60 days after Board approval.

Business Process Management

- Redesign of the reconciliation process for validating health care bills
- Enhancement approved for implementation of E-Form for FMLA requests to improve timeliness of processing.
- Analysis of challenges on the implementation of the Staples Marketplace
- Improving timeliness of PS actions resulting from reporting of death notices

PeopleSoft Updates

- 2017 project was a one-time catch-up of the PeopleSoft update to the current release
- Keeps the MTA current with Oracle patches & new functionality



Current Projects



Our Focus for Current Projects



1 >

Customer Service

- Efficiency
- Accuracy
- Timeliness



2 >

Internal Controls

- Integrity
- Reliability
- Risk Assessment



3 >

Technology

- One Platform
- Automation
- Data Integrity



Current Projects

Operations: Call Center

- New Workforce Management tool to maximize productivity and schedule adherence

Operations: Benefits

- eBenefits self service during the Open Enrollment or Life Event changes.

Finance

- Created a refund process for tokens as a result of the Open Road Tolling initiative
- B&T's Treasury module expansion for the recording of their Bonds.
- Payroll Simplification:
 - LIRR moving from two pay groups to one
 - MTA Bus shifting the paycheck date from Wednesday to Thursday to combine pay groups
- Medicare retiree payments via ACH (vs. paper checks)

Procurement

- Expansion of MTA Marketplace
- Increased focus on compliance and internal controls

Governance

- Benchmarking against peers
- Conversion of Forms to web-based solution

Human Resources

- Automating new hire onboarding

IT

- Pension plans added to the consolidated Pension system: MaBSTOA, SIRTOA & MTABUS



Our Future Plans



2018-2019: Focus on Savings, Customer Service & Efficiency

Business Process Reviews:

- Replacement of system for handling capital reimbursable engineering labor charges.
- All-Agency Capital Systems Review & Redesign

Finance:

- Work with MTA Bus to implement the Accounts Receivable module
- Continue to look for payroll simplification opportunities to increase productivity and increase sustainability.

Customer Service Focus:

- Implement Oracle Process Cloud and Oracle Service Cloud: enables eForms and more self-service functions for employees and customers
- Build out BSC PeopleSoft Quality Control department to enforce better testing and processes within all applications within the BSC and also offer agencies the ability to utilize the Oracle User Productivity (UPK Training) software and process for other applications MTA uses.

Benefits:

- Outsourcing of benefits mailings
- New self-service options on Retiree portal
- eBenefits implementation

PeopleSoft Plans:

- Determine solution for Data Warehouse, as PeopleSoft EPM is at end of life
- Replace 8-year old hardware running the ERP System and Enabling Technology Systems.
- Prepare for PeopleTools 8.56 upgrade
- eSettlements and Contract Management Modules
- Reviewing Cloud Technologies and how we can incorporate into our current MTA architecture for efficiencies

Datacenter:

- Build out Albany Disaster Recovery

Document Management:

- Enterprise Wide System review as current Oracle UCM & IPM systems are costly to maintain
- Legal review of retention schedule and archiving procedures

Improvements in our Process:

- Conduct end-to-end reviews of all CMC communications, work instructions and training initiatives

Governance & Administration Plans:

- BSC Portal, continued self-service options
- Intranet Webpage expansion
- Benchmark initiative continues

