
OFFICE OF THE INDEPENDENT BUDGET ANALYST REPORT

Date Issued: June 5, 2008

IBA Report Number: 08-62

City Council Agenda Date: June 9, 2008

Item Number: 202

Grants & Gifts Business Process Reengineering (BPR)

On June 9, 2008, the Administration Department is requesting City Council approval of the recommendations to improve efficiency and effectiveness in the Grants and Gifts administrative process identified in their Business Process Reengineering (BPR) Study.

Historically, these functions have been decentralized amongst multiple City departments. Individual departments have managed their own grants and gifts process, and the lack of coordination between departments has resulted in redundancies and competition for the same funding sources. Currently, there are 43.68 FTEs assigned to grants and gifts related tasks. These positions are spread across eighteen grant-seeking departments at a cost of approximately \$4.37 million. The primary focus of this BPR was to improve processes associated with grants and gifts, including their acquisition and management. The BPR Study does not recommend any immediate staffing level changes or savings as a result of the BPR effort.

The Grants & Gifts BPR process resulted in 25 recommendations to be implemented over the course of the next two to three years. The BPR Study recommends centralizing the coordination of the Grants & Gifts process within the Administration Department. Overall the IBA is supportive of the BPR and encourages the optimization of this valuable resource. However, we did have some concerns on the possibility of needing additional resources to implement the following recommendations:

- *“Develop an “as needed” consultant list to assist Departments with grant writing. Departments to allocate funds to create a ‘pool’ of dollars.”*
- *“Create and staff a centralized Grants and Gifts Resource Center to achieve improved efficiency, collaboration . . .”*

- *“Acquire a City-wide database for tracking donors. . .”*
- *“Establish a reserve of funds for initial payments of goods and services to be reimbursed by grant funds.”*

Per discussions with department staff, a majority of these recommendations will need additional analysis to implement and may require additional resources in the future (beyond Fiscal Year 2009). Such requests would be part of budget deliberations in future years.

The IBA would also like to note that this BPR has concluded its pre-competition assessment (PCA) and will not be proceeding forward to the competitive procurement process. We request a copy of the PCA be provided to Council.

CONCLUSION

The IBA is supportive of the Grants and Gifts BPR and recommends approval of the proposed recommendations.

[SIGNED]

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