



CITY OF SACRAMENTO

40

DEPARTMENT OF FINANCE
915 I STREET
ROOM 112

SACRAMENTO, CALIFORNIA 95814
TELEPHONE (916) 449-5738

June 24, 1980

JACK R. CRIST
DIRECTOR OF FINANCE
FRANK MUGARTEGUI
ASSISTANT DIRECTOR

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: EXTENSION OF WORKER'S COMPENSATION SYSTEM LIMITED TERM
PROJECT TEAM

SUMMARY

The attached report explains the request for the extension of two (2) limited term Programmer Analysts for two (2) months.

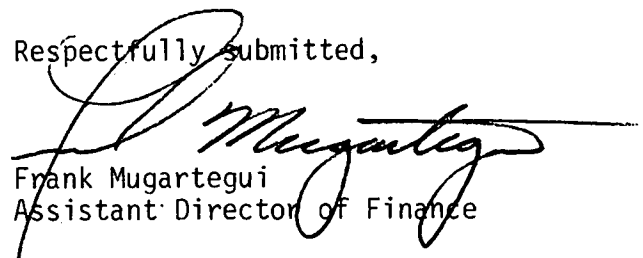
BACKGROUND

At the June 30, 1980 Budget and Finance Committee meeting, the attached report was approved by the Committee and Staff was directed to forward it to the City Council.

RECOMMENDATION

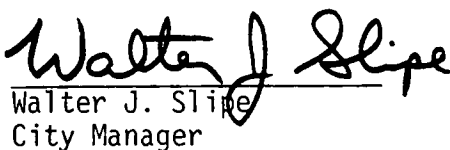
It is recommended that the City Council approve the attached Resolution amending the FY 1980-81 Budget to fund the extension of the Worker's Compensation System Project Team four man-months.

Respectfully submitted,



Frank Mugartegui
Assistant Director of Finance

RECOMMENDATION APPROVED:



Walter J. Slipe
City Manager

FA:80226:FM/ml
Attachment

APPROVED
BY THE CITY COUNCIL

JUL -1 1980

OFFICE OF THE
CITY CLERK

All Districts
July 1, 1980



CITY OF SACRAMENTO

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DEPARTMENT OF FINANCE
915 I STREET
ROOM 112

SACRAMENTO, CALIFORNIA 95814
TELEPHONE (916) 449-5738

June 25, 1980

JACK R. CRIST
DIRECTOR OF FINANCE
FRANK MUGARTEGUI
ASSISTANT DIRECTOR

Budget and Finance Committee
Sacramento, California

Honorable Members in Session:

SUBJECT: EXTENSION OF WORKER'S COMPENSATION SYSTEMS LIMITED
TERM PROJECT TEAM

SUMMARY

It is requested that the Budget and Finance Committee adopt this report requesting the extension of two (2) limited term Programmer/Analysts from June 30, 1980 to August 31, 1980.

BACKGROUND

On December 18, 1979 by Resn No. 79-898, the City Council authorized the formation and staffing of a Worker's Compensation Unit and three (3) limited term Programmer/Analysts to develop a system that would enable the City to begin administering its own Worker's Compensation claims beginning May 1, 1980. The Claims Unit became operative April 28, 1980 and began handling all new injuries May 1, 1980. On May 9, 1980 the Unit began transitioning open files from R. L. Kautz and Co. (former W.C. Claims Administrator).

Programming the system required to support in-house claims administration is approximately 85% complete at this point of time.

Our original estimate for the Data Processing Project Teams design and development of the system was 23 man-months as follows —

FY 1979-80:	2 Programmer/Analysts Jan-June 15)	\$32,774
	1 Programmer/Analyst Jan-June 30)	
FY 1980-81:	1 Programmer/Analyst Jul-Dec	<u>13,091</u>
	Total Labor Costs (Excluding Indirect)	<u>\$45,865</u>

The Data Processing System Design and Development Project Team became operational January 7, 1980 and have progressed reasonably well. However, at this point of time to complete the total system an additional 4 man-months (2 Programmer/Analysts for 2 months) will be required. (See attachments.)

Analysis of Costs

	<u>Planned</u>	<u>Actual & Projected</u>	<u>+ Over (Under)</u>
Jan 1-Jun 30, 1980	\$32,774	Actuals as of 6/13/80	\$33,330
	--	Projected 6/14-6/30/80	3,000
Sub Total	\$32,774		\$36,330 +\$ 3,556
Jul 1-Dec 31, 1980	13,091	Projected	13,091
		Plus 2 additional Programmers for 2 months	7,410
Sub Total	\$13,091		\$20,501 +\$ 7,410
Total Project Cost (Excluding Indirect Only)	\$45,865		\$56,831 +\$10,966

Although we are looking at approximate overrun of \$11,000, the in-house cost for design and development remains less costly than utilizing service bureaus or an outright purchase of a system (Ref. Exhibit II of report dated 12/12/79 addressed to the City Council).

The primary factor attributable to our inability to meet our original estimated target of 23 man-months for design and development of the system was the conversion of the data base (i.e. claims file information) from R. L. Kautz's system to the City's computer.

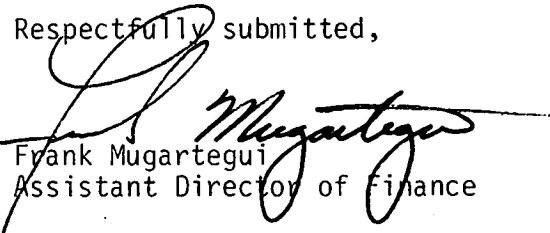
FINANCIAL IMPACT

Funding to support the additional 4 man-month extension of \$7,410 will be provided from the Risk Management and Insurance Funds in the Administrative Contingency Budget for FY 1980-81.

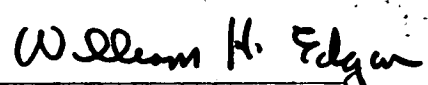
RECOMMENDATION

It is recommended that the Committee approve this request and direct Staff to forward this report to the City Council for adoption of the attached Resolution.

Respectfully submitted,


Frank Mugartegui
Assistant Director of Finance

RECOMMENDATION APPROVED:


William H. Edgar
Assistant City Manager

June 30, 1980

Attachments
FA:80227:FM/ml

cc: James Puthuff
Richard Snyder

RESOLUTION NO. 80-428

Adopted by The Sacramento City Council on date of

RESOLUTION AMENDING THE CITY BUDGET
FOR FY 1980-81 FOR THE EXTENSION OF
THE WORKER'S COMPENSATION SYSTEM
LIMITED TERM PROJECT TEAM

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

1. Additional funds are necessary for the completion of the Worker's Compensation System Project.
2. That \$7,400 be transferred from the Administrative Contingency (4-21-5070-0000-4399) to the Data Processing Budget (1-01-1300-4276-4100) for the extension of two (2) Limited Term Programmer Analysts for two (2) months from June 30, 1980 to August 31, 1980.

MAYOR

ATTEST:

CITY CLERK

APPROVED
BY THE CITY COUNCIL

JUL -1 1980

OFFICE OF THE
CITY CLERK



CITY OF SACRAMENTO

DEPARTMENT OF DATA PROCESSING
819 TENTH STREET SACRAMENTO, CALIF. 95814
TELEPHONE (916) 449-5763

JAMES L. PUTHUFF
D.P. MANAGER

June 18, 1980

MEMORANDUM

TO: Mr. Frank Mugartegui
FROM: Mr. Jim Puthuff
SUBJECT: Automated Worker's Compensation System

The development of the automated worker's compensation system is coming along, however, I feel that we are about one week behind schedule in being able to run the first weekly worker's compensation process. In addition, the attached memo from Ben Benson provides details as to the required manpower to complete this system.

I concur with Ben's recommendation that we extend the two limited term Programmer/Analysts through August 31, 1980, if funds permit.

Please let me know if we can plan on having those persons through August.


Jim Puthuff
Data Processing Manager

cc: Messrs. J. Dykes, Jr.
B. Coombs - 1/7/80 \$0.071
D. Herbert - 1/7/80 10.71

Attachment

BASE WAGES	\$ 6983
UNEMPLOYMENT	395
WORKER'S COMP	13
	18
TOTAL	<u>\$ 7409</u>

June 18, 1980

MEMORANDUM

TO: Jim Puthuff

FROM: K. L. Benson

SUBJECT: Extend Worker's Compensation Limited Term Programmer/
Analysts to August 31, 1980.

As you know, the City of Sacramento has elected to self-administer its worker's compensation programs. The funding for the systems development, both computerized and administrative, is being supplied through risk management funds.

The data processing department has employed three programmer/analysts for this project. Two of the programmer/analysts have been retained on a limited-term basis. The two positions have been funded through June 30, 1980.

The computerized system contains 40 COBOL programs and 70 Utility programs and PROCS. As of this date 30 COBOL programs have been written thus leaving 10 to be written. Also 62 Utility programs and PROCS have been written and 8 more remain to be completed. The following is a list of major tasks still to be completed.

1. The Weekly Worker's Compensation Systems, hereafter referred to as "WCS", must be monitored by one person for at least the first two months of production. This monitoring must be done concurrently with all other systems development activity required to complete the monthly and annual processes. I do not feel that monitoring activity, in addition to the monthly systems development, to be completed by 8/31/80, can be done by one person. The annual process does not have to be completed until January 1981 but I felt it is appropriate to mention it at this time. 160 man hours.


2. Control Card and Extract Card input documents must be completed and user instructions for completing the documents have to be written. The input documents are used by the Worker's Compensation Unit. The users documentation for control cards must be completed for the weekly process by 6/24/80. The users documentation for the monthly process must be completed by 8/31/80. 80 man hours.

3. Reconciliation between the information currently on the books in Accounting and the data that was transmitted to us on the conversion tapes from R. L. Kautz must be done by Accounting. However, it will be necessary for the Data Processing Department to assist Accounting by extracting data from the files, producing reports from the data and making the necessary corrections to the data files from information supplied by Accounting. This must be completed by July 15th. 120 man hours.
4. The monthly WCS Reporting System Z28J6000 has two programs still to be written. The estimate of time to complete program Z28P6030 is 200 hours and program Z28P6050 is 280 hours. The monthly WCS system must be in production by 8/31/80. The hours committed will be from 6/31/80 to 8/22/80. 480 man hours.
5. Program and systems documentation, plus a users manual for the system still remain to be written. The users manual has the highest priority among the three. A properly written users manual would take one person approximately 3 weeks to write with assistance from the Worker's Compensation Unit. 200 man hours.

A summary of man hours to complete the weekly and monthly WCS is as follows:

1. Systems Monitoring	160 Hours
2. Control Cards	80
3. Reconciliation Process	120
4. Monthly WCS	480
5. Users Manual & System & Prog. Doc.	200
Total	<u>1,040 Hours</u>

Given the above information it is my opinion that the two limited-term programmer/analysts should be extended until 8/31/80. Without serious consideration to this matter, it is my opinion that the WCS will not be completed to the total satisfaction of the Worker's Compensation Unit and the Accounting Department.



K. L. Benson
Principal Programmer/Analyst