



KENNETH MEJIA
CONTROLLER

May 4, 2023

Honorable Karen Bass, Mayor
Honorable Members of the City Council
of the City of Los Angeles

SUBJECT: TRANSFER OF FUNDS FROM THE UNAPPROPRIATED BALANCE TO THE CONTROLLER'S BUDGET TO FUND FMS UPGRADE TRAINING AND REPORT CONVERSION

The Office of the Controller (Controller) requests additional funding for Citywide Financial Management System (FMS) user training and report conversion for the FMS upgrade project. The Controller would like to use the funds set aside in the Fiscal Year 2022-23 Budget Unappropriated Balance (UB) for FMS Training.

RECOMMENDATION

Authorize the Controller to:

1. Transfer/Appropriate \$1,000,000 from the Unappropriated Balance line item 27 FMS Training (Fund 100, Dept 58) to Controller Contractual Services Account (Fund 100, Dept 26, Account 3040)

FISCAL IMPACT STATEMENT

The total cost of \$1,000,000 consists of \$750,000 for the training funding and \$250,000 for the report migration & testing purpose. Approval of these recommendations will reduce the UB by \$1 million.

BACKGROUND

The City's Financial Management System (FMS) is the audited system of record for the City's financials and is used by all Council controlled departments and interfaces with the financial systems of the Harbor Department and the Los Angeles World Airports. Implemented in July 2011, FMS is based on CGI's Advantage Financial Management Software. FMS has over 3000 users across 51 departments. In November 2022, the City undertook a major upgrade (FMS4LA) to the system to Advantage 4.0. This upgrade will improve business performance, improve user experience by leveraging a new user interface, leverage new features to allow customized user interface and implement new business rules to future proof the system by allowing new features and fixes to be delivered on a regular schedule. With this new upgrade, all the training manuals, quick reference guides, jobs aids, and training courses need to be created.

The Controller also desires to provide comprehensive user training to supplement the training manuals and accommodate the diverse learning styles of the FMS user community. The City has not undertaken a comprehensive FMS training program effort since FMS first went live in 2011. A majority of City employees, and no employee hired after 2012 have received formal or complete training on using FMS. Currently, training is passed on from employee to employee resulting in uneven skill levels. This results in mistakes and delays which impact operational departments and FMS support staff alike. This request is to fund a comprehensive, modern, and flexible training program as part of the upgrade to CGI Advantage 4 for the 3000+ FMS users. A comprehensive training effort, designed by eLearning experts from CGI, will lead to a successful adoption of the FMS4 upgraded system, improve the users' comfort with the transition, and increase the overall knowledge base of the City's widely dispersed accounting professionals.

FY 2022-23 Budget

The Controller requested \$2.25 million in the FY 2022-23 budget in contractual services for Citywide FMS training (\$1.75 million) and report conversion (\$500,000). The Mayor and Council approved \$750,000 and set aside \$1 million in the UB for FMS Training.

The original training request included 635 hours of in person training for 43 different training modules. The in-person training would be recorded and made available for future employees to view and learn along. Manuals would be developed for all 43 areas along with job aides to assist users.

With the approved budget, Controller held extensive discussions with CGI and revised the training program with a view to getting the most out of the available budget and providing employees with the resources necessary for success.

Revised Training Plan (Citywide FMS Training Manuals, eLearning Videos & Online Live Training Sessions for a total of \$1.5 Million)

Training and Procedure Manuals (\$750,000)

With the \$750,000 initially provided, the Controller contracted with CGI (Contract #C-142609) to produce the new training manuals, quick reference guides and job aids for the FMS4LA upgraded system. These manuals are thousands of pages worth of detailed, step-by-step procedures on completing tasks in FMS. The manuals will play a critical part in the successful upgrade of the FMS system, by documenting procedures and policies that must be followed in various modules such as budget, general ledger, accounts payable, accounts receivable, cost accounting, service procurement, commodity procurement, inventory operations and security and workflow in FMS. Additionally, these training manuals will provide end-users with City policies (e.g. Charter and/or Admin Code references) that give authority for the steps taken. Without these manuals, end-users will lack sufficient documentation and training materials that they can refer to during the training process of the upgrade and in the years to come.

eLearning Video Materials and Online Live Training Sessions (\$750,000)

In order to support a smooth and successful upgrade of FMS to CGI Advantage 4, it is critical that the City provide the 50+ departments and 3000+ FMS users the confidence to execute the City's financial and procurement business processes. Our plan to achieve this is to offer users a comprehensive training program of interactive eLearning video materials that span the full scope of FMS functionality, including accounts payable; accounts receivable; cost accounting; general ledger; business intelligence; security and workflow; service procurement; and the new processes, such as receipt accrual process, that are being enabled in FMS. Each video will offer targeted instruction on an FMS business process (e.g., create a payment, record receipt of cash, make a journal entry). As opposed to traditional in-person training, this approach allows current users to take classes when they have free time and revisit a topic as often as they see fit, as well as offer new City employees access to a full roster of FMS training. With eLearning quizzing, we can track user training progress, and verify students have not only completed a class but understand the content.

In the three months preceding go-live, CGI will provide remote support to the trainees through chat, phone, and email and compile a list of frequently asked questions. CGI will also offer Online Live Training Sessions for all these various topics. As we get closer to the go-live we plan to offer sessions with a live instructor and Subject Matter

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Experts to address specific scenarios or questions. This comprehensive training effort will improve successful adoption of the upgraded system, improve the users' comfort with the transition, and increase the overall knowledge base of the City's widely dispersed accounting professionals.

In addition, we will be leveraging CGI's Change Management expertise to help Departments and end-users through this journey of change through a communication program, workshops, webinars, and social media outreach.

The Controller requests an additional \$750,000 to provide what would be a much needed addition to the manuals to assist City employees do their work.

Report Migration and Testing (\$250,000)

The FMS4LA project includes several upgrades to the InfoAdvantage data warehouse and business intelligence modules. The reports that City employees and managers depend on to do their work must be converted, migrated and tested to work with the new upgraded system. The Controller has worked with user departments, ITA and CGI to identify the 800 most critical and complex corporate reports to target for migration. The request has been pared down from the original budget request to only include the most essential and critical reports. The Controller requests \$250,000 for this effort.

Sincerely,



Rick Cole
Chief Deputy Controller

Attachments

Contract C-142609 with CGI Technologies and Solutions
Proposed Training Topics and Development effort breakdown