



THE CITY OF SAN DIEGO
REPORT TO THE CITY COUNCIL

DATE ISSUED: June 9, 2009 REPORT NO: 09-091

ATTENTION: Council President and Members of City Council

SUBJECT: San Diego Data Processing Corporation FY2010 Budget and Master Agreement for Citywide Information Technology Services

REFERENCE: (1) IBA Report 09-037, Review of the FY2010 Proposed Budget
(2) City Auditor's May 5, 2009 Report on SDDPC Compensation and Budget

REQUESTED ACTION:

1. Approve the FY2010 annual budget for San Diego Data Processing Corporation (SDDPC).
2. Request staff to return to the Rules, Open Government, and Intergovernmental Relations Committee with an update on the new Master Services Agreement between the City and SDDPC.

STAFF RECOMMENDATION:

1. Approve the SDDPC annual budget for FY2010.
2. Request staff to provide an update to the Rules, Open Government, and Intergovernmental Relations Committee on the new Master Services Agreement between the City and SDDPC.

SUMMARY:

In accordance with the opinion stated by City Attorney Jan Goldsmith at the May 7, 2009, Budget Review Committee meeting, pursuant to the existing Operating Agreement, the San Diego Data Processing Corporation (SDDPC) FY2010 Proposed Budget is being brought to City Council for approval.

This report is meant to provide clarification about the City's information technology (IT) budget and SDDPC as its primary IT service provider, to address the recent concerns and questions raised by City Council, the City Auditor, and Independent Budget Analyst (IBA) about the management and accountability of various City agencies. This report contains background on

the creation of SDDPC and the operational policies and practices in place for providing IT support of City business functions, including the IT budget preparation and approval process. This report also outlines steps being taken to bring the service agreements and processes into compliance with current requirements of the City.

BACKGROUND

In 1979, the City of San Diego created San Diego Data Processing Corporation (SDDPC) as a 501(c)(3) California public benefit non-profit corporation for the purpose of providing information technology services to the City. At that time, the City Council authorized the filing of Articles of Incorporation and the creation of Corporation Bylaws, which called for an independent Board of Directors to oversee SDDPC. The City and SDDPC entered into an Operating Agreement to describe the IT services, which has been amended nine times over the last 30 years, without any major revisions to some of the core terms and conditions. The latest “Amended and Restated Operating Agreement” was executed on September 14, 1999 (Council Resolution R-292156). The current Agreement with SDDPC is non-exclusive; however, the City only uses a few other IT service providers directly, and more often uses SDDPC to obtain outside (third-party) IT contractors. In addition, there is an annual Service Level Agreement (SLA) used to define IT services, service levels, and SDDPC’s rates, which is created in conjunction with the annual IT budget process. While the annual SLA has been kept more current with technologies and services, this has created some inconsistencies with the existing Operating Agreement. In past years, the SLA was developed after the completion of the IT budget process, rather than concurrently, which led to delays in having a signed SLA until well into the fiscal year for which it applied.

Over the last 12 to 15 years, several studies, reviews, reports, and recommendations have covered various issues related to IT service delivery, IT governance, sourcing of IT services, IT strategic planning, the relationship between the City and SDDPC, and better definition of the roles and responsibilities. There have been common themes of the need for more control and oversight by the City of IT services and costs, including budgeting, procurement, and payment. Another common theme was for the City to “selectively source” its IT services. In 2004, there was a recommendation by the City Manager to dissolve SDDPC and transfer the IT services back to the City and/or to other IT service providers (Ref: CMR 04-90, CMR 04-108, and CMR 04-131). A joint City/SDDPC Project Team was formed and, while SDDPC remained as the primary IT service provider, the effort resulted in changes to the SDDPC Bylaws for membership on their Board of Directors to include three City officials. Also in 2004, the City Council delegated the voting proxy authority as the single Member of the Corporation to the City Manager, which became the Mayor under the new form of government in 2005. The SDDPC Bylaws were amended again in 2006 to avoid potential conflicts of interest, by designating up to three City officials as non-voting, *ex-officio* members. Currently, there are two City *ex-officio* members on the board – Nader Tirandazi, Financial Management Director and Interim Chief Information Officer (CIO), and Alex Ruiz, Assistant Director of the Water Department.

SDDPC’s annual budget since FY2007 has ranged from \$41.8 million to \$46.5 million, as shown on Attachment 1, Table 1. The City’s fixed-cost allocations for SDDPC’s infrastructure services, has ranged from \$16.0 million to \$27.0 million for the same period, which represents 21.5% to

42.5% of the Citywide IT Budget Non-Personnel Expense (NPE), as shown on Attachment 1, Table 3. By comparison, the total Citywide IT budget has ranged from \$88.7 million to \$75.7 million, as shown on Attachment 1, Table 4.

DISCUSSION

The Department of Information Technology has been the City's lead department in the operational interaction with SDDPC during the prior City Manager years and presently under the Mayor. The department's name is changing in FY2010 from its current title as Office of the Chief Information Officer (CIO), and its previous name was Information Technology and Communications (IT&C).

Operating Agreement for IT Services

In 2004, 2006, and now this year, the need to update the Operating Agreement between the City and SDDPC has been identified and past efforts were not completed, partially due to changes in the City government structure and also the redirection of staff resources for the federal investigations into the City's financial information. City management recognizes that the current Operating Agreement has deficiencies related to (a) the City's current technology environment, (b) oversight of its IT services, and (c) insufficient definition of roles and responsibilities to provide necessary controls over the provision of IT services and related costs. This issue was raised in the City Auditor's May 5, 2009, Audit Report where it states "the current Operating Agreement does not provide for adequate City oversight of SDDPC's budgeting and compensation" (p.3). One of two audit recommendations for the City to address is to "develop additional controls over the agency [SDDPC] budgeting process to ensure that the required budget approvals are obtained" (p.5). Additionally, the Audit Report conclusion states that "the City can improve its oversight of SDDPC by revising the Operating Agreement and monitoring SDDPC's compliance" (p.11). Updating the Agreement is now a priority for the City and SDDPC.

The Department of Information Technology and City Attorney's Office met with SDDPC's management and legal counsel in early March 2009, to discuss the creation of a new Master Services Agreement (MSA) to replace the existing Operating Agreement. As requested by City Council during the FY2010 budget hearings, the Mayor's Office will bring an Information Item to the Rules, Open Government, and Intergovernmental Relations Committee to provide an overview of the proposed new Agreement. Sections within the new Master Services Agreement will contain updated procedures and time schedules related to IT budget preparation and delivery of complete and accurate cost data from SDDPC. In addition, the new Agreement will provide definition and clarification of IT procurement processes through SDDPC to ensure proper and adequate City reviews and approvals are obtained. The Department of Information Technology has a goal to complete the new draft Agreement, obtain feedback from the City's IT Business Leadership Group, and request approval of the SDDPC Board of Directors by August 2009. This will be followed by submission to the City Council for approval as soon as possible. Concurrent with the execution of the new Agreement, the Mayor's Office will evaluate if any changes need to be made to the SDDPC Bylaws to implement any new operational requirements.

Citywide IT Budget and SLA Development

IT services provided by SDDPC consist of two primary components: Citywide IT infrastructure services and department-specific application maintenance and support, which may include contracting with third-party, outside providers. Over the last decade or more, the City IT budget was primarily developed from the list of Citywide IT infrastructure services and SDDPC providing their recommended rates/fees to the City, with minimal negotiation. IT budget development was mostly performed by SDDPC using their internal budget/cost estimating system to provide departments with their specific budget costs, which only accounted for a portion of the City's overall IT budget. Additional budget development was still required by departments and Financial Management to complete the process. Each year, Financial Management has requested both City departments and SDDPC to reduce IT costs, with specific directions for the last three years. As part of the guidance to the joint City/SDDPC FY2010 budget team, the Financial Management Director instructed SDDPC to reduce their proposed FY2010 costs by approximately 10% from the FY2009 budget amount.

In addition to the Citywide IT infrastructure services, City departments request IT services from SDDPC to meet their operational requirements, including support and maintenance for departmental IT systems and business applications, and may include new IT development projects, subject to City IT governance review and Mayoral budgetary approval. SDDPC then uses the total labor demand by departments to determine the hourly labor rates charged to the City. To determine its six, tiered labor rates (Refer to Attachment 1, Table 2.), SDDPC uses the Hay Group, a nationwide expert in compensation analysis that evaluates staff positions based on criteria that include job knowledge, problem solving, and accountability. Their "Hay Point Scale" groups related IT skill sets at different levels and SDDPC places each of their staff positions into tiered rate categories that reflect the "Hay Point" groups. SDDPC provides their final rates for labor and Citywide infrastructure services to the Department of Information Technology as an input to the Citywide budget preparation process.

In August 2008, the Department of Information Technology informed SDDPC that it was creating a new process for the FY2010 IT budget preparation. The City developed a detailed "Definition of IT Services," including proposed service level metrics, and a "Definition of Professional Services," both in a format similar to a contractual Request for Proposal (RFP). SDDPC was requested to complete a cost section for each defined service and make any notations or comments on the definitions or service levels and performance metrics, and return the document to the Department of Information Technology. Also for the FY2010 budget, to better manage the Citywide IT budget process, the Department of Information Technology created a new IT budget application for departments to enter their entire IT budget, not just the SDDPC portion, and the output is provided to both Financial Management and SDDPC.

In November, 2008, SDDPC delivered its preliminary FY2010 cost data. The Department of Information Technology aligned SDDPC's costs with the defined IT services to provide Financial Management with the initial Citywide IT Budget. SDDPC's costs then went through two major revisions: first in January, as part of the City's FY2009 mid-year reductions, and then in May, as a result of the City's requested 6% reduction in agency costs to match the City compensation reductions for FY2010. These cost updates from SDDPC were included in the

Mayor's original Proposed Budget and the May Revised budget, respectively. The most recent reduction by SDDPC resulted in a decrease of approximately \$660,000 for Citywide fixed-cost allocations, of which the General Fund reduction was approximately \$392,000; in addition, SDDPC labor costs across all of their customers decreased by approximately \$971,000, of which the General Fund reduction was approximately \$289,000.

As part of the recent Financial Management technical review of City agencies, SDDPC was requested to provide details relating to salaries and compensation, which they did. SDDPC also provided the follow-up information requested at the Budget Review Committee to Financial Management for inclusion in the Mayor's May Revised budget. These details will continue to be requested on an annual basis during the budget preparation cycle. Since SDDPC is governed by its own, independent Board of Directors, the City Attorney's Office is in the process of evaluating the legal issues surrounding the level of detail and approval of SDDPC's annual corporate budget by the City Council and/or the Mayor. The results of that legal research will be included in the updated Master Services Agreement that is brought to City Council.

CONCLUSION

As a result of recent audits and other inquiries, the City and SDDPC have made it a priority to update and clarify the Master Services Agreement between them, and also the annual Service Level Agreement, annual budget development process, and SDDPC Bylaws. The direction from the Mayor's Office, through the Department of Information Technology, is to have a clear understanding of the roles, responsibilities, and accountability for defining, obtaining, and delivering the City's IT services in a cost-effective manner. The intent is to involve the necessary parties within the City, including the City Council, for the proper conduct of business between the City and SDDPC, when required and as appropriate.

FISCAL CONSIDERATIONS:

After the requested reductions, SDDPC's proposed FY2010 agency budget is \$45.2 million, and it plans to use an additional \$2 million from prior-year net assets (equity) as a contribution to offset the City's costs for implementing the OneSD ERP System, thereby reducing the amount to be financed. The City's portion (\$39.4 million) of SDDPC's FY2010 proposed budget represents approximately 87% of their total annual revenue, with their additional revenues derived from other local agency customers, such as ARJIS, the County of San Diego, and SDCERS. The City's total proposed IT budget for FY2010 is \$75.7 million, including City personnel expense and non-personnel costs for IT goods and services procured from third party vendors either through SDDPC or through the City Purchasing and Contracting Department, which are not included as part of SDDPC's annual budget.

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

At the Budget Review Committee meeting on May 7, 2009, where agency budgets were being presented, the Financial Management Director and SDDPC were requested to return to the City

Council with a specific request to approve SDDPC's annual budget for FY2010, pursuant to the current Operating Agreement between the City and SDDPC.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

None.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

- City Departments
- San Diego Data Processing Corporation

Approval of the SDDPC FY2010 Proposed Budget will allow SDDPC to provide the various IT services requested by the City and its departments. Completion and execution of the revised Master Services Agreement and annual Service Level Agreements will provide greater control and accountability of the City's IT services obtained from or through SDDPC. Implementation of the City's OneSD ERP system will bring new areas of financial management, budgetary control, and compliance with proper request and approval requirements. Stakeholders will be required to follow specific procedures and maintain proper documentation for processing and approving requests for IT services and/or products to comply with all applicable internal controls and procurement requirements.



Jay M. Goldstone
Chief Operating Officer



Nader Tirandazi
Financial Management Director
and Interim Chief Information Officer

- ATTACHMENT:
1. Comparison of FY2007–FY2010 SDDPC Costs and Citywide IT Budget
 - Table 1. SDDPC Budgets by Expense Account Category
 - Table 2. SDDPC Tiered (Hourly) Labor Rates
 - Table 3. City Fixed-Cost Allocations for Citywide IT Infrastructure Services
 - Table 4. Citywide IT Budget Expenses by Fund Type
 2. San Diego Data Processing Corporation – Budgets by Account Detail

Comparison of FY2007–FY2010 SDDPC Costs and Citywide IT Budget

Table 1. SDDPC FY2007 – FY2010 Budgets by Expense Account Category

SDDPC Expense Account Category	FY2007 Budget	FY2008 Budget	FY2009 Budget	FY2010 Proposed
SDDPC Staff (# of FTE)	257.0	249.0	258.0	280.0
Payroll and Benefits Accounts	\$24,474,325	\$25,428,824	\$26,799,334	\$26,999,965
Equipment Accounts	\$1,568,347	\$1,764,482	\$2,423,306	\$2,416,693
Software Accounts	\$3,088,558	\$4,250,648	\$4,475,242	\$2,950,736
Depreciation Accounts	\$3,669,412	\$4,620,921	\$4,433,544	\$4,984,847
Interest Accounts	\$10,000	\$2,000	\$0	\$0
Facility and Utility Accounts	\$1,239,205	\$1,288,349	\$1,101,535	\$1,091,976
Supply Accounts	\$87,150	\$98,500	\$125,670	\$139,850
Contractor/Consulting Accounts	\$2,016,063	\$2,344,837	\$1,562,171	\$1,456,632
Other Expense Accounts	\$492,804	\$491,794	\$501,989	\$442,778
Training and Travel Accounts	\$210,750	\$224,487	\$218,500	\$187,000
Voice/Telecom/Data Related Accounts	\$4,927,988	\$5,249,356	\$4,896,306	\$4,355,672
TOTALS	\$41,784,602	\$45,764,198	\$46,537,597	\$45,226,149

NOTES: [1] These amounts include the total SDDPC budget, inclusive of its other customers besides the City of San Diego (i.e., SDCERS, ARJIS, and County of San Diego).

[2] These amounts exclude “pass-through” costs for third-party contracts that are billed directly to City departments. These budget costs also exclude the OneSD ERP Project costs, which are funded by the City, except as noted below for SDDPC’s contributions from their prior-year net assets (equity). The FY2010 budget does include the ongoing infrastructure support costs for the City’s SAP system, and reflects partial reductions in ongoing costs for systems being replaced by SAP (due to the phased implementation schedule continuing through December 2009).

[2] In FY2008 and FY2009, SDDPC used prior-year net assets (equity) to offset actual expenses for the OneSD Project, in the amounts of \$4.0 million and \$2.3 million, respectively. While these amounts offset actual expenses, they were applied after the budgets were created and did not impact the total budgetary costs related to determining fixed-cost allocations for infrastructure services. In addition, for FY2009 SDDPC provided \$1.0 million in prior-year net assets (equity) to offset Citywide PC maintenance costs and other non-OneSD infrastructure costs, plus another \$0.6 million in FY2010 to reduce the Citywide infrastructure costs.

Comparison of FY2007–FY2010 SDDPC Costs and Citywide IT Budget

Table 2. SDDPC Tiered (Hourly) Labor Rates

SDDPC Labor Tier and Type	FY2007	FY2008 *	FY2009 *	FY2010 (Original)	FY2010 (Revised)
Tier 1 – Application Labor	\$56.00	\$41.00	\$36.00	\$46.00	\$41.00
Tier 2 – Application Labor	\$72.00	\$55.00	\$50.00	\$58.00	\$55.00
Tier 3 – Application Labor	\$95.00	\$68.00	\$68.00	\$81.00	\$74.00
Tier 4 – Application Labor	\$112.00	\$80.00	\$81.00	\$92.00	\$85.00
Tier 5 – Application Labor	\$137.00	\$88.00	\$91.00	\$107.00	\$98.00
Tier 6 – Application Labor	\$146.00	\$98.00	\$96.00	\$111.00	\$107.00
Tier 1 – Infrastructure Labor	\$55.00	[Discontinued]	N/A	N/A	N/A
Tier 2 – Infrastructure Labor	\$76.00	[Discontinued]	N/A	N/A	N/A
Tier 3 – Infrastructure Labor	\$97.00	[Discontinued]	N/A	N/A	N/A
Tier 4 – Infrastructure Labor	\$113.00	[Discontinued]	N/A	N/A	N/A
Tier 5 – Infrastructure Labor	\$133.00	[Discontinued]	N/A	N/A	N/A
Tier 6 – Infrastructure Labor	\$142.00	[Discontinued]	N/A	N/A	N/A
Tier 3 – ERP Support Labor	N/A	N/A	\$81.00	\$81.00	\$78.00
Tier 4 – ERP Support Labor	N/A	N/A	\$86.00	\$94.00	\$85.00
Tier 5 – ERP Support Labor	N/A	N/A	\$95.00	\$108.00	\$98.00
Tier 6 – ERP Support Labor	N/A	N/A	\$122.00	\$120.00	\$112.00

NOTES: [1] Starting in FY2008, most of the Infrastructure Labor became part of the underlying costs for the core infrastructure support services included in the Citywide fixed-cost allocations and no longer charged separately (hourly).

[2] The rates for FY2008 and FY2009 are lower due to the City's direction to segregate SDDPC's corporate overhead cost from all other costs/rates. This separate cost was called *General Citywide Support Services (GCSS) and was charged separately as a Citywide fixed-cost allocation. (See NOTES for Table 3.) These costs were added back into the FY2010 rates for labor and other services, at the City's direction.

[3] In FY2009, SDDPC created a new series of Tiered Labor Rates for the OneSD Project to account for the higher costs of technical staff specializing in SAP system configuration, programming, and support.

Comparison of FY2007–FY2010 SDDPC Costs and Citywide IT Budget

Table 3. City Fixed-Cost Allocations for Citywide IT Infrastructure Services

City Fund Type	FY2007 Budget	FY2008 Budget	FY2009 Budget	FY2010 Proposed
General Fund Allocations	\$8,788,892	\$15,158,726	\$15,381,099	\$13,908,504
(Percent of General Fund IT NPE)	32.6%	46.1%	47.3%	47.4%
Non-General Fund Allocations	\$7,223,814	\$11,878,496	\$11,344,468	\$9,654,882
(Percent of Non-General Fund IT NPE)	15.2%	28.0%	37.4%	28.1%
CITYWIDE TOTALS	\$16,012,706	\$27,037,222	\$26,725,567	\$23,563,386
(Percent of Total City IT NPE)	21.5%	35.9%	42.5%	37.0%

NOTES: [1] “Fixed-Cost Allocations” include the following IT services:

- Mainframe Services
- Enterprise Oracle Database Services
- Enterprise Interactive Voice Response (IVR) System Services
- Centralized Desktop & Messaging Support Services (includes Help Desk)
- Data Network Services
- Voice Network Services
- General Citywide Support Services (GCSS) – FY2008 and FY2009 only

[2] Prior to FY2008, costs for PC maintenance, Help Desk, and Desktop support were paid on a weekly basis and budgeted by each department, sometimes under- or over-funded. In FY2008, as a result of the IT Business Process Reengineering (BPR) effort, the City created the Computing Infrastructure Support Organization (CISO), centralized in the Office of the CIO, and those costs became a non-discretionary, fixed-cost allocation. The IT budget allocations for all General Fund departments were centralized in the Office of the CIO (Dept. 535) in FY2008 and FY2009, while remaining decentralized in Non-General Fund departments. In FY2010, these costs have been decentralized again for all departments, with the budget funds from Dept. 535 being distributed out to the General Fund departments.

[3] In FY2008 and FY2009, the City centralized SDDPC’s corporate overhead costs into an annual, fixed-cost allocation, called General Citywide Support Services (GCSS), similar to the City’s internal GGSB (General Government Services Billing – i.e., departmental overhead rates). In FY2010, the GCSS costs were redistributed by SDDPC back across all their business lines, including direct/indirect labor.

[4] The FY2010 amounts include \$1.4 million in direct City costs for the annual Microsoft enterprise software support/maintenance agreement; which was paid through SDDPC for the prior three years (\$1.6 million annually) as part of the Desktop Support Services.

Comparison of FY2007–FY2010 SDDPC Costs and Citywide IT Budget

Table 4. Citywide IT Budget Expenses by Fund Type

Fund Type and Expense Type	FY2007 Final Budget	FY2008 Final Budget	FY2009 Revised Budget	FY2010 Proposed
General Fund IT Staff (FTE)	69.7	56.8	57.8	53.8
Non-General Fund IT Staff (FTE)	77.5	75.4	66.9	67.9
Total IT Staff (Full-Time Equivalents - FTE)	147.2	132.2	124.7	121.7
General Fund IT Personnel Expense	\$6,906,331	\$5,817,286	\$6,018,592	\$ 5,295,509
Non-General Fund IT Personnel Expense	\$7,419,976	\$7,704,876	\$7,054,740	\$ 6,741,079
Total IT Personnel Expense (PE)	\$14,326,307	\$13,522,162	\$13,073,332	\$12,036,588
General Fund IT Budget (NPE)	\$26,974,557	\$32,861,878	\$32,543,026	\$29,352,693
Non-General Fund IT Budget (NPE)	\$47,399,617	\$42,440,291	\$30,342,477	\$34,338,786
Total IT Budget (Non-Personnel Expense)	\$74,374,173	\$75,302,168	\$62,885,503	\$63,691,479
GRAND TOTAL – City IT Budget	\$88,700,480	\$88,824,330	\$75,958,835	\$75,728,067

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- NOTES:
- [1] These amounts exclude the OneSD ERP Project, since it is a separate CIP Project and not funded from normal Operating Budget funds.
- [2] “IT Staff” (FTE and PE) includes the following City job classifications:
- > Information Systems Technician (Class 1401)
 - > Information Systems Analyst II (Class 1348)
 - > Information Systems Analyst III (Class 1349)
 - > Information Systems Analyst IV (Class 1926)
 - > Information Systems Administrator (Class 1243)
 - > Information Systems Manager (Class 1244)
- [3] “IT Budget (Non-Personnel Expense)” includes Object Accounts 4981, 4982, 4983, 4984, 4985, 4986, and 5301 for all years. In addition, FY2010 also includes new Object Accounts 49834, 49841, and 49842, which are used to better account for and manage IT services that were previously included as part of other fixed-cost allocations. These City NPE costs are mostly part of SDDPC’s budget, but also include “pass-through” procurement costs for outside, third-party services (which are excluded from SDDPC’s budget).

San Diego Data Processing Corporation
Budgets by Account Detail

ATTACHMENT #2

Account Number	Account Description	FY07 Budget	FY08 Budget	FY09 Budget	FY10 May Revised Budget (05/11/2009)
70050	Salary	16,314,734	16,755,769	18,057,390	18,231,781
70060	Overtime	137,743	137,743	162,743	166,040
70100	Sick Leave	592,830	565,995	609,963	615,854
70120	Bereavement Leave	25,100	23,545	25,374	25,619
70150	Vacation	1,068,332	1,171,419	1,262,417	1,274,609
70200	Holiday	764,423	679,687	732,487	739,561
70260	Attrition	(555,367)	(190,883)	(617,392)	(657,485)
Salary accounts		18,347,795	19,143,275	20,232,983	20,395,979
70300	Vacation Earned	15,000	15,000	15,000	0
Total Vacation Earned		15,000	15,000	15,000	0
71100	Payroll Taxes	285,262	313,448	385,173	388,286
Payroll Taxes accounts		285,262	313,448	385,173	388,286
70250	Benefits Bank	242,250	237,500	245,100	195,225
71320	Health Net	827,747	873,906	964,585	1,040,992
71340	Kaiser	416,937	444,133	402,276	439,094
71350	Dental Insurance	168,299	169,835	181,814	193,649
71380	Life Insurance	26,010	25,500	26,316	28,560
71420	Retirements	3,666,537	3,810,984	4,048,753	4,049,999
71440	Long Term Disability Insuranc	76,488	78,242	84,335	85,182
71480	Workers Compensation	350,000	250,000	140,000	110,000
71650	Tuition	10,000	10,000	10,000	15,000
Benefit accounts		5,784,268	5,900,100	6,103,178	6,157,701
71500	Relocation	0	10,000	10,000	0
71600	Employee Recruitment	5,000	10,000	15,000	25,000
71750	Employee Recognition	25,000	25,000	25,000	20,000
71760	Employee Referral Program	2,000	2,000	3,000	3,000
71780	Employee Incentive	0	0	0	0
85750	Employee Awards - Non Payroll	10,000	10,000	10,000	10,000
Other payroll related accounts		42,000	57,000	63,000	58,000
Payroll and Benefit accounts		24,474,325	25,428,823	26,799,334	26,999,965
80050	Equipment	101,057	114,965	305,768	254,735

San Diego Data Processing Corporation
Budgets by Account Detail

ATTACHMENT #2

Account Number	Account Description	FY07 Budget	FY08 Budget	FY09 Budget	FY10 May Revised Budget (05/11/2009)
80100	Maintenance - Equipment	1,467,290	1,649,517	2,117,538	2,161,958
Equipment Accounts		1,568,347	1,764,482	2,423,306	2,416,693
81050	Software	241,281	161,521	133,533	240,609
81051	Citation processing	228,740	130,048	0	0
81100	Software Maintenance	2,618,537	3,959,079	4,341,709	2,710,127
Software accounts		3,088,558	4,250,648	4,475,242	2,950,736
80550	Depreciation - SAP	2,833	0	0	0
80750	Depreciation - Equipment	994,562	1,889,777	1,774,819	1,958,864
80800	Depreciation - Software	322,506	349,869	468,932	643,526
80850	Depreciation - Autos/Vans	29,994	33,995	38,363	49,024
82850	Depreciation - Building	458,350	460,887	387,775	404,732
82950	Depreciation - Furniture & Fixtures	16,391	6,453	7,753	2,753
88500	Depereciation - Telecom Equip	1,844,776	1,879,941	1,755,901	1,925,948
Depreciation accounts		3,669,412	4,620,922	4,433,544	4,984,847
80190	Interest on Line of Credit	10,000	2,000	0	0
Interest accounts		10,000	2,000	0	0
82050	Building Rental	157,208	59,040	63,876	67,380
82100	Pest Control	1,850	1,950	2,250	2,200
82150	Janitorial Service	95,200	104,400	94,000	97,000
82200	Landscaping Service	22,200	37,200	12,000	12,000
82250	Electric Service	360,000	393,000	412,300	431,400
82350	Security	20,400	0	0	0
82400	Water	13,800	13,800	14,500	15,000
82450	HVAC Maintenance	37,620	41,382	48,550	48,500
82500	Trash Removal	16,900	17,745	19,059	20,000
82550	Building Repair/Maintenance	22,500	35,000	60,000	60,000
82650	Property Taxes	1,000	1,000	2,000	2,000
82750	Lic., Fees, Permits	9,000	10,500	7,000	1,250
82800	Utilities - Cab	45,000	49,500	52,000	50,000
85300	Insurance-Prop/Equip	436,527	523,832	314,000	285,246
Facility & Utility Accounts		1,239,205	1,288,349	1,101,535	1,091,976

San Diego Data Processing Corporation
Budgets by Account Detail

ATTACHMENT #2

Account Number	Account Description	FY07 Budget	FY08 Budget	FY09 Budget	FY10 May Revised Budget (05/11/2009)
83100	Office Supplies	21,500	22,900	26,000	25,500
83150	Operating Supplies	65,650	75,600	99,670	114,350
Supply Accounts		87,150	98,500	125,670	139,850
84250	Temporary Services - Internal	10,000	69,000	25,000	206,273
84300	Temporary Services - Billable	334,539	584,966	474,606	509,106
Contractors & Temporaries		344,539	653,966	499,606	715,379
84050	Directors Fees	7,800	5,600	5,600	4,550
84150	Consulting Services	1,231,675	1,153,559	670,845	419,983
84200	Professional Service	432,049	531,712	386,120	316,720
Professional & Consulting Services		1,671,524	1,690,871	1,062,565	741,253
Contractor/Consulting Services		2,016,063	2,344,837	1,562,171	1,456,632
83200	Microfilming	36,000	35,000	35,000	26,000
85050	Coffee and Water Services	20,000	20,000	13,100	12,000
85100	Payroll Processing/Bank Charg	28,000	28,000	25,000	26,000
85150	Meetings	15,575	21,750	24,570	8,719
85200	Dues/Memberships	25,969	25,811	42,948	18,489
85400	Mileage/Parking	136,352	139,173	136,995	165,240
85410	Company vehicle Operating Exp	31,838	32,200	38,950	37,900
85450	Advertising	10,000	15,000	6,000	25,000
85500	Postage/Freight	30,400	32,040	11,900	16,000
85550	Printing/Photocopy	83,500	81,500	63,200	23,250
85610	Furniture/Equipment	7,000	0	9,750	13,500
85700	Subscriptions/Publications	38,270	33,770	38,276	29,330
85250	Safety	19,900	20,550	31,300	21,350
85260	Ergonomic Equipment	10,000	7,000	25,000	20,000
Other expenses		492,804	491,794	501,989	442,778
87050	Training - Technical	166,013	179,500	173,000	140,000
87150	Travel-Training	33,987	33,987	35,000	40,000
87200	Travel - Business	10,750	11,000	10,500	7,000
Training & Travel Accounts		210,750	224,487	218,500	187,000
86000	Wireless Communication	99,044	99,217	94,540	115,094

San Diego Data Processing Corporation
Budgets by Account Detail

ATTACHMENT #2

Account Number	Account Description	FY07 Budget	FY08 Budget	FY09 Budget	FY10 May Revised Budget (05/11/2009)
86050	Telephone Service	20,514	22,411	30,345	0
General phone charges		119,558	121,628	124,885	115,094
86100	Telephone Equipment	3,000	3,000	4,500	40,200
88200	Voice Add's,Moves, & Changes	5,000	5,000	15,500	11,500
88210	Voice Infrastructure Materials	0	0	14,359	39,500
88250	Voice Usage Service Area	119,829	204,984	191,312	257,075
88300	Voice Usage Long Distance	238,185	122,808	122,369	49,416
88310	Voice Circuits/Lines	1,165,855	1,478,672	1,572,821	1,518,301
Voice charges		1,531,869	1,814,464	1,920,861	1,915,992
86200	Data Add's/Moves/Changes	1,000	1,000	1,000	1,000
86210	Data Infrastructure	8,400	8,400	41,700	75,700
86250	Data Circuits/Lines	3,223,161	3,303,864	2,805,861	2,446,886
86300	Data Usage	44,000	0	0	0
86400	Data Miscellaneous	0	0	2,000	1,000
Data charges		3,276,561	3,313,264	2,850,561	2,524,586
Voice/Data related expenses		4,927,988	5,249,356	4,896,306	4,555,672
TOTAL Direct costs		41,784,602	45,764,198	46,537,597	45,226,149