Agenda

- Update on Non-Core Procurement Consolidation
- Services Overview
- Accomplishments
- Current Projects
- Goals for 2018
### Significant Reductions in Open Requisitions

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

**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

<table>
<thead>
<tr>
<th>Select Projects Completed 2016-YTD2017</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>NYCTA Medical Health Benefits Program RFP</td>
<td>-</td>
<td>$40.88</td>
</tr>
<tr>
<td>IT Consulting Services RFP</td>
<td>$2.55</td>
<td>$10.85</td>
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<tr>
<td>IT Hardware RFP</td>
<td>$4.71</td>
<td>$6.65</td>
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<tr>
<td>Dental Benefits Contract Extension Negotiations</td>
<td>-</td>
<td>$6.00</td>
</tr>
<tr>
<td>Wireless Services RFP</td>
<td>$3.71</td>
<td>$4.51</td>
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<tr>
<td>Security Services RFP</td>
<td>-</td>
<td>$1.79</td>
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<tr>
<td>STD/LTD/Life Insurance Benefits RFP</td>
<td>$2.07</td>
<td>$2.07</td>
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<tr>
<td>Enterprise Agreement for ESRI Software</td>
<td>-</td>
<td>$0.20</td>
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<tr>
<td>Property Management Services RFP</td>
<td>$0.46</td>
<td>$0.69</td>
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<tr>
<td>Office Supplies RFP</td>
<td>$0.44</td>
<td>$0.95</td>
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<tr>
<td>Enterprise Agreement for TOAD Software</td>
<td>$0.36</td>
<td>$0.86</td>
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<tr>
<td>Fleet - Vehicle Maintenance Services</td>
<td>$0.29</td>
<td>$0.59</td>
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<tr>
<td>Facilities Custodian Services Adjustments</td>
<td>$0.29</td>
<td>-</td>
</tr>
<tr>
<td>Fuel RFP</td>
<td>-</td>
<td>$0.10</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$14.88</strong></td>
<td><strong>$76.14</strong></td>
</tr>
</tbody>
</table>
Services Overview
Our Services

**PROCUREMENT**
- Customer Management Center
- Document Management Center
- Business Process Management

**FINANCE**
- Accounting
- Accounts Payable
- Accounts Receivable
- Payroll

**HUMAN RESOURCES**
- Employment
- HRIS
- Training
- Testing
- Benefits

**BUSINESS OPERATIONS**
- Business Process Management Center

**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)

**EMPLOYMENT**
- 9,488 Promotions, Transfers processed (22 FTE)

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

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

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

**GENERAL LEDGER**
- 2,000 Bank Reconciliations (8 FTE)

**ACCOUNTS RECEIVABLE**
- 18,000 Invoices worth $1.4 billion (12 FTE)

**PROCUREMENT**
- $679M awarded (112 FTE in 2017)

**BSC Services:**
- 73K Employees
- 143K Dependents
- 48K Retirees
- 16K Vendors

**Staff:**
- 438 Employees

FINANCIALS:
- 8 Payroll groups
- 2.3M Payments
- 325K AP Payments or $11 billion
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Savings and Cost Avoidance

1. Automate
   - Streamlined and automated processes allowed for consolidation of personnel from the Agencies
   - $14.3 million in recurring annual savings*

2. Consolidate
   - BSC has taken on additional responsibilities that were initially planned to stay at the Agencies
   - $2.5 million in annual savings to the Agencies

3. One Platform
   - By consolidating various systems into just one PeopleSoft platform, the MTA saves by not having to periodically update & replace Agency legacy systems
   - $84.5 million in savings every 5 years

* 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

**Governance & Administration Plans:**
- BSC Portal, continued self-service options
- Intranet Webpage expansion
- Benchmark initiative continues

**Improvements in our Process:**
- Conduct end-to-end reviews of all CMC communications, work instructions and training initiatives