



Hamilton

INFORMATION REPORT

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| TO: | Chair and Members Audit, Finance and Administration Committee |
| COMMITTEE DATE: | March 9, 2015 |
| SUBJECT/REPORT NO: | Annual Performance Reporting – Savings Generated from the Management of Information Technology Contracts (FCS15020) (City Wide) |
| WARD(S) AFFECTED: | City Wide |
| PREPARED BY: | Filipe Janicas 905-546-2424 ext. 5705 Fred Snelling 905-546-2424 ext. 6059 |
| SUBMITTED BY: | Mike Zegarac General Manager Finance & Corporate Services Department |
| SIGNATURE: | |

Council Direction:

At the April 27, 2011 meeting of Council, Item 6(d) of the General Issues Committee Budget Report 11-005(c), which reads as follows, was approved:

“6. Information Services Contract Savings and Incentives (FCS11024) (City Wide) (Item 8.2) (GIC – April 1, 2011)

(d) That staff commit to providing Council with annual performance reporting to communicate the status of savings generated from management of IS contracts.”

Information:

Executive Summary

This report is intended to provide the Committee with an update on the following corporate contracts: network printers, cellular and desktops that are administered by the Information Technology Division of the Corporate Services Department.

Since 2010, through negotiating and managing the contracts above and through applying policies and procedures approved by Council, the City has realized a savings in excess of \$5.5 million.

Aside from these large corporate contracts, the Contract Administration Section of the Information Technology Division, Corporate Services Department also manages the Bell landline contract, the Rogers Fibre contract, Oracle/PeopleSoft Support contract plus approximately 20 Information Technology specific contracts.

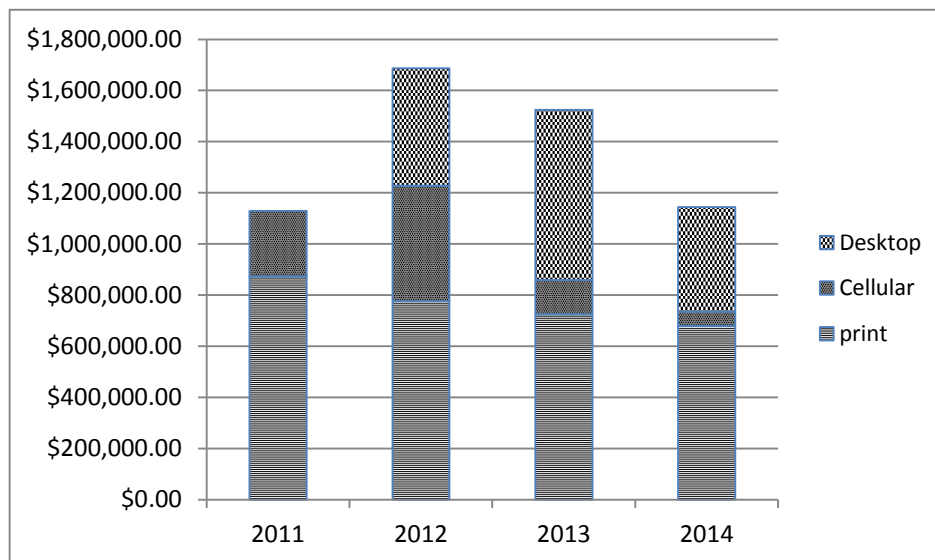
Table 1 reflects the terms of the 3 major contracts that are captured as part of this analysis.

Table 1 – Analysis period

| Contract | Analysis Period |
|-------------------|------------------------|
| Print Contract | 44 months |
| Cellular Contract | 48 months |
| Desktop Contract | 30 months |

Chart 1 illustrates the annual savings as of December 31, 2014 for the network printer, cellular and Desktop Contracts.

Chart 1 – savings realized through negotiation and management of Network Printer, Cellular and Desktop contracts



Charts 2, 3 and 4 highlight the annual spend for each contract compared to the baseline.

Chart 2 – Annual Spend Comparison – Printer Contract

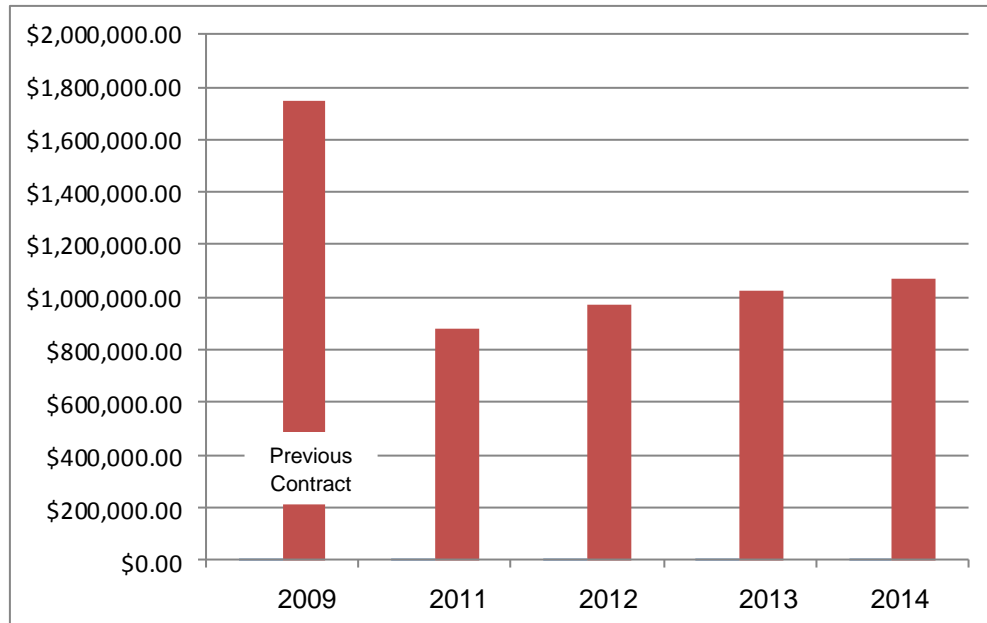


Chart 3 – Annual Spend Comparison – Cellular Contract

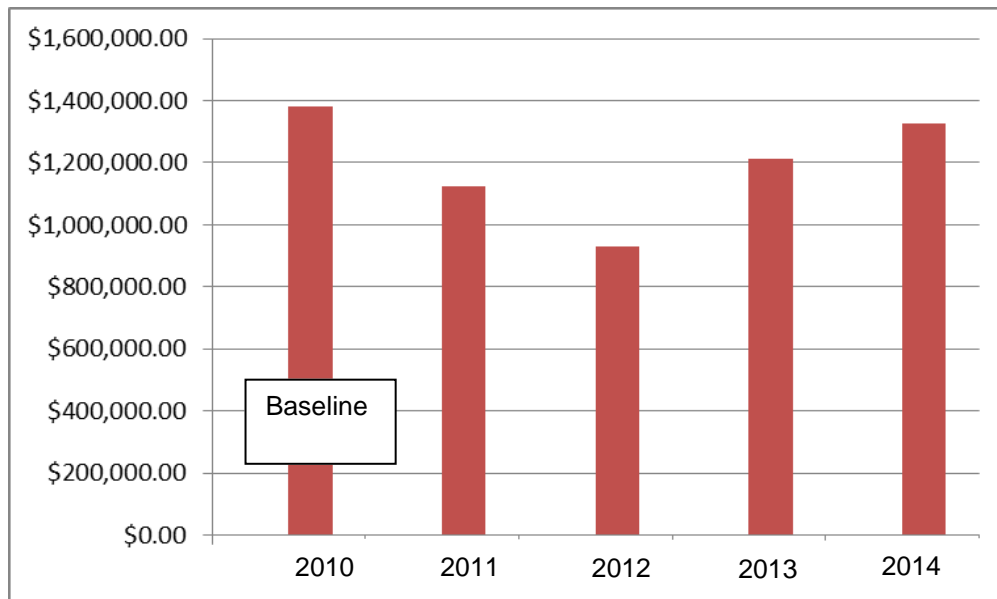
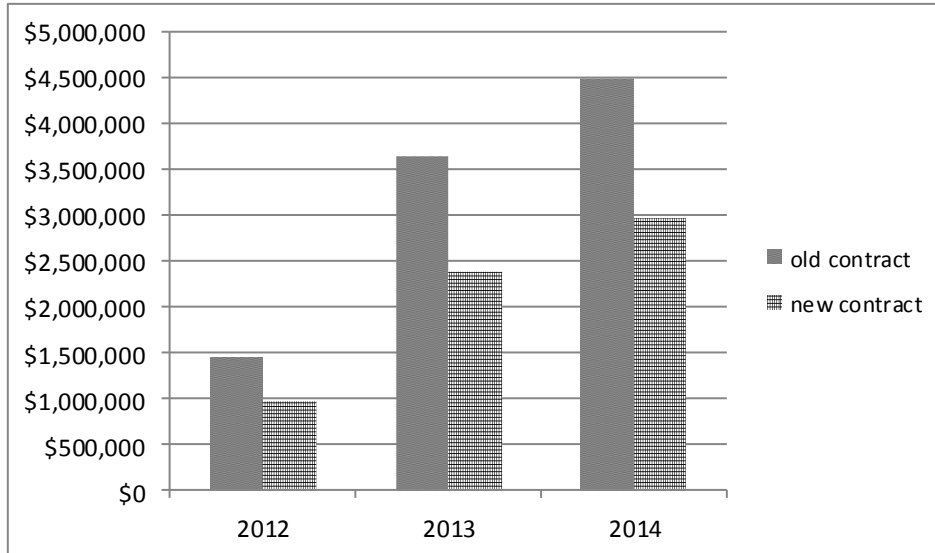


Chart 4 – Cumulative Spend Comparison – Desk Top Contract



Appendix A of report FCS15020 provides some additional detail on each of the above corporate contracts.