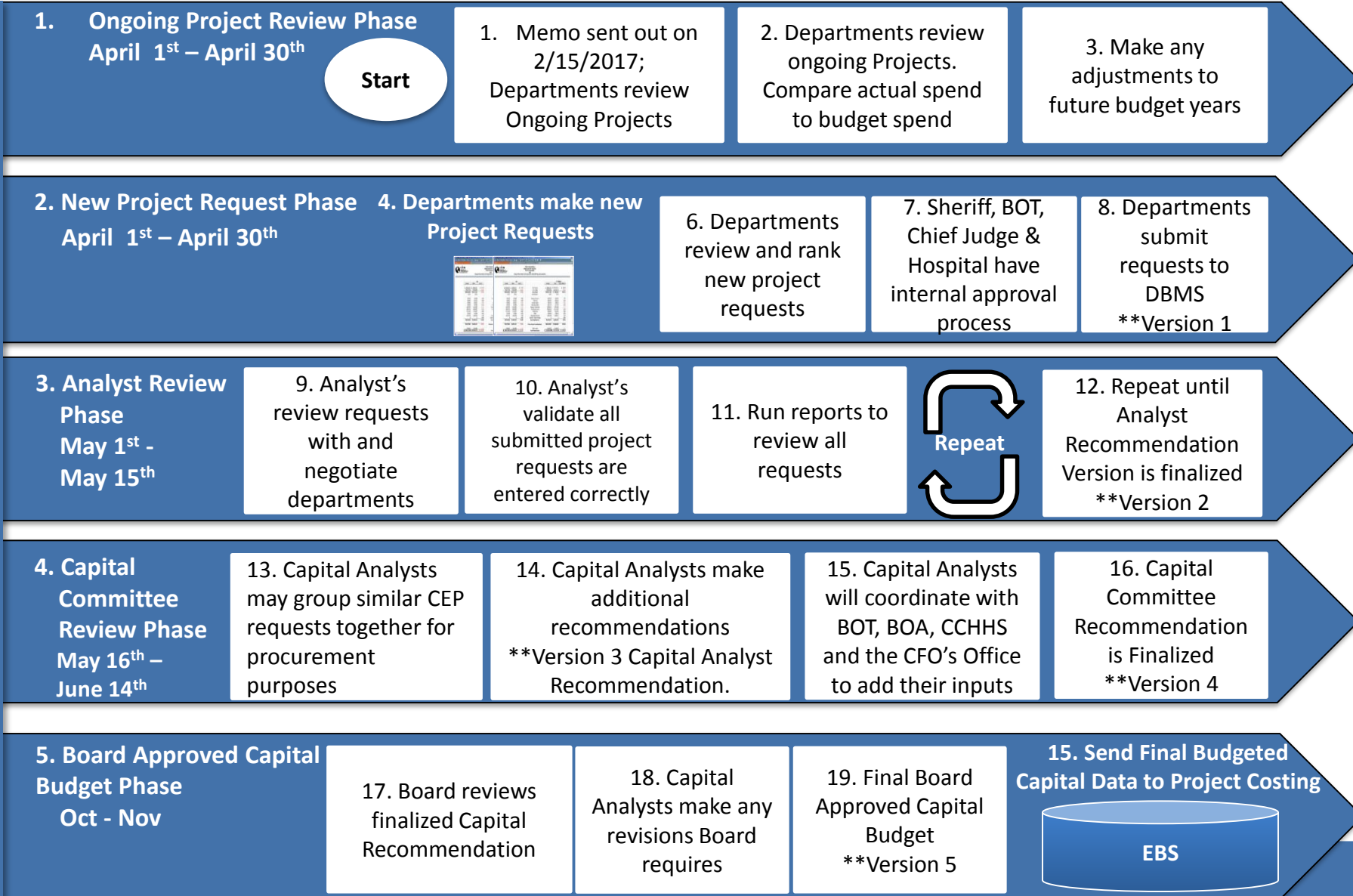


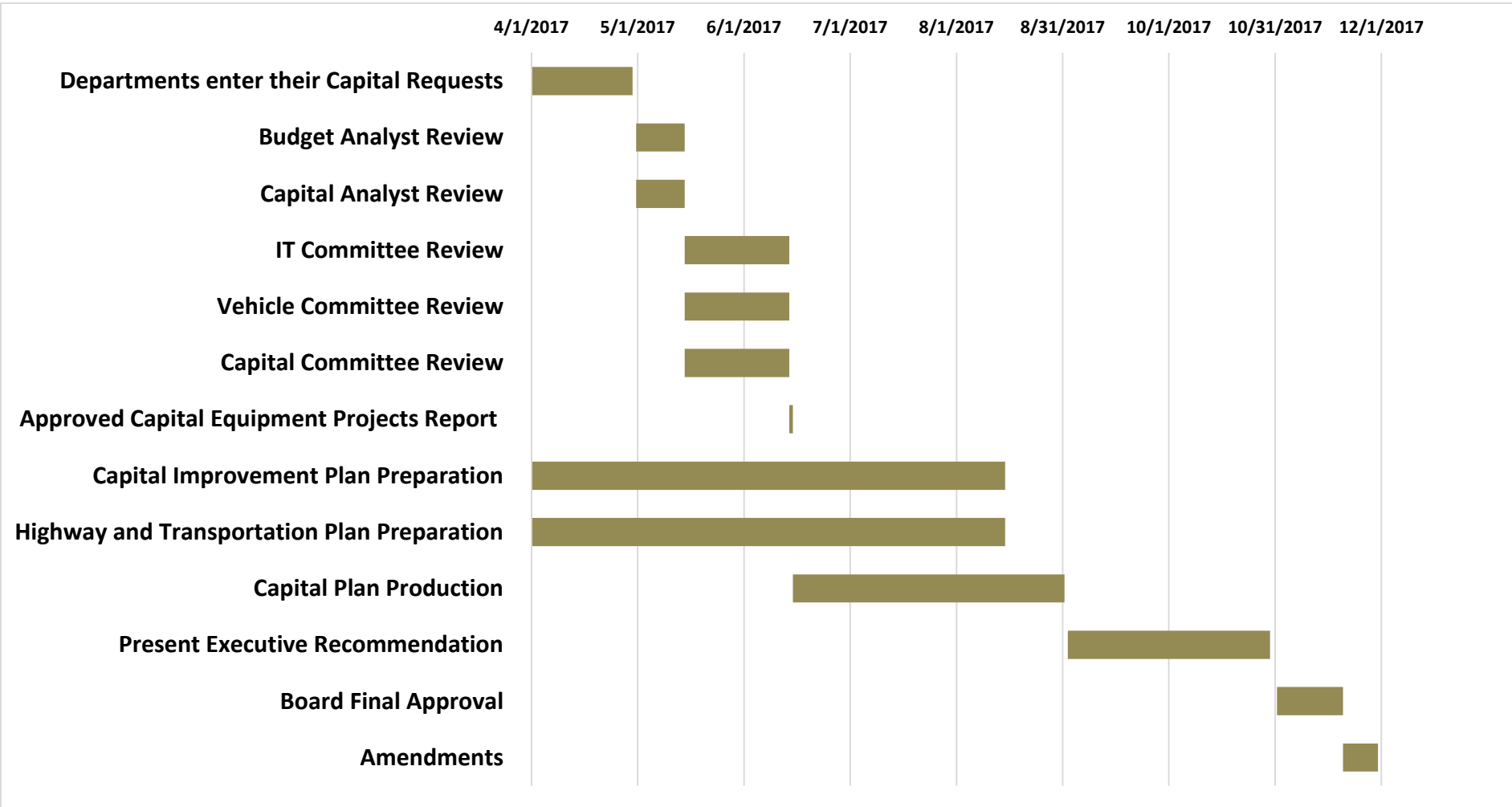


Capital Equipment (CEP) W2 Capital Budgeting Process Change Impact Analysis

March 7, 2017







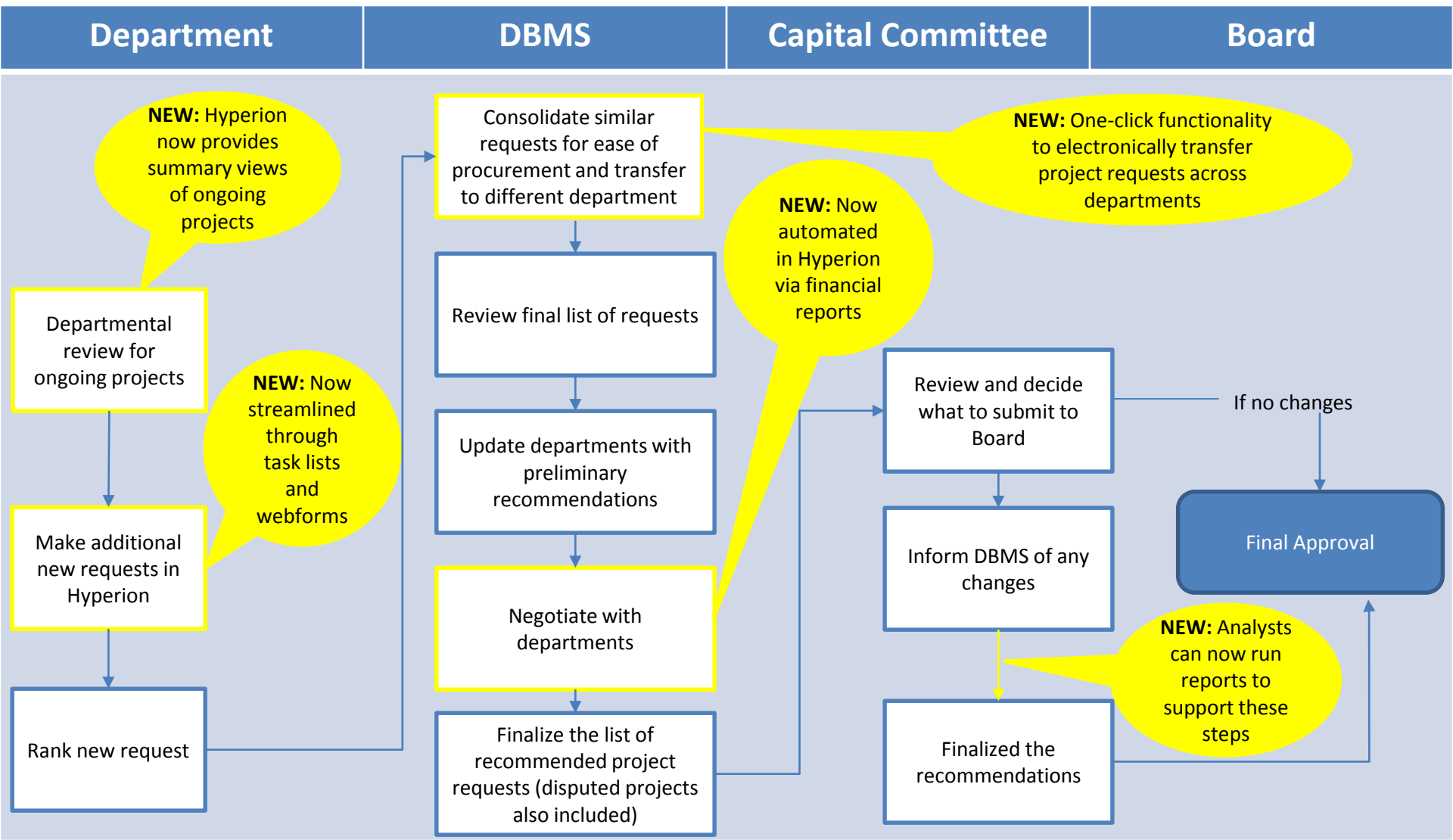
Capital Budgeting Process

What will be different?

1. **Hyperion will replace the Budget Request (BR) System** for capital requests
2. **Unique workflows** will exist for Capital Equipment (CEP), Capital Improvement (CIP) and Department of Transportation (DOT)
3. CIP and DOT project types will now go through the **same approval process** as CEP projects.
4. **DOT project requests** will now also go through a review with the Department of Business and Management Services (**DBMS oversight**).
5. **DOT** will continue to use **an Excel spreadsheet** (as a supplement to the new Hyperion process) **for project tracking**.
6. Initial **comprehensive CIP project details** extracted from Projecto will be entered into Hyperion instead of BRS.

What does this mean to my organization?

1. Budget Analysts review and recommend Capital Equipment Projects to Capital/IT/Vehicle Committee
2. Negotiations will be performed on Budget Analysts & Department level
3. DCP/CC/ DOT will load only recommended Capital Improvement projects in Hyperion
4. Budget Book will be generated by Hyperion, only narrative section will be edited by respective Analyst
5. Maintenance and/or additions of the projects will be performed in EBS/Oracle and interfaced back to Hyperion during Budget season



Impacted Role	How The Role Will Change	
Budget Planner (Departments)	<p style="text-align: center;">Start</p>	<ul style="list-style-type: none"> • Use Hyperion to make project requests • Follow the submission timeline on slide 2&3 • Implement an extra approval sign-off for Sheriffs, Chief Judge, Hospital, Facilities, and BOT prior to submitting to DBMS • Review ongoing projects, specifically to compare Budget Requests to Actual Spend YTD and add additional changes/requests for more funding in the upcoming year • If an ongoing project has unspent dollars and the project is still in progress, the unspent dollars will have to be re-appropriated for the upcoming budget year. • If a completed or cancelled project has unspent dollars, funds cannot be re-purposed for another project. • When reviewing ongoing projects, departments should have a clear and concise idea of their expenditures for the following year. Meaning, they need to budget their expenditures on the lowest task level • For any discrete projects departments will have 2 years to spend the their appropriation. • Capital Projects are approved and appropriated on a yearly basis regardless of the total number of years of the project • Prior to submitting a new request, departments should work with the respective Budget Analyst on Cost/Benefit analysis (ROA & Efficiency) and present impact on operation budget analysis. • Departments are responsible to enter new project requests, justifications for the projects; project details broken down to the lowest task level possible • When preparing and rank requests, departments must include any impact on the operating budget, including costs that are not eligible for debt funding <p>Departments have to submit the following through Hyperion:</p> <ul style="list-style-type: none"> ✓ Technology and Vehicle inventory with replacement cycles ✓ Other equipment inventory with replacement cycles ✓ 5 year cash flow outlay associated with the amount and timing of capital projects ✓ Business Case with Cost/Benefit Analysis <ul style="list-style-type: none"> • Submit budget via Hyperion for approval • Add Task Budgets after projects are interfaced to EBS
	<p style="text-align: center;">Stop</p>	<ul style="list-style-type: none"> • Over budgeting for projects • Carry over prior year appropriations for inflight projects • Sharing information via Excel Sheets. All notes from Analysts will be captured in Hyperion • Reviewing/presenting projects to Capital/IT/Vehicle Committee
	<p style="text-align: center;">Continue</p>	<ul style="list-style-type: none"> • Departments have to review the capital eligibility list and pick the correct funding source(s) for each requested item

Impacted Role	How The Role Will Change
Budget/Capital Analyst (DBMS)	<p style="text-align: center;">Start</p> <ul style="list-style-type: none"> • Use Hyperion to review and recommend projects submitted by its respective department Ongoing Projects Review: <ul style="list-style-type: none"> • If departments have not exhausted most of their appropriation for the current year, Budget Analysts should make sure they are not overstating requests for the following year • Budget Analysts should provide recommendation for each request New Projects Review: <ul style="list-style-type: none"> • Work closely with Departments on each project's Cost/Benefit Analysis in order to make a recommendation to fund it • Appropriation amount should be equal to amount of funds expected to be spent in the upcoming budget year, including multi-year projects • Analysts should pay close attention to the type of funding - debt funded projects have to be capital eligible and broken down by cost categories • After working closely with departments on each project, Budget Analysts should provide a recommendation in Hyperion • All Budget Analyst recommendations will be visible to departments at any point of the review (see reporting screenshot in the next slide) • Projects that are rejected, will be deleted automatically after the board's review • The Budget Analysts' recommendations are reviewed by the Capital Analysts • Capital Analysts will prioritize requests within available resources & ensure compatibility with the County's long-term strategic plans • Capital Analysts may group similar CEP requests together for procurement purposes • Capital Analysts may work with other Analysts and Departments to make additional adjustments to their Capital Project Requests • Capital Analysts have "Write" access to all departments and all requests at all times • Capital Analysts will coordinate with BOT, BOA, CCHHS and CFO's Office to analyze all requests that fall under each respective department • Finalize list of DBMS recommended CEP requests and any disputed projects are then sent to the Capital Committee • The Capital Committee reviews DBMS recommendations and decides what to send to the Board for final approval • The Capital Analysts are responsible for making all changes within the Hyperion CapEx Application by June 14th and share the report with all departments, this then becomes the Capital Recommendation Version • When departments submit their Capital Requests, Budget Analysts will have "Read/Write" access to all departments • For ongoing projects, Budget Analysts need to make sure the request is broken down by available categories of cost • Budget Analysts should check its funding source: <ul style="list-style-type: none"> ✓ In cases of debt funding, the requested items must be capital eligible ✓ In cases of SPF, have SPF number noted in the description field
	<p style="text-align: center;">Stop</p> <ul style="list-style-type: none"> • Loading GL String to EBS • Sharing information via Excel Sheets. All notes from Analysts will be captured in Hyperion
	<p style="text-align: center;">Continue</p> <ul style="list-style-type: none"> • N/A



Impacted Role	How the Role Will Change	
Capital Committee & Vehicle Steering Committee & IT Committee	Start	<ul style="list-style-type: none"> Reviewing only recommended Capital Equipment Projects by Budget Analyst
	Stop	<ul style="list-style-type: none"> Meeting with departments on CEP Requests
	Continue	<ul style="list-style-type: none"> Supporting County strategic priorities, such as centralized vehicle management, reuse of equipment in good condition, standardizing County computer hardware and software Achieving operational savings and process efficiencies to support the departments core functions Achieving strategic savings through Cook County contracts Creating an achievable implementation plan Reviewing vehicle requests to ensure compliance with County's requirements for new and replacement vehicles Performing an assessment for each request, in which criteria such as vehicle utilization, odometer readings and fleet age are analyzed Reviewing vehicle surveys provided by the respective department