



Department of Administration
Information and Technology
Management Division

October 1, 2002

John O. Norquist
Mayor

Michael J. Soika
Administration Director

Randolf A. Gschwind
Chief Information Officer

To: The Honorable Common Council

Attn: Anthony Zielinski, Council Administration Manager

From: Randolf Gschwind, Chief Information Officer *Randy*

**Re: Status Report on File No. 020102
Substitute resolution supporting the City of Milwaukee and Milwaukee
Public Schools working together to examine the potential for reducing
costs including, but not limited to licensing, upgrade and support fees
charged by PeopleSoft.**

On May 28, 2002, the City Clerk certified the above resolution, which specifies that DOA-ITMD should work with Milwaukee Public Schools and other City departments as appropriate and submit a report of findings to the Common Council. This is a status report and plan and schedule for future activities.

The City of Milwaukee (COM) runs both the Financial and the Human Resources applications of PeopleSoft, while Milwaukee Public Schools (MPS) runs only the Human Resources (HR) applications. The COM and MPS run different versions of the HR application, and the COM is in the final stages of an upgrade to the web version of the application. The COM and MPS also have modified these applications in various ways, depending mostly on reporting requirements and union contracts that affect how the applications must work for the two agencies. The COM has a policy and is actively pursuing, in the current upgrade, a reduction in the number of modifications, as this will make the applications less costly to support in the future. MPS does not currently have such a policy.

Regarding licensing and support, the COM is renegotiating its contract with PeopleSoft for a three-year period, and actively trying to achieve reduction in the quoted pricing from the company. MPS has stated that it has bare bones support for PeopleSoft applications and is facing the loss of support for its current version of the HR application by the middle of 2003. MPS is, therefore, planning to upgrade by the beginning of 2004, however, funds have not yet been budgeted, and an upgrade plan has not been prepared.

The COM is researching the ASP (Application Service Provider) marketplace in order to determine if the PeopleSoft applications could be run more efficiently and effectively by outsourcing (hosting) them. MPS is interested in this approach.

Thus far, one meeting has been held between COM and MPS personnel to discuss issues of mutual interest. There seems to be interest in collaborating. Topics for further research on a joint basis have been identified as follows:

- Negotiation of license and support fees
- Joint upgrades and knowledge sharing regarding upgrades
- Joint RFP creation for a possible outsourced/hosted solution

A proposed schedule of activities is as follows:

Last quarter of 2002 (October – December)

- Get high level staff commitment to collaborate on PeopleSoft issues
- Prepare MOU
- Assess interest in joint RFP for hosting
- Explore joint licensing possibilities

First quarter of 2003 (January – March)

- Prepare RFP for hosting (COM or joint)
- Get policy approval for hosting approach
- MPS upgrade HR either with consultant or as part of a hosting RFP
- COM prepare for Fin upgrade either with consultant or as part of a hosting RFP

Report submitted by Randy Gschwind, Chief Information Officer, City of Milwaukee
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