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AGREEMENT ON THE FUTURE OF CITYTIME

NEW YORK, NY – City Comptroller John C. Liu stated the following in response to questions concerning today’s agreement with the Mayor’s Office on the operation of the CityTime system after the expiration of the contract with Science Applications International Corporation (SAIC) on June 30, 2011. The agreement calls for a gradual transfer of the management of the system from outside consultants to city employees for a savings of more than \$20 million per year.

“This transition is possible because of the significant progress achieved due to the new paradigm we established in September forcing the project on the right track at no further expense to taxpayers to build the system. But make no mistake, the rapid completion of the project over nine months does not make up for fraud of epic proportions that has taken place over the past decade. As we move forward, it is my hope that the city will be able to recoup every dollar stolen from taxpayers, and that the administration will continue to cut down on the use of outside consultants.”

The agreement was formalized with the passage of a resolution today by the Board of Directors of the Financial Information Services Agency (FISA), which is overseeing the CityTime project. FISA is jointly controlled by the Mayor and Comptroller, as defined by the City Charter. The resolution contains the following:

1. Payment of the outstanding funds owed to SAIC will not be made until the relevant agencies clear SAIC from any wrongdoing and FISA’s Board agrees that payment should be made. (*See below)
2. The Transition Staffing Plan will result in immediate savings of approximately \$20 million per year and will be as follows:
 - Approximately 71 Consultants will be eliminated and 83 Consultants will be retained and be subject to extensive background checks conducted by an independent third-party.
 - The 83 Consultants will be phased out and replaced by City employees at a rate of approximately 20 employees per year.
 - Quality Assurance and Systems Implementation vendors will be retained as necessary to reduce risk and provide limited advisory services.
3. A competitive Request for Information (RFI) process will be launched in January of 2012 that may identify an alternative electronic timekeeping system.

4. There are an estimated 20,000 employees (out of approximately 163,000 users) that only have access to the DCDs (hand scanning time entry devices). FISA will work to provide these employees with alternative options by December 31, 2011.
5. Deputy Mayor Goldsmith will continue to work on the remaining deployment and assist with operational issues that may arise.

(*A September 28th agreement stopped all payments to SAIC for the completed implementation and deployment of CityTime. Upon full and timely completion of the installation, the City was scheduled to pay SAIC up to \$32 million dollars for maintenance and support costs from Sept. 30, 2010 through June 30, 2011.)

CityTime currently has approximately 163,000 employees using the system, up from 73,000 employees in September of 2010.

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