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# *Statement of Work*

Review of Resource Scheduling at  
Saskatoon Transit

Submitted by PwC on July 12, '16  
for July 18, '16 SPCF Public Meeting



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## 1. *Scope, Approach & Limitations*

The overall scope of the engagement is to review the resource scheduling process and identify improvements with respect to how to efficiently utilize current technology and/or enhance current processes to minimize operating costs. In order to do so, we will conduct a current-state assessment (as described below) over the transit division. The current-state assessment will address:

- Resource scheduling process and integration of spare board employees;
- Current technology and opportunities to improve resource scheduling process;
- Route cutting and overtime cost impact;
- Benchmark industry or other municipality key performance indicators relevant to a transit authority; and
- Comparison of coverage based transit model to other acceptable industry or municipality standards.

The current-state assessment will also delve into the following details of resource scheduling at Saskatoon Transit:

- Current state assessment of resource scheduling processes;
- Review of past three years operating costs and performance levels;
- Impact of current coverage based strategy on future outlook, growth and sustainability;
- Ratio of required spare boards to regular employees;
- Cost of spare board employees and their utilization; and
- Dispatching spare boards and comparison with industry or municipality standards.

The engagement will incorporate whether or not the current process for resource scheduling utilizes an efficient methodology, one that is held to industry or municipality best practices. It will also provide a look into the effectiveness of the current process and its ability to meet stated goals and objective.

PwC will also conduct a best-practices assessment (utilizing standards from industry and other comparable municipalities). We will provide a summary of best practices across comparable cities' transit divisions (specifically addressing management of spare boards). PwC will compare and contrast the current-state assessment to the best-practices assessment in order to identify opportunities for improvement.

For the purposes of this project, we expect to work with Saskatoon Transit and the Corporate Risk division at the City of Saskatoon. The review will include but not be limited to in-scope areas identified above and will include reviewing available information (i.e. operational and financial data) from 2013 through 2015 in order to (information permitting):

- Identify opportunities to enhance the resource scheduling process;
- Identify positive themes and observations;
- Identify efficiency gaps and provide advice to enhance resource scheduling and staff utilization; and
- Identify current constraints with respect to resource scheduling.

## 2. *Timeline and Deliverables*

Dates are estimates and may change, based on availability of information and both City of Saskatoon and PwC resources.

<b>Deliverable</b>	<b>Details</b>	<b>Projected Delivery Date</b>
<b>Preliminary Observations and Recommendations to Review</b>	Positive themes, key observations, risks and recommendations from the review will be discussed with the key contacts from Transit: Jim McDonald, Mike Moellenbeck, Cory Shrigley, and Harold Matthies.	September
<b>Draft Report to Management</b>	Draft report provided for management review and feedback. To be provided to Jim McDonald, Nicole Garman, and Jeff Jorgenson.	October
<b>Final Report to SPCF</b>	Final report to SPCF in-camera during a 10-15 minute presentation followed by question period.	November
We will communicate bi-weekly to key personnel to keep everyone apprised of our progress and will arrange additional status update meetings as necessary to discuss any issues which may arise.		

## 3. *Key Contacts*

The key contacts for this project are:

- Mike Moellenbeck, Operations Manager, Transit Division
- Cory Shrigley, Customer Support & Engagement Manager, Transit Division
- Harold Matthies, Transit IT Coordinator, Transit Division
- Jim McDonald, Director, Transit Division
- Nicole Garman, Director of Corporate Risk
- Jeff Jorgenson, General Manager of Transportation & Utilities

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## 4. Budget

Our fees are based on actual hours incurred by PwC staff, at the below agreed upon hourly billing rate in the Internal Audit Services Agreement dated January 1, 2015. In accordance with the approved 2016 Internal Audit Plan, we estimate that our fees for the completion of our services under this Statement of Work will be \$70,000 plus out of pocket expenses and applicable taxes, which will be charged on an actual basis.

<b>Role</b>	<b>Expected Hours</b>
Engagement Partner	30
Quality Assurance Partner	15
Engagement Manager	150
Senior Auditor	115
Auditor	115
<b>Total</b>	<b>425</b>