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Undertaking #8

Please list the Physical Damage Re-engineering (PDR) projects that have been cancelled, the original budget that was allocated to those cancelled projects (7). Also, where did the budget allocation go? As estimate compared to actual?

RESPONSE:

Figure 1 identifies the cancelled Physical Damage Re-engineering (PDR) projects, the reallocated budgets of those projects and the actual life to date spend on those projects.

Figure 1 - Cancelled PDR Projects (\$)

Line No.	PDR program category	Project Name	Budget	LTD	
				Actuals	Reallocation
1	Optimized Repair	Out of Province Estimating	774,144	-	Optimized Repair Projects
2	Optimized Adjusting	FNOL - Self Service Analytics	890,096	-	Unallocated Budget
3	Optimized Repair	Towing	199,584	-	Unallocated Budget
4	Optimized Adjusting	Enhanced Registration Card	1,324,410	611	Optimized Adjusting Projects
5	Optimized Adjusting	Enhanced Acc Profiling	1,932,809	-	Unallocated Budget
6	Optimized Repair	Body Integrity Inspection Certificate (BIC) and Certificates of Inspection	2,559,012	-	Unallocated Budget
7	Optimized Repair	Shop Relationship Management - Part II	3,599,064	-	Unallocated Budget
8	Total Budget of Cancelled Projects		11,279,119	-	
9					
10	Out of Province Estimating & Enhanced Registration Card - budget reallocation amounts ¹		2,098,554		
11	New Unallocated PDR Program Budget Forecast as of March 2017 ²		3,965,328		
12	Unallocated Budget Balance ³		5,215,237		

¹ Project budget dollars have been specifically reallocated to stated PDR components of the program

² New Unallocated PDR Program Budget Forecast as of March 2017 - as depicted on *Volume I Physical Damage Reengineering Appendix A Gartner Report - Page 20*
Note: there is a known difference between PDR unallocated budget of \$3,225,422 and PDR unallocated budget forecast of \$3,965,328

³ Unallocated Budget Balance (see Exhibit B) the Unallocated Budget Balance has been re-allocated to various remaining components of the PDR Program

Figure 2 identifies the 'old' versus 'new' budget for the PDR portfolio of projects and depicts the re-allocation of funds where deemed necessary to meet project scope and timelines. Further details are provided in *Volume I Physical Damage Reengineering Appendix A Gartner Report*.

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Figure 2 – PDR Budget Reallocation (\$)

Line No.		Old Budget 2016/17 (a)	LTD Feb 2016 (b)	New Budget 2016/17 (c)	Budget 2017/18 (d)	Budget 2018/19 (e)	Total New Budget (f)	Old vs New Budget (a)-(f)
1	Customer Claims Reporting System	14,744,435	7,430,421	3,609,627	3,000,000	9,347,993	23,388,041	8,643,606
2	Optimized Adjusting Project	5,307,258	5,306,058	-	-	-	-	
3	Interim FNOL and Adjusting Model	9,437,177	2,124,363	3,609,627	-	-	-	
4	Appointment Manager Project	-	-	-	1,365,116	-	1,365,116	1,365,116
5	Enhanced DR Capabilities:	1,361,084	-	389,000	1,061,000	-	1,450,000	88,916
6	PDR - CarPartsPro	1,361,084	-	289,000	111,000	-	400,000	-
7	Loss of Use	-	-	100,000	550,000	-	650,000	-
8	DE Level 2	-	-	-	400,000	-	400,000	-
9	Partner Portal	-	-	1,004,500	630,500	-	1,635,000	1,635,000
10	Program Management	16,804,046	8,265,068	8,665,634	250,000	-	17,180,702	376,656
11	PD Re-engineering – Program Management	8,244,707	3,781,658	-	-	-	-	-
12	PDR - Enhanced Registration Card	1,324,410	611	-	-	-	-	-
13	PDR - Shop Accreditation and Negotiation	1,412,813	222,943	-	-	-	-	-
14	PDR - Shop Relationship Mgmt Part 1	674,680	561,953	-	-	-	-	-
15	PDR - Mitchell Claims Workbook	278,208	88,721	-	-	-	-	-
16	Website Re-design Phase 2	4,389,829	3,142,131	-	-	-	-	-
17	PDR – Business Re-Visioning	479,399	467,051	-	-	-	-	-
18	Contingency	-	-	3,188,328	-	-	-	-
19	Remote Estimating	2,012,924	44,355	717,760	393,960	-	1,156,075	(856,849)
20	New PDR (sum lines 1,4,5,9,10,19)	34,922,489	15,739,844	14,386,521	6,700,576	9,347,993	46,174,934	11,252,445
21	Optimized Repair Projects Total:	16,591,172	14,010,736	-	-	-	16,202,904	(388,268)
22	Optimized Repair - Collaborative Estimating	10,847,127	10,756,645	-	-	-	-	-
23	JSSST	122,000	53,831	-	-	-	-	-
24	Optimized Repair - Distributed Estimating	4,765,764	3,118,123	-	-	-	-	-
25	PDR – Interim Shop Search	82,137	82,137	-	-	-	-	-
26	Optimized Repair - Out of Province Estimating	774,144	-	-	-	-	-	-
27	Shop Training Management	1,683,612	-	moved to Corporate Learning Management				(1,683,612)
28	PDR Phase 1&2 Total	3,107,934	3,107,934	-	-	-	3,107,934	-
29	Unallocated Budget	9,180,565						(9,180,565)
30	Enhanced Acc Profiling	1,932,809	-					
31	Self Service and FNOL	890,096	-					
32	SSA - Part 2	3,599,064	-					
33	Towing	199,584	-					
34	BIIIC & COI Full	2,559,012	-					
35	Total (sum lines 20,21,27,28,29)	65,485,772	32,858,514		6,700,576	9,347,993	65,485,772	-
36	Difference Old vs New Budget (f)-(a)							-