

General Manager Regular Item# 070686

Financial Management Information System Replacement Project

City Commission Presentation

November 26th, 2007

Outline

- ❑ FMIS Project Overview
- ❑ Partner Selection Process
- ❑ Fiscal Impact
- ❑ Project Plan
- ❑ Staff Recommendation

FMIS Replacement Project

- ❑ Implement new Financial Management Information System in SAP
 - ❑ Core Financials
 - ❑ General Ledger
 - ❑ Accounts Payable
 - ❑ Accounts Receivable
 - ❑ Utility Asset Accounting
 - ❑ Purchasing
 - ❑ Inventory

Current Condition

- ❑ Existing system implemented in 1999
 - ❑ Decision point: Must Upgrade or Replace
- ❑ Existing system limitations
 - ❑ Combined Financial Statements
 - ❑ By System Financial Statements
 - ❑ Monthly Operating Reports (O&M actual vs. budget expenditures)
 - ❑ Quarterly Financial Statements and Statistical Reports
 - ❑ Business Unit View
 - ❑ Preparation vs. Analysis (Value-Added Activities)

Benefits

- ❑ Evaluate, Establish, and Adopt Best Practice Business Processes
- ❑ Integrated Data and Reporting
- ❑ Automate Multiple Manual Processes
- ❑ More Timely Reporting
- ❑ Seamless Integration with Billing System
- ❑ Ability to Interface with Other Operating Systems

Partners



Selection Activities

April	<ul style="list-style-type: none">■ AAC/GRU began implementer selection activities■ Conducted Project Kickoff
May	<ul style="list-style-type: none">■ Developed Functional Requirements
June	<ul style="list-style-type: none">■ Created Demo Scripts■ Conducted Drill Down Sessions
July	<ul style="list-style-type: none">■ Conducted Executive Drill Down Sessions■ Finalized Functional Requirements (> 1,400 items)■ Developed Comprehensive RFP■ Core Financial, Purchasing and Inventory (stores)

Selection Activities

August	<ul style="list-style-type: none">■ Issued RFP to 11 implementers■ Conducted Discovery Sessions
September	<ul style="list-style-type: none">■ Received 5 Implementer Responses■ Short-listed 3 Implementers■ Implementer Presentations■ Conducted Reference Checks
October	<ul style="list-style-type: none">■ Selected An Implementer Finalist■ Conducted Detailed Drill Down

Summary of Implementers

GRU provided the RFP to any Implementer that was interested in participating in the procurement process



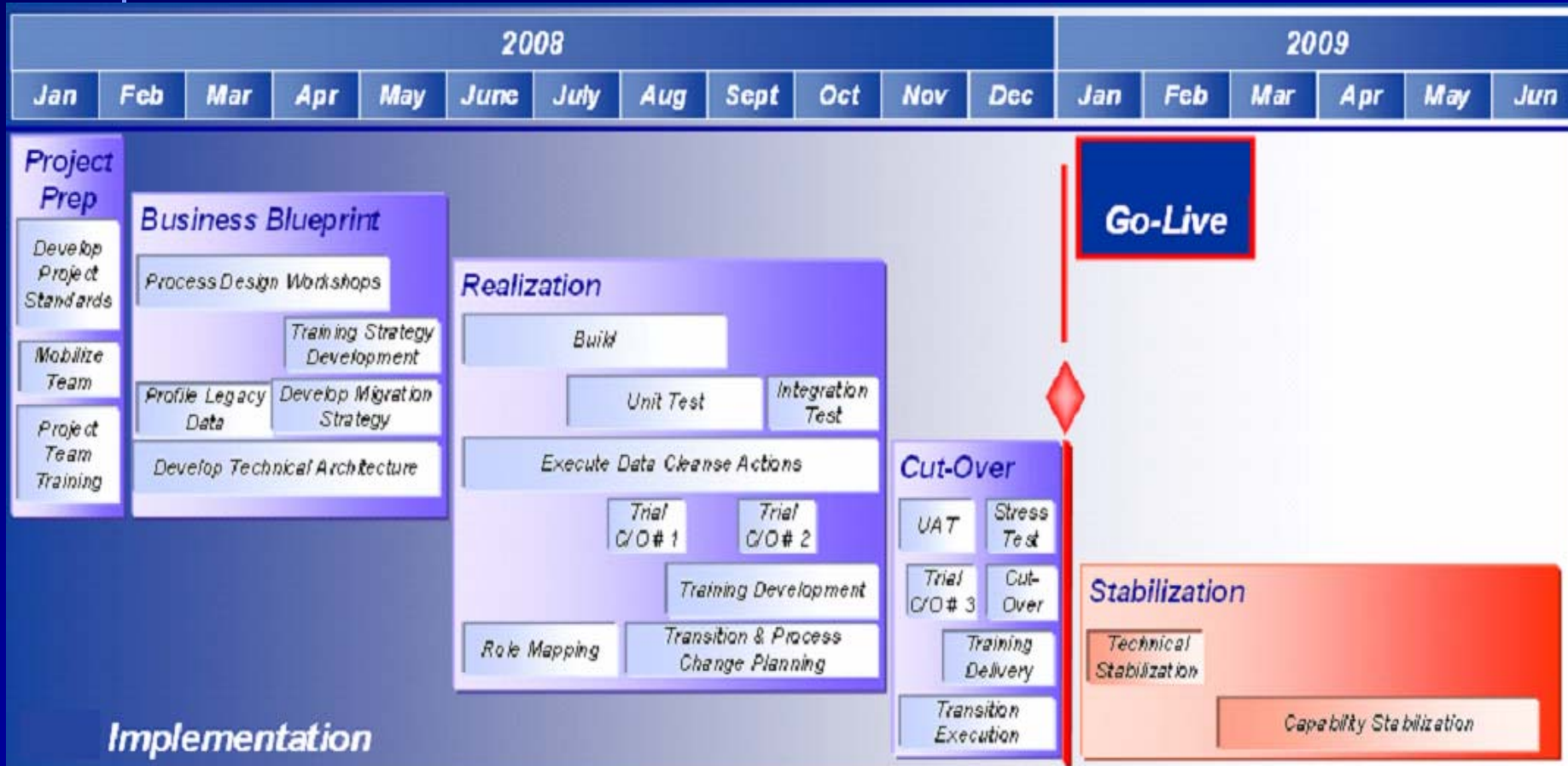
The following vendors chose not respond:

- Accenture
- Ariston Consulting & Technologies, Inc.
- Bearing Point
- Black & Veatch
- IBM
- IDS Scheer

Next Steps

November	<ul style="list-style-type: none">■ City Commission Presentation and Approval■ Implementer Contract Negotiations■ Develop and Agree to:<ul style="list-style-type: none">– Master Services– Statement of Work– Other related documents■ Sign SAP License Agreement
December	<ul style="list-style-type: none">■ Sign Contracts

Implementation Timeline



Fiscal Impact

- Project will span FY08 and FY09
- Both Capital and O&M costs for this project are included in the approved FY08 Budget
- Project completion will require funding in FY09 Budget
- Seeking approval for staff to negotiate with third party implementer (\$6.38M) and software license provider (\$1.2M)

Recommendation

The City Commission:

- 1) Authorize the General Manager, or her designee, to negotiate and execute a contract with Axon Solutions, Inc., to implement a new Financial Management Information System, subject to the approval of the City Attorney as to form and legality; and
- 2) Authorize the General Manager, or her designee, to negotiate and execute a software license and maintenance agreement with SAP, subject to the approval of the City Attorney as to form and legality; and

Recommendation

(Continued)

The City Commission:

- 3) Approve the issuance of a purchase orders to Axon Solutions, Inc. and SAP in not to exceed amounts of \$6,380,000 and \$1,200,000, respectively; for the Financial Management Information System; and
- 4) Authorize staff to procure various services, equipment and materials, as required, to implement the FMIS replacement project as budgeted, subject to the appropriation of funds each fiscal year.