# Critical Business Systems

## November 6th, 2014

### Item #140466

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# Agenda

- History of SAP
- Current and proposed systems
- Timeline and Budget
- Next steps
- Recommendations

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# SAP History

- 2005 – 2007

    Customer Care System implemented on SAP version R/3.  This system is commonly referred to as the CCS system.

- 2008 – 2009

    Financial Systems implemented on SAP version ECC 6.

    This system is commonly referred to as the FMIS System.

# SAP

Billing and Customer Service (CCS)

Financials (FMIS)

# SAP

Billing and Customer Service
(CCS)

Financials (FMIS)

| BI | XI | MI | CRM | CCS | FMIS |
|---|---|---|---|---|---|
| Reporting | Interface Connections | Field Services | Screens for customer reps | Main | Main |

# SAP

Billing and Customer Service (CCS)

Financials (FMIS)

| BI | XI | MI | CRM | CCS | | FMIS | |
|---|---|---|---|---|---|---|---|
| Reporting | Interface Connections | Field Services | Screens for customer reps | Main | | Main | |

Production Level

QA/Staging Level

Test Level

# SAP

## Billing and Customer Service (CCS)

## Financials (FMIS)

| BI | XI | MI | CRM | CCS | FMIS |
|---|---|---|---|---|---|
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**Production Level**

**QA/Staging Level**

**Test Level**

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# Critical Business Systems

- SAP Customer Billing System or Customer Care System (CCS)
  - Customer Data
  - Meter Data
  - Service Data
  - Address Data
  - Usage History
  - Billing Data

# Critical Business Systems

- SAP Financial Management Information System (FMIS)
  - General Ledger
  - Accounting
  - Purchasing
  - Capital Asset Accounting
  - Travel
  - Inventory
  - Corporate Reporting

# Business Needs

## Current

- CCS System version R3 no upgrades applied since 2007

- FMIS system ECC6 no service packs applied since 2009

- Monthly reconciliation between systems manually intensive and prone to error

- Highly customized inefficient processes and interfaces difficult to modify

## Proposed

- Both systems brought to current version on one platform

- Real time automatic reconciliation

- More use of Industry standard processes and less customization

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# Business Needs

## Current

- CCS and FMIS are separate and run on a very expensive Oracle database

- CCS on Windows Server 2003 out of support in 1 year

- Existing Mobil Asset Management (MAU) system is outdated and inefficient

- Getting financial data together is a manually intensive inefficient process

## Proposed

- Both systems integrated and run on HANA database

- Windows server 2012

- Other systems able to easily integrate with CCS

- Allows more options to integrate tools such as MAU

- Fully integrated systems that offer real time financial reporting by the business group

# Risks of Inaction

- Continue to move further out of support
- Fixes and modification will become increasingly difficult or impossible
- Continue to translate and interpret between both systems
- Manual data gathering and manipulation is error prone and can lead to bad decisions
- Will make further customer service enhancements difficult or impossible

CRM 4

Customer Service Screens

CCS

ORACLE

monthly recon file →

FMIS

HANA live

Edge BI reports

updates near real-time

nightly update

HANA sidecar

Edge BI reports

Utilisense reports

BI

BEx reports

ORACLE

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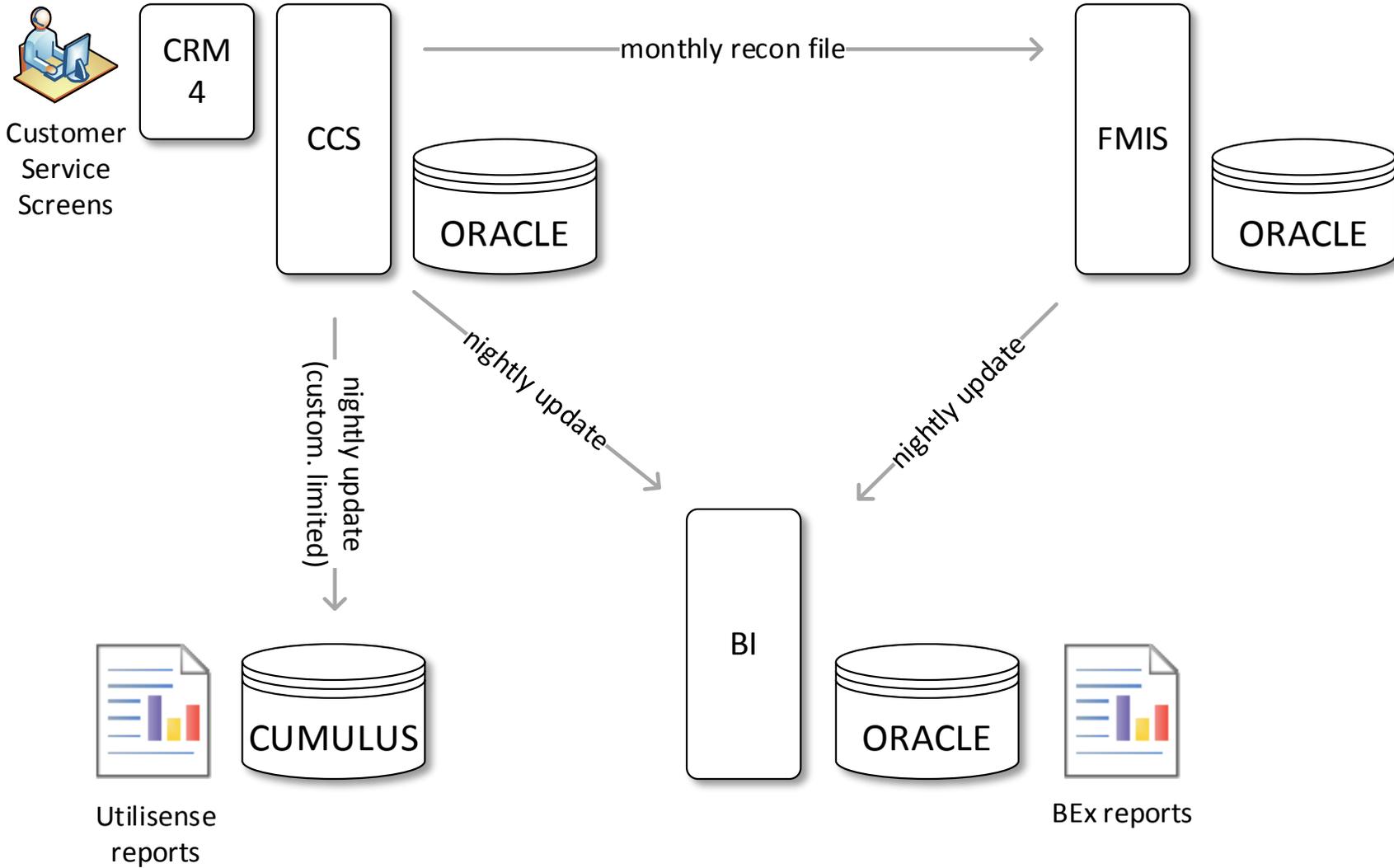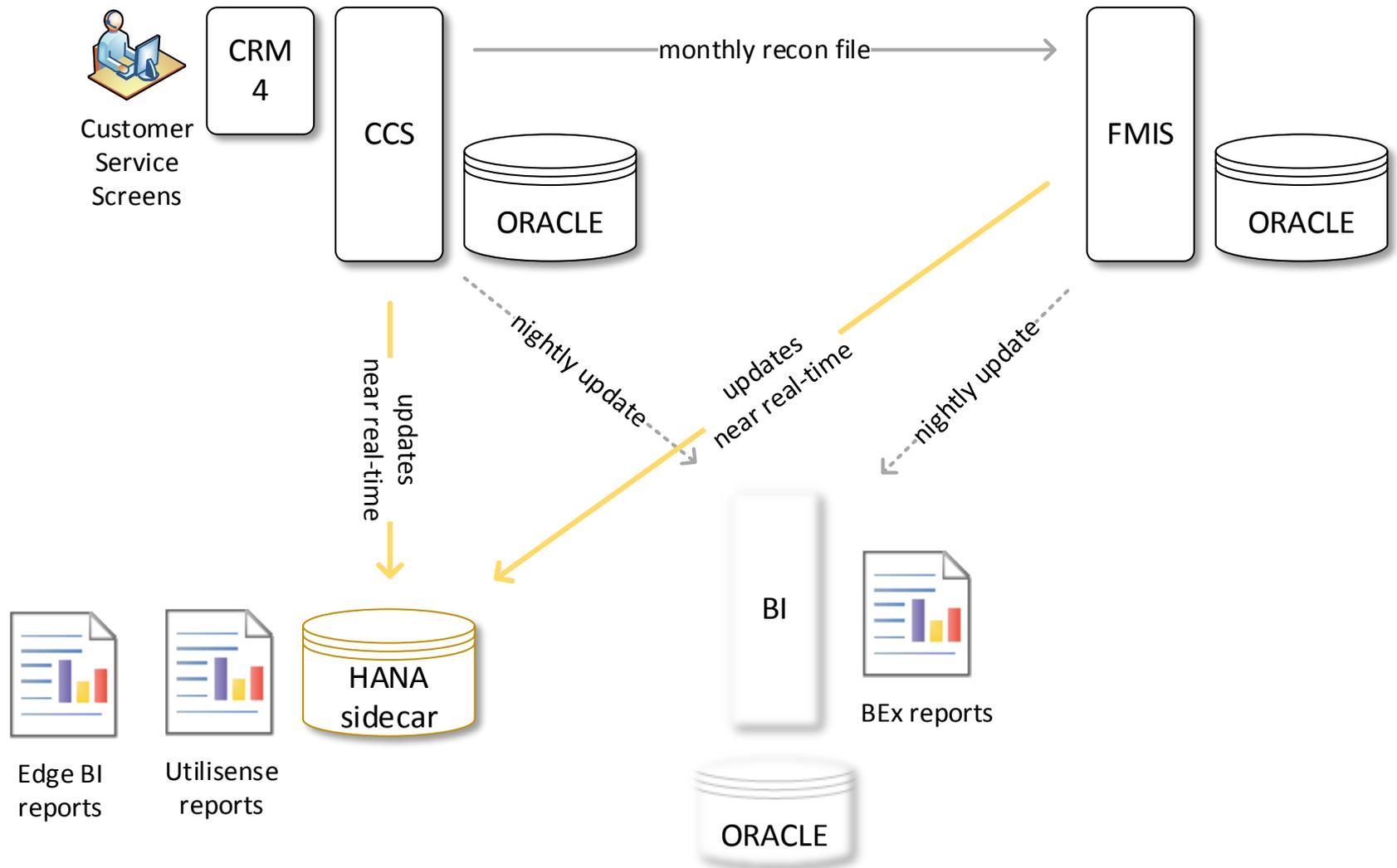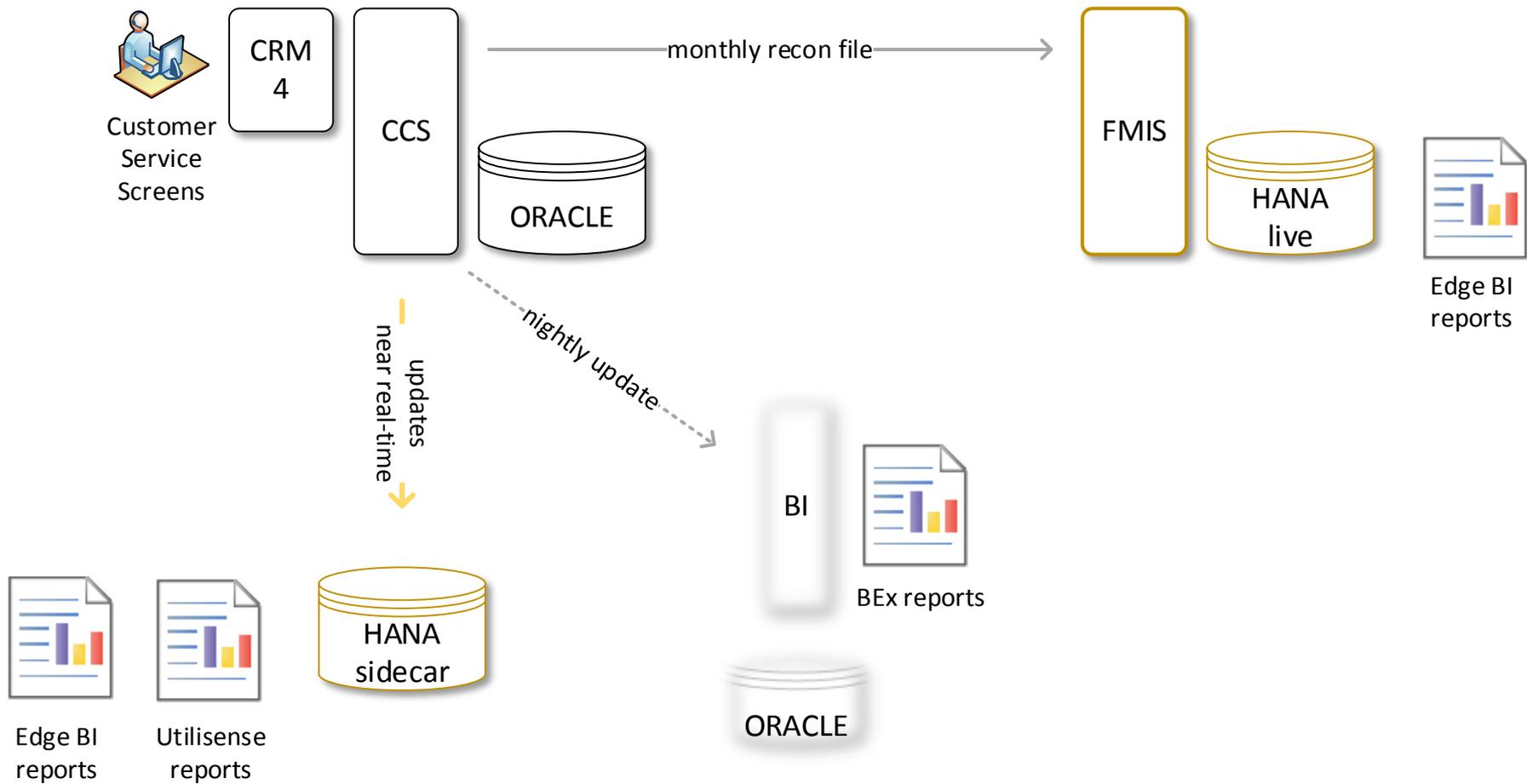
New Customer Service Screens

CRM -7-

CCS & FMIS

HANA live

Edge BI reports

Utilisense reports

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# Estimated Timeline



| FY 2014 | FY 2015 | FY 2016 | FY 2017 |
|---|---|---|---|

J J A S O N D J F M A M J J A S O N D J F M A M J J A S O N D J F M A M J J A S

**Planning**

**Design Study**

**Complete Step 1 (FMIS)**

**Complete Step 2 (CCS)**

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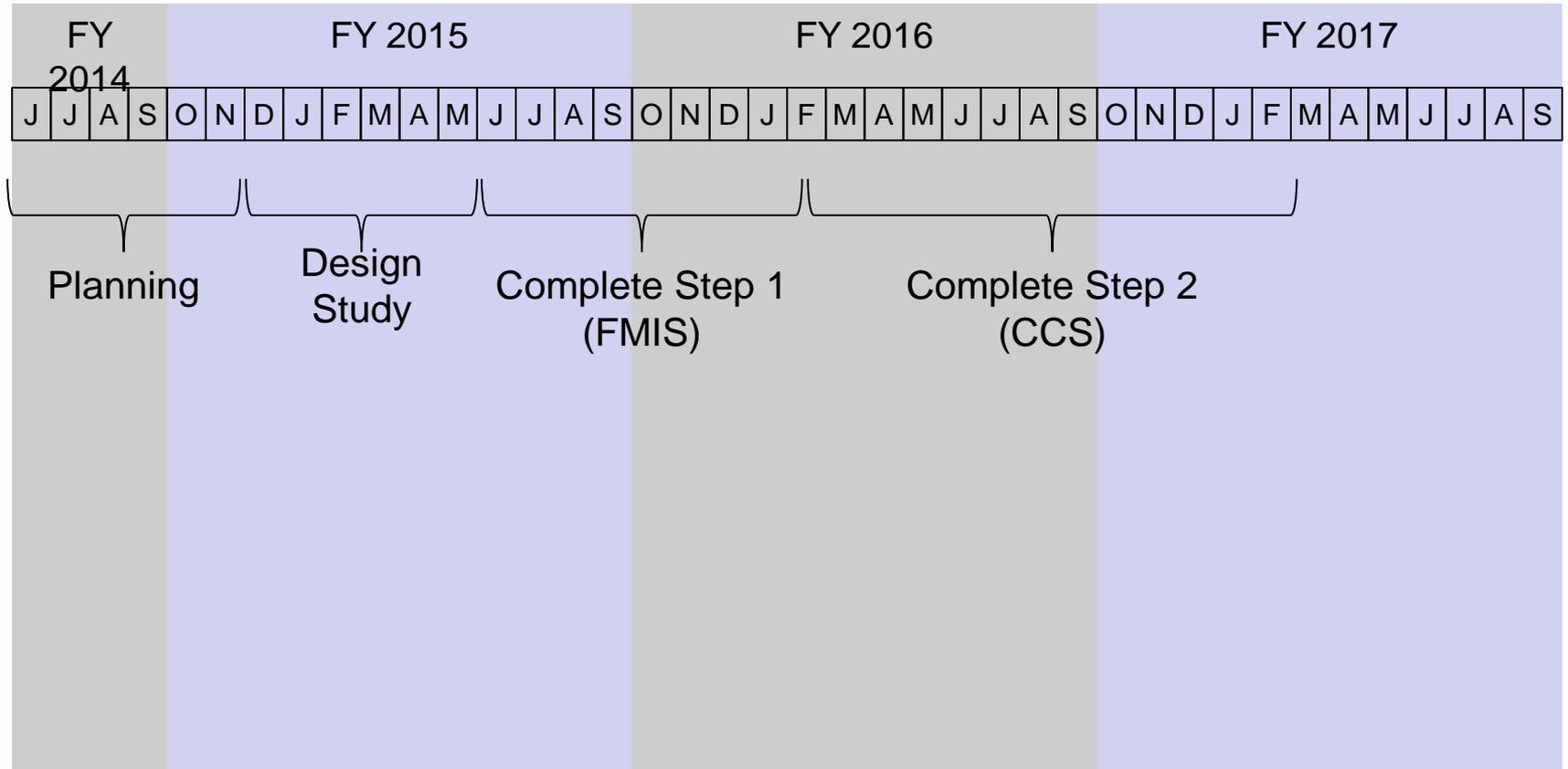
# Budget

- FY15 $6 million
  - Study Phase
  - FMIS Upgrade
  - Outsourced technical and business support

- Capital Fund Projections for Future Budget Years
  - $4 million for FY16
  - $4 million for FY17

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# Next Steps

- Assign / Hire a Project Manager

- Begin Study phase
  - Gap Fit Analysis CCS
  - Final Design for FMIS
  - Technical Design session

- Begin Upgrade of FMIS

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# Recommendations

1. hear a presentation from staff on the critical business nature of the SAP Enterprise Management System and the 2-3 year implementation plan to upgrade the system;

2. review the SAP master services software license agreement and proposed scope terms for the CCS assessment and planning project, the FMIS detailed design project and the strategy and technical design for the SAP hardware;

3. authorize the Interim General Manager, or her designee, to execute and deliver such necessary contract amendments to the master services software license agreement with SAP, subject to the approval of the City Attorney as to form and legality;

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# Recommendations Cont'd

4. authorize the Interim General Manager, or her designee, to negotiate a contract amendment to the master services software license agreement with SAP as a specified source for FMIS implementation services; and

5. authorize the Interim General Manager, or her designee, to execute such other contracts and/or documents as may be necessary or desirable to proceed with the transaction authorized above, subject to the approval of the City Attorney as to form and legality, and to take such other actions as may be necessary or advisable to proceed with such transaction in accordance with this City Commission authorization not to exceed the authorized $6 million budget.

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