

# Enterprise Resource Planning (ERP) Update

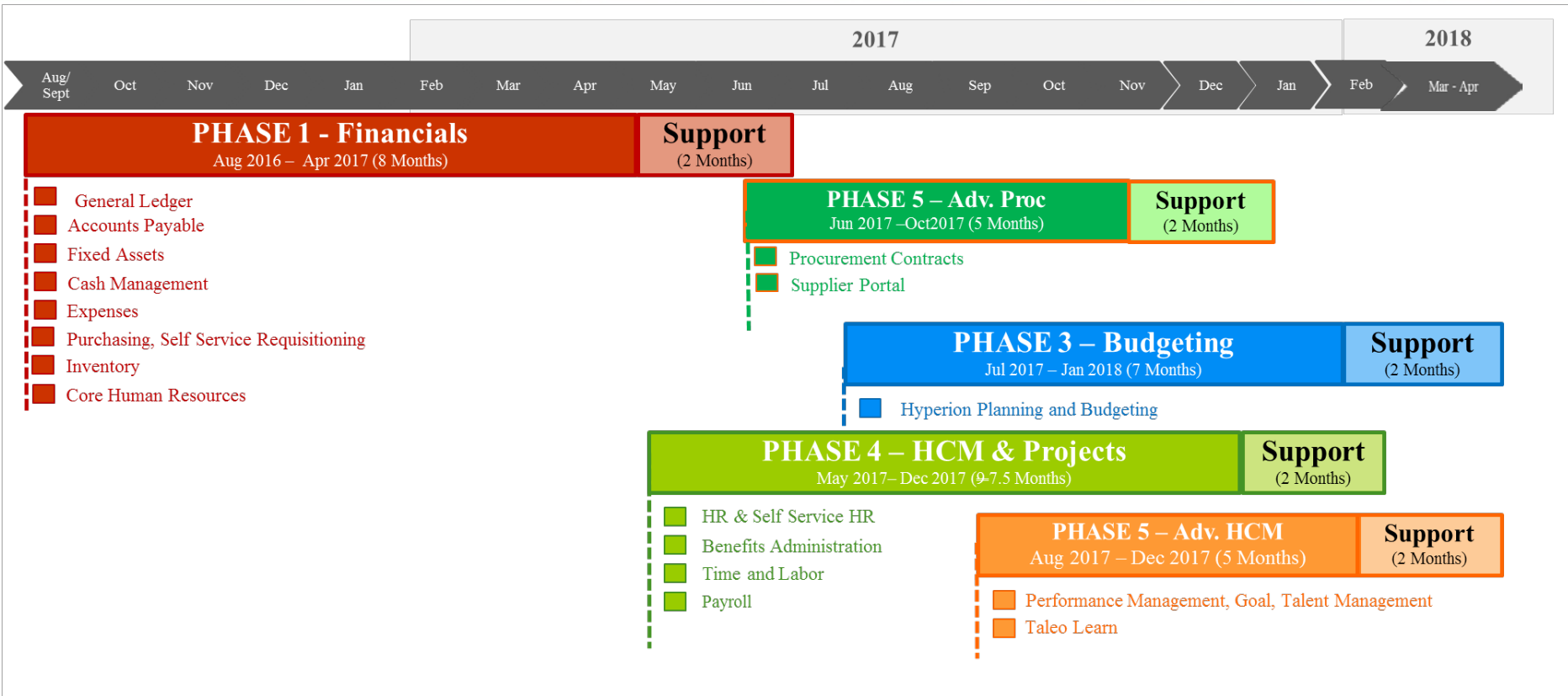
# Integrated ERP Solution: Program Update

- **PHASE 1 FINANCIALS, PROCUREMENT - KEY MILESTONES WITH TARGET COMPLETION DATES**
  - **COMPLETE** DISCOVERY/PROCESS MODELING WORKSHOPS – SEPTEMBER
  - **COMPLETE** SPRINT 1 – EARLY OCTOBER 2016
  - **COMPLETE** SPRINT 2 – LATE NOVEMBER 2016
  - **COMPLETE** INTEGRATION TESTING – EARLY JANUARY 2017
  - **COMPLETE** USER ACCEPTANCE TESTING – ~~MID FEBRUARY 2017~~ EARLY MARCH 2017
  - **COMPLETE** TRAINING DELIVERY – MARCH 2017
  - **COMPLETE** GO LIVE – APRIL 2017
  - **COMPLETE** CELEBRATION FOR PHASE 1 - APRIL 2017
  - SUPPORT PERIOD – APRIL – JUNE 2, 2017
  
- **PHASE 4 HCM (HUMAN CAPITAL MANAGEMENT) AND PROJECTS - KEY MILESTONES WITH TARGET COMPLETION DATES**
  - **COMPLETE** KICK-OFF APRIL 24, 2017
  - DISCOVERY/PROCESS MODELING WORKSHOPS – EARLY JUNE
  - SPRINT 1 – LATE JUNE/EARLY JULY
  - SPRINT 2 – LATE JULY
  - SYSTEM INTEGRATION TESTING – EARLY OCTOBER
  - PARALLEL PAYROLL TESTING – MID OCTOBER
  - UAT – NOVEMBER / EARLY DECEMBER
  - GO/NO GO DECISION – 12.04.17
  - TRAINING DELIVERY – MID DECEMBER
  - CUTOVER ACTIVITIES – MID DECEMBER
  - **TARGET GO LIVE – 12.18.17**
  - SUPPORT PERIOD – 60 DAYS POST PRODUCTION

# Integrated ERP Solution: Program Update

- **PHASE 2 ADVANCED PROCUREMENT**
  - KICK-OFF JUNE 6, 2017
  - TARGET GO-LIVE EARLY NOVEMBER 2017
  - DISCOVERY/PROCESS MODELING WORKSHOPS UNDERWAY
- **PHASE 3 BUDGET – KICK-OFF JULY 10, 2017, WITH GO LIVE TARGETED EARLY FEBRUARY 2018**
  - ORIGINAL KICK-OFF WAS PLANNED FOR EARLY JUNE
  - NO COST ASSOCIATED WITH DATE CHANGE; NO BUSINESS IMPACT
- **PHASE 5 ADVANCED HCM – KICK-OFF AUGUST 2017 WITH GO LIVE TBD**

# Integrated ERP Solution: Projected Milestones\*



\* Projected dates are preliminary and will be firmed up at the start of each phase



# Integrated ERP Solution: Approved Action Item

## Software Subscription Contract

- Subscription Services \$4,528,865
- Software Licenses 195,682
- Contingency for additional subscriptions 452,887

Total Costs for 10 years \$5,177,434

## Implementation Services Contract

- Implementation Services \$6,586,200
- Training Credits 40,320
- Contingency for change orders 1,656,630

Total Costs for 10 years \$8,283,150

## Legacy Systems Consulting Services

\$150,000

## Total Expenditures for 10 Years

\$13,610,584

# Integrated ERP Solution: Action Item Projected Spend, Implementation

Software Subscription Contract	Approved Spend	as of 12.31.16 Invoiced YTD	as of 05.17.17 Invoiced YTD	Projections by Quarter thru Implementation							
				Q3 '16	Q4 '16	Q1 '17	Q2 '17	Q3 '17	Q4 '17	Q1 '18	Q3 '18
Subscription Services	\$ 4,528,865	321,384	0	321,335	0	0	0	446,989	0	0	448,059
Software Licenses	\$ 195,682	68,747	0	68,747	0	0	0	13,637	0	0	13,637
Contingency: add'l subscriptions	\$ 452,887	0	50,400	49 *							
<b>Total Costs for 10 years</b>	<b>\$ 5,177,434</b>	<b>390,131</b>	<b>50,400</b>	<b>390,131</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>460,626</b>	<b>0</b>	<b>0</b>	<b>461,696</b>
<b>Implementation Services Contract</b>											
Implementation Services	\$ 6,586,200	1,709,000	1,115,800	733,300	1,081,200	628,200	1,341,000	1,151,400	920,700	730,400	0
Training Credits	\$ 40,320	40,320	0				20,160	20,160			
Contingency: change orders	\$ 1,656,630	0	131,525		552,210		552,210		552,210		
<b>Total Costs for 10 years</b>	<b>\$ 8,283,150</b>	<b>1,749,320</b>	<b>1,247,325</b>	<b>733,300</b>	<b>1,633,410</b>	<b>628,200</b>	<b>1,913,370</b>	<b>1,171,560</b>	<b>1,472,910</b>	<b>730,400</b>	<b>0</b>
<b>Legacy Systems Consulting Svcs</b>	<b>\$ 150,000</b>	<b>0</b>			<b>60,000</b>		<b>90,000</b>				
<b>Total Expenditure for 10 Years</b>	<b>\$ 13,610,584</b>	<b>2,139,451</b>	<b>1,297,725</b>	<b>1,123,431</b>	<b>1,693,410</b>	<b>628,200</b>	<b>2,003,370</b>	<b>1,632,186</b>	<b>1,472,910</b>	<b>730,400</b>	<b>461,696</b>

\* Contract Ordering Document detail is \$49 greater than approved spend.

## Contingency Spend Comments:

- One (1) Change Order funded via *Contingency: additional subscriptions*
  - Additional Oracle subscription services for data encryption
- Six (6) Change Orders funded via *Contingency: change orders*
  - Additional integrations, custom reports
  - Additional test environments
  - Additional on-site support



# Integrated ERP Solution: Action Item Projected Spend , Post Implementation

Software Subscription Contract	Approved Spend	as of 12.31.16 Invoiced YTD	as of 05.17.17 Invoiced YTD	Projections by Quarter Post Implementation							
				Total for Years 4-10	Q3 '19	Q3 '20	Q3 '21	Q3 '22	Q3 '23	Q3 '24	Q3 '25
Subscription Services	\$ 4,528,865	321,384	0	3,312,482	449,229	450,519	461,966	471,173	481,921	493,075	504,599
Software Licenses	\$ 195,682	68,747	0	99,661	\$13,637	\$13,637	\$13,910	\$14,188	\$14,472	\$14,761	\$15,056
Contingency: add'l subscriptions	\$ 452,887	0	50,400		64,698	64,698	64,698	64,698	64,698	64,698	64,649
<b>Total Costs for 10 years</b>	<b>\$ 5,177,434</b>	390,131	50,400	3,864,981	527,564	528,854	540,574	550,059	561,091	572,534	584,304
<b>Implementation Services Contract</b>											
Implementation Services	\$ 6,586,200	1,709,000	1,115,800								
Training Credits	\$ 40,320	40,320	0								
Contingency: change orders	\$ 1,656,630	0	131,525								
<b>Total Costs for 10 years</b>	<b>\$ 8,283,150</b>	1,749,320	1,247,325	0	0	0	0	0	0	0	0
<b>Legacy Systems Consulting Svcs</b>	<b>\$ 150,000</b>	0		-	-	-	-	-	-	-	-
<b>Total Expenditure for 10 Years</b>	<b>\$ 13,610,584</b>	2,139,451	1,297,725	3,864,981	527,564	528,854	540,574	550,059	561,091	572,534	584,304

\* Contract Ordering Document detail is \$49 greater than approved spend.