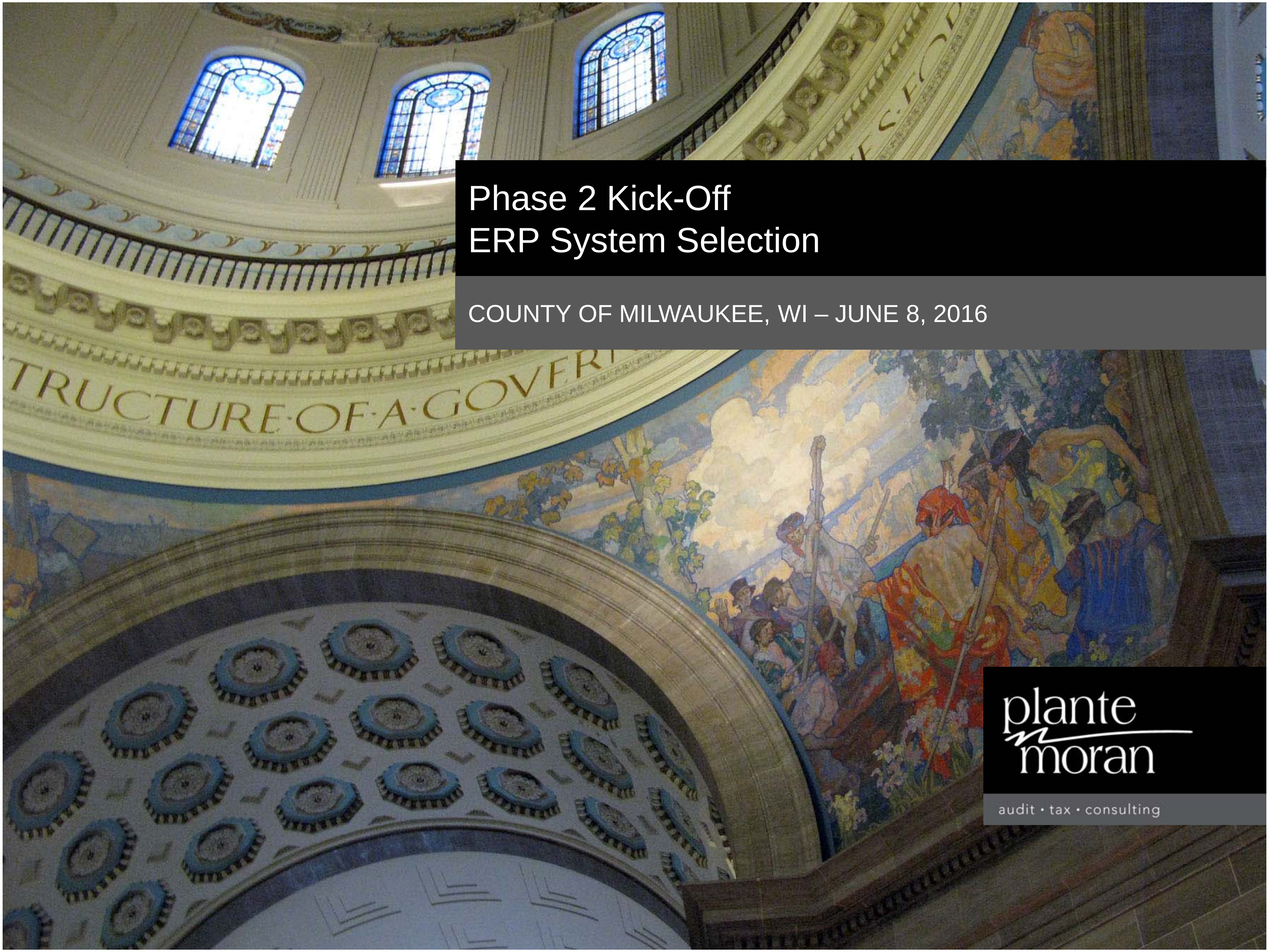


Phase 2 Kick-Off
ERP System Selection

COUNTY OF MILWAUKEE, WI – JUNE 8, 2016

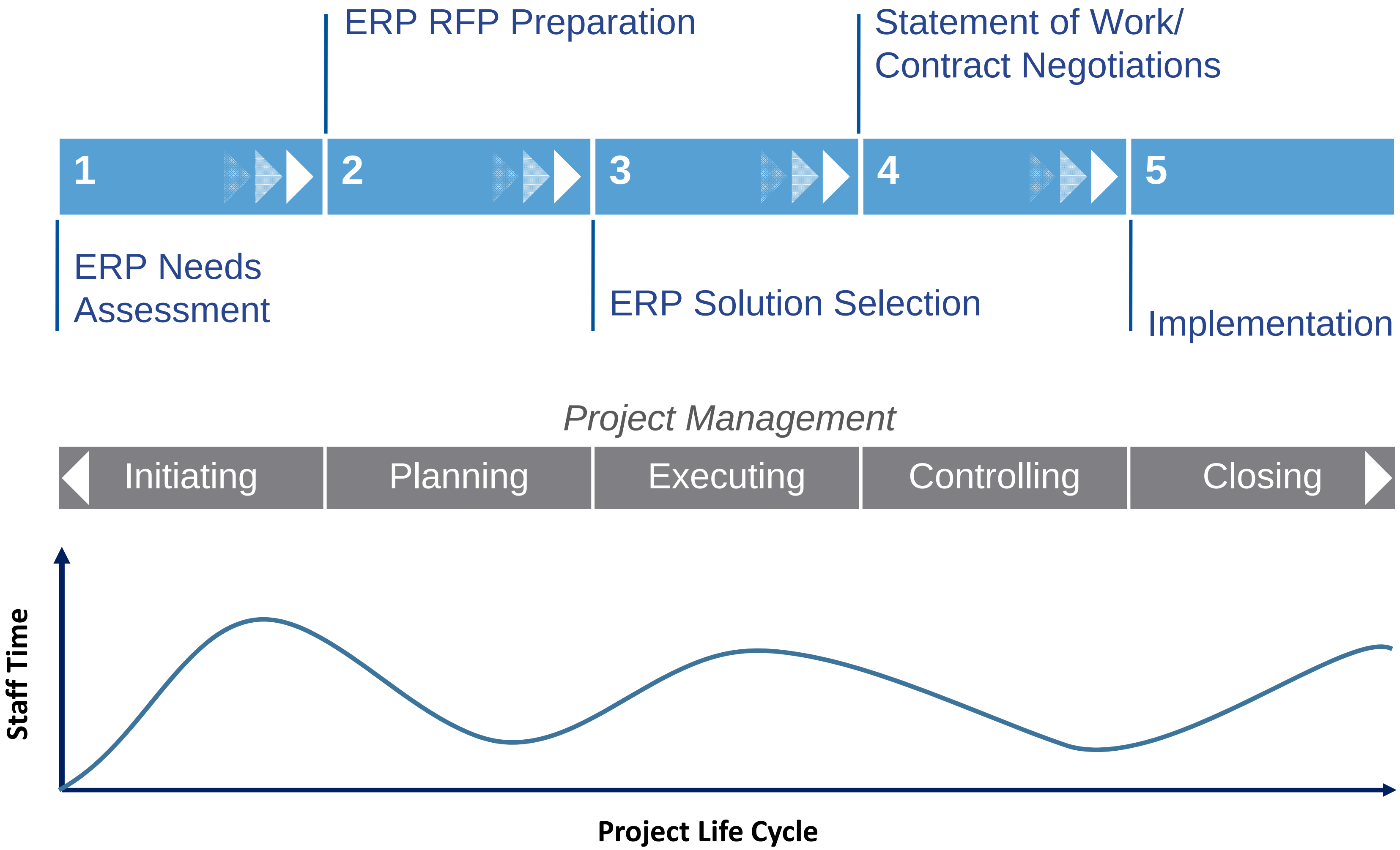
plante moran

audit • tax • consulting

Presentation Agenda

- Overview of Phase 2 Scope
- System Requirements Development
- RFP Development
- System Selection Next Steps
- Q&A

Project Methodology



What is ERP for Milwaukee County?

Enterprise Resource Planning (ERP) is business management software consisting of a set of integrated applications to consolidate common business operations.

For Milwaukee County this covers:

County Systems Providing Functionality for the Following	
General Ledger	Human Resources
Budgeting	Payroll
Accounts Receivable	Time and Attendance
Accounts Payable	Contract and Document Management
Purchasing	Project Accounting
Fixed Asset Management	Treasury Management
Cash Receipting	Financial Reporting
Inventory Management	Pension Administration
Grant Accounting	

- Facilitates standardization and efficiency of business practices
- Leads to increases in efficiency and productivity through enhanced data accuracy and availability across departmental boundaries
- Both powerful and challenging to implement, manage and maintain

Project Scope: Software Modules

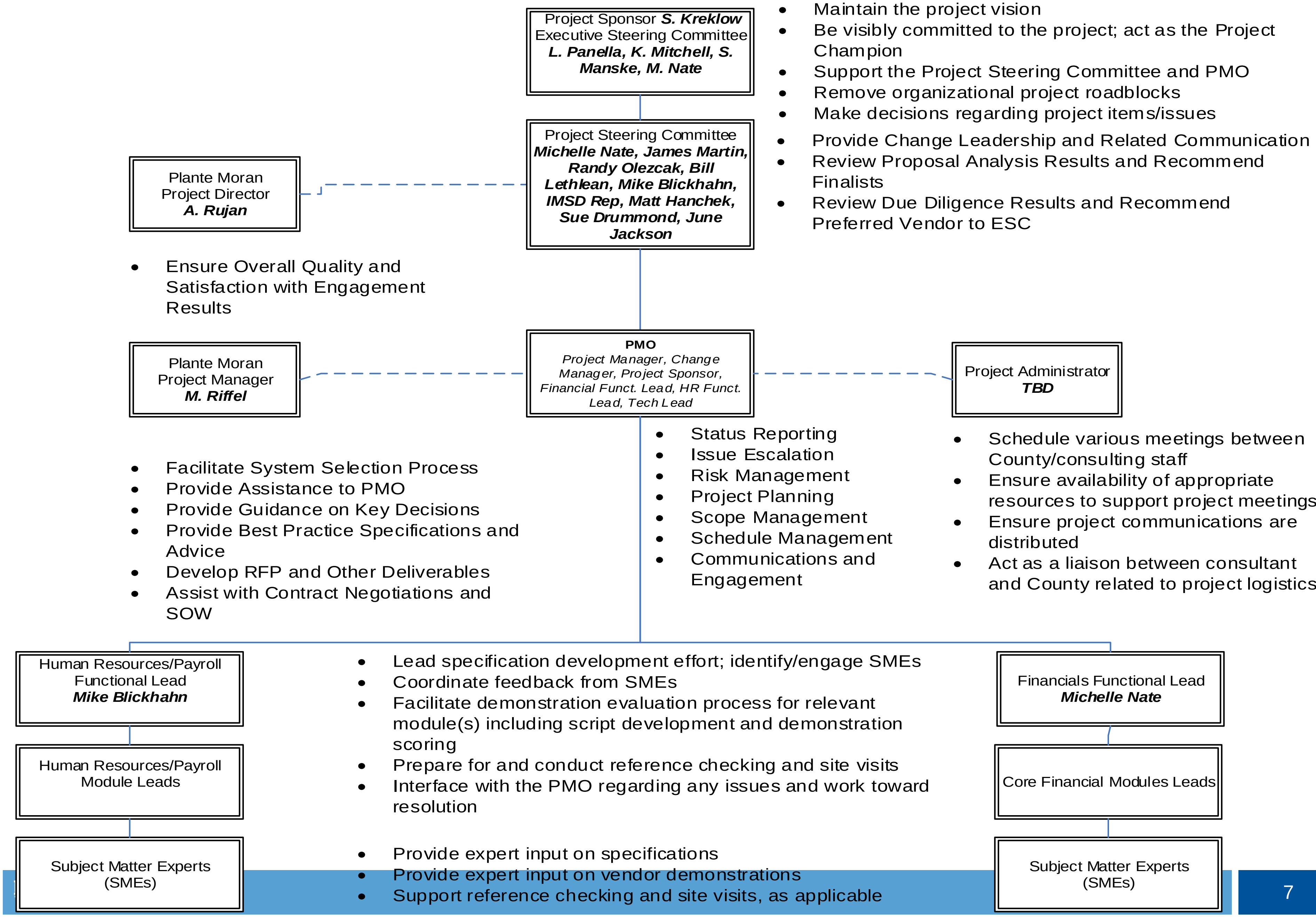
- Human Resources and Payroll
  - Recruiting
  - HR Core
  - Talent management
  - Employee benefits
  - Pension Administration
  - ESS/MSS
  - Other Employee Management (Volunteers, Contractors, Temps, Commissioners, Interns)
  - Payroll
  - Time and Attendance
- Procurement
- Contract Management
- Risk Management

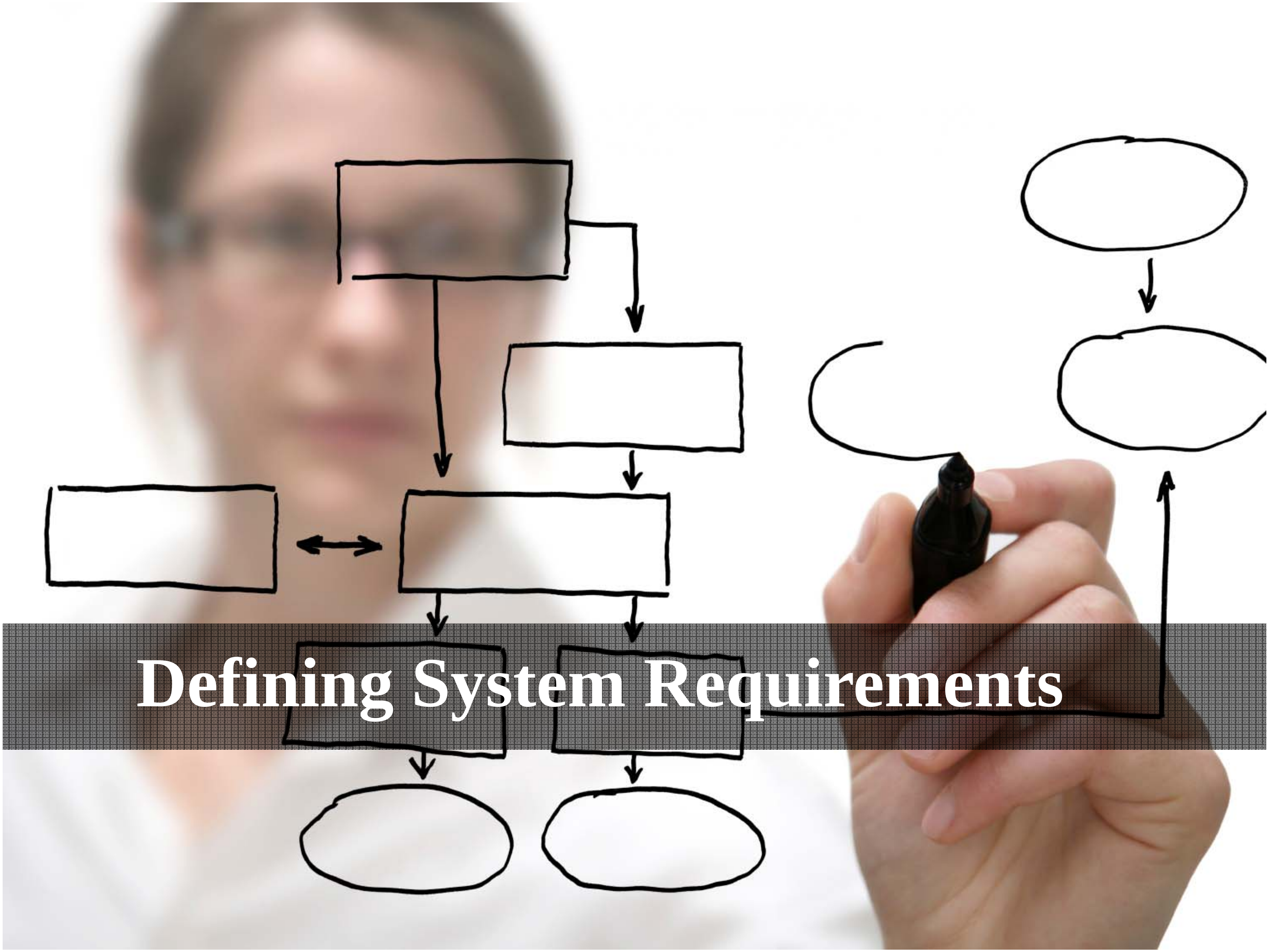
- Core Financials
  - Accounts Payable
  - Cash Receipting
  - Budgeting and Performance Management
  - Fixed Assets
  - General Ledger
  - Inventory Management
  - Miscellaneous Billing and Accounts Receivables
  - Project Accounting
  - Grant Accounting
  - Bank Reconciliation
  - Cash Management
  - Debt Management
  - Investment Management
- General and Technical

Project Scope: Key Deliverables

- Phase 2 Project Charter
- Phase 2 Project Plan
- Recommended Vendor Evaluation Strategy and Decision Making Process
- ERP System Specifications for Modules Identified in the Table Above
- Request for Proposal (RFP)
- Vendor Proposal Analysis including:
  - Specification Compliance Analysis
  - Vendor Forms Analysis
  - Terms and Conditions Compliance Analysis
  - Cost Analysis
- Vendor Demonstration Scripts
- Vendor Demonstrations
- Site Visit and Reference Questionnaires
- Due Diligence
- Statement of Work
- Negotiated Vendor Contract

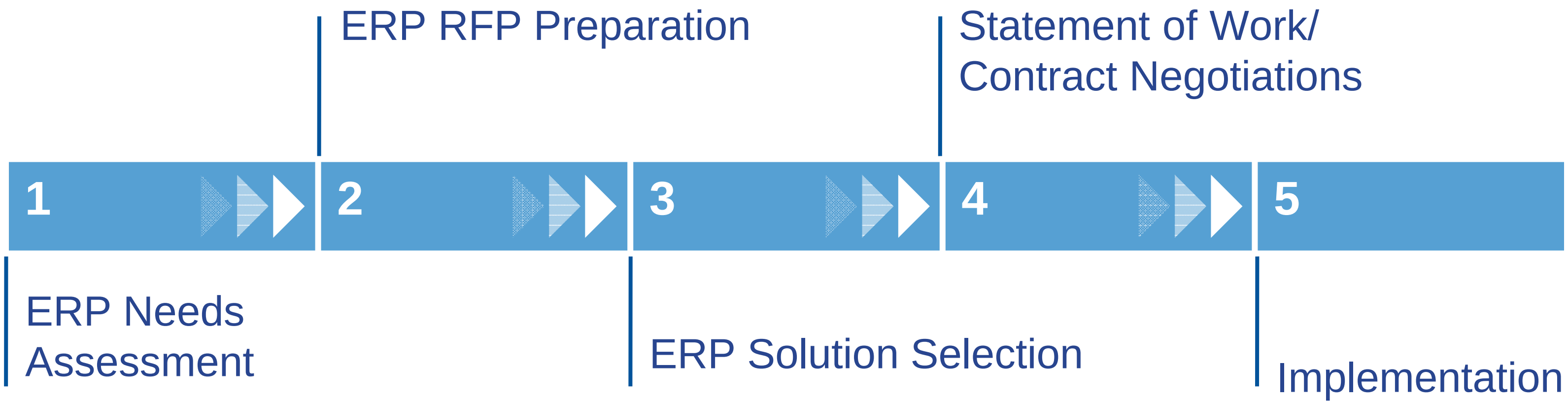
Milwaukee County, WI
Proposed System Selection Governance Structure





Defining System Requirements

Project Methodology



KEY ACTIVITIES FOR REQUIREMENTS DEVELOPMENT

- Identify Module Leads and SME’s
- Distribute baseline requirements
- Module leads to conduct internal specification reviews
- Participate in Plante Moran requirement review sessions
- Update and Validate requirements
- Incorporate into RFP document

Mobilize Subject Matter Experts (SME's)

- Timing: Now!
- Activities:
  - Define role of SME's
  - Identify departmental SME's to participate and review the requirements
  - Limiting SME input can lead to risk of not fully capturing/understanding County requirements
  - SME participation critical for change management effort/buy in

Distribute and Review Draft Requirements

- **Timing: June-July 2016**
- **Activities:**
  - Module Leads will receive an email with draft requirements and review instructions
  - Module Leads and SME’s to coordinate to review requirements and mark any additions/deletions/edits
  - Module Leads and SME’s should adjust the prioritization of the requirements
  - Module Leads and SME’s should expect a ½ - 1 ½ hour review process, for each draft requirements ‘module’ they receive

Sample Software Requirements: HR

	HUMAN RESOURCES	
113	**Position Requisition**	
114	Ability to manage workforce planning by development of future positions and association of class and comp structures for financial forecasting.	M
115	Ability to create and track position requisitions, including position requisition status.	H
116	Ability to develop and implement workflow approval cycles for positions requisitions.	M
117	Ability to track length of time (by date) positions have been vacant.	M
118	Ability to track and capture all position requisition activities, status and progress.	M
119	Ability to create requisitions for conditional positions, half of a job share position, and "in lieu of" situations.	H
120	Ability for the requisition process to include certifying the top 3 groups of scores (groups by our definition) and to select sub-groups (selective certification) for applicants with credentials such as specific education, certification, skill, experience, etc.	H
121	Ability to label certain requisitions as filling Union vacancies	H
122	Ability to establish a user define list of actions taken on candidates included on a requisition (e.g certified, certified conditional, certified promotional, considered, ineligible, etc.)	H
123	Ability to cancel and recertify candidates for interview if an error was made in the first certification.	H
124	Ability to specify if a single requisition is to fill one vacancy or multiple vacancies.	H
125	**Recruiting**	
126	Ability to track position advertising approaches used per open position (e.g. Facebook, Monster, newspaper, etc.)	M

Requirement Prioritization

- **H = High Priority**
  - This is a feature that is absolutely required to retain in a future software solution.
- **M = Medium Priority**
  - This is a feature that you would like in the new system but currently do not have.
- **L = Low Priority**
  - This is a feature that is not applicable at this time or something that could be a future deployment.

Participate in Requirement Review Sessions

Timing: July 2016

Activities:

- The email Module Leads receive with the requirements to be reviewed will also include a specific time for a Requirement Review Session to be facilitated by Plante Moran
- Requirement Review Sessions will be conducted by module with groups of Module Leads and SME's
- The intent of these review meetings is to gather feedback and finalize the system requirements
- During the sessions, each individual system requirement will not be reviewed – requirements will be discussed on an ***exception*** basis, based on participants input
- *It is important that all participants review the requirements prior to the meeting and come prepared to discuss any exceptions, clarifications and changes*
- Module Leads and SME's should expect a 1-2 hour review session for each draft requirements 'module' they receive

Validate and Finalize the Requirements

Timing: July 2016

Activities:

- Following the review sessions, Plante Moran will finalize and distribute the requirements for final review and validation

Incorporate Requirements into RFP

Timing: July/August 2016

Activity:

- Plante Moran will incorporate the County custom requirements into the format necessary for the RFP
- Plante Moran’s specification ‘template’ contains built-in analysis features that will allow for automated analysis of vendor responses and compilation of analytics

Application Requirements	Priority	Availability	Cost	Comment
HUMAN RESOURCES				
Position Requisition				
Ability to manage workforce planning by development of future positions and association of class and comp structures for financial forecasting.	M			
Ability to create and track position requisitions, including position requisition status.	H			
Ability to develop and implement workflow approval cycles for positions requisitions.	M			
Ability to track length of time (by date) positions have been vacant.	M			
Ability to track and capture all position requisition activities, status and progress.	M			
Ability to create requisitions for conditional positions, half of a job share position, and "in lieu of" situations.	H			
Ability for the requisition process to include certifying the top 3 groups of scores (groups by our definition) and to select sub-groups (selective certification) for applicants with credentials such as specific education, certification, skill, experience, etc.	H			
Ability to label certain requisitions as filling Union vacancies	H			
Ability to establish a user define list of actions taken on candidates included on a requisition (e.g certified, certified conditional, certified promotional, considered, ineligible, etc.)	H			
Ability to cancel and recertify candidates for interview if an error was made in the first certification.	H			
Ability to specify if a single requisition is to fill one vacancy or multiple vacancies.	H			
Recruiting				
Ability to track position advertising approaches used per open position (e.g. Facebook, Monster, newspaper, etc.)	M			

Vendor Response Code

Availability	Definition
Y (Yes)	Functionality is provided out of the box through the completion of a task associated with a routine configurable area that includes, but is not limited to, user-defined fields, delivered or configurable workflows, alerts or notifications, standard import/export, table driven setups and standard reports with no changes. These configuration areas will not be affected by a future upgrade. The proposed services include implementation and training on this functionality, unless specifically excluded in the Statement of Work, as part of the deployment of the solution.
R (Reporting)	Functionality is provided through reports generated using proposed Reporting Tools.
T (Third Party)	Functionality is provided by proposed third party functionality (i.e., third party is defined as a separate software vendor from the primary software vendor). The pricing of all third party products that provide this functionality MUST be included in the cost proposal.
M (Modification)	Functionality is provided through customization to the application, including creation of a new workflow or development of a custom interface, that may have an impact on future upgradability.
F (Future)	Functionality is provided through a future release that is to be available within 1 year of the proposal response.
N (Not Available)	Functionality is not provided

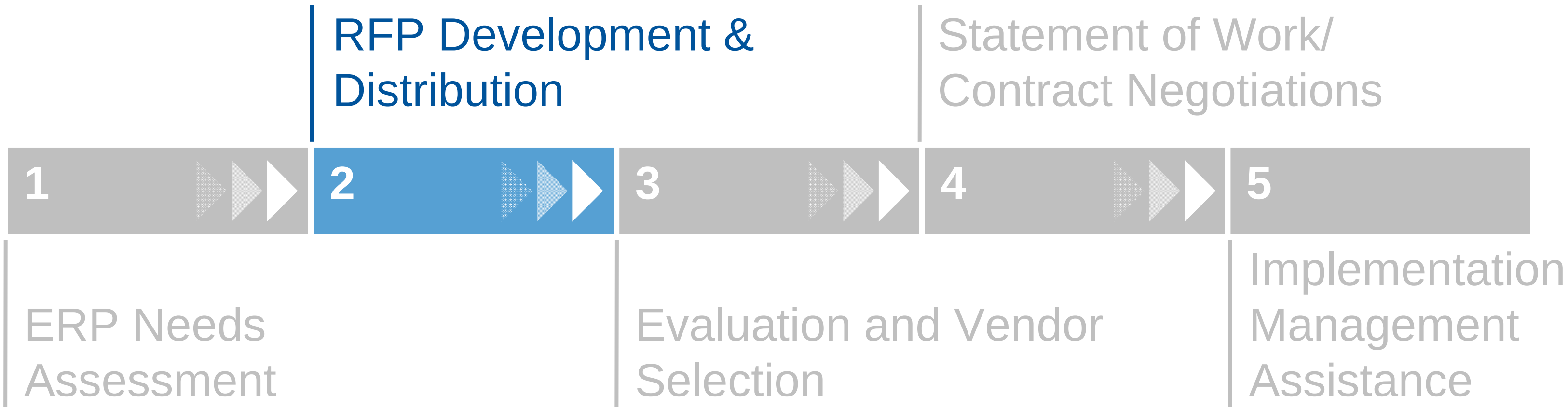
Specification Compliance

- Based on each vendor's responses to these requirements, an analysis is provided similar to the format below showing the percent compliance for each module based on the total possible awarded points.

Module	Core	Weighting	Vendor A	Vendor B	Vendor C
Module 1	Core	5.00%	98.37%	95.41%	95.58%
Module 2	Expanded	2.00%	86.55%	90.35%	90.06%
Module 3	Core	5.00%	97.95%	97.20%	98.38%
Module 4	Core	5.00%	97.43%	79.41%	98.90%
Module 5	Core	5.00%	99.22%	96.52%	89.98%
Module 6	Expanded	2.00%	99.27%	54.73%	96.48%
Module 7	Expanded	2.00%	72.35%	N/A	67.04%
Module 8	Expanded	5.00%	90.99%	N/A	N/A
Module 9	Core	5.00%	99.42%	97.53%	97.60%
Module 10	Core	5.00%	88.42%	N/A	N/A

Context for County ERP

Approach



KEY ACTIVITIES

- Develop selection criteria
- Define decision-making process
- Develop RFP

TOOLKIT

- Contract terms & conditions
- RFP materials
- RFP process checklist
- Vendor background questionnaire
- Operating volumes template
- Module weighting template
- Proposal response format

Sample RFP Table of Contents

1. Introduction
   a) Overview
   b) County Background
   c) Current Business Application Environment
   d) Current Technical Environment
   e) Future Vision and Project Objectives
   f) Expected Scope of ERP System Solution
   g) Overall Evaluation Process
   h) Summary of Key Transaction Volumes
   i) Evaluation Criteria
2. Vendor Proposal Guidelines
3. Proposal Response Format
4. General System Requirements / Specifications (unique Marin specs + best practice specs)
5. Contract Terms and Conditions
6. Proposal Forms
   a) Vendor Background Questionnaire
   b) Pricing Forms
   c) Vendor References
   d) Proposal Signature Form

Approach

ERP RFP Preparation

Statement of Work/ Contract Negotiations

1 | 2 | 3 | 4 | 5

ERP Needs Assessment

ERP Solution Selection

Implementation Management Assistance

KEY ACTIVITIES

- Manage vendor Q&A
- Participate in vendor pre-bid meeting
- Analyze proposals and select semi-finalists
- Assist in developing vendor demonstration scripts & other due diligence templates
- Schedule & conduct vendor demos
- Conduct additional due diligence
- Assist in selection of preferred vendor

TOOLKIT

- Team roles and responsibilities grid
- MS SharePoint
- Project charter template
- Project plan template
- Risk assessment matrix
- Other PM templates

Approach

1 ERP Needs Assessment

2 ERP RFP Preparation

3 ERP Solution Selection

4 Statement of Work/ Contract Negotiations

5 Implementation Management Assistance

KEY ACTIVITIES

- Develop vendor statement of work
- Conduct contract negotiations
- Initiate implementation planning

TOOLKIT

- Contract terms & conditions
- Statement of work examples
- Previous contract examples
- ERP implementation cost categories
- Implementation roles and responsibilities matrix

{Thank You!}