ERP System Selection Project

ERP Strategy Report

Version 1

December 9, 2015

Prepared for:
City of Santa Fe
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Version	Delivered Date	Update Reason
Draft 1	November 13, 2015	Draft version delivered to the City Project Manager for review.
Version 1	December 9, 2015	Version 1 submitted to the City Project Management Team for review following revisions to Draft 1 and ERP Strategy Presentation.

Table i: Version History of the Report

Executive Summary

City staff has recognized the need for additional functionality and capabilities in many of the systems that are in use throughout the City. This project was initiated because of their realization that the limited capability of the systems make it difficult to deliver enhanced services that might be provided with more modern systems. It should be noted that this report is not a reflection on City staff but rather the systems and architecture that are in use today. This report is but a snapshot in time of the existing systems and functionality. There have been, and continue to be, improvements to these systems and the processes they support made by City staff. The efforts by the IT Department (for example) to sustain support and deliver enhancements to existing systems is a credit to their efforts and ongoing commitment to the organization. City staff have recognized that the limitations of the systems inhibit their ability to provide service in a more effective manner and has led to the initiation of this project.

The City has recognized the importance of a thorough analysis of the current environment that takes into account the City's specific environment. The information contained in this ERP Strategy Report reflects the City's current business processes and the associated challenges as a result of the current environment. The Report also presents the reported City future state objectives, an analysis of the improvement path the City has selected including costs and timelines, and considerations related to the selection and implementation of a new system.

In August 2015, BerryDunn conducted an initial project planning meeting with the City Project Team to clarify project goals and objectives, identify known project constraints, and refine dates and/or tasks as appropriate. Following this meeting, BerryDunn requested information from the City in order to become more familiar with the current environment. Web surveys specific to managers, power users, and organizational users of the JD Edwards EnterpriseOne system were provided to City staff to understand the issues and challenges with the current system(s) and/or business processes.

In September 2015, BerryDunn facilitated a project kickoff with the City Project Team and department users. During the meeting, BerryDunn and the City Project Team members were introduced and a review of the approach and timeline for the project was provided. Immediately following the project kickoff, BerryDunn facilitated on-site fact-finding meetings with department users of the existing systems. The purpose of these meetings was to follow up on information previously provided, document high-level functional requirements necessary to meet the City's needs, understand the current business processes associated with the City's existing systems, and identify challenges in the current environment.

The focus of the project initially included core financial, human resources, and payroll functionality. During the fact-finding meetings the City recognized an opportunity to include land use and community development functions in the scope of the work. In October BerryDunn facilitated a similar fact-finding process to include community development staff and systems in the scope of assessment activities. This fact-finding process for community development included a web survey, a project kickoff meeting, fact-finding meetings with department users of the HTE system, and an outreach meeting with members of the development community. The meetings during both sets of fact-finding

sessions were conducted based on the functional areas listed in the following table, and involved over 105 total internal and external City stakeholders.

Table i: Fact-Finding Subject Areas

Fact-Finding Subject Areas			
No.	**Functional Area**	**No.**	**Functional Area**
1	General Ledger and Financial Reporting	**11**	Accounts Receivable and Cashiering
2	Budgeting	**12**	Fleet Maintenance
3	Project and Grant Management	**13**	Plan Tracking and Review
4	Fixed Assets	**14**	eGovernment and Web Capabilities
5	Time Entry	**15**	Addressing and Central Property File
6	Payroll	**16**	Code Enforcement
7	Human Resources	**17**	Permitting
8	Inventory	**18**	Inspections
9	Purchasing and Contract Management	**19**	Business Licensing
10	Accounts Payable	**20**	Land Use Department Services with External Stakeholders

Immediately following the on-site work sessions, BerryDunn coordinated follow-up fact-finding activities in developing this ERP Strategy Report.

There were many challenges related to the current systems and environment that the City identified as a result of the fact-finding activities. Many of the challenges are documented in Section 2.0, Business Processes. BerryDunn in conjunction with key City personnel has identified 18 primary challenges and areas for improvement in the current environment at the City, which are identified in the table below and described in detail in the sub-sections that follow.

Table ii: Challenges and Areas for Improvement

Challenges and Areas for Improvement	
1	There is limited querying and reporting functionality in the current environment.
2	Several business processes rely on disparate systems and manual processes including those for human resources, payroll, and project tracking, among others.
3	There is currently a lack of mobile system access and data capture functionality for staff working in the field.
4	The lack of a centralized document management system creates challenges in managing hard copy documents external of primary applications.
5	There is a lack of comprehensive accounts receivable and cash receipts functionality within current systems.
6	Manual processes are used to support the grant application and tracking process.

Challenges and Areas for Improvement	
7	Limited eGovernment capabilities are available within HTE's Click2Gov.
8	There is significant reliance on MS Excel, MS Access, and manual paper-based processes at the City.
9	Time entry and personnel action processes create inefficiencies in the current environment.
10	There is limited or inadequate functionality in current systems to support certain business processes.
11	There is limited data and sharing of information within the HTE system.
12	There are limited automated workflow processes and approvals (e.g. electronic signatures) implemented at the City.
13	System navigation is reported by staff as being not intuitive and is cumbersome.
14	Functionality to support project accounting is not being utilized in current systems.
15	Further opportunities for initial and refresher training on City applications could be provided.
16	The City is seeking to modernize the infrastructure that support enterprise applications including investments in virtualized and cloud computing platforms.
17	The HTE system does not support digital submittal and electronic review and mark-up tools.
18	Opportunities for increasing transparency into City fiscal and land use information through the City website exist.

Based on discussions with the City Project Management Team and other City stakeholders, the City has already made a decision to move forward with replacing or upgrading the systems currently in use; specifically, the JD Edwards EnterpriseOne system and the SunGard HTE system. Related to this decision four key decision points have been identified that will guide the solicitation and selection of a new system or systems. Those decision points, and the decisions reach by City management following review of this report and during a presentation to City leadership, appear in the table below.

Table iii: Key Decision Points

	Key Decision Points	
No	**Key Decision Point Description**	**City Decision**
1	Will the City issue multiple RFPs to replace all current enterprise applications; or issue one RFP for integrated core financials, human resources and payroll, and community development functionality with potential integration to other City identified systems?	The City Project Management Team has recommended, and City leadership has decided, to proceed with issuance of one request for proposal.
2	If one RFP is created, would the City allow for vendors to propose on a subset of functionality or partner with another vendor to provide all requested modules?	The City Project Management Team has recommended, and City leadership has decided, allowing vendor partnerships and point solution proposals with the goal of obtaining the highest level of fit to the requirements that will be developed.

3	Does the City have a strong preference toward a particular hosting model, or is it willing to consider multiple offer types?	The City Project Management team has recommended, and City leadership has decided, allowing vendors to propose multiple hosting solutions to evaluate the relative merits and costs of each.
4	Does the City have a preferred implementation approach for phasing and go-live dates?	The City Project Management Team has recommended, and City leadership has approved a decision to pursue, the preferred phasing plan and targeted go-live dates.

Decision point number four has resulted in a phasing plan and targeted go-live dates that is presented in the table below.

Table iv: Preferred Implementation Phasing and Durations

Preferred Implementation Phasing and Durations				
No.	**Phase**	**Phase Start**	**Phase Go-Live**	**Duration (months)**
1	Core Financials	September 1, 2016	July 1, 2017	10
2	HR-Payroll	January 1, 2017	January 1, 2018	12
3	Community Development	July 1, 2017	July 1, 2018	12
4	Ancillary (inventory, grants, fixed assets, possible HR elements, etc.)	January 1, 2018	October 1, 2018	9
			Total	**25 months**

The information contained in this ERP Strategy Report reflects the City's current business processes and the associated challenges as a result of the current environment. This Report is part of the third Deliverable for this project and the first associated with Phase #1. The next steps in the project involve developing functional and technical requirements as well as the RFP (Request for Proposal) specifications.

Based on BerryDunn's experience working with similar government organizations, the City may expect a total level of fit of approximately 80-90% in vendors' current products. In responding to the RFP, vendors will also indicate if a requirement may be provided in a future software version, through customization, or through integration with a third-party product. It is BerryDunn's experience that these other methods will provide an additional 5-10% level of fit for an estimated expected range of 85-95%.

The steps leading up to the development and review of this report have been collaborative in nature, involving participation from staff across the City. The development and review of the functional and technical requirements, and the eventual evaluation of software systems under consideration, will similarly be collaborative tasks allowing project participants continued involvement in the process.

1.0 Introduction

This section of the report summarizes the project background, format of the report, work performed, and definitions of terms.

1.1 Project Background

The City has retained Berry Dunn McNeil & Parker (BerryDunn) to provide consulting services to conduct a comprehensive evaluation of the various applications currently in use throughout the City against business needs and best practices in municipal agencies. The focus of this project is to identify, define, evaluate, and plan for the replacement of the existing system software as well as for applications that support related business processes. The City desires an assessment of the current environment to determine specific City needs in a future system, and the development of a Strategy Document to guide the system selection process.

The City is currently using JD Edwards EnterpriseOne ERP system modules to manage functions including General Ledger, Accounts Payable, Accounts Receivable, Budget, Purchasing, Inventory Management, Fleet Maintenance, Payroll, User Account Management, limited Workflow and Transactions Processing in some functional areas, limited Employee Time Entry, and Position Control.

The City is currently using SunGard HTE system modules to manage functions including Planning, Permitting, Inspections, Land Management, and Code Enforcement. The City is also using an in-house developed Constituent Relationship Management (CRM) system to support some aspects of Code Enforcement.

There are five major tasks involved with this project:

1. Current Environment Fact-Finding and Analysis
2. Request for Proposals (RFP) Development
3. System Selection
4. Contract Negotiation Assistance
5. Implementation Planning

These tasks will include conducting on-site fact-finding meetings with City staff, developing a strategy document, presenting the strategy document to City leadership, developing functional and technical requirements, developing a request for proposals document, assisting with the evaluation and selection of a vendor, and facilitating the contract negotiation process with the selected vendor. This project will conclude following the development of an Implementation Planning Document.

1.2 Report Format

This report is comprised of seven sections and an executive summary, as described below:

1. **Introduction.** This section describes the background of the project, the format of the report, and the work performed in the development of the report.
2. **Current Environment Analysis.** This section summarizes the current high-level business processes, technical environment at the City, related in-progress initiatives, stakeholder survey key themes, and organizational change readiness.
3. **Primary Challenges and Areas for Improvement.** This section presents the primary challenges and areas for improvement in the current environment. Each item will be described to serve as a benchmark for later measurement.
4. **Future State Objectives.** This section identifies future state objectives as they relate to goals and vision from City leadership, business processes, and technical considerations such as hosting methods and integration with other City business applications.
5. **Analysis of Improvement Path.** This section presents the improvement options available to the City to address the current environment challenges and areas for improvement and meet the future state objectives. Key decision points are also presented.
6. **System Selection and Implementation Considerations.** This section summarizes needed considerations as planning related to the selection and implementation of future system(s) continues.
7. **Next Steps.** This section of the report describes the next steps in the project.

1.3 Work Performed

In August 2015, BerryDunn conducted an initial project planning meeting with the City Project Team to clarify project goals and objectives, identify known project constraints, and refine dates and/or tasks as appropriate. Following this meeting, BerryDunn requested information from the City in order to become more familiar with the current environment. Web surveys specific to managers, power users, and organizational users of the JD Edwards EnterpriseOne system were provided to City staff to understand the issues and challenges with the current system(s) and/or business processes.

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1.4 Common Terms and Abbreviations

For purposes of clarity when discussing this project, the terms and related definitions shown on the following page will be utilized. When appropriate, definitions for project management terms were adopted from the Project Management Institute's (PMI) Project Management Body of Knowledge (PMBOK).

Table 1: Project Terms and Definitions

Term	Definition
City	The City of Santa Fe, New Mexico
BerryDunn	Berry Dunn McNeil & Parker, LLC
E1	The JD Edwards EnterpriseOne application used to support the primary financial, human resources, and payroll functions in the City.
ERP System	Enterprise Resource Planning System
FOF	Findings of Fact
Functional Area	A functional area of City business processes, such as Payroll, Budgeting, etc.
GL	General Ledger
HR	The Human Resources Department within the City
HTE	The SunGard HTE application used to support the primary land use and community development functions in the City
Issue	A point or matter in question or in dispute, a point or matter that is not settled and is under discussion, or a point or matter over which there are opposing views or disagreements
JIT	Just in Time inventory procedures
JRP Work Session	Joint Requirements Planning Work Session; facilitated by BerryDunn with City stakeholders
LUB	Land Use Board
NIGP	National Institute of Government Procurement
PO	Purchase Order
RFP	Request for Proposals

Term	Definition
Risk	An uncertain event or condition that, if it occurs, has a positive or negative effect on a project's objectives
Scope	The sum of the products, services, or results to be provided by the project
SME	Subject Matter Expert
Triple Constraints	The most commonly known project constraints of cost, schedule, and scope. The implication of the Triple Constraints is that when any one of the three is impacted, there is a direct impact on the remaining two.

2.0 Current Environment Analysis

This section of the report describes the current City business processes that were analyzed as part of this project. Within the sub-sections to follow, the specific business processes are outlined including the identification of areas where applications, spreadsheets, and/or manual and paper-based processes are used. The descriptions are not intended to detail each step involved in the process, but instead to highlight the major activities and areas of challenge.

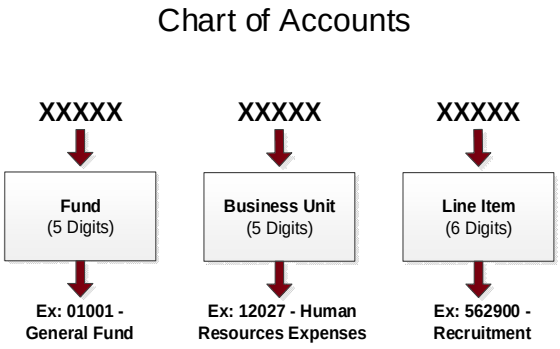
2.1 General Ledger and Financial Reporting

The City of Santa Fe operates on a July 1 to June 30 fiscal year. The JD Edwards EnterpriseOne (E1) application is used to support processes related to managing the General Ledger (GL) and financial reporting, and is supplemented by the use of a third-party tool, Insight, for queries and reporting.

In the current environment, the City does not close month end periods. The City can have multiple periods open at any given time. The 12th period of the year ends on June 29, and a 13th period is used for June 30 to allow for adjusting transactions to occur on the final day of the fiscal year. The City operates with cash-based accounting processes and not an accrual-based or modified accrual-based methodology.

The City's chart of accounts uses a five digit convention for funds and distinguishes revenue funds by inserting a "1" as the second digit, whereas expenditure funds utilize a "2" as the second digit. The E1 application uses five digit business units as the next level in the chart of accounts. A sample account is depicted below:

Figure 1.1: Chart of Accounts Structure



It was reported by City staff that the GL contains a significant number of accounts. In the current fiscal year there are approximately 687 funds, 2,610 business units, and 302 expenditure line items alone. The City has been using the GL as a tool for tracking detailed transactions (e.g., cash receipts) which has resulted in a reportedly significant number of entries in the GL. The City reports the primary reason the GL is being used as a repository of this detailed information is due to the inability to track this detail by other means. This detailed is requested with enough frequency that it is required to be tracked. In the future environment the City desires that the GL will be used for its intended purposes and detailed transactions will be recorded in other modules integrated to the GL.

It was reported by City staff that the process of querying and reporting information from the GL is cumbersome and restrictive in that it involves the use of a third-party tool. The cost of licenses for the third-party tool reportedly limits the number of City staff that have access to use it. It was reported by staff that the reporting functionality within E1 is limited, and staff must rely on MS Excel to manipulate data and generate reports if the third-party reporting tool is not used. It was further reported that the City uses journal entries for interdepartmental transfers and corrections to accounts, but in general the number of journal entries entered are minimal and restricted to accounting staff that are familiar with the process.

2.2 Budgeting

The City budgeting process begins in February of each year with the distribution of a packet of forms and directions to the departments. An Adobe PDF file containing detailed instructions and a message from the City Manager is sent with an accompanying budget spreadsheet for completion by departments. Budget staff utilize the prior years' budget as a base, including up to December 31 of the current year with no carryover amounts. A training session for departments is offered in February to answer questions related to the process and completing the required forms. The City currently uses an operating budget and a separate personnel budget, and is considering adopting a capital budget in the future.

The budget spreadsheet process is managed by using various separate spreadsheets, each of which contains a separate form that is used for additional funding requests and justification as required, as well as validate that fee amounts listed are appropriate as they relate to revenues for the upcoming fiscal year. A separate form is used for revenues, contractual services, capital outlays, all other expenditures, and computer hardware and software purchases. An individual form may not be sufficient to complete all requests; therefore, there may be multiple copies of the same form completed by a department as part of the budget process. For example, the E-3 form is used to justify increases and decreases to operating expenses at the object and line item. The form is able to accommodate four requests per page. All forms are printed out and routed manually for review and approval. Once all forms are completed, a binder is generated by the department and submitted to Budget staff for review in March.

Once the binders are received by Budget staff, they are reviewed for completeness and a meeting is scheduled with the department in the March to April timeframe. Once the information is reviewed and validated in these meetings, the binder with updated information is submitted to the City Manager for review, and the City Manager works to balance the budget among all department requests and projections. The reviewed budgets then proceed to the City Finance Committee for review, budget hearings are held, and in May, the Finance Committee presents the budget to City Council for approval and adoption.

City staff reported that the process of distributing the forms and receiving back binders from each department is very labor, time, and paper intensive. All budget information that is submitted in the binders must be manually entered into E1 by Budget staff. This process was reported to take weeks, including receiving the information from departments and making any necessary adjustments. Any

requests for changes to the personnel funds during this process must be manually passed along to a separate City employee who then tracks the requests in a spreadsheet.

In the budget development process, there is no current system functionality to support what-if or scenario-based analysis, though staff reported a desire to have this functionality in the future. The current system also reportedly is unable to record justification as to why budget adjustments were made, only the date that the adjustment occurred. To determine the reason for the adjustment, staff must query Council minutes or review paper documents from the date of the adjustment.

The State of New Mexico Department of Finance and Administration requires a report of quarterly adjustments be provided by the City. To meet this requirement, a report is run in E1 and the data is exported to a spreadsheet where it is manipulated to reconcile GL dates, key errors, and make adjustments. The data is then transferred to a MS Access database where the City accounts are converted to align with the State's local government division required format, specifically the fund and account structure required by the State. The Access database is used as a tool to help create a crosswalk between the City account structure and the account structure required for reporting to the State. Once the adjustments have been made, Council approval is required prior to submitting the data to the State. It was reported that the Access database is able to provide a hierarchical structure that allows accounts to roll-up at the department level; something that is reported to be a gap in the way in which E1 depicts account structure.

The City currently serves as the fiscal agent for two other entities: the Buckman Direct Diversion, a Board established to direct fresh water to the City and County of Santa Fe, and the Santa Fe Solid Waste Management Association, a collaborative landfill operated by the City and County of Santa Fe. In the role of fiscal agent, the City is responsible for receiving and reporting fiscal information for these entities but does not have direct responsibility or oversight on the budgets for these entities.

2.3 Purchasing and Contract Management

The City is using the JD Edwards EnterpriseOne application and a manual, paper-based process to support a decentralized purchasing process. The Purchasing process is unique among other business processes at the City in that users are able to scan and attach documents to purchasing transactions in E1. Purchasing thresholds determine the process for departments to follow and are provided in Table 2.1 in the following table.

Table 2.1: City of Santa Fe Purchasing Thresholds

Purchasing Thresholds	
Amount	**Action Required**
Less than $5,000	Department is authorized to purchase from the best obtainable source
$5,001 - $50,000	Written quotes are required and three sources should be solicited

Purchasing Thresholds	
Amount	**Action Required**
Over $50,000	Sealed bids (RFPs) and a formal contract and City Council approval are required

Requisitions are entered by each department and functionality in the system allows a user to attach a document to the requisition, such as a W9 for a new vendor. The Purchasing Division is responsible for maintaining the vendor files within E1. Once a requisition is entered in the system, it follows an automated workflow process within E1.

The City has a requirement that if two requisitions for goods from the same company are below the $5,000 competition threshold, and the total amount of the combined requisitions exceeds the threshold, then the requisitions are rejected and competition must be sought. It was reported that E1 does not have functionality to recognize if the combined requisitions' amounts exceed the threshold City staff in the Purchasing Department must manually monitor requisitions for these scenarios. It was reported that there are approximately 200 requisitions rejected each week on the basis of the thresholds being exceeded and that the manual review process is very time consuming. On average, the City processes 13,000 purchase orders per year.

Once approved at the department level, a requisition is routed to the Purchasing Division for review and approval. If the amount of the purchase exceeds $50,000, the purchase must then be approved by City Council. Once approved by City Council, the requisition is converted to a purchase order in E1 and the completed purchase order is sent back to the originating department.

It was reported that the system has limitations in the ability to associate an order placed against an existing contract. The City has over 130 contracts in place in the current environment and tracks these through use of a spreadsheet. When an order is placed against a contract, the requisitioning staff must attach a copy of the contract to the requisition as E1 does not provide functionality to electronically associate the order and the contract. For contracts that may cross fiscal years, the City currently closes the contracts out in March and then re-encumbers the funds in the new fiscal year. The ability to establish multiyear contracts and place orders against contracts were reported as two desired functions in a future environment. Similarly, the ability to establish contract start and end dates, maximum contract amounts, reports on the draw down against a contract, and notifications related to contract events were noted by City staff as desired functionality for the future environment.

It was reported that there is a unique State competition requirement that mandates that competition thresholds can apply retroactively to the cumulative total of contracts placed against a vendor for professional services. For example, if the City were to engage an engineer in year one for $20,000 and then engage that same engineer in year four for $35,000, the City could be found in violation of competitive thresholds as the total value of services provided by that vendor exceeds $50,000 in a four year span. As a method of avoiding this potential violation, the City currently uses four year contracts for most professional services. Legal Department review is required for any contract that is used, including instances when a sample contract is included as part of a RFP. Functionality to

provide automated notifications or reminders of bid closings and pre-proposal conferences is not provided in E1, but is desired.

The City is using National Institute of Government Purchasing (NIGP) commodity codes to track purchasing detail. A five digit NIGP code is the standard used by the City. Currently, the City does not utilize blanket purchase orders nor does it use purchase cards. It was reported that this is a policy decision by the City and is not a result of a lack of functionality in the system. There may be opportunities to gain efficiencies and streamline processes through the adoption of purchase cards in a future environment, as well as blanket purchase orders. The use of purchase cards would reduce the administrative time spent generating requisitions, processing purchase orders, as well as receiving and entering invoices.

2.4 Accounts Payable

The City is using the JD Edwards EnterpriseOne application and MS Excel spreadsheets, in addition to paper and manual processes to support the processing of approximately 200-400 checks per week. Currently, the City follows a two-way match process for validating and paying invoices associated with a purchase order. The process of receiving invoices is decentralized with most invoices being sent directly to staff in departments. Upon receipt of an invoice, staff verify that the dollar amounts match the order amount listed on the purchase order and verify receipt of the goods or services either individually or by checking with other staff. The City does not use E1 to enter in packing slips or receiving documents, however an opportunity exists to utilize this functionality in a future environment in order to validate the receipt of items electronically – eliminating the need to track down this information from staff in a manual fashion.

The accounts payable process at the City does allow for a variance in the invoice amount up to 10% above the purchase order amount, except for variances on professional services contracts which will be brought to the attention of Purchasing Department staff. All invoices with the accompanying purchase orders are placed in a physical basket in the Accounts Payable office for review and processing. If the invoice is related to a voucher, as opposed to a purchase order, the invoice is reviewed and signed-off at the department level and placed in the basket. Examples of vouchers include travel reimbursements, tuition assistance program payments, and payroll garnishments.

Accounts Payable staff will review an invoice and determine if the vendor is existing in the system and whether there is a need to update the vendor record. If these needs exist the information is sent to Purchasing staff to create a new vendor in the E1 address book. Once the vendor information has been confirmed to be entered in E1 and accurate, the Accounts Payable staff enter in the payment information and create a batch of new payments. Electronic imaging of invoices and vouchers is not supported in the current environment. In a given week, there could be a number of accounts payable batches that are created as part of a single check run. To reconcile the information and validate the various batch totals a MS Excel spreadsheet is used. In order to be included in the weeks' check run, all payments must be entered into the system by 5pm on Monday.

Checks are printed in two separate check runs using differently colored check stock for payroll checks and operations payments (e.g., invoices). Preprinted check stock is used but does not include

preprinted check numbers. The cashiers maintain both sets of check stock and represent a separation of duties in the accounts payable process and further distribute the checks to both Accounts Payable and Payroll staff. It was reported that both Accounts Payable staff and the cashiers maintain check logs to monitor check stock inventory and check numbers printed.

If an obligation is incurred in one fiscal year, however the invoice is received in the next fiscal year, staff reported challenges in posting the payment and requiring the use of a manual journal entry. The invoice received is entered and payment posted to the current fiscal year. Following disbursement staff will create a manual journal entry to post the expenditure to the previous fiscal year.

2.5 Accounts Receivable and Cashiering

The City primarily uses Active Payment Manager (APM) to manage cashiering across the various departments. APM is part of the Active Network suite of software products which includes ActiveNet. Staff reported that E1 can be used for cashiering purposes if the user is knowledgeable of this E1 functionality and if the payment is tied to a receivable. This is required because the receipting process in E1 involves directly entering a journal entry in the GL. Cashiering using E1 is not a common practice at the City in the current environment.

APM is used at locations across the City, and allows staff to enter in receipts and make their own deposits. An integration has been developed to transfer transaction level detail into E1. An additional integration has been developed to allow for receipting in monies for land use payments and sending data to SunGard HTE to reflect the payment.

The Municipal Court collects payments through their FullCourt system, and Utility Billing will soon be using its new customer information system for cashiering and online payments. The City has some cashiering functionality online through the City's website for utility bills and has limited automated phone payments using Selectron IVR. Payments for parking tickets are accepted through use of ActiveNet and information related to the parking tickets is managed in the T2 system.

Staff reported that Cashiering functionality at City Hall allows receipt of payment on multiple types of bills and invoices such as water bills, miscellaneous bills, and parking tickets in a single location. The other departments, such as Police and Recreation, can only collect payments related to their departmental functions. Similarly, Cashiering at City Hall accepts all tender types while departments may be limited in the types of payments they accept. For example, the Police Department will accept cash, while Wastewater only accepts credit cards.

Staff reported that each department is responsible for depositing cash and checks and managing the front-end cashiering activities. The only information sent to the Finance Department is transactional data in batch form, which is imported into E1 for posting.

Staff reported that the APM system does its job cashiering, but may not have sufficient functionality to meet all of the City's needs. The system does recognize payment types and funds to be posted, but it does not have the ability to set up receivables and it does not provide alerts for information such as Non-Sufficient Funds history. In addition, it is expensive in that the City is charged by ActiveNet for

each transaction. Staff reported some interest in a centralized cashiering system that could seamlessly manage all payments and accounts in the City and it was reported that the City is starting to look for a replacement point of sale system. It was reported that while the City is looking to use a centralized cashiering system for most collections, some functionality may be outsourced or collected through third-party systems in the future, with an anticipated integration tying the receipt of monies back to the general ledger.

The City currently utilizes the Address Book functionality in E1 to maintain customer files and employee files in one place. Customer files are maintained by types based on the type of receivable. As employees and customers are maintained in the same directory, an employee is assigned in the system as “E” for employee, while customers are classified using similar identifiers based on the service. If a customer is receiving multiple services from the City separate vendor types are established. At the time a customer is set up in the system, there is no standardized naming or data entry conventions as it relates to how the customers’ names are entered. This has resulted in duplicate entries for customers with varying names, an example of which is the United States Postal Office being entered as the US Post Office, US Postal Office, etc.

Due to the inconsistencies in the ways in which customer files are created and named, as well as duplicate records, it was reported that staff must perform manual processes to reconcile data. Further, the customer file does not currently allow for multiple addresses. This is an issue because the City has a large number of out-of-town and seasonal residents, as well as local customers with mailing addresses distinct from the physical address and this information cannot be appropriately managed in E1. Staff reported that because of the various third-party receivable systems, it is difficult to see a complete view of a customer. Seeing if a customer paid their water bill and outstanding parking tickets, for example, is not possible with simple query functions. Also, the City is unable to produce a general bill for a customer due to the multiple systems used in the current environment.

Staff reported that invoices are generated using the E1 system and printed in-house using pre-printed templates. All invoicing is done through mail, with no emailed invoices currently. Because of the various third-party receivable systems being used, staff reported that E1 does not have adequate functionality available to track receivables. Instead, the City primarily uses MS Excel and manual processes to track receivables. Staff also reported that there is not currently integrated reconciliation functionality between APM and E1. MS Excel is used to manage these reconciliations.

If a refund needs to be issued, a voucher is created manually after a crediting journal entry is entered into E1. Staff reported that reconciliations and refunds are not easily able to be audited or verified in the current environment. Staff generally only know if a payment has been misapplied when a customer contests the payment, or notifies the City. Staff reported that the City does have some ability to age receivables and manage collections activities; however, because there is not an effective unique identifier on receivables currently, the City does not contract out collections activities to third-parties.

2.6 Inventory

The City currently manages and tracks inventory for auto parts and water utilities materials using E1. The auto parts warehouse has approximately $50,000 worth of items in-stock, while the utilities warehouse carries around $400,000 worth of materials. City staff reported these are the appropriate amounts based on accessibility of local vendors and the typical need for items.

The auto parts warehouse has put in place a process for just in time (JIT) inventory ordering. The only items carried in-stock on a regular basis are items that turn over 12-20 times a year, such as filters, antifreeze, and brake pads. In the current environment, the City is not tracking any non-stock inventory items (e.g., a replacement steering wheel for a police cruiser) in an automated fashion. These items are ordered as needed and not kept in inventory. Because of this, reporting on inventory history related to some categories of items is challenging, since there is no complete picture of activity.

The water utilities warehouse carries materials primarily for underground equipment such as water pipes and valves. The actual water meters are tracked in the utilities Customer Information System (CIS). Currently, staff are able to track the inventory in the warehouse, as well as materials used for activities such as repairing water lines. Staff reported a desire to continue to have the ability to track the detailed activity and inventory levels of the necessary materials.

Inventory is able to be reordered using the E1 system. High and low levels can be tracked, but it takes the knowledge of the City staff to know where to reorder materials and what appropriate costs should be. The average cost method is used currently and is desired in a future environment. To track and audit inventory at the end of the year, a physical inventory count is conducted to true up the totals in the system.

2.7 Project Accounting and Grants Management

The City currently uses E1, MS Excel, and manual paper-based processes for Project Accounting and Grant Management. Staff reported that Project Accounting functionality in E1 is available, but was never configured. Instead, the City tracks projects by fund and business unit using the subsidiary line items on the chart of accounts. Staff reported a desire for a future system that provides a project accounting module that gives staff and project managers the ability to see a master view of a project to track projects with multiple phases, funding sources, and years. Many systems in the marketplace offer enhanced project and grant tracking capabilities that allow for detailed tracking of costs. The ability to leverage budget, payroll, fixed assets, grants, work order, purchasing, and general ledger modules to report from inception to date, year to date, by vendor, and by phase of the project may provide benefit to the City in a future environment.

Each project manager is responsible for setting up their own project budgets and managing reimbursements. Currently these project managers have view-only access in E1. Project budgets are mixed with the operating budget and expenditures are tracked through purchase orders. Budgets are developed at the lowest project cost level because it was reported that it is the only method that E1 supports. Staff reported the desire for budgets to roll up. Because project funds are comingled, staff

reported it to be challenging to identify expenditures by project and department. Staff reported a desire to reduce the comingling of funds and make the tracking of project expenditures a less laborious process. Further, because there is no project accounting module and projects are tracked using the subsidiary line items on accounts, staff cannot easily associate (attach) documentation with a project. Staff reported the desire for the ability to attach documents to projects and have the general ability to have a centralized repository of documents.

The City also manages a number of activities that could be considered short-term or temporary projects, such as fiestas and parades. Currently, the City does not have any way to track expenditures related to these activities and desires activity codes that can be managed in a similar fashion as projects.

The City's grant application process is decentralized in that each department is tasked with finding and applying for their own grants, following appropriate approval. The timing and application of grants is managed through MS Excel and MS Outlook.

The City currently tracks grants in a similar manner as projects using the subsidiary line item in E1, without a grant management module. Staff reported that the biggest challenge with managing grants, besides the similar challenges as projects, is that there is no tracking system to notify staff of milestones and other important dates and activities related to grants. Further, because grants are tracked in the GL, closing out grants, applying end dates, and tracking multi-year grants is a challenge. Staff reported that tracking matching requirements, as well as reimbursements, are done in MS Excel within each department.

2.8 Fixed Assets

The City of Santa Fe is tracking Fixed Assets (FA) utilizing an asset identification number system. In order to be qualified as a FA, the asset must be valued at over $5,000 and be identified by the business unit and location it was charged from. It was reported that there is no way in E1 to flag or identify something as an asset at the time of purchase. The Fixed Asset Manager is responsible for retrieving associated documents for an asset, such as a Purchase Order (PO), Asset Tags, and other items.

When an asset is purchased, the Asset Manager creates the Asset Record in E1. At this time, the fund is assigned to the asset, an enterprise fund if applicable, and the capital fund which populates in the balance sheet. Currently, a numbering system is used that includes the ability to establish parent/child relationships. Finance is the only department that uses E1 for FA and all other departments report information back to Finance for asset generation.

The City uses straight line depreciation for FA which is calculated on a monthly basis. Each department is responsible for the ratings of their respective fixed assets (e.g., poor, fair, and good). At this time, the system does not allow for adjustments or modifications after the asset has been assigned costs (capitalized). The City reported that this is a cumbersome process if data entry errors are made and/or if modifications need to be made with the fixed asset record.

Another challenge reported by staff is the lack of reporting the current system offers. Staff are also not able to track sensitive assets (i.e., assets under $5,000 but still needing to be tracked).

The City disposes of fixed assets by either sending to auction, transferring to another department, or scrapping the asset. Any proceeds from auction after disposal are returned to the original funding source for the disposed asset. It was reported that this process is cumbersome and some inaccuracies in the data may exist.

City staff also reported that there have been challenges with the way in which the inventory listing and fixed asset listing in E1 operate. For example, some assets will be listed in inventory years after they are marked as disposed in the fixed assets listing.

2.9 Fleet Management

The City of Santa Fe Fleet Program consists of four divisions that utilize different fleet management processes. The four divisions are Transit, Fire, Solid Waste and Fleet. The City's fleet has approximately 1,000 vehicles and 500 pieces of equipment. Enterprise 1 is the system being used for fleet management; however, not all of the departments utilize it. Transit and Fire does not use Enterprise 1 while Fleet and Solid Waste are using it to varying capacities. It was reported that E1 has been configured to varying levels of completion for each area that has fleet necessitating the use of processes and tools beyond E1 functionality.

Work orders are being administered with variance among divisions that have fleet as well as among work orders types. It was reported that system limitations have required manual processes and the variances are partly due to the need to track specific data in some scenarios.

A typical work order process begins with the creation of a repair order with the associated fixed asset number. The needed repair is described and the appropriate business unit is confirmed based upon the assignment of the fixed asset. A technician is then assigned and the work is completed. At the completion of work, notification is sent that the vehicle is ready for pickup. Throughout this process, staff is not using a system to track all repaid activity, parts used, and labor utilized.

City staff reported many challenges in which the way work orders are managed, starting with limited tools to identify preventative maintenance, limited tools to schedule needed work orders with user departments, limited ability to calculate a true job cost on the work order, and limited ability to utilize effective parts and bulk materials inventory.

The City desires that a future system integrates with the Fixed Asset module utilizing multiple pricing or rating points to calculate valuations. The City also desires that the new ERP system has the ability to monitor gasoline, diesel fuel, and other bulk materials with the ability to purchase and sell in different units of measure (e.g., purchase in gallons and sell in quarts). The City has a limited number of fuel cards issued which are actually credit cards to be used at private gas station (being that the fueling center is in the City lot). Fleet runs the motor pool owning 35-40 leftover vehicles and the City Hall vehicles with looking to add more in the future.

Staff that are involved in fleet maintenance reported that they have pursued standalone fleet management software and are interested in understanding the depth of functionality within an ERP system. Should an ERP system lack the required functionality, it is desired that it may integrate with a standalone fleet management system to be able to share labor, inventory, and fixed asset information, among others.

2.10 Human Resources

City staff currently relies on the use of the JD Edwards EnterpriseOne (E1) application, MS Excel spreadsheets, manual processes, and periodic use of the legacy Infor Infinium application to support the human resources processes at the City. It was reported by staff that during the implementation of E1 certain functionality was not configured which has resulted in the use of spreadsheets and manual processes. In addition, data spanning a limited number of years was converted from Infinium which has resulted in reliance on querying that application for detailed data on a periodic basis.

In the current environment, position vacancies at the City are tracked through a centrally managed spreadsheet that is used by Budget staff to manage the process for approximately 1,500 positions across the City. It was reported that E1 has position control functionality that might allow for a more automated manner of tracking this information, but it is not in use. To fill a vacancy, staff within a department complete a request to fill form and provide it to the Human Resources Department (HR). This is a paper-based form that is completed at the department level, and routed for physical review and signature. Accompanying the form is a justification of need for filling the position and a copy of the job description. Currently, HR maintains all official job descriptions in MS Word and MS Excel format in a shared network drive that is accessible city-wide.

Once the requisite signatures are received, and the position vacancy and funding have been verified by Budget Division staff, the vacancy will be posted. This posting is made on the City of Santa Fe website with a few made through different publications as well. Interested applicants are able to submit paper applications or complete an application online through the City website by creating an account. The online account functionality will maintain the applicant's information and allow for reapplications for other vacancies in the future. It was reported by staff that the rate of reapplication for City positions is high, and it would be desirable to have an automated way to match applicants to other vacancies within the City.

When a posting is closed, HR performs a manual pre-screening of applications to identify those that meet the minimum qualifications prior to passing them along to the hiring department for review. It was reported that the pre-screening process is time intensive and may detract from staff being able to focus time on more analytical tasks. As part of pre-screening, each applicant's name must be queried in E1 as well as Infinium to see if the applicant had previously been employed by the City and terminated for cause as the City will not rehire former employees that were terminated for cause. If an application is disqualified for not having met the minimum qualifications, having previously been terminated for cause, or other reasons, the reasoning is recorded and a rejection letter is mailed following a manual process to generate the letter.

References of the applicant are then checked, the department verifies the applicant's credentials (e.g. degrees held), and a conditional offer is made. Following acceptance of the conditional offer, a paper-based request to hire form is created by the department and is accompanied by any applicable background, drug, or driving record results while being routed through five levels of approval. Staff reported that the results of a criminal background, drug test, or driving record search may return results that disqualify a candidate after the conditional offer is made, and the process must begin again. It was further reported that the cycle time from position closure to date of hire can be lengthy, and there are reported instances of losing candidates due to delays in City processing times.

Once an employee is hired, HR sets up the employee record in E1 and orientation occurs on the first Monday of the month. New hires are eligible to enroll in benefit plans within 30 days of hire, and if not enrolled during that timeframe, they can participate in the city-wide open enrollment on July 1 following the date of hire. The City recently began offering open enrollment through the ChoiceLinks online portal for Cigna, but reported that there are challenges with tracking dependents and must rely on reconciling data between Cigna and E1 via manually maintained spreadsheets. It was reported by City staff that this will become even more important with the new Affordable Care Act requirements, in which all pertinent employee & dependent data are needed for reporting purposes.

The employee' official personnel file is maintained by HR in paper format, though it was reported that some departments maintain unofficial shadow employee files that may have some information not contained in the official personnel file. This is in part due to HR having a reportedly limited role in the day to day maintenance of employees aside from receiving from the departments the personnel action forms that indicate changes to the employee record. Best practices of maintaining a single official personnel file are facilitated through the use of an integrated system that allows for the management of electronic personnel action forms, electronic storage of records, and employee self-service that allows for the management of certain information (e.g. updating contact information) by the employees. It was reported that the City processes over 1,500 personnel action forms each year. Adopting electronic processes to support the processes of these forms would reduce processing times, provide audit trails of changes, and consolidate information into a centralized location.

Anniversary and probationary dates are not currently being tracked in an automated or standardized method, nor are temporary employees. The City has a pay inequity policy; however, there is no automated way of tracking or managing the application of the policy to personnel actions and as a result there is a reported increased potential for pay disparities. The Payroll Division maintains certain employee records within their own department, such as W4's, direct deposit forms, and voluntary deductions, and these files are not also placed in the employee's official personnel file.

The process for managing and tracking performance appraisals is not formal in the current environment, and departments are responsible for managing this process and reporting changes to HR. It was reported that when a change or update is made within E1 related to a performance appraisal, the system will replace the previous performance appraisal results without maintaining a history of past appraisals.

City staff reported several other manual processes that exist due to reported gaps in the functionality provided by E1, including; entering in disciplinary actions in a comments field in E1 but not having

functionality to support a progressive disciplinary process; tracking FMLA in MS Excel and carrying out manual calculations; tracking certifications and training required of positions; the use of paper-based personnel action forms, and tracking certain information related to risk management and safety requirements.

2.11 Payroll

The City uses the JD Edwards EnterpriseOne application, in addition to manual processes and spreadsheets, to support the payroll process. It was reported that the City generates approximately 1,800 W2's each year.

Payroll is run on Thursdays on a bi-weekly basis, with 26 pay runs on an annual basis. The process begins with employee time records being entered into E1 on Monday, and on Tuesday running seven separate exception reports to validate the data. There are seven reports run separately for the various bargaining units in order to validate the information specific to groups, or "pay cycles" as staff termed them. Any applicable corrections are made prior to running a pre-payroll to validate deductions, benefits, and accruals. During this pre-payroll process, all users not involved in the process must be notified and advised that they should not be entering in transactions that affect the human resources or payroll modules in E1, as it would disrupt the payroll process. The next step involves a pro-forma journal entry that requires up to 30 minutes of staff time to process depending on the pay cycle. This process is repeated for each of the seven "pay cycles" during each payroll run. A positive pay file is transmitted to Wells Fargo and then payroll is processed by producing both paper checks and ACH payments to staff.

In the current environment, staff have the option to receive either ACH payment or paper checks. Approximately 80% of staff receive payment via direct deposit. Regardless of how staff receive payment, payment stubs are distributed in the same manual and paper-based manner. Thursday morning the Payroll Division sends a distribution list to all department payroll monitors indicating which staff are being paid. The payroll monitors are required to appear in person at the City Cashier's Office with a copy of the time entry worksheet from the current pay cycle in order to receive the pay stubs for employees in their department. Standing in front of the payroll monitors from across all City departments, Payroll staff read aloud the names of all staff (approximately 1,300 staff) individually by department.

The pay stubs are produced and sorted by department; however, they are not sorted by ACH and paper check payments. Paper checks are distributed at this time along with the pay stubs; however, since all pay stubs are generated at once Payroll staff are required to go through the stack of 1,300 pay stubs and manually insert the paper checks with the corresponding stub. As the names of individual staff members are read aloud, the payroll monitors verify the employee name on the time entry worksheet they have brought with them, and collect the pay stub and (if applicable) the paper check. It was reported that this is a very time consuming process. An opportunity exists in a future environment for the City to make available pay stubs electronically through an employee self-service portal, email, or directly through a new system. Doing so would represent a large savings in time spent managing and supporting the payroll process.

Retiree benefits are not paid out by the City, but are managed by the State of New Mexico Public Employees Retirement Association (PERA). Each pay period, City staff must submit required reports to PERA based on four different plans that are offered. E1 is able to generate the reports; however, it was reported that the reports can be difficult to reconcile. Overtime hours worked is reported to PERA but is not used as a basis of calculation for benefits. If an employee were to change time previously reported or paid as overtime to regular pay, it would affect the PERA calculations which complicates further the reconciliation process. City staff reported that several hours per pay period are spent reviewing and revising the records in order to generate the required PERA reports.

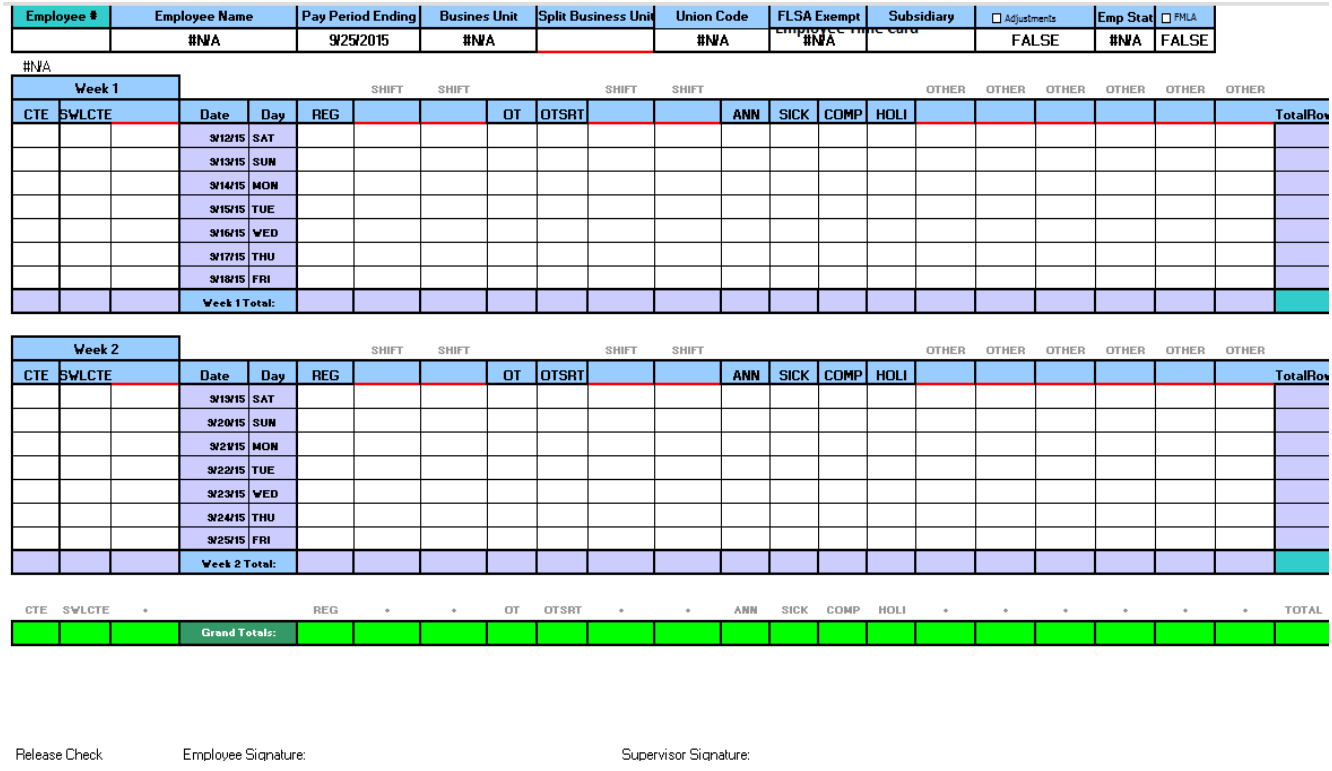
It was reported that there are several additional manual processes and perceived gaps in functionality provided by E1, including; the use of Vertex for updating tax tables on an annual basis; manual calculations external to the system to determine the per period payments for incentives over the course of a year; accounting for accrued interest and penalties on garnishments; reliance on paper-based personnel action forms; and not utilizing position control functionality that is available in the system.

2.12 Time Entry

At the time of the writing of this Report, the City is in the process of implementing a pilot program to test time entry directly into E1, with approximately 300 employees participating in the pilot. As a part of this pilot, those staff are also conducting parallel time entry through the City‘s standard process which utilizes MS Excel.

In the standard process, a new MS Excel spreadsheet is sent out to each department every pay cycle by Payroll staff. The spreadsheet is populated with data from E1 and must be updated each pay cycle. Payroll staff perform a query in E1 for all active City employees, and export the results to the spreadsheet prior to updating the pay period end date and drop down lists for pay codes. The spreadsheet is used to record time for staff within a department, and allows for a maximum of 100 employees’ time to be entered on each tab of the workbook. Using VLookup formulas to identify an employee’s status, employee number, and other information, the workbook then allows for time to be entered over a two week period, including any leave taken. A portion of the tab is printed as a separate page for each employee, indicating their recorded time worked. A blank sample of an individual employee’s time sheet is included on the following page.

Figure 1.2: Sample Time Sheet



Employee #	Employee Name	Pay Period Ending	Busines Unit	Split Business Unit	Union Code	FLSA Exempt	Subsidiary	Adjustments	Emp Stat	FMLA
	#N/A	9/25/2015	#N/A		#N/A	#N/A		FALSE	#N/A	FALSE

#N/A

Week 1																							
					SHIFT	SHIFT			SHIFT	SHIFT						OTHER	OTHER	OTHER	OTHER	OTHER	OTHER	
CTE	SWLCTE		Date	Day	REG			OT	OTSRT			ANN	SICK	COMP	HOLI							TotalRow
			9/12/15	SAT																		
			9/13/15	SUN																		
			9/14/15	MON																		
			9/15/15	TUE																		
			9/16/15	WED																		
			9/17/15	THU																		
			9/18/15	FRI																		
			Week 1 Total:																			

Week 2																							
					SHIFT	SHIFT			SHIFT	SHIFT						OTHER	OTHER	OTHER	OTHER	OTHER	OTHER	
CTE	SWLCTE		Date	Day	REG			OT	OTSRT			ANN	SICK	COMP	HOLI							TotalRow
			9/19/15	SAT																		
			9/20/15	SUN																		
			9/21/15	MON																		
			9/22/15	TUE																		
			9/23/15	WED																		
			9/24/15	THU																		
			9/25/15	FRI																		
			Week 2 Total:																			

CTE	SWLCTE			REG			OT	OTSRT			ANN	SICK	COMP	HOLI							TOTAL
			Grand Totals:																		

Release Check Employee Signature: Supervisor Signature:

The department's payroll monitor then has each employee within their department review and sign their individual time sheet on the paper printout. It was reported that for some departments, such as the Police Department, the payroll monitor must gather time and signatures for over 150 employees every pay cycle, which is a very time consuming process that lasts several days.

Once all time is collected and time sheets signed, the completed MS Excel spreadsheet is sent to Payroll staff who them review and validate the data. If the data looks appropriate, Payroll staff use a locally developed application to import the required information from the spreadsheet into E1. When it is time to collect employee pay stubs, the payroll monitors use the signed timesheets that were completed by staff to verify whether someone was paid or not.

The City currently relies on paper-based forms for requesting leave. The forms are completed by an individual employee and turned in to a department supervisor who verifies that sufficient leave balances exist prior to approving the request. It was reported by staff that the practice of verifying leave balances prior to approving requests may not be strictly adhered to in the current environment. Due to the reliance on paper processes for requesting leave, challenges are often encountered during the time sheet entry process as staff must filter through the paper files to find leave requests, validate leave balances in E1, and manually enter the leave taken into the spreadsheet. Sick leave requests and overtime hours worked are also submitted on paper forms following such events.

The spreadsheet used for time entry is reported to be very complex in order to match the complexity of the various pay codes and calculations that apply across the City. For example, the Police

Department has five separate pay set-ups that apply to the three unions and two other groups. For each of the pay set-ups the rules for call back, overtime, holiday and other categories of pay will vary. The spreadsheet has been designed to capture all this information for each employee, across all City departments. While the spreadsheet has been developed to capture various pay codes and leave events, there are still challenges in tracking FMLA leave taken and balances. A separate spreadsheet is maintained for purposes of tracking FMLA balances for all City employees and is updated each pay period. E1 is updated with certain FMLA information for reporting purposes and effecting payroll; however, staff reported concerns over the integrity of the information that is produced out of E1.

While the majority of the City departments rely on time reporting through use of the spreadsheet, there are some exceptions. The Fire Department is currently using Kronos TeleStaff for purposes of scheduling and time entry for staff. When it comes time to submit time to Payroll, the Fire Department payroll monitor generates a report of time worked for employees and manually enters the information into the same spreadsheet used by other City departments for submission to Payroll. It was reported that TeleStaff is meeting the needs of the Fire Department though the process of reentering time into the spreadsheet is cumbersome and time intensive. The Transit Division of the Transportation Department, as well as Streets, Environmental Services, and Parks and Recreation staff is using GenesisPro for punching in and out; which also records any changes to time but does not allow for leave balance inquiry functionality. An export of information into MS Excel is used similar to the process used for TeleStaff.

2.13 Plan Tracking and Review

The Plan Tracking and Review process at the City is managed by the Land Use Department, with additional agencies involved as necessary. Projects that go before a land use board and/or City Council (e.g., rezoning) follow a lengthier process than minor cases (e.g., lot/line adjustments) that are able to be reviewed administratively at the Department level. It was reported that cases required to go through a land use board and/or City Council hearing process typically take about 10 weeks from pre-application to the final hearing. The land use board that may be involved in a review process include: Planning Commission; Summary Committee of Planning Commission; Board of Adjustment; Historic Review Board; Archeology Review Board; and City Council.

The Plan Tracking and Review process for a case that is required to go before a land use board for approval begin with an applicant requesting a pre-application meeting. This pre-application meeting is then scheduled and the appropriate Land Use Department staff are scheduled to attend. Following the pre-application meeting the applicant is then required to submit a date for an Early Neighborhood Notification (ENN) meeting. The Land Use Department reviews and approves the ENN date, prepares the ENN noticing materials, and attends the ENN meeting. Following the ENN meeting, the applicant is able to submit their project application.

Following the submittal of a project application, the Land Use Department prepares a paper project file and a City Project Manager is assigned to manage the review process. At this point, basic project information is entered into HTE. The case detail resides in the paper file, using the HTE assigned number as the case ID. The City Project Manager reviews the application for completeness and schedules a Design Review Team (DRT) meeting. DRT Meetings are held on Thursday afternoons

with electronic and paper copies of plans to be reviewed made available Wednesday afternoon or Thursday morning. The electronic case files are posted to a shared drive and DRT members post comments and revision information to the shared drive project file. Once all feedback has been collected, the City Project Manager develops the final agenda for the Land Use Board (LUB) and sends final City comments back to the applicant. Land Use Department staff are then required to prepare notice materials which includes sending the meeting agenda to the local newspaper in advance of the LUB hearing and providing the applicant with a physical notice to post on the property. Land Use Department staff then prepares a staff report for the LUB which includes multiple paper plan sets submitted by the applicant. Following the LUB public hearing, Land Use staff prepares and distributes an agenda action sheet to City Council. At this point, the City Attorney's Office prepares a Finds of Fact (FOF) report for review and adoption at the next LUB meeting.

Following the LUB's adoption of the FOF, draft resolutions and ordinances are prepared by Land Use staff and reviewed by the City Attorney's Office. Once a City Council Meeting is scheduled, Land Use staff prepares public notice materials for the applicant who is required to submit a public notice to the local newspaper and post a notice at the property in question. Land Use staff prepare a staff report for City Council and attend the City Council hearing along with DRT staff. Following the City Council hearing, the City Attorney's Office prepares a FOF report and the City Clerk publishes any resolutions or ordinances that result from the City Council hearing.

Applications that do not require a hearing process before a land use board may begin with the project application submittal; a pre-application meeting is not required. Once a paper application is received, an administrative fee is collected, a HTE entry is made, a paper file is created, and electronic plans are added to a shared drive. The application is then routed by Land Use staff based on staff review of application characteristics. Identified staff review the application and return comments back to the Land Use case manager. Following any required revision process, a second fee is assessed and collected prior to final approval. After the fees have been collected, the applicant records a Mylar copy with the County.

The Land Use Department's Historic Preservation Division may be involved as a reviewer in any of the two types of processes previously described, but they also may take the lead in some case types. An example of a case that may be led by the Historic Preservation Division is a re-roof application. These cases are submitted directly to Historic Preservation and tracked through a series of MS Access databases. Historic Preservation cases are not tracked in HTE. The five databases used serve the following five major functions: tracking all division inquiries; all approvals granted without a Historic Review Board hearing; all cases; all appeals; and archeological cases.

The Public Utilities Water Division requires that developers submit a separate plan for review. This review process is separate from the review processes completed by the Land Use Department's Development Review Team (DRT). The results of the Water Division's review are submitted to the Land Use Department by the developer or applicant.

Staff expressed a desire to utilize system automation to establish and track the routing of planning applications. Other improvements that were expressed as highly desired were system calculation of

fee tracking, a reduced reliance on paper files, and a linkage between planning cases and future permits tied to the same property.

2.14 Code Enforcement

Currently the City's Constituent Relationship Management (CRM) system is used to manage most code cases within the City. The Land Use Department's Inspections and Enforcement Division oversees the community development code enforcement functions. The Inspections and Enforcement Division has four code enforcement inspectors, each assigned to one of four geographic zones. The inspection zone assignments rotate every two years. Complaints come in through the CRM system, through walk-ins, calls to the City, and proactive activities of code inspectors. It is estimated that about 50% of the complaints submitted end up resulting in a code case. HTE is not used by the Inspections and Enforcement Division.

The cases handled by the Inspections and Enforcement Division begin with a notice of violation requiring correction within 14 days with a follow-up second and final notice of violation sent with a second 14 day period for correction. If compliance is not reached following the second notice, the case is escalated to the municipal court. Inspectors are currently tracking when follow-up inspections are required manually (e.g., 14 day period for compliance is reached). The desire to automate the re-inspection scheduling process through future technology tools was expressed. Once a case is completed, the appropriate updates are made within the CRM system. It was reported that any future system used to manage the code enforcement case process would need to integrate closely with the City's existing CRM system without the need for duplicate entry. In the current environment, cases are managed only in the CRM tool, preventing the ability to easily view code enforcement activity related to a permit or all permitting and enforcement activity at a location.

The Historic Preservation Division also handles enforcement cases related to historic preservation issues. There is one inspector assigned with this responsibility and the process is managed in HTE. The process for historic preservation cases generally involves the issuance of a notice of violation letter or a red tag (stop work order) depending on the severity of the violation. The notice of violation letter generally gives requires correction within 14 days. If compliance is not reached, the case will be escalated to the municipal court.

City staff expressed the desire to continue utilizing the CRM tool for complaint submittal. Because the CRM tool is not integrated with HTE, code case information and all other planning, permitting, and inspection activities are not integrated. In the future environment, a two way integration with the CRM system is desired. This type of integration would allow the complaint to come in to the community development application for review and processing, with the complaint or case status returned to the CRM system for public inquiry. This would also allow City staff and members of the public to view all code enforcement activity in conjunction with planning, permitting, and inspection information. Other desired functions included the ability to flag a property that may require a police escort or have other information beneficial to the City inspector, the ability to enter standard code comments, and the ability to generate spatial reports on enforcement activity.

2.15 Inspections

In the current environment, HTE and the Selectron Interactive Voice Recognition (IVR) system are used to support inspection processes. The majority of inspection requests come in through the City's IVR system and are added to HTE through an integration with Selectron. Contractors request inspections through the IVR system using an access code specific to the permit they are calling the inspection in for. Inspections received by 3:00 pm are then scheduled for the following business day. HTE also has a limit of 30 total inspections by discipline for a given day, if this limit is reached any additional inspection request is scheduled for the following day. Contractors are unable to request inspections through HTE's Click2Gov. This function was previously activated but was not compatible with the IVR system. The result was that the 30 inspection maximum was unable to be enforced. City staff expressed a desire for a future system to support both online inspection requests and IVR inspection requests.

The 30 inspection daily threshold does not take into account the anticipated duration or complexity of a type of inspection. In the current environment, contractors are able to call in inspections that are out of order. The ability to incorporate anticipated inspection duration and complexity into the inspection scheduling and load balancing process was expressed as a desired feature of a future system. The IVR system and HTE do not enforce inspection sequence requirements, or inspection types associated with the permit the access code corresponds to.

Inspection requests are processed and assigned by inspection supervisors. Inspectors receive the paper inspection sheet for each inspection. As part of this assignment, a daily route is planned and provided to the inspector. This route is created based on staff knowledge of City geography and does not utilize any map based routing tool. Inspections are assigned based on trade with each trade specific inspector covering the entire City. City inspectors complete inspections and either enter results into HTE from the field or call the results in through the IVR system. When the IVR system is used to report inspection results, the inspectors will follow-up with additional written detail in HTE.

City staff expressed a desire to use mobile devices in the field to complete inspections in the future. As part of this function, the mobile devices would need to support offline processing, capture photos, and provide speech to text functionality for logging inspection results. The ability to configure inspection checklists for completing certain types of inspections was also requested as a feature that would help train new inspectors in the future.

2.16 Permitting

In the current environment, HTE is used to support permitting within the Land Use Department. Permit applications are submitted in person at the City. Permit applications are received, reviewed for completion and supporting documentation, and entered into HTE. Once entered into HTE, a permit number is assigned and fees are calculated based on permit characteristic. Entering a permit into HTE requires navigating between several screens that do not align with the formatting and content of the corresponding paper permit application.

Once the application has been entered into HTE and fees have been calculated, applicants are provided a paper invoice to pay at a cashier station. One the applicant returns to the Land Use Department with proof of payment, the applicant is provided with an application number, instructions for accessing the permit status through Click2Gov, and the pin number required on Click2Gov. For some permit types (e.g., window replacement, water heater replacement), a permit may be issued following payment of the permit application fee.

Once the application has been received, the application and supporting details are routed based on the Permit Routing spreadsheet. This spreadsheet is a matrix containing each permit type and conditions that may exist and the reviews that they would trigger. In a future environment, staff desire to have a system automate the logic stored within the routing matrix. A paper file is created and paper copies of the permit plans are distributed to the physical mailboxes of the required reviewers. Permit reviewers, including those outside of the Land Use Department, regularly check their permit review mailbox. Reviewers are provided three days to complete their review. This timeframe can be challenging if a review uncovers the need for an additional reviewer to be included in the process or if more reviewers are required than the number of paper plan copies submitted (6).

Once reviews are completed, each reviewer enters their comments into HTE. During the review process applicants are able to log into Click2Gov to review their application status and which departments have completed their review. Following the review of the permit, additional fees will be assessed (e.g., impact fees) and the applicant is informed that their permit is ready to be picked up. Once any outstanding fees have been paid, the permit is printed and issued to the applicant. Residential permits are valid for one year and commercial permits are valid for two years, for both classes of permits work is required to begin within 180 days of permit issuance any may not be abandoned for more than 180 days at any point. The City also issues special use permits, but these are tracked entirely outside of HTE.
The City currently has a Green Building Code that is required to be complied with for all new residential construction. The code is enforced as part of the permitting process, but also includes the submittal of a spreadsheet detailing how compliance will be obtained. There is currently a point system used that is based on the Home Energy Rating System (HERS) index. Prior to the final building inspection, a follow-up inspection is completed to ensure that the planned efficiency measures were taken. If the HERS index rating is below the required level, fixes are made (e.g., high efficiency appliances), or a fee is assessed for failing to comply. Staff expressed a desire that a future community development system provide tools to help support the enforcement of the Green Building Code.

City staff expressed a desire to allow online permit submittal and allow for over the counter type permits (e.g., water heater replacement) to be completed entirely online. Other desired improvements included electronic plan submittal, improved ease of use for online status tracking, improved end-user reporting, search and query tools, online fee calculators, and geographic based routing (e.g., application within a historic district triggers additional reviewer).

2.17 Business Licensing

Currently all City business licenses are issued for a calendar year, with all licenses expiring on December 31 annually. Businesses obtaining licenses for the first time pay for the full year and are then subject to a January 1 renewal annually.

Currently the application process is paper based. Application forms are available online, but they must be printed, completed, and submitted via mail or in person. The standard business license fee is $35, there are some business types that are subject to different or additional fees. The full fee schedule is maintained within HTE. The type of business impacts the work flow and may impact the fees that will be charged. The two major factors that impact the application review process are whether or not the business is home-based or not and the number of employees they have. Businesses serving liquor are required to go before City Council as part of the application review process. Businesses serving food are required to obtain appropriate licenses from the State and are required to include proof of state licenses as part of their City business license application.

First time Business License applicants generally begin with an in-person meeting with the accounts receivable staff within the City's Finance Department. Following this meeting, the application process generally begins with the Business Owner or delegate contacting the City Land Use Department to ensure that the Business has obtained the necessary Certificate of Occupancy (CO). If necessary, an inspection is created and performed using HTE. Inspections are not required for home based businesses that do not have clients coming to the home, instead they must submit a sketch of the house to ensure that the business will not exceed 25% of the overall building square footage. Following any required inspections, licenses are reviewed and approved with HTE updated during the approval process. Following the approval, a paper business license is printed and provided or mailed to the applicant to display at their business.

The Business License renewal process can be completed online through HTE's Click2Gov functionality. Renewal notices are sent by completing a query in HTE that is then exported to MS Excel to create mail merge renewal notices. Approximately 7,000 renewal letters are mailed out each year. The renewal letter contains instruction for online renewal as well as the process for renewing through the mail. Approximately 1,100, or 15% of license are renewed online. Once the license has been renewed and paid for, City accounts receivable staff mails out the physical business license form. Businesses have until March 15 each year to renew, after this deadline a $10 late penalty is applied.

City staff expressed a desire to expand the eGovernment functions available to include initiating the Business License application process electronically and providing more contextual help and guidance during the application and renewal process. Other areas of desired improvement were the ability to easily generate report based on types of businesses and produce map-based reports.

2.18 eGovernment and Web Capabilities

The City currently uses HTE's Click2Gov web portal to provide eGovernment functions. The functions available through the eGovernment portal include inquiring about the status of a permit application

that was previously submitted. After submitting paper permit applications to the City, applicants are provided with Click2Gov access numbers to follow-up on the status of the permit application as it is routed through review processes. Contractors are each assigned a PIN to gain access to the Click2Gov portal and are able to create a new account, update their contractor account information, and seek assistance with a forgotten PIN or password.

The Click2Gov portal also allows Business License renewals to be completed and paid for online. There is a reported desire to expand the Business License functionality to support the initial Business License application process.

In addition to the Click2Gov portal, the City also provides a Constituent Relationship Manager (CRM) allowing constituents an online portal to submit requests and complaints. This CRM system is an in-house, custom developed application that is maintained and supported by the City ITT Department. Constituents have the option to create an account or submit requests anonymously. The CRM portal allows constituents to search for a topic they would like to submit a request or complaint on (e.g., junk vehicle). Additional information specific to the topic is then requested (e.g., location, vehicle make). If requests or complaints are submitted by a logged in user, the user is able to view the status of the previously submitted request or complaint.

City staff expressed a desire to expand upon current eGovernment functionality to allow for online permit and plan application submittal, Business License application, and to support the submission of inspection requests. The ability to provide instructions, contextual help, and even guidance documentation and videos online was also expressed as highly desired.

2.19 Addressing and Central Property File

The City utilizes HTE's Land Management (LX) module for tracking addresses. The information stored within this module also serves as the basis for addressing within other City Departments including Public Utilities and the Economic Development and Finance Departments for business licensing. Address information is also tracked in a GIS address point layer, but inconstancies exist between the HTE LX module and the GIS data. Once an address is created or modified, the address is updated in the HTE LX module. New address assignments are most frequently the result of lot subdivisions, lot splits, and consolidations. As the City consolidates large tracts of land from the County, the new parcel is created within the City's GIS database, but an address is not assigned until the new parcel goes through a subdivision or permitting process.

Property owners or their representative request a new address assignment using an address request form. The one page form requires requestor information, a legal description of the property, land use type, and a section for City staff to complete their review. Once the address is approved, the new address is entered into HTE LX and routed to City GIS, City 911, City Fire Department, County GIS, and the Post Office. The Historic Preservation Division expressed a need to be added to the notification process when a new address is created, staff discussion suggested that this could be accomplished through a minor update to the existing form and adding a contact to the distribution of the new address notification.

Current environment challenges include inconsistencies between HTE and GIS addresses, historic districts with an entire block having a single address, legacy address assignment inconsistencies (e.g., corner lots and parallel streets), duplicate street and address ranges due to annexation, inconsistent address suffix use (e.g., Road/Rd, Lane/Ln), and inconsistent use of directional identifiers (e.g., 100 S. Main Street vs. 100 Main Street). The HTE address is the unique identifier used for permitting and inspections and is a required field. A future system should support the initiation of planning or permit application prior to address assignment as well as the ability to issue a permit not assigned to an address.

2.20 Public Outreach

BerryDunn facilitated an evening work session with external stakeholders involved in community development processes. This meeting included engineers, developers, architects, building scientists, and members of neighborhood associations. The discussion with the external stakeholders focused on the desire for expanded access to information online and a desire to streamline City business processes.

A general desire to move towards more electronic application and submittal use was expressed with the goal of expediting the submittal and review process. From the applicant perspective, it was reported that the current sequential review processes and routing of paper applications is thought to be delaying overall project timelines. It was also expressed that the amount of time it took to process an application could vary greatly. From an applicant perspective, planning for the time an application will be in progress is critical. The ability to provide an expected timeline at the time of application in addition to some standard time frames by application type was expressed as highly desirable. Meeting participants expressed that there were some inconsistencies in the involvement of other City Departments and external agencies. It was reported that there was some general confusion about which agencies (i.e., City and private utilities) needed to be involved in a submittal as well as the sequence and responsibility of the applicant in contacting additional agencies.

Other areas that were expressed as desired improvements through possible improved eGovernment functions were to expand the detail around the status of pending applications, provide more instructional information about the planning and permit application and review process, and to make Council and land use board meeting agendas and minutes more accessible and available in a timelier manner.

2.21 Technical Environment

Current Support Structure

Technology in the City is centrally supported by the Information Technology and Telecommunications Department (ITT). ITT includes 33 full time equivalents (FTEs) and is primarily separated into five groups: End User Services, Infrastructure Services, Radio Services, GIS Services, and Business Application Services (Systems & Programming). Within the Finance Department, there are two business analysts that perform a number of business processes as well as the first level of support for some information technology issues, primarily relating to the E1 system and reporting. If the business

analysts cannot solve issues brought to them, then they will request assistance from ITT. Staff reported that ITT is looking to invest in IT business liaisons skilled with a combination of business analysis and technical competencies to work with assigned departments to assist with support and planning for current and future systems.

The City has implemented BMC FootPrints for IT service desk support. Staff reported however, that most helpdesk requests come in the form of direct phone calls to support staff. ITT is looking into process improvements for service management to restructure processes and polices, and make it easier for end-users to submit tickets and request help and easier for the appropriate IT staff to receive and complete requests.

In 2014 the City cancelled Oracle support and entered into a year-long services agreement with Spinnaker Support, LLC until September 2015 for the E1 system. Staff reported that Spinnaker has its own work order system that tracks support requests from the City. For ancillary applications such as Active Payments Manager (APM) cashiering system and Createforms, the City has assigned points of contact that interact with the vendor directly for support requests.

Technology training at the City was reported to be only at a high level, and typically conducted as on-the-job training instead of formal sessions. ITT reported that the City used to have a physical training space that allowed for formalized training, but since its removal, training has been more challenging to set up. Staff reported a desire for a well-organized technology training program with technology training opportunities related to their positions.

Current Hardware

The City primarily uses IBM System I (iSeries, formerly AS/400) servers for the City's enterprise applications including E1, Police records, HTE, the Attorney's case management system, the current Utilities system, and locally developed applications. All servers at the City currently are physical servers; however, the City is open to virtual servers going forward and is interested in seeing what Cloud opportunities are available. The City has 30 different work sites and overall, the circuits are reportedly adequate; however, some need updating.

Staff reported that most employees at the City have computers, except for field staff such as park maintenance. Staff reported an interest in implementing kiosks for employees without computers to perform basic activities like time entry and online self-service.

A number of employees utilize mobile devices, primarily for email. Staff reported that most employees use their personal cell phones for email and other work purposes. Some tablets are in use by field staff and Police and Fire have rugged laptops that are cellular enabled.

For additional hardware, the City has 10-12 cashiering stations that were upgraded in 2013 for the Active Payments Manager system. The City also has a number of time entry clocks throughout the City including Genesis for Utilities employees and Telestaff for Fire employees. In general, Utilities and Fire staff are satisfied with the electronic time entry functionality available in the two systems.

The City does not currently have the ability to archive records due to a lack of any functionality such as a document management system. The City reported that there are over 600 million records sitting on the servers currently, which has led to a slower operating environment than is desired.

Other Ongoing Projects

As part of the fact-finding process, several enterprise-wide technology projects were identified as potentially impacting a future system or technical standards for a future system. Summaries of each project are provided below.

- **Utility Billing System Implementation:** The Public Utilities Department is in the process of implementing a modern utility billing system that could potentially interface with a future ERP system. It is anticipated to go-live in late October 2015.
- **End User/Help Desk Support:** The City is currently conducting process reviews to improve help desk support including setting up designated staff to receive help desk requests and triage work orders.
- **Data Center Migration:** The City is in the process of moving the primary data center to an outsourced facility away from the City's primary buildings.
- **311 System Research:** The City is in the process of looking into a more robust 311 system. Currently the City's website provides some basic 311 functionality, however it is not adequate for the City's needs.
- **iSeries Upgrade:** The City is looking into upgrading the iSeries servers (AS/400 servers) as the hardware support will expire in December 2016. Staff reported that not all applications will be off the servers by then, and that the City may need to lease a platform short term.
- **Online Business License Upgrade:** The City is looking into upgrading SunGard's Click2Gov application to a newer version.
- **GIS IMS System Upgrade:** The City is currently in the process of upgrading the internal and public facing GIS Internet Mapping System (IMS).

2.22 Organizational Change Readiness

Preparing an organization to undertake significant change can be difficult if the potential changes are not examined for impact on the productivity and morale of the individuals affected. Substantial changes resulting from projects such as ERP implementations can produce a variety of reactions from staff, including:

- Fear
- Uncertainty about one's identity, purpose, and role within the organization
- Questions of job security and organizational status
- Perceived loss of control and predictability

Change management is defined as the processes, tools, and techniques for managing the people side of organizational change effectively at the individual level, to achieve desired project management outcomes across the organization. Change management efforts focus on bringing

people through the process of change; from the current state of operations to a desired future state in order to drive positive changes in the business results of the project. While change management may not be as easily quantifiable as project management, successful change management efforts can positively impact project success in the quantifiable terms of budget, scope, and schedule.

During the project planning meeting, City staff identified the following concerns that can be positively impacted by the project's change management efforts:

Table 2.2: Identified Change Management Concerns

Identified Change Management Concerns		
No.	**Concern**	**Mitigation Strategy**
1	There is an overall concern about setting expectations among users about available funding and functionality, especially where there may be a lack of funding. Specifically, the highest levels of concern are present among Human Resources staff due to past experiences.	Maintain staff expectations that no funding is guaranteed prior to City Council approval, but include Human Resources functionality during all project activities (i.e., fact-finding, functional and technical requirements) and include HR functionality as optional in the contract to pave the way for implementation if funded. To the extent that it is politically feasible, include all anticipated phases of the project in the initial funding request. Consider making a request of the City Council to approve the ERP strategy document and issue a resolution endorsing the deployment of new software for all phases of the project.
2	Inventory staff are concerned about how they will fit into the new system. It is unknown whether water utility inventory would be included in a single, new system or maintained in a separate system.	Use Fact-Finding and Joint Requirements Planning sessions to understand existing inventory practices and identify potential needs in a future inventory system. Conduct analysis to better understand the advantages of using multiple inventory systems versus one system.
3	Staff with long tenures of 10-15 years may find it more challenging to separate their established role from new possibilities and depart from the current state of operations. For example, the Land Use Department's process for accepting fee payments was identified as one that will likely need to be modified.	Distribute messaging from the project's executive sponsor, City leadership, and department management endorsing the project. These communications should also enumerate the business reasons for procuring new software and set an expectation that business processes will be changed as a result of the software implementation.
4	Gaining feedback from all affected work groups may prove challenging if users do not vocally participate in project sessions meant to elicit user feedback.	Create opportunities (such as the demo labs during vendor demonstrations) to engage staff individually about their concerns and expectations. These opportunities should be most available to staff who are most familiar with and impacted by the affected business processes.
5	Staff will need to be appropriately trained to use the new software.	Develop a training plan that identifies a training methodology, affected users, and staff's training roles and responsibilities.

Identified Change Management Concerns		
No.	**Concern**	**Mitigation Strategy**
6	Staff may find it challenging to communicate project updates to the public that are timely and contain the appropriate level of information.	Project updates can be provided to the City Council and published online occasionally to provide a high-level overview. It is appropriate that overviews are provided periodically around project milestones. Each overview should provide a brief background of how the strategic vision driving the project was formulated, a description of the City business needs and affected functional areas, and anticipated next steps.
7	Staff are looking for feedback from other implementations' process improvements to energize staff about potential improvements.	Invite a large cross-section of staff to participate in fact-finding, vendor demonstration, and Joint Requirements Planning sessions. The discussions in these sessions can provide insight into functionality available in modern ERP systems. During system selection, conduct extensive reference checks and site visits with current clients to validate vendor claims about process improvements.
8	New hardware may be needed to support the new software. This is especially of concern regarding electronic plan review.	Identify the scope of potential hardware needs during the procurement process, using the vendor's experience to inform the City's expectations about what may be needed. Include hardware cost estimates in the project's funding request.

As the City proceeds with the ERP project, a potentially large number of City staff will be impacted by one or various changes implemented. It will be important that these individual staff members remain informed during the life of the project, and invited to participate in the process where appropriate. Whether it be the concerns identified here or new concerns that arise during the course of the project, change management and communication efforts can assist with mitigation efforts to increase buy-in, reduce uncertainty, and clarify the City's strategic vision for the project.

3.0 Primary Challenges and Areas for Improvement

This section of the report describes presents the primary challenges and areas for improvement in the current environment. Each item will be described to serve as a benchmark for later measurement. Within the sub-sections to follow, the specific challenges reported within each business process have been identified and classified as being related to current policies in place, related to processes in place, or attributable to technical constraints or considerations.

There were many challenges related to the current systems and environment at the City identified as a result of the fact finding activities. Many of the challenges are documented in Section 2.0. BerryDunn has identified the 17 primary challenges and areas for improvement in the current environment at the City. These challenges are identified in Table 3.1 and described in detail in the sub-sections that follow.

Table 3.1: Challenges and Areas for Improvement

Challenges and Areas for Improvement	
1	There is limited querying and reporting functionality in the current environment.
2	Several business processes rely on disparate systems and manual processes including those for human resources, payroll, and project tracking, among others.
3	There is currently a lack of mobile system access and data capture functionality for staff working in the field.
4	The lack of a centralized document management system creates challenges in managing hard copy documents external of primary applications.
5	There is a lack of comprehensive accounts receivable and cash receipts functionality within current systems.
6	Manual processes are used to support the grant application and tracking process.
7	Limited eGovernment capabilities are available within HTE's Click2Gov.
8	There is significant reliance on MS Excel, MS Access, and manual paper-based processes at the City.
9	Time entry and personnel action processes create inefficiencies in the current environment.
10	There is limited or inadequate functionality in current systems to support certain business processes.
11	There is limited data and sharing of information within the HTE system.
12	There are limited automated workflow processes and approvals (e.g. electronic signatures) implemented at the City.
13	System navigation is reported by staff as being not intuitive and is cumbersome.
14	Functionality to support project accounting is not being utilized in current systems.
15	Further opportunities for initial and refresher training on City applications could be provided.

Challenges and Areas for Improvement	
16	The City is seeking to modernize the infrastructure that support enterprise applications including investments in virtualized and cloud computing platforms.
17	The HTE system does not support digital submittal and electronic review and mark-up tools.
18	Opportunities for increasing transparency into City fiscal and land use information through the City website exist.

1. **There is limited querying and reporting functionality in the current environment**
   City staff reported limited query and reporting capabilities related to nearly every business process. In the end user survey distributed to City staff, when asked "Are you able to effectively and efficiently access the information you need using the existing JD Edwards EnterpriseOne ERP system?" 67% of City staff responded "No". Users reported a desire for increased reporting capabilities, and enhanced ability to query information in a future system without the use of a third-party solution. Challenges included the inability to generate ad hoc reports, the need to manipulate data in existing reports, and reports from Insight not providing real-time information. In a future environment, the City requires that a system provide user-friendly query and reporting capabilities while also utilizing dashboard reporting for City Management. The use of dashboards will allow City Management to view real-time performance metrics (i.e., point of sale transactions for a time period). In addition, it was reported that there is an increased desire for read-only access to information in the system by departments and staff that are not the information's primary "custodian."

2. **Several business processes rely on disparate systems and manual processes including those for human resources, payroll, and project tracking, among others.**
   In several areas, the City uses a combination of manual processes and shadow systems to support core business processes. This has created challenges by creating multiples sources of record, and increased the processing time required for certain functions. As an example, the City has developed functionality to accept applications through the City website, however the process of tracking and reviewing applications is manual from that point forward. Due to policy that states that an applicant is automatically disqualified if they have previously been terminated for cause by the City, staff must query every applicant's name (and derivations) in E1, Infinium, and in some instances must search archived paper files. The process of pre-screening, notifying disqualified applicants, and routing applications to the department level is entirely manual and paper-based. Most modern ERP systems offer functionality that allows for managing the applicant process from the point of identifying position vacancies, posting job announcements, receiving electronic applications, and through the interview and onboarding process. Transition to an automated process would reduce the amount of time HR staff spend managing manual processes, and allow for concentration on higher level analytical tasks. Similarly, challenges were noted in the time entry, payroll and project tracking functions due to the use of disparate systems and manual paper-based processes.

3. **There is currently a lack of mobile system access and data capture functionality for staff working in the field.**
   Inspection activities are conducted manually, using paper-based methods. While inspections may be resulted from the field using the City's IVR system, the process is still paper-based. Inspectors are assigned paper inspections and log inspection details into HTE at the end of each business day. The lack of mobile devices and a system optimized for field data capture, results in duplicate paper and electronic entry of data.

4. **The lack of a centralized document management system creates challenges in managing hard copy documents external of primary applications.**
   While document management functionality exists within some of the City applications, there are opportunities to continue expanding this functionality. The ability to provide centralized document management functionality would allow for documents to be retrieved in one application while simultaneously retrieving related documentation from other functional areas. Some ERP solutions that are commercially available offer integration with document management solutions – functionality that may offer the City added efficiencies.

5. **There is a lack of comprehensive accounts receivable and cash receipts functionality within current systems.**
   The lack of a centralized cashiering system has led to the use of disparate third-party cashiering systems. Multiple existing applications at the City maintain separate customer databases. As these systems do not share a central customer file, it is challenging for staff to determine which customer database has the most accurate and up-to-date information and what debts are owed to the City. Additional challenges are created in E1 as a result of multiple customer types being created for the same customer, in order to generate receivables for differing funds.

6. **Manual processes are used to support the grant application and tracking process.**
   City staff currently use Excel spreadsheets and paper copies of applications to track grant submissions, status, payments, and reimbursements. While some grant applications can be submitted online through the granting agency's website, the process of tracking the overall status of the grant involves storing manual reports. The lack of using a centralized grant management system also means that the City cannot leverage the integration available that allows grant information and tracking to carry into budget, payroll, work order, purchasing, and general ledger applications.

7. **Limited eGovernment capabilities are available within HTE's Click2Gov.**
   The City has limited eGovernment capabilities related to permitting and business licenses. The current Click2Gov system allows for applicants to track the status of existing applications, but has not been configured for application submittal or inspection request online. City staff reported a desire to have functionality that will support online permit application in a future environment in order to reduce processing time and paperwork associated with the application process. Business owners may renew their business license online, but they are unable to submit an initial application electronically. Information available within Click2Gov is tied to the

application and not the applicant, preventing applicants from viewing all or historical applications they have submitted.

8. **There is significant reliance on MS Excel, MS Access, and manual paper-based processes at the City.**
   MS Excel spreadsheets are used extensively by the City in order to extract data from E1 into spreadsheets for analysis, tracking, and/or reporting purposes. Spreadsheets are used by departments as shadow systems to provide the detail level needed for department operations. A MS Access database is used as a primary tool in the budget reporting process, in addition to reliance on MS Excel and paper for the budget development process. The City is not using an enterprise wide time entry solution that is automated in nature or which provides self-service functionality, and instead relies on spreadsheets. At the beginning of a new fiscal year it was reported that staff experience challenges with invoice entry for obligations from the previous fiscal year. Invoices are entered and the payment posted in the current fiscal year, and a manual journal entry must then be entered for each payment to post the expenses against the prior fiscal year. Across most functional area fact-finding sessions it was discovered that primary business processes are being supported through the use of spreadsheets and databases external to E1 and HTE, as well as manual and paper-based processes.

9. **Time entry and personnel action processes create inefficiencies in the current environment.**
   For City staff not participating in the pilot time entry project, the process of collecting and reporting staff time on a biweekly basis is time intensive, and requires both paper and manual processes. Validation of staff time worked, including any leave hours used during a reporting period, is complex and requires maintaining shadow systems. Leave requests and overtime reporting relies on paper forms being completed and submitted to supervisors, similar to the process for any personnel actions. It was reported by City staff that in some instances the City has lost qualified applicants due to the amount of time that is required through the onboarding process, specifically related to the manual routing of request to hire forms.

10. **There is limited or inadequate functionality in current systems to support certain business processes.**
    There are several areas in which the City might benefit from expanded functionality not available within the current environment, but generally available in ERP systems on the market today. Examples include the ability to track and monitor projects; the ability to provide an employee self-service portal for a single view into the employee record, including current and past pay stubs and leave balances; the ability to store electronic images of purchase orders, checks, invoices, and other system produced documents; the ability to provide an audit trail of all transactions performed on the system; the ability to route electronic workflow approvals through the system; the ability to provide real-time reporting and inquiry of account balances;; and the ability to support more robust and transparent time entry processes. As it relates to the land use process, enhanced functionality provided through a more modern system might include electronic workflow for permit application review, automated inspection scheduling and assignment, and field entry of inspection results from mobile devices. Electronic workflow will

support notification to City users of key dates and actions required, and allow for users to quickly and accurately query the status of a certain application.

11. **There is limited data and sharing of information within the HTE system.**
    Challenges exist in sharing of information between HTE modules. In some cases, information is tracked external to HTE that could or has historically been tracked in HTE. In other cases, information that exists within HTE is not shared between modules. Examples include planning details being tracked external to HTE, permits not being linked to conditions identified in a planning case, and code enforcement information being tracked in HTE by Historic Preservation but not by Inspections and Enforcement.

12. **There are limited automated workflow processes and approvals (e.g. electronic signatures) implemented at the City.**
    Functionality existing in HTE for workflow is not meeting all City needs, and is not widely utilized in E1. City departments are distributing documents for approval in paper copy and often this procedure creates delays in business processes. The process of approving invoices and vouchers, as well as personnel action forms, are examples of challenges that are experienced in the reliance on manual approvals external of the core software applications. Modern ERP systems offer functionality allowing for the approval of transactions through electronic signatures and approvals, which would provide the City with gained efficiencies including more expedited approval timelines. The budget creation and approval process is being completed outside of the E1 system and relies entirely on paper based processes. External to HTE, City departments are distributing documents for approval in paper copy and often this procedure creates delays in business processes. Workflow and routing does not fully leverage GIS to identify unique review considerations or the need to include an additional department or division in the review process.

13. **System navigation is reported by staff as being not intuitive and is cumbersome.**
    City staff reported that the E1 system is not user friendly, and can be difficult to navigate. The menu tree options within the system were reported to be challenging to navigate, particularly for users that do not use the system on a regular basis. The process for printing a purchase order was reported to take a minimum of six steps, which staff felt was cumbersome. Staff reported a desire for a future system to be much easier to learn and understand. A future system that is easier to navigate will reduce staff time performing manual processes and reduce the need for training and custom-developed user manuals.

14. **Functionality to support project accounting is not being utilized in current systems.**
    Functionality is reported to exist within E1 to support project based accounting, however it is not being utilized in the current environment. This creates challenges with identifying expenditures associated with specific projects due to the use of subsidiary account line items being used to track project activities, but not easily being able to do so by individual project. Many more modern systems offer enhanced project tracking capabilities that allow for detailed tracking of costs. The ability to leverage budget, payroll, fixed assets, grants, work order, purchasing, and general ledger modules to report from inception to date, year to date, by vendor, and by phase of the project may provide benefit to the City.

15. **Further opportunities for initial and refresher training on City applications could be provided.**
    Across various departments and divisions, users reported that they have not received adequate training on the functionality in E1 and HTE. This includes both training at the time of on-boarding as well as refresher training. Some of the reported challenges identified by staff and included in the table at the end of this section and elsewhere in this report may be a result of gaps in knowledge in how to carry out processes within the systems. With a new system, it is recommended that end-user training be provided to all staff, and training manuals be created for training new staff and also used for refresher training.

16. **The City is seeking to modernize the server infrastructure that supports enterprise applications including investments in virtualized and cloud computing platforms.**
    Many of the City's current enterprise applications run on physical iSeries servers including E1 and HTE. In support of the City's Strategic Roadmap for Technology, enterprise applications are desired that will operate effectively in an environment that makes use of virtualization technology, SQL Server operating systems, and potentially hosted or subscription-based deployment methods. These opportunities are not able to easily be realized in the current systems environment.

17. **The HTE system does not support digital submittal and electronic review and mark-up tools.**
    Review of planning applications, as well as permit applications, currently relies on the submittal and routing of hard copy documents (including large format sheets). Hard copy documents are stored and routed to appropriate review parties, creating inefficiencies of both time and storage space for multiple copies of large documents. Additionally, requiring applicants to submit hard copy forms requires trips to the Land Use Department that could be avoided through electronic submittal.

18. **Opportunities for increasing transparency into City fiscal and land use information through the City website exist.**
    An area for improvement identified by City staff is that of increasing transparency into certain categories of City financial information and land use data. City management recognizes the importance of accountability and transparency in its responsibility as steward of public funds, and has identified an opportunity to make readily available more data through the adoption of a new system that may promote the sharing of data in a more open and comprehensive format.

Table 3.2 provides details on the challenges identified by City staff and BerryDunn. The challenges are grouped by functional business area and include columns indicating whether the challenge is related to current policy, technology, processes adopted by the City. In some instances a new ERP system will not be able to address challenges if the challenge is a result of current policy. Likewise, a new system may be able to address some challenges and areas for improvement through the adoption of new processes related to increased automation or functionality, but new technology may not be able to address all process related items.

Table 3.2: Challenges Identified by City Staff and BerryDunn

General Ledger and Financial Reporting				
No	Challenge	Policy	Technology	Process
1	The City is using cash based accounting procedures and does not perform month end closing. This increases the potential that accurate account balances may not be reflected in the software.	**X**		
2	The City is using the general ledger to store large amounts of transaction level detail, which has added complexity to the account structure and number of accounts.	**X**	**X**	**X**
3	System limitations on the number of characters entered into the comment field on journal entries is restrictive.		**X**	
4	Cost allocation is a challenge due a lack of functionality in the system.		**X**	
5	Users are unable to set an end date for an account.		**X**	
6	Users are unable to use active dating for accounts or establish new accounts prior to year-end.		**X**	**X**
7	Reporting functionality within the system is reportedly inadequate, and requires the use of a third-party reporting tool.		**X**	
8	The use of a third-party reporting tool concerns staff as it may not apply the same security permissions as those used in E1.	**X**	**X**	
Budgeting				
No	Challenge	Policy	Technology	Process
1	The budget development process is time consuming, and relies on extensive paper and manual based processes.		**X**	**X**
2	Functionality to support what-if analysis and scenario building is not available within E1, and it not performed by other means.		**X**	**X**
3	Staff are unable to enter in the reasoning behind budget adjustments, and must rely on entering the date of the resolution and searching outside the system for additional information.		**X**	
4	Budget staff reported concerns over the integrity of the information that is presented in different modules within the system, and whether the modules are truly integrated with one another.		**X**	
5	Encumbrances are reportedly not real-time when performing queries or producing reports from the third-party reporting system.		**X**	
6	Departments have limited ability to perform inquiries or report on their budgets due to prohibitive licensing costs for Insight.	**X**		
7	Data requires manipulation in MS Excel, and transfer to a MS Access database for further manipulation, in order to produce State mandated quarterly reports. This process is managed by one person.		**X**	**X**
8	The chart of accounts is reported to not be hierarchical in nature, which limits the ability for staff to perform budget roll-ups at the department level.	**X**	**X**	
9	The annual personnel budget is developed in a spreadsheet.		**X**	**X**
Purchasing and Contract Management				
No	Challenge	Policy	Technology	Process
1	It was reported that staff are able to create a requisition and purchase order that obligates funds from departments other than their own, and that notification is not provided to staff in the other departments that their monies are being spent.		**X**	**X**

2	The system is unable to aggregate the dollar amounts of separate requisitions that are entered for the same vendor in order to enforce competition thresholds.		**X**	
3	The City is not using purchasing cards. If adopted, purchase cards could reduce purchasing cycle times, the production of paperwork, and offer rebates to the City to help reduce costs.	**X**		**X**
4	End users are able to enter a requisition using the "unknown vendor code" and the requisition could be processed without adding a valid vendor.		**X**	**X**
5	The system is not configured to allow for flagging vendors as local vendors, minority or small business vendors, or veteran owned. The City is adopting preferences policies for each of these types of businesses.		**X**	
6	As configured, the system is unable to enforce purchasing competition thresholds.		**X**	
7	The system does not provide functionality to support contract management.		**X**	
8	Requisitions are entered into E1 following bid processes.			**X**
9	A customization has been developed to prevent the system from automatically combining requisitions for the same vendor into a single purchase.		**X**	
10	Purchase orders carried over at year-end are held until the new budget is activated in the system, which can take several weeks, meaning that staff cannot use carry-over purchase orders or create new purchase orders for a period of time.		**X**	**X**
11	The warehouses receives items in E1 but all other departments are not entering in receiving information and instead rely on a two-way match for the procure-to-pay process.	**X**		**X**
12	City staff reported that the steps required in E1 to print a purchase order are excessive.		**X**	
Accounts Payable				
No	Challenge	Policy	Technology	Process
1	The accounts payable process involves reconciling batch totals in spreadsheets.		**X**	**X**
2	Attaching electronic copies of invoices to transactions with E1 is functionality not currently used by the City.	**X**		**X**
3	Users are able to process invoices against expired and expended contracts without the system producing a warning or alert.		**X**	
4	With the current configuration of the E1 system, end-users at the department level are not able to enter in invoices in the accounts payable module	**X**		**X**
5	It was reported that the naming convention of vendor records is inconsistent, and has resulted in variations of the same vendor within the system (ex. Dell Corporation, Dell, Dell Corp.).		**X**	**X**
6	Invoices received in a new fiscal year that are related to goods/services from a previous fiscal year are entered and payment posted in the current fiscal year, and require a manual journal entry to post the expenditure to the previous fiscal year.		**X**	**X**
Accounts Receivable and Cashiering				
No	Challenge	Policy	Technology	Process
1	E1 does not provide a cashiering based point of sale (POS) system, causing the City to use the Recreation software's built in		**X**	

	POS functionality as well as other disparate systems throughout the City.			
2	It was reported that APM does not provide the ability to set up receivables though it is used to receipt in monies for receivables.		**X**	
3	Refund reconciliations between APM and the general ledger in E1 must be manually performed due to the way in which information is sent to E1. This has also made it difficult for staff to see if a payment has been misapplied.		**X**	
4	The City is absorbing the transaction fees within APM, though the system has the ability to be configured to charge a convenience fee to citizens, which has lead it to be a very expensive process for the City.	**X**	**X**	**X**
5	The customer file in the E1 system contains multiple vendor types which are established to differentiate between the funds which receivables should go toward. Due to this, there are many instances of a single entity having multiple customer files based on the differing vendor types.		**X**	
6	The system is not configured to allow there to be two receivables under the same fund for the same customer. As a result, staff have to lump the two receivables together or create a new fund to enter the receivable for one customer.		**X**	
7	Staff are currently unable to view a complete picture of a customer throughout the City (i.e., cannot see what a customer owes Utilities as well as Parking in a consolidated view).		**X**	
8	The E1 customer file, as configured, does not have the ability to add multiple addresses (e.g. physical and remit).		**X**	
9	Location information for less permanent vendors such as food trucks and carts are cannot to be tracked in the current system.		**X**	
10	The City does not currently have the ability to add collections to a receivable in E1.		**X**	
11	In the general ledger, only cash can be entered as a tender type. Because of this, credit card totals must be backed out and re-entered as cash transactions.		**X**	
12	The structural pooling of cash at the City has created an issue in the current software because there is no ability for negative cash amounts to be posted.	**X**	**X**	**X**
13	Refunds are managed through an adjusting journal entry and the creation of a physical voucher which results in a check being printed.		**X**	**X**
14	Due to the lack of integration between the cashiering system and general ledger, and inconsistencies and workarounds in the customer file, generating meaningful accounts receivable and cashiering reports is challenging.		**X**	**X**
Inventory				
No	Challenge	Policy	Technology	Process
1	Just in time inventory is not being tracked in the current E1 system.		**X**	**X**
2	Inventory staff are uncertain of where Water Utility Inventory will be tracked once the new utility customer information system (CIS) is fully implemented.	**X**		
3	Bulk items are not currently being tracked in the inventory system.			**X**

4	A majority of the research conducted for inventory repurchasing is currently based on inventory staff member's knowledge of common vendors and appropriate prices.			**X**
5	Pre-authorized inventory orders are not available for when key inventory staff are unable to place the orders.		**X**	**X**
6	The current E1 inventory system does not manage reorders.		**X**	
7	Reporting and inquiries in the current system for information such as inventory days on hand, minimums and maximum amounts, and seasonal history is not easily available.		**X**	
8	Inventory cannot be assigned to employees through work orders or other means in the current environment because work orders are not tied to the inventory system.	**X**	**X**	
Project Accounting and Grants Management				
No	Challenge	Policy	Technology	Process
1	Project accounting in the E1 system was never implemented, causing staff to manage projects and grants primarily through MS Excel and manual, paper-based means.		**X**	
2	Project managers have view-only access to the E1 system, sometimes making it challenging for them to see ongoing information related to their projects.		**X**	
3	The E1 system does not provide any notification functionality related to milestones, deadlines, etc.		**X**	
4	The general ledger is being used as a method for identifying transactions related to a project, instead of a separate project ledger.		**X**	**X**
5	With the current fund structure, divisions cannot share funds that are allocated over multiple departments.	**X**		
6	Comingling of funds has made it very challenging to identify expenditures by project and by department.	**X**		**X**
7	In the current system, it is not easy to separate the general ledger, job costing, and project accounting.		**X**	
8	The City does not have any means to track activities that are not considered projects, such as parades and fiestas.		**X**	
9	The E1 system does not currently provide the functionality to be able to charge employee time to projects and ensure that timesheets are tied into projects correctly.		**X**	
10	The City has implemented a new policy recently that is not well known, but will push project-related staff to track the details of who spent time on project tasks, and for how long and charge to the activity code associated. Staff reported that this will take significant time to accomplish.	**X**		**X**
11	MS Excel is used to track matching requirements.		**X**	**X**
12	Grant applications are managed through MS Excel and MS Outlook currently.		**X**	
13	Because of a lack of grant tracking and grant requirement functionality in the current E1 system, staff reported losing track of timeline and funding requirements related to grants.		**X**	
14	The current system does not provide notifications or alerts for remaining grant balances or percent complete.		**X**	
15	The current environment does not allow for documentation to be attached to projects or grants.		**X**	

16	Historical bond information is currently maintained paper form, which has caused the City to receive pushback from auditors for electronic documentation.			**X**
17	The City does not currently have the ability to easily track a project or grant from start to finish.		**X**	**X**
18	The City does not currently have the ability to archive documents, which has led to manual archiving of documents, and time consuming document queries due to the 600 million or more active documents.		**X**	**X**
19	Project budgeting is currently done at the lowest project cost level because it is the only way that E1 will allow. Rolling up to higher levels is not currently available.		**X**	
20	MS Excel is currently being used for reporting and reconciling project and grant revenues and expenditures.		**X**	
21	Some employees at the City are grant funded, however the City does not currently have the ability to track at the desired detail level.		**X**	
22	Projects and grants cannot truly be closed or end-dated at the City because of their structure in the general ledger.		**X**	**X**
23	Paper forms are used at the City to track sources of funding.			**X**
24	In order to "close" a project, a number of manual steps must be completed so that expenditures cannot be posted to the fund.		**X**	
25	When some project funds are still open due to minor recurring costs associated, staff must enter journal entries to move incorrectly posted transactions out of those funds and to the appropriate business units. Often transactions will hit the general ledger for incorrect departments, however those departments are typically unaware that the posting occurred.		**X**	
26	The City does not currently have any City-wide templates for how to set up and track projects.	**X**		**X**
Fixed Assets				
No	Challenge	Policy	Technology	Process
1	Items cannot be flagged as assets at the time of purchase.		**X**	
2	Limited staff have access to the fixed assets module in E1.		**X**	
3	The City doesn't not have a technology tool to support the annual asset rating and depreciation planning process.		**X**	
4	The City does not track sensitive assets.	**X**		
Fleet Management				
No	Challenge	Policy	Technology	Process
1	Challenges exist with the way in which fleet items are maintained in the fixed assets module.		**X**	
2	The City is not able to always track the desired work order information including parts used, labor utilized, and other information.		**X**	
3	The City is not able to efficiently track bulk inventory items related to fleet.		**X**	
4	The City has limited abilities to schedule work orders using a system-based process.		**X**	

Human Resources				
No	Challenge	Policy	Technology	Process
1	The lack of applicant tracking functionality creates challenges in determining if the applicant has previously worked at or applied for jobs at the City.		**X**	
2	No formal process exists for documenting the reason for a candidate being disqualified from a position.			**X**
3	An inadequate level of data was converted from the Infinium application to E1, causing staff to routinely use Infinium to locate information.		**X**	
4	The City relies on paper-based personnel records.	**X**		**X**
5	Instances exist of shadow copies of employee records at the department level which may contain information that is not included in the master employee record.			**X**
6	A spreadsheet is maintained for purposes of tracking position vacancies across the City as a result of a decision not to implement position control in E1.	**X**	**X**	**X**
7	Reliance on paper forms for personnel actions creates cumbersome processes for routing and approving forms, and causes measurable delays in processing actions. It was noted that in some instances the City has lost candidates for a position due to the processing time. On average the City processes 1,500 personnel actions per year.			**X**
8	Functionality does not exist to support tracking sick leave donations that are made to staff.		**X**	
9	Challenges were reported surrounding the ability of E1 to support tracking and monitoring pay inequities.		**X**	
10	The length of time required for processing a personnel action form and transmitting the information to Cigna for benefits election can exceed thirty days, which is an issue for new hires as they have a thirty day window to elect benefits following the date of hire.			**X**
11	The E1 system does not provide functionality to support the tracking of probationary periods or anniversary dates or temporary employees.		**X**	
12	Performance appraisal functionality is limited in E1, and new appraisals automatically replace a previously entered appraisal without providing a history.		**X**	
13	A spreadsheet is being used to track FMLA leave balances and usage.		**X**	**X**
14	The disciplinary process relies on a paper form (“Red Form”) which is manually routed. Information from the form is then entered into E1 but only in a comments field as the system does not support automated disciplinary processes.		**X**	**X**
15	Training and certifications are tracked in spreadsheets, and functionality does not exist to associate certain certification requirements with a particular position as position control is not used and training/certifications are not entered into E1.		**X**	
16	The City currently maintains records of all applications submitted for vacancies, in paper form. It was reported that the number of records is voluminous.			**X**

17	Staff expressed a desire to allow employee self-service for purpose of making certain changes to contact information, viewing their employee record, and viewing leave balances.		**X**	
Payroll				
No	Challenge	Policy	Technology	Process
1	Separate pre-payroll processes must be run for seven different pay groups and bargaining units during each payroll.		**X**	
2	Payroll staff must manually notify all City staff that the pre-payroll process is being run, and warn staff not to generate transactions in the HR or Payroll modules.		**X**	
3	Pay stubs are printed and individually provided to payroll monitors from all City departments on pay day. This process involves one person from Payroll reading aloud approximately 1,300 City staff names to verify the names appear on the payroll monitor's time sheets.	**X**	**X**	**X**
4	City staff are not able to electronically access past pay stubs using E1.		**X**	
5	Position control functionality is available within E1, and City staff reported a desire to use this functionality, however it has not been implemented for use.	**X**		
6	Due to limited summary level data being converted during the implementation of E1, staff must rely on Infinium for data on a fairly regular basis.		**X**	
7	Pay scales and salary schedules are not maintained within E1. Additionally, pay inequality tracking is managed external of the system.		**X**	**X**
8	Payroll staff are maintaining shadow employee files that contain payroll related forms and data that is not also contained in the employee master file.	**X**		**X**
9	Incentives (e.g. for certifications) cannot be calculated for payment over the course of an annual basis within E1, and staff must manually perform these calculations and add the amounts back in to the system.		**X**	
10	Adjustments made to change overtime worked to regular hours does not properly make corresponding adjustments to the PERA amounts withheld. This results in manual reconciliation processes in spreadsheets.		**X**	
Time Entry				
No	Challenge	Policy	Technology	Process
1	The time entry process is not exception based.	**X**	**X**	**X**
2	The time entry process is primarily managed external to E1 through the use of MS Excel spreadsheets.		**X**	**X**
3	Due to manual and paper-based processes for time entry, payroll monitors spend up to several days each pay cycle attempting to complete the required steps for submitting time.		**X**	**X**
4	Staff are unable to view leave balances through a self-service portal, and must rely on other staff to look the information up in E1 or look at their most recent paper pay stub.		**X**	
5	Leave requests are submitted on paper forms and must be manually maintained by supervisors until the end of the pay cycle for entry into the time entry spreadsheet.		**X**	**X**

6	E1 does not provide scheduling functionality, however staff reported a desire to have this in the future.		**X**	
7	Because leave requests and time entry occur external to E1, supervisors need to verify leave balances for employees in the system prior to approving a paper leave request.		**X**	**X**
8	The quantity of distinct pay codes and rules related to unions and the varying rates of pay for callback, overtime, shift differentials make the management of the time entry spreadsheet complicated.	**X**	**X**	**X**
9	Though the Fire Department is using Telestaff for scheduling and time entry, the payroll monitor still generates a report and manually keys in all time for staff into the MS Excel spreadsheet used by all other departments.			**X**
10	The E1 system does not provide alerts when an employee is approaching a "use it or lose it" annual leave situation.		**X**	
Plan Tracking and Review				
No	Challenge	Policy	Technology	Process
1	The current case tracking process is mainly paper based, only a case number and basic details are tracked in HTE.		**X**	
2	Application distribution is based on staff determination alone, with no system prompts based on location or other application characteristics.		**X**	**X**
3	Fee calculations are completed manually, external to any system.		**X**	**X**
4	There is no linkage between planning case applications and permits that may be subject to conditions identified in the planning stage.		**X**	**X**
5	Review of unpaid County fees is done as the final step in a process, rather than early on in the application process.			**X**
6	Case history exists in multiple paper and electronic systems.		**X**	
7	Some City Department review processes are handled independently of the Land Use Department review.	**X**		**X**
eGovernment and Web Capabilities				
No	Challenge	Policy	Technology	Process
1	The functions available are limited to status inquiry of existing permit applications.		**X**	
2	Business licenses can be renewed online, but new applications must be submitted in paper copy.		**X**	
3	Permit applications cannot be applied for online.		**X**	
4	Inspections are unable to be requested online.		**X**	
5	There is a lack of process guidance or instructional documentation available online.			**X**
6	Status inquiry is based on the application records, rather than the applicant.		**X**	
7	The current Click2Gov portal does not provide the desired level of general permit or case inquiry.		**X**	
Addressing and Central Property File				
No	Challenge	Policy	Technology	Process
1	The address file within HTE is used by several other City systems.			**X**
2	Inconsistencies exist between the address information tracked in HTE and the City's GIS address database.		**X**	**X**
3	The address request and notification process is manual and paper-based.		**X**	**X**
4	Permits must be tied to an address within HTE.	**X**	**X**	

5	Address information from the County is only received every three months.			**X**
6	Inconsistencies exist in address format.	**X**	**X**	
Code Enforcement				
No	Challenge	Policy	Technology	Process
1	Inspections and Enforcement code cases are tracked external to HTE.	**X**		**X**
2	Historic Preservation code cases are tracked in HTE, and aren't tied into Inspections and Enforcement code cases.		**X**	**X**
3	The City's CRM system is used to manage Inspections and Enforcement Code cases.	**X**		
4	The City's CRM system is not integrated to permitting and other Land Use Department Functions.		**X**	
5	Inspectors use paper based processes in the field while investigating complaints or cases.			**X**
6	Reporting on code case history and by geographic area is difficult.		**X**	
Inspections				
No	Challenge	Policy	Technology	Process
1	Inspections cannot be requested online.		**X**	**X**
2	Inspection requests through the IVR system do not enforce inspection sequencing.		**X**	
3	Inspection request thresholds (i.e., 30) do not take into account complexity or expected inspection duration.		**X**	
4	Inspection assignment is paper-based.			**X**
5	Full inspection results are not available until HTE is updated, often occurring at the end of a business day.			**X**
6	Attaching photos to inspection records is cumbersome.		**X**	
Permitting				
No	Challenge	Policy	Technology	Process
1	Permit applications cannot be submitted online.		**X**	**X**
2	Permit fees cannot be collected at the Land Use Department.	**X**	**X**	**X**
3	Review of permit applications is paper-based with copies of plans physically routed.		**X**	**X**
4	Not all permit types are tracked within HTE.	**X**		
5	The Green Building Code is managed external to HTE.			**X**
6	There is no tie between planning cases and permits.		**X**	**X**
7	Permit fee reconciliation between HTE and E1 is cumbersome.		**X**	
Business License				
No	Challenge	Policy	Technology	Process
1	Business License applications must be submitted in person.		**X**	**X**
2	The renewal process may be completed online, but still requires a paper notice.		**X**	**X**
3	Reporting on existing businesses is difficult and not end-user friendly.		**X**	
4	The process for reviewing a Business License application requires several departments and requires applicants to route their own application documents.			**X**
5	The online renewal process lacks the desired level of supporting documentation and is not user-friendly.		**X**	
6	Public inquiry into existing businesses is not available online.		**X**	
General Application Environment Challenges				
No	Challenge	Policy	Technology	Process
1	The current iSeries server partition that hosts Infinium does not belong to the City and will need to be returned for use by the		**X**	

	owner, the Regional 911 Dispatch Center, for disaster recovery purposes soon.			
2	There is no formalized training program for business applications (e.g. HTE and E1) at the City. Currently staff are trained on the job as needed.	**X**		**X**
3	There is limited 311 functionality currently available at the City.		**X**	
4	In December 2016, the iSeries servers will no longer be supported. By that time not all applications will be off the server, which will most likely cause the City to enter into a short term lease agreement for a server until an alternative solution can be identified.	**X**	**X**	
5	The City does not currently have a document management system (DMS), which has caused challenges with filing, archiving, and searching for documents.		**X**	
6	The City implemented new cashiering station hardware in 2013, however they may need to be upgraded to support new credit card chip technology.		**X**	

Within the current environment, City staff reported that many core business processes are supported through the use of third party systems and manual processes (including MS Excel and Access) in addition to or in place of the E1 and HTE systems. A representative sample of business processes has been identified in the following table indicating whether the business process identified is supported by one or more methods.

Table 3.3: Business Process Support Methods Identified by City Staff and BerryDunn

Business Process Support Methods						
No	**Functional Area**	**Business Process**	**JDE**	**HTE**	**Third Party**	**Manual/ Excel**
1	Accounts Payable	Matching of invoices to the receipt of goods and purchase orders.	**X**			**X**
2	Accounts Payable	Review and approval of invoices.				**X**
3	Accounts Payable	Reconciliation of batches to prepare for weekly check run.	**X**			**X**
4	Accounts Receivable and Cash Receipting	Receipting in of monies.	**X**	**X**	**X**	
5	Accounts Receivable and Cash Receipting	Creation of invoices.	**X**			
6	Accounts Receivable and Cash Receipting	Refund voucher creation.				**X**
7	Addressing and Central Property File	New address or change to existing address requests.				**X**
8	Addressing and Central Property File	Address creation and updating.		**X**		
9	Addressing and Central Property File	Notification of new or modified address (e.g., GIS, 911, County GIS, USPS).				**X**
10	Budgeting	Generation of required quarterly adjustments report for the State.	**X**			**X**
11	Budgeting	Budget development, including department level development of budget requests.	**X**		**X**	**X**

Business Process Support Methods						
No	**Functional Area**	**Business Process**	**JDE**	**HTE**	**Third Party**	**Manual/ Excel**
12	Business Licensing	Business license application submittal.				**X**
13	Business Licensing	Business license renewal notification.		**X**		**X**
14	Business Licensing	Business license renewal processing.		**X**		**X**
15	Code Enforcement	Complaints intake and case creation.			**X**	
16	Code Enforcement	Inspections and Enforcement Division case management.			**X**	
17	Code Enforcement	Historic Preservation Division case management.		**X**	**X**	
18	eGovernment and Web Capabilities	Resident complaint submittal.			**X**	
19	eGovernment and Web Capabilities	Business license renewal.		**X**		**X**
20	eGovernment and Web Capabilities	Permit and inspection status inquiry.		**X**		
21	General Ledger and Financial Reporting	General ledger inquiry, reporting, and query.	**X**		**X**	
22	Fixed Assets	Fixed asset record creation and tracking.	**X**			
23	Fixed Assets	Adjustments and modifications to assets after capitalization.				**X**
24	Fleet Management	Fleet work order generation and tracking of repaid activity, parts used, and labor utilized.	**X**			**X**
25	Human Resources	Pre-screening of applications (including verification if applicant has previous employment with the City) and distribution to departments for review.	**X**		**X**	**X**
26	Human Resources	Position control, including monitoring of vacancies.				**X**
27	Human Resources	Creation, distribution, review, and processing of personnel action forms.	**X**			**X**
28	Human Resources	Tracking and reporting of dependents for Affordable Care Act and benefit enrollment purposes.	**X**		**X**	**X**
29	Human Resources	Training, education, and certification records maintenance.				**X**
30	Human Resources	Official personnel file record maintenance.				**X**
31	Inspections	Applicant initiated inspection request		**X**	**X**	
32	Inspections	Inspection assignment and scheduling.		**X**		**X**
33	Inspections	Inspection results entry.		**X**	**X**	**X**

Business Process Support Methods						
No	**Functional Area**	**Business Process**	**JDE**	**HTE**	**Third Party**	**Manual/ Excel**
34	Inventory	Auto part and water utilities inventory management.	**X**			
35	Payroll	Distribution of pay stubs and paper checks	**X**			**X**
36	Payroll	Calculation of incentive pay distribution over an annual basis.				**X**
37	Permitting	Permit application submittal, intake, and routing.		**X**		**X**
38	Permitting	Application review and staff comment submittal.		**X**		**X**
39	Permitting	Permit approval, applicant notification, and issuance.		**X**		**X**
40	Plan Tracking and Review	Project application submittal, intake, and routing.		**X**		**X**
41	Plan Tracking and Review	Application review and Findings of Fact report development.				**X**
42	Plan Tracking and Review	Public hearing noticing, hearing documentation preparation, and hearing results tracking.				**X**
43	Project Accounting and Grants Management	Project budgeting and expenditure reporting.	**X**			**X**
44	Project Accounting and Grants Management	Grant application and monitoring.				**X**
45	Project Accounting and Grants Management	Grant reimbursement and matching requirements tracking.				**X**
46	Purchasing and Contract Management	Tracking and identifying existing City contracts.	**X**			**X**
47	Purchasing and Contract Management	Requisition entry and purchase order generation.	**X**			
48	Time Entry	Time collection and reporting.	**X**		**X**	**X**
49	Time Entry	Leave requests.				**X**
50	Time Entry	Processing of FMLA requests and tracking balances and history.	**X**			**X**

4.0 Future State Objectives

This section of the report identifies future state objectives as they related to goals and vision from City leadership, business processes, and technical considerations such as hosting methods and integration with other City business applications.

4.1 City Leadership Goals and Vision

During BerryDunn's initial meeting with the Project Steering Committee and the Project Management Team to review the proposed project approach and the Project Charter, the vision and goals for a future systems environment were discussed. In addition, City stakeholders at this meeting provided input to the goals and objectives for this project. Generally, goals and objectives that were identified relate to either the analysis and selection project specifically, or to the future state of an implemented enterprise system(s).

The goals and objectives as identified by City leadership that relate to the current analysis and selection project include:

- Identify potential business process improvements
- Assess the capability of new applications in meeting specific areas of need
- Educate City staff on the capabilities that might be offered in more modern systems
- Select a system that will meet the needs of the City today and allow for future growth
- Eliminate the City's reliance on outdated technology
- Evaluate and select a modern ERP system on time and within budget
- Identify and select functionality similar or better than that provided by the current legacy ERP system

The goals and objectives as identified by City leadership that relate to the future state of an implemented enterprise system(s) include:

- Decrease the reliance on paper-based processes
- Provide opportunities for robust and recurring end-user training
- Implement a system that is designed around best practices and improved processes, and not necessarily the processes in place today
- Create opportunities to use performance metrics where appropriate to inform decision making processes
- Make greater levels of information available to the public through the City website, and increase citizen self-service

4.2 Business Processes

Through the initial project planning and fact-finding processes it was evident that the City is not only looking to replace outdated technology through this project, but to also identify potential business process improvements that may be facilitated through the use of a new system. While there will be

opportunities to identify business process improvements during the initial stages of the implementation of a new system, there may also be more immediate improvements made to prepare for a future state. The detailed challenges and areas for improvement identified in section 3.1 of this report provide an analysis of whether each item is related to technology, policy, or process related gaps or decisions. As the City moves forward in the system planning and selection process there may be opportunities to leverage this information and begin to implement immediate changes to current processes, or whether changes to current policy should be contemplated.

4.3 Technical Considerations

During each of the two sets of fact-finding meetings a technical session was held to discuss considerations related to a potential future technical environment, including hosting options, possible integrations and interfaces, data conversion needs, and whether the City's requirements might best be met through a single solution or a best of breed solution. Key considerations discussed during these meetings include:

- The ITT department is open to considering various hosting models, including City hosted, vendor hosted, and subscription as a service
- As a result of past experiences with data conversion, staff have the desire to convert greater detail and history into a new system. This includes the possibility of converting data from Infinium to a new system
- An opportunity to take advantage of then-current efforts related to the analysis and planning for a new core financial and human resources application presented itself and the City elected to include land use and community development in the scope of work
- The City has a preference toward a fully integrated end-to-end solution that can meet the needs of all functional areas, but recognizes that this may not provide the highest level of fit with requirements that the City develops
- A future system(s) may not be able to provide for all functionality required or provided through the various systems in place today, and there will more than likely be the need for integrations and interfaces to be built
- The implementation of a new system presents an opportunity for functional leads to take on a front-line support role for troubleshooting systems related questions.
- Active directory is not currently set up for the E1 system. Staff reported a desire for single sign on functionality for a future ERP system.

Some of the decisions related to the future technical environment may be able to be made today, while others will be dictated by the proposals received in response to the City's Request for Proposals (RFP). In developing the RFP, it will be critical to identify key questions related to the evaluation of a vendors proposed technical platform, support, maintenance, and hardware requirements, as well as definition of requirements that hold vendors to the City's preferred standards.

5.0 Analysis of Improvement Path

This section presents the improvement options available to the City to address the current environment challenges and areas for improvement and meet the future state objectives. Key decision points in the process moving forward in this process will be presented and analyzed, along with an analysis of the likelihood that the decisions will support the future state objectives. An analysis of the associated budget impacts and timelines will also be provided. This section will also summarize the feasibility of commercially available ERP solutions as they relate to each improvement option.

Based on discussions with the City Project Management Team and other City stakeholders, the City has already made a decision to move forward with replacing or upgrading the systems currently in use; specifically, the JD Edwards EnterpriseOne system and the SunGard HTE system.

Presented below are key decision points that will be considered in future work sessions facilitated by BerryDunn with City stakeholders.

Decision Point #1	
Will the City issue multiple RFPs to replace all current enterprise applications; or issue one RFP for integrated core financials, human resources and payroll, and community development functionality with potential integration to other City identified systems?	
Considerations related to issuing one RFP	• Potential for all applications and support to be provided by one vendor. • Opportunities to expand the number of modules licensed from the vendor to reduce some department reliance on manual and paper-based processes. • Potential for a decreased number of applications requiring ITT support with a single solution. • Some specific functionality may not be available by utilizing a single integrated system instead of best-of-breed applications.
Considerations related to issuing multiple RFPs	• Highest level of fit with available functionality is likely with best-of-breed applications. • Opportunities to expand the number of modules licensed from the vendor to reduce some department reliance on manual and paper-based processes. • Opportunities to leverage larger customer bases from vendors for adopting best business processes and practices. • Multiple solutions may be more stressful upon City staff given the need to complete separate products and undergo multiple implementations • Potentially less leverage during contract negotiations when negotiating multiple contracts as opposed to a single contract • City Staff will be responsible for the required and periodic maintenance and support of integrations between best of breed applications. • The timing of the release of the RFPs would need to be coordinated to align with the anticipated implementation start dates and desired go-live dates for each subset of functionality.
Any decisions related to the structure and requirements of the RFP(s) should be made prior to the development of the RFP. As the City reviews the analysis presented in this Report, it may begin to inform the decision making process and drive downstream project activities. It is anticipated that either decision to issue	

one RFP or multiple RFP's will support the future state objectives, but it is recommended that a single RFP be issued in order to streamline efforts and the procurement process for the City.

Decision Point #2	
If one RFP is created, would the City allow for vendors to propose on a subset of functionality or partner with another vendor to provide all requested modules? Based on the assumption the City has decided to issue one RFP, there will be a decision point during the drafting of terms and conditions that will require the City to determine whether it is permissible to allow vendors of a subset of functionality (e.g. time entry, or purchasing) to propose individually, and also whether the City will allow partnerships between two or more vendors.	
Considerations related to this decision point include:	• Some specific functionality may not be available by utilizing a single integrated system instead of best-of-breed applications. • Whether one vendor would be considered the prime vendor, and if separate contracts would be executed with each subprime or a single master contract would be negotiated. • Potential for high level of fit with available functionality from vendors of point solutions. • An increased number of vendors allowed in the competitive procurement process will allow for leverage during cost negotiations. • City Staff will be responsible for the required and periodic maintenance and support of integrations between applications. • Downstream considerations will include consideration of how multiple vendors will work together to update and maintain their products on an ongoing basis.
There are several advantages in allowing proposers of a subset of functionality, as well as allowing vendors to partner together to provide all requested functionality. In many instances, a prime vendor may be able to provide most or all functionality requested by the City, however the vendor may be able to provide a greater level of fit to the functionality by partnering with another vendor that specializes in a specific piece of functionality. As the ERP solution landscape continues to evolve, and based on current trends in the marketplace, many vendors are positioning themselves to provide functionality across a greater breadth of processes through acquisitions. In doing so, many vendors look to maintain the acquired software as a separate product with the same pre-acquisition look and feel, but work to develop a greater degree of integration between the products. To a certain degree, two distinct products from the same vendor may look and operate similar to products from two different companies. If the City is committed to find one solution with the same look and feel across all modules, the vendor pool may be more limited as compared to allowing partnerships, best of breed solutions, or two or more products from a single vendor.	

Decision Point #3	
Does the City have a strong preference toward a particular hosting model, or is it willing to consider multiple offer types? The City has previously indicated that it is willing to consider varying hosting models. As the RFP is being developed, it will be critical to include information related to the desired hosting model(s).	
Considerations related to this decision point include:	• Whether the City has a strategic vision related to future server environments or reductions in hardware. • Upfront costs for a hosted or SaaS model of deployment may be less, however the ten year cost will likely be greater. • In-house knowledge and skills to support certain platforms may be strong for some products, and in need of improvement for others. • Some desired integrations may function on a suboptimal basis in certain hosted models.

	• Depending on the level of professional services requested of vendors for data conversion, configuration, testing, and training, the implementation cycle time may be similar between the various deployment models. • The RFP(s) and cost proposal worksheets may be developed in such a way as to allow vendors to propose one or more options related to a future software deployment model.
Unless the City has a preconceived notion as to the preferred hosting model, it should be prepared to allow proposals from vendors that offer city-hosted, vendor-hosted, and subscription as a service based deployment methods. One of the nontechnical considerations related to these deployment methods is the initial one-time costs as compared to the five year or ten year costs including maintenance & support, hosting fees, and any hardware upgrades. A final decision related to the hosting method does not need to be made at this stage in the process, however the City should determine if there is a preference toward one model or if any one model will not be considered.	
Decision Point #4	
Does the City have a preferred implementation approach for phasing and go-live dates? Once the City has decided upon the number of RFPs to issue, and perhaps most importantly whether an end to end or integrated solution will be used, the City should consider the implementation approach. This includes a decision on the preferred approach as it relates to a big-bang approach or phased implementations approach. Also impacted by this are any desired go-live dates for specific functionality or modules.	
Considerations related this decision point include:	• The staffing levels that the City will be able to commit to the implementation of a new system may impact any decisions related to the level of effort that can be put into the implementation. • Additional competing projects across the City may serve as a constraint on resources • Go-live dates may be best suited to coincide with other major business process events, such as the start of a new fiscal year or mid-fiscal year, coinciding with the start of a new calendar year, or avoiding go-live of community development functionality during a peak-activity period. • Depending on the number of systems that are being implemented, or integrated with the new system, the timing of a big-bang implementation may add complexity. • Processes surrounding data conversion, including the level of detail and amount of history, can add to the overall implementation timeline in addition to increasing the overall cost of the implementation. • In a phased approach the progression of modules allows for adjustments and configurations to be made throughout the implementation • In a big-bang approach, training and business process redesign can focus on the functionality provided by the new system and not focus on changing processes during the implementation of multiple phases of the system.
Due to the many risks involved with a big bang approach, a phased approach has a higher likelihood of project success. A phased approach minimizes impact on City staff and resources, allows for a longer implementation timeline to target go-live dates with calendar and fiscal year starts, and allows the City to pay for initial start-up and maintenance costs over a longer period of time.	

While certain decision points are identified here as downstream activities in the process of planning for and selecting a new system, the City may be in a position to make certain decisions earlier, while others may be deferred until proposals are received in response to the RFP(s).

5.1 Anticipated System Implementation Costs

The purpose of this section of the Report is to provide the City with information related to potential costs associated with the selection of a new system, including the licensing fees, professional services, hardware costs, and annual maintenance associated with the configuration and implementation of an integrated solution. In addition to these costs, there are potential professional services costs that should be considered as they relate to either backfilling certain City staff positions as existing staff dedicate time to the implementation of a solution, or engaging a professional services firm or individual for project management services. It should also be noted that each county, city, or town will have its own unique requirements and complexities that will contribute to variations in the cost of a new solution.

There are several techniques and processes that can result in favorable pricing for the City of Santa Fe through an RFP process. First, a well-defined scope for system functionality and implementation will allow vendors to be more accurate in their cost proposals and reduce the need for contingencies. Secondly, a competitive evaluation process will require vendors to work hard to earn the City's business such as with a Best and Final Offer process. And, diligent contract negotiations may result in maintenance costs that are fixed for a set number of years as well as hold-back contingencies.

BerryDunn has performed extensive analysis on the total budget for similar projects, drawing upon numerous selection projects for similar government organizations nation-wide. Despite experience with multiple organizations, the nature of varied ERP system module configuration limits direct comparison to a project with the exact same selected modules. Instead, comparative pricing is typically done by module type.

The budget level estimates for each module type based on BerryDunn's experience are contained in the following table. The estimates provided are based on BerryDunn's experience with procurements for similar sized organizations, and are provided for a locally hosted deployment. There are several factors that can impact the final costs of a system including vendor offered pricing incentives, level of customization requested by the City, number of external systems to be integrated with the ERP, number of users and implementation timeline. The numbers presented in Table 5.1 are estimates only and in some instances could be 20-30% higher as a result of the procurement process.

Table 5.1: Estimated Costs by Cost Area for Locally Hosted Solution ($)

Estimated Total Costs by Cost Area for Locally Hosted Solution ($)						
Functional Area	**Financial Management**	**Human Resource Management**	**Community Development**	**Sub-Total**	**20%**	**30%**
One-Time Costs						
Software Licensing Costs	400,000	175,000	275,000	850,000	1,020,000	1,105,000
Data Conversion Costs	55,000	50,000	55,000	160,000	192,000	208,000

Estimated Total Costs by Cost Area for Locally Hosted Solution ($)						
Functional Area	**Financial Management**	**Human Resource Management**	**Community Development**	**Sub-Total**	**20%**	**30%**
One-Time Costs						
Implementation Services Costs	225,000	100,000	125,000	450,000	540,000	585,000
Training Costs	125,000	75,000	75,000	275,000	330,000	357,500
Hardware Costs*	55,000	30,000	45,000	130,000	156,000	169,000
Sub-Total	**860,000**	**430,000**	**575,000**	**1,865,000**	**2,238,000**	**2,424,500**
Recurring Costs						
Annual Maintenance	80,000	35,000	55,000	170,000	204,000	221,000
Sub-Total	**80,000**	**35,000**	**55,000**	**170,000**	**204,000**	**221,000**
Potential Professional Services Costs						
Backfill of City Staff – 2 years			175,000 – 275,000			
Project Management Services – 2 years			350,000 – 450,000			

**It should be noted that the hardware cost estimates do not include ancillary hardware equipment that may be purchased to support or facilitate the use of a new solution, including but not limited to: mobile computing devices, plotters or scanners, and new PC or laptop hardware.*

The City is interested in considering alternate deployment methods in addition to a locally-hosted (on premise) method. These additional methods would typically include vendor-hosted and Software-as-a-Service (Saas). In BerryDunn's experience the public sector vendors typically price these alternative deployment methods with a wide range of variance. Further, there are multiple vendors of high functioning ERP and Community Development Software that do not offer these alternate deployment methods.

A vendor-hosted environment typically includes similar one-time costs as a locally-hosted deployment with higher recurring maintenance and support costs, and often the inclusion of additional costs associated with the infrastructure required for the vendor hosting the solution. Since this deployment method has the vendor housing the equivalent of the City's server infrastructure with no other changes, the City can expect the licensing model to be unchanged with an increase in annual hosting fees. In the scenario presented in Table 5.1, a vendor-hosted deployment could have the recurring maintenance and support fees, in addition to hosting fees, as high as $250,000 a year based on all other values remaining unchanged.

A SaaS environment typically includes lower one-time software cost with an offset of higher recurring annual maintenance and support. One-time professional services, data conversion, and training costs would typically be unchanged as this effort is still needed regardless of the licensing model. In the scenario presented in Table 5.1, a SaaS deployment could reduce software license cost by 30-40% with an increase in recurring annual maintenance of $100,000-$150,000 per year.

It is important to note that in either a vendor-hosted or SaaS environment a benefit to the City is reduced infrastructure cost at the City's data center, as well as labor cost to support it. In addition, the City may able to more efficiently benefit from updates and new releases if they were to be applied by a vendor in a vendor-managed data center.

Because the cost scenarios can vary so widely for vendor-hosted and SaaS deployment methods, BerryDunn will plan for additional cost analysis following the review of vendor proposals specific to the City's Request for Proposal. In addition, BerryDunn will provide analysis of need City IT and functional staffing levels that can be reasonably expected once operational on a new system, and deliver this staffing analysis as part of the Implementation Planning Document deliverable as part of this project.

Estimated timelines

Through previous engagements in which BerryDunn has lead, a high-level estimate has been generated that reflects the estimated implementation timelines including phasing estimates, and the duration of implementation. These estimates are provided to the City to generally inform the process and provide an overarching timeline that the City might reasonably expect to receive in response to an RFP. Decisions related to the phase start and go-live dates may need to be revised taking into account any peak times of activity or competing initiatives that may serve as constraints for staff time and resources. Table 5.2 provides an estimate for the number of phases, composition and order of phasing, and duration as shown in months. This information is informed by comparable engagements in terms of size, complexity, and scope.

Table 5.2: Anticipated Implementation Phasing and Durations

Anticipated Implementation Phasing and Durations				
No.	**Phase**	**Phase Start**	**Phase Go-Live**	**Duration (months)**
1	Core Financials	September 1, 2016	July 1, 2017	10
2	HR-Payroll	January 1, 2017	January 1, 2018	12
3	Community Development	July 1, 2017	July 1, 2018	12
4	Ancillary (inventory, grants, fixed assets, possible HR elements, etc.)	January 1, 2018	October 1, 2018	9
			Total	**25 months**

A critical component of the overall process is that which leads up to the implementation following the successful execution of a software contract. This interim phase is that of planning leading up to the implementation activities. While these planning processes are internal to the City, and may be less formal than the implementation phases listed above, their successful and thorough completion will help to drive the success of the ensuing implementation work. The activities included in the planning process include; identifying internal City stakeholders and roles, communicating roles to staff, identifying any temporary changes in normal job responsibilities to allow for a more dedicated role in implementation activities, identifying potential roadblocks to success, initiating the identification of additional business process or policy improvements, among other tasks. Many of the tasks and activities that the City might want to consider will be addressed in the Implementation Planning Document delivered under Deliverable D09 of BerryDunn's engagement with the City.

6.0 System Selection and Implementation Considerations

This section of the report summarizes needed considerations as planning related to the selection and implementation of future system(s) continues. This will include the ERP scope, preferred deployment methods and implementation approaches, organizational change management considerations, and any identified material assumptions and constraints among these.

6.1 Software Environment

Table 6.1 contains the list of functional areas that the City has identified to be a part of a future ERP system environment.

Table 6.1: Software Environment Functional Areas

No.	Functional Area
1	General Ledger and Financial Reporting
2	Budgeting
3	Grant Management
4	Project Accounting
5	Fixed Assets
6	Time Entry and Payroll
7	Inventory
8	Human Resources
9	Purchasing, Contracts, and Bid Management
10	Fleet Management
11	Accounts Payable
12	Work Orders
13	Accounts Receivable and Cash Receipts
14	Planning and Zoning
15	Permitting
16	Inspections
17	Code Enforcement
18	Business Licensing
19	eGovernment

The following sub-sections discuss how a future system environment may be comprised in order to provide the functionality the City requires.

6.2 System Functionality

As part of the project, a list of Functional and Technical Requirements will be developed. This list will be organized by functional area and will be developed for each of the modules. These requirements define the detailed functionality a future system must provide the City. The development of the requirements will involve a collaborative process of multiple City stakeholders and will include requirements that ensure a system will allow future City growth. The list of Functional and Technical Requirements will become a part of the published Request for Proposal.

Based on BerryDunn's experience working with similar government organizations, the City may expect a total level of fit of approximately 80-90% in vendors' current products. In responding to the RFP, vendors will also indicate if a requirement may be provided in a future software version, through customization, or through integration with a third-party product. It is BerryDunn's experience that these other methods will provide an additional 5-10% level of fit for an estimated expected range of 85-95%.

One of the largest factors contributing to a vendor's ability to provide a high level of fit with standard functionality is their level of experience working with government organizations. It is through this experience that increased functionality has been developed over recent years that can be made available to potential customers. If a software vendor is new to the government sector, they may have a lower level of fit due to less experience tailoring their systems to meet the needs of a government organization.

Regardless of the level of experience working with government organizations, a minimum level of functionality will need to be provided through customizations and integration from any vendor in order to meet the specific business needs of the City of Santa Fe. As the City evaluates the vendor proposals in response to the RFP, it will be important to understand how requirements provided by these methods will impact the system implementation as well as ongoing maintenance and operations of the software. The impact will vary, and the following table summarizes the four requirements delivery methods and describes some of their long-term implications.

Table 6.2: Functionality Delivery Methods

Functionality Delivery Methods			
No.	**Methods**	**Summary**	**Long-Term Implications**
1	Standard	The requirement may be met with the current software version release.	Maintenance and updates performed by vendors will have little effect on core system functionality.
2	Future	The requirement may be met with a future software version release.	Maintenance and updates performed by vendors will have little effect on core system functionality.
3	Customization	The requirement may be met with a customization to the current software version release for a fee.	Maintenance and updates will require considerable planning to ensure customizations built in a current software version will work in future version.

Functionality Delivery Methods			
No.	**Methods**	**Summary**	**Long-Term Implications**
4	Integration with Third-Party	The requirement may be met with an integrated third-party product for a fee.	Maintenance and updates will require considerable planning to ensure integrations built in a current software version will work in future version.

When a vendor responds to a requirement with a statement that it may be met with a future software version release, it will be important for the City to understand the timing of this release. In some cases, the release may be generally available prior to when that particular functionality would go live. When considering software functionality, the term "customization" is often used to describe a change to the software. The following table contains four common scenarios that the term "customization" is often used to describe.

Table 6.3: Range of Software Changes

Range of Software Changes		
No.	**Scenario**	**Summary**
1	Personalization	Personalization can occur at the user or user-group level and consists of changes to the system that are not necessary data-driven, such as screen layout or colors.
2	Configuration	Configuration activities take place during implementation and include the design of menu structure, workflow, and reports, and the look and feel of the application.
3	Customization	Customizations are changes made beyond the setup and look and feel of the application and may extend to the embedded table structure.
4	Integration	Integration is built when third-party products are chosen to provide a particular area of functionality. Integration capabilities can vary, but typically include passing general ledger information and potentially allow reporting across multiple systems.

Based on the summaries in the table above, the amount of technical expertise and ongoing cost to support customizations and integrations can be significant. As the City evaluates using these methods to provide the typically expected range of 5-10% level of fit, the additional expertise and cost will have to be considered in light of expanded functionality. Often a customization is needed due to a complex business process that may not be in line with best practices. With an understanding of the ongoing effort and cost needed with a system to support that complex process, business process change is more easily justified in light of the investment needed for the customization.

6.3 Point Solutions

The fourth requirements delivery method discussed in the preceding sub-section is integration with a third-party product, known as point solutions. The City should expect some "prime" ERP system vendors to partner with these point solution vendors in responding to the RFP (e.g., a "prime" vendor may propose full ERP functionality, and partner with a specialty vendor for fleet management or time entry). In addition, the City should expect some independent point solution vendor proposals, specifically related to the taxes and liens functional areas.

Point solutions typically provide a more specialized area of system functionality than a typical ERP software suite and are often state specific. In responding to the Request for Proposal, vendors will determine where a point solution is needed based on the level of functionality defined by the functional and technical requirements. A common scenario is that an ERP vendor evaluates the requirements and determines that needed functionality is great enough that a specialized point solution will provide a better level of fit than their own product.

As proposals from the ERP vendor and point solution partnerships and independent point solution vendors are evaluated, it will be important that the City Project Team consider how the entire proposed software suite will provide the needed functionality. Integration between the core ERP solution and the point solution is an important consideration. Additional factors include how many times the proposed software products have been used together before, and how the multiple vendors will work together to update and maintain their products on an ongoing basis. During the proposal evaluation process, it will be important that the City Project Team apply the same due diligence to company history and background evaluation for all vendors in a given proposal.

6.4 City Project Teams

There are three phases of the implementation of a new system that the City needs to plan resources for: procurement, implementation, and operations (also referred to as post go-live). The needs of the City from a staffing and organizational standpoint will vary as the City transitions from the procurement phase to the implementation phase and to the operations phase.

Presented in Figure 6.1 is the Project Staffing Continuum.

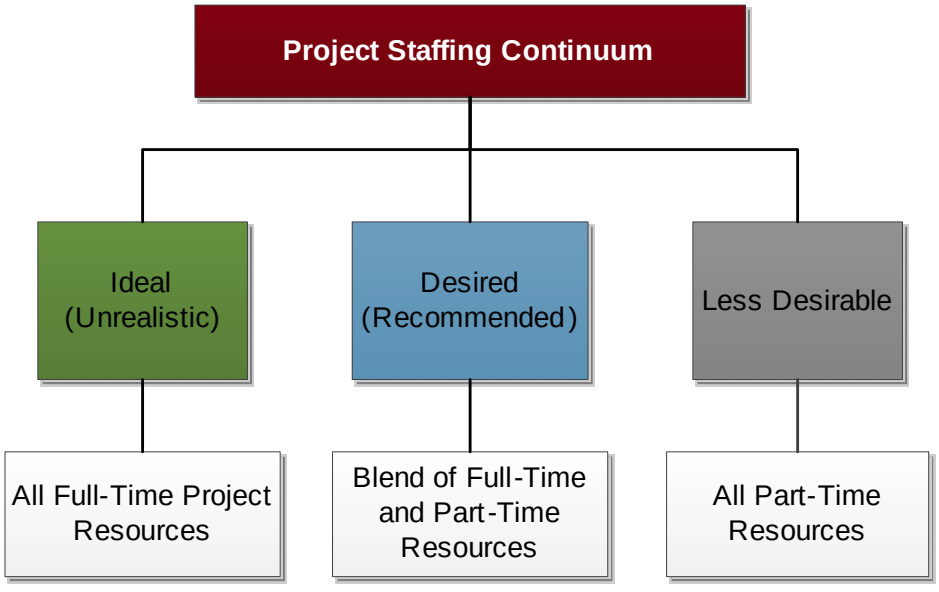


Figure 6.1: Project Staffing Continuum

The staffing and organization structure for the City's project team during this project could range from a staff of full-time project team members dedicated 100% to the implementation (ideal, but sometimes not possible) to a team of staff members that work part-time on the project (less desirable) and have

daily tasks that need to be completed outside of the project. The recommended goal for the City is to assign the appropriate blend of full-time and part-time resources to work on the project. One of the potential risks associated with a project of this magnitude is the availability of staff resources that that City can allocate towards the implementation of an ERP system.

The following sub-sections further describe BerryDunn's recommendations for the appropriate levels of resources for each phase of the project.

Procurement Phase

The procurement phase will utilize resources in such a way as to establish the groups that will see the project through to the operations phase. A Project Sponsor, Project Steering Committee, Project Management Team, and Selection Committee should all be identified at this point in the project. Establishing these roles now will involve them from the onset of the project and ensure continuity through all phases of the project. One of the potential risks of this phase is selecting a solution that does not meet the City's current and future objectives as identified in Section 4.0 of this Report.

It is important to note that the City has initiated a detailed system selection process already that has been designed to be both structured and collaborative with many of the key resources identified. This process also includes an independent consultant (BerryDunn) to lead the City and provide objective advice throughout. Figure 6.2 depicts the City Procurement Team Structure.

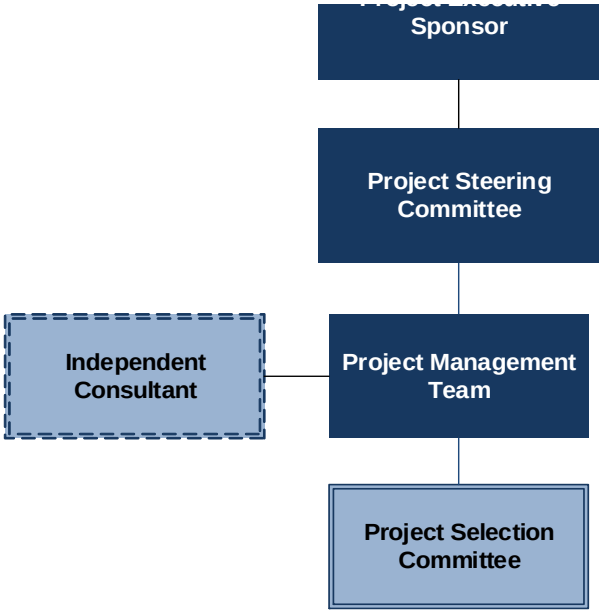


Figure 6.2: City Procurement Team Structure

Table 6.4 contains the purpose and composition of each team or role within the City Procurement Team.

Table 6.4: City Procurement Team Descriptions

City Procurement Team Descriptions	
Team/Role	**Purpose/Composition**
Project Executive Sponsor	Provide executive level oversight and decision-making authority.
Project Steering Committee	Address high-level project issues and risks. The sponsors team should be comprised of key management staff from key stakeholder departments in the City and establish the overall mission and direction of the project.
Project Management Team	Team responsible for making day-to-day project related decisions.
Project Selection Committee	Assist in decisions throughout the procurement process. This team should be comprised of existing personnel from key stakeholder departments who may also serve as members of the Application Owner Teams in the next phase.

As part of the City Procurement Team, the City might also wish to engage internal legal counsel, or contract for legal counsel, to assist with the contract negotiation process.

Implementation Phase

As part of the implementation phase, the City will need to establish an Implementation Team comprised of current City resources and potentially any additional resources secured for the implementation phase. The goal is to utilize the skillsets and institutional knowledge of existing resources balanced with alternate resources to ensure manageable workloads. For example, some key planning department and IT staff may have a mix of implementation and operational tasks, with some operational tasks offloaded to alternate resources.

One of the potential risks of this phase is lack of knowledge transfer from the selected vendor to the City as well as lack of experience implementing an ERP system. A detailed implementation methodology with optional project management oversight services is recommended. Project management oversight services are typically provided by an independent and objective consultant familiar with both project management and specific ERP subject matter. The role of the consultant would be to work closely with the City's Project Manager in identifying project risks and issues, monitoring project activities, and provide recommendations to mitigate risks and keep the implementation on track.

BerryDunn's recommended structure for the City Implementation Team is depicted in the figure on the following page.

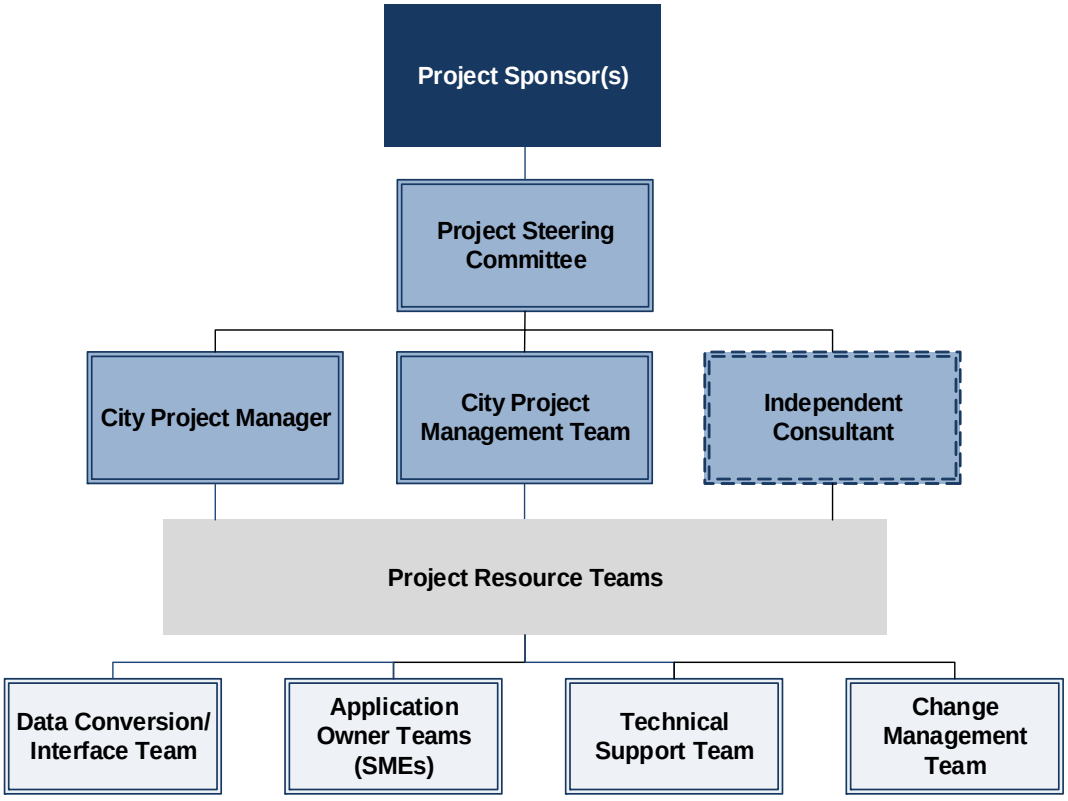


Figure 6.3: City Implementation Team Structure

Table 6.5 contains the purpose or composition of each team or role in the City Implementation Team.

Table 6.5: City Implementation Team Descriptions

City Implementation Team Descriptions	
Team/Role	**Purpose/Composition**
Project Sponsor(s)	An existing management individual(s) who will establish the overall mission and direction of the project.
Project Steering Committee	Address high-level project issues and risks. The committee should be comprised of key management staff from key stakeholder departments in the City.
Project Manager	Overall tactical responsibility for project implementation and monitoring of the vendor's established project plan.
Project Management Team	Assist the Project Manager to ensure participation by the project resource teams. Make important project implementation/configuration decisions. This team should be comprised of existing personnel from key stakeholder departments who may also serve as members of the Application Owner Teams.
Application Owner Teams (SMEs)	Serve as subject-matter-experts (SMEs) and assist the Project Manager with application and business issues with the City's existing human resources, financial, and community development systems environment.
Technical Support Team	Provide support for technical issues to the Implementation Team.

City Implementation Team Descriptions	
Team/Role	**Purpose/Composition**
Data Conversion/Interface Team	Assist the Project Resource Teams by providing data conversion assistance and interface design services.
Change Management Team	Coordinate and develop change management strategies to increase the likelihood of stakeholder engagement, mitigate project risks and issues, and improve successful adoption of policy and business process changes brought about by the project. These efforts typically include identifying business process changes, crafting communications to engage multiple project stakeholder groups, developing an end user training approach, and managing the delivery of training instruction and documentation.

Operations Phase

As part of the operations phase, the City will need to establish a City Operations Team comprised of current City resources. One of the risks of this phase is underutilization of the implemented solution. It is recommended that the City utilize best business practices of the implemented solution. BerryDunn's recommended structure for the City Operations Team is depicted in Figure 6.4.

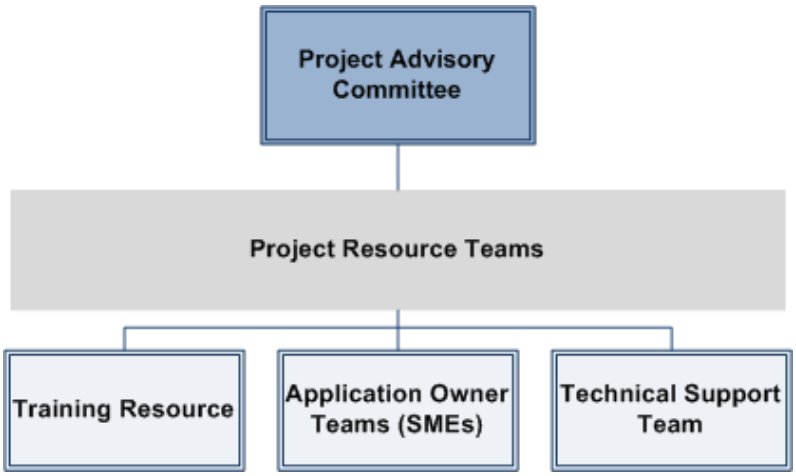


Figure 6.4: City Operations Team Structure

Table 6.5 contains the purpose or composition of each team or role in the City Operations Team.

Table 6.5: City Operation Team Descriptions

City Operations Team Descriptions	
Team/Role	**Purpose/Composition**
Project Advisory Committee	Continue to evaluate the overall strategic use of the ERP system and provide guidance on future business process improvement initiatives. This committee should be comprised of members of Executive Management as well as individuals from key stakeholder departments.
Training Resource	Provide ongoing and follow-up training to existing and new City employees. This could be a City SME.

City Operations Team Descriptions	
Team/Role	**Purpose/Composition**
Application Owner Teams (SMEs)	Continue to serve as subject matter experts and assist the Project Advisory Committee with business process improvement initiatives.
Technical Support Team	Continue to provide support for the new ERP system environment in the areas of security, complex report writing, database administration, and interfaces.

Proper project planning, executive sponsorship, change management, and resource allocation can be keys to increasing the overall likelihood of project success.

6.5 Implementation Approach

There are multiple factors that the City will need to consider in planning for the implementation of new systems. Many of these considerations can be determined as part of the project planning phase. The primary consideration is the staffing levels that the City will commit to the implementation of new systems.

Other factors to be considered include the number of other City-wide projects underway, both technical and non-technical; the number of third-party applications that will be used; the number of integration points that must be built; and the amount of data that will be converted to the new system. All of these factors will contribute to the decision of which implementation approach will be used. Potential implementation approaches the City should consider are described in the following sections.

"Big Bang" Approach

A "big bang" approach for a system implementation involves going live with all systems modules and functionality at the same time. This allows full integration of modules to be realized from the onset of the go-live period. This approach can also assist in change management activities, since staff may realize the benefit of an integrated system early in the implementation. Another advantage is that training and business process redesign can focus on the functionality provided by the new system and not focus on changing processes during the implementation of multiple phases of the system.

Many disadvantages and risks exist with this implementation approach. In order for it to be successful, significant planning must be done prior to beginning implementation. This planning effort can require significant City resources and can be time-consuming. Going live at once with financials, payroll, human resources, and community development functionality will impact nearly every City employee to a significant degree. Once the project schedule and plan is developed, it is very difficult to modify the approach due to the other contingencies in the plan. Another disadvantage is that the configuration of the system is not able to progressively develop as it is implemented. If this method is to be chosen, it is crucial that a detailed contingency plan is developed and that appropriate City resources are dedicated to the project to increase the likelihood of overall of project success.

Phased Approach

A phased system approach involves groupings of modules or business processes being brought into production on the new system(s) while progressively going live with additional modules as the implementation progresses. Typically, there is a core group of modules that must interact with each other which will go live first. From there, many of the ancillary modules can go live once the foundation has been established. The phased approach is the common approach for enterprise-wide application upgrade and implementations used in the public sector today.

An advantage of the phased approach is that the progression of modules allows for adjustments and configurations to be made throughout the implementation. Another advantage is that system users are given a longer period of time to adapt and learn the new system functionality.

One of the disadvantages of this approach is that it will generally require two or more separate systems to run in parallel for some time. This can quickly add complexity to the City infrastructure and place additional strain on support resources. In addition, the overall timeline of a phased approach is longer when compared to a “big bang” approach.

6.6 Anticipated Benefits

At a high level, implementing a new system or system of systems to address critical needs will enable the City to improve the services that it provides to citizens, and gain internal business process efficiencies, in four critical ways:

1. **Redesign outdated business processes.** Modern systems are designed to route transactions based on the workflows of each business process and use decision points to prompt specific actions from the appropriate individuals. By tracking the transaction, all users will know at which stage the process is in the workflow. Implementing a new system will provide the City an opportunity to redesign many of its business processes, such as automated approval of actions in the system(s). Modern land use systems, for example, are designed to route transactions (projects, plans, permits, etc.) based on the workflows of each business process, with decision points to prompt specific actions from the appropriate individuals. The transaction is tracked so that all users will know where it is in the workflow. Implementing a new system will allow the City the opportunity to redesign many of its business processes and automate many of their current processes in both the land use function as well as others.
2. **Reduce reliance on legacy and custom-developed systems**. Implementing a new system will replace many of the legacy and custom-developed systems in the City. This will address the risk of supporting the legacy and custom-developed systems and will also allow for an easier upgrade process to help ensure systems stay up to date to leverage newer technology as it becomes available. Furthermore, a modern system will allow more integration opportunities with stand-alone commercial software applications, such as ActiveNet or TeleStaff. An important consideration is to leverage the existing technology staff, using their expertise in support of the implementation. Involving these staff in data conversion, interfaces, and integration activities will be critical.
3. **Generate efficiencies with a more user-friendly system**. Entering and storing data in one integrated systems environment, rather than storing it in disparate systems and spreadsheets,

will eliminate redundant data entry, reducing the time spent on each business function. Land Use staff will be able to leverage functionality in a more modern system that relies on the City GIS system to accurately track and report on projects and cases, while managing the electronic review of plans all within one system. The City of Albuquerque Environmental Health Department, Air Quality Division eliminated duplicate data entry and disparate systems. They now are able to issue 100% of their Air Quality Permits within the required timelines and were able to collect $60,000 in back fees. The City was also able to reduce the number of pending permits by 50%.

4. **Improve reporting, forecasting, reconciling, and planning**. Reporting, forecasting, reconciling, and planning abilities will be greatly improved with an integrated systems environment. Most modern systems contain robust reporting capabilities, as well as configurable executive dashboards. An integrated systems environment will allow improved forecasting and planning abilities, such as budget forecasting and budget planning, natively within a solution. Reconciliation capabilities are facilitated in a tightly integrated ERP system between accounts receivable, cash receipting, and the general ledger in modern systems. Overall, the City will reduce the reliance on Excel worksheets and manual processes for many business processes. This is often an area where technology staff can play an important role in creating custom reports where applicable, and supporting more advanced Business Intelligence (BI) reporting provided by many vendors.

While the City's current systems environment supports many tasks, there exists the opportunity for business process and workflow reengineering. Modern systems that provide newer technology tools have the ability to provide a greater amount of functionality than the current financial management and community development systems used at the City. Summarized below is a list of many of these anticipated benefits categorized into four areas, based on who will receive the benefit: City management, system end-users, the ITT Department, and City citizens. The anticipated benefits are not limited to those described below.

6.6.1 Benefits for City Management

1. **Leveraging Existing Technology Staff**
   Introducing increased vendor support for a system allows highly skilled technical staff with institutional knowledge to focus on the systems, databases, and network infrastructure without the endless commitment to custom developed solutions and integrations or front-line support for department end-users. With vendor support for the system, greater focus can be put on other strategic initiatives. This approach also would allow existing staff to embrace and support many of the related features and functionality provided by more modern systems, such as Employee Self-Service, field and mobile access, and electronic plan review, which would be offered by the majority of current vendors.

2. **Decrease Time Spent Processing Transactions**
   A new system that automates transaction processing (workflow) will increase City staff productivity by allowing end users to spend less time conducting and completing business transactions. On average, City governments with implemented ERP solutions have reported saving approximately 1% of end-user staff hours due to the streamlining of transaction

processing and standardization of City systems and information. This not only allows staff to see a reduction in the amount of time spent processing transactions, but staff will be able to focus efforts on more analytical tasks as opposed to technical and transactional tasks. The City might expect to realize savings of greater than 1% of end-user staff hours in some specific instances, such as significant reductions in time spent gathering time and signatures for the time entry process, and streamlined processes related to the applicant tracking and personnel action form processes. These time savings may reach as high as 20% in some periods for some staff that interact with budgeting and payroll functions.

3. **Improve Vendor Tracking**
   Improved collection and tracking capabilities will enable managers to review vendor performance, to track and combine purchases for the same goods that are being made by multiple departments, to identify goods and services for which City-wide contracts should be negotiated, and facilitate negotiation for volume discounts. Improved oversight and monitoring should increase the value the City receives for the goods and services it acquires.

4. **Increased Transparency to Development Activity**
   By centralizing all activity related to community development in one system, combined with increased query and reporting capabilities, City Management may have a better understanding of the development within the City on a weekly, monthly, annually, or period-to-period basis.

5. **Improve Budget Process**
   Most systems include a budget preparation component that will help streamline the budgeting process. Currently the budget process is entirely paper-based and time consuming for staff that both participate in and manage the process. Components available in modern ERP systems provide the ability to develop and submit budgets in a decentralized manner using the system, allowing for automated workflow for review and approvals, as well as the ability to perform multiple “what if” scenarios to reflect various revenue estimates. Multiple expenditure packages can also be created and selected in various combinations. Such systems allow staff to conduct “what if” analyses that allow management staff to visualize the budgetary impacts of policy decisions. A modern system will provide better ways to determine the impact of a proposed change and increase the accuracy of the budgeting process.

6. **Improve Inventory and Asset Management**
   By collecting standardized information about each transaction, a new system should enable managers to track inventory and fixed assets more effectively. This information should improve the City’s ability to comply with accounting standards regarding fixed assets (e.g., GASB 34).

7. **Provide Ongoing Access to Budget Information**
   Under a new system, the City would be better equipped to manage spending and revenue generation on a daily basis. Under the current system, only a portion of the detailed budget information prepared in the paper-based departmental budget binders makes it back into the financial system once the budget is passed. A new system could retain information throughout the budget preparation process and make it easier to monitor actual revenues and expenditures against the approved budget.

8. **Provide Automated Tools to Support Business Processes**
   Land use systems typically contain automated tools to facilitate the scheduling process based on user-defined criteria, such as geographical area or specialty. Inspection scheduling and routing is complex and must take into account multiple factors, many of which are considered in modern systems. The City can expect automated tools to save time for staff in multiple areas. In addition to decreasing the time staff spends manually completing the steps in business processes, automated tools can optimize the outcomes. In the example of inspection scheduling and routing, staff time will be saved from performing this task manually and the system will likely optimize routes to decrease travel time for inspections. This can also reduce the miles driven by inspectors, saving fuel and wear and tear on vehicles. Bernalillo County, New Mexico implemented a modern community development system and moved to simultaneous, cross-departmental electronic review of planning and permitting documents. By eliminating the need to review and distribute paper documents, the County saw a decrease in the time between application and issuance of the Certificate of Occupancy.

9. **Improved Efficiencies in the Application and Onboarding Processes**
   The current processes for accepting, screening, and routing applications is heavily dependent on manual and paper-based processes. This has reported in cycle times that are reported by staff to be longer in duration than might be available through more automated fashions. In some instances, staff reported that qualified candidates have withdrawn from the process due to processing times and other opportunities becoming available to them. Many modern systems offer applicant tracking and routing capabilities that can reduce the reliance on paper-based processes and reliance on multiple disparate systems. The ability to process applications and move applicants into the onboarding process in a more timely fashion may allow the City to attract and employ qualified applicants for critical positions in reduced time frames, while also reducing the amount of staff time spent on administrative tasks allowing for more analytical tasks to be undertaken.

6.6.2 Benefits for System End Users

1. **Redesign Outdated Business Processes**
   The opportunity to redesign a City-wide system will allow the City to update business processes that have been reported by staff to be challenging and in use as a result of limited systems functionality to support automation. Current business processes have been built and later updated with consideration given to the limitations of current software functionality. Implementation of a new system creates an opportunity to reengineer business processes in a generally less restrictive software environment. Updating business processes to take advantage of today's technology (e.g., eGovernment, business intelligence, relational databases) will improve workflow, streamline required processes, and reduce or eliminate redundant data entry. Savings will result from an increase of productivity for City workers and a decrease in redundant processes.

2. **Automate Workflow**
   Modern systems include the ability to program workflow processes that automate the delivery of transactions requiring approval. Automated workflow can route documents to the appropriate staff following the business rules that apply to the transaction. Multiple decision points can be accommodated and approval processes can be determined based on the

characteristics of the transaction. Automating workflow will provide increased reliability, more effective internal controls, and better methods to track and audit transactions. Most modern ERP and community development systems allow for remote and/or mobile access which can greatly facilitate the workflow process by allowing staff to review and approval transactions while away from their desk. The City of Chicago implemented online permit submittal and automated application processing and saw the time it took to process a commercial building permit package decrease from 8 hours to 2.5 hours.

Clay County, Florida implemented automated processes for inspection assignment and were able to reallocate resources previously dedicated to scheduling inspections to perform other functions. The County also was able to reduce the amount of time customers waited for inspection by 75%.

3. **Provide Browser-Based Interface**
   Web-enabled interfaces for users, constituents, customers, and vendors allow self-service features and intuitive system navigation. The switch to an Internet/Intranet access model will reduce training costs by using a common, Web-based user interface. This will benefit land use staff greatly by providing a more intuitive and modern interface to manage critical business processes.

4. **Improve Access to Training**
   A new system will typically provide training resources that enable end users to answer their own questions about how to use the system. The system should have online help and tutorials to teach end users how to perform specific tasks and process transactions. The online help and resources will assist City staff and reduce the reliance on ITT Department and vendor support. One recurring area for improvement noted in the fact-finding process revolved around the need for greater training offerings.

5. **Improve Year-End Closing Procedures**
   Manual process to complete the year-end closing procedure represents a large portion of staff time across multiple departments. A new system and redesigned business processes associated with year-end closing procedures could save certain City department's time that is required to complete these tasks. This would also address current challenges surrounding the issuance and roll-over of purchase orders that currently is stalled during year-end processing.

6. **Automated Time Entry Processes**
   Modern ERP systems provide automated self-service functionality to allow individual staff to enter their own time, and such systems permit exception-based time reporting. The ability to support complex pay codes and rules surrounding time worked and leave accruals is commonplace in today's market. Allowing staff to enter and validate their own time, and eliminating the need to generate and distribute the time entry spreadsheet will reduce the potential for keying errors associated with complex formulas used in the time entry spreadsheet. An employee self-service portal that allows entry of leave requests and validation against leave balances will further reduce paper-based and manual processes that currently require supervisors to check multiple sources when approving requests. For some City staff,

such as the Police Department payroll monitor, it is possible to see a reduction in time spent on this process by significant margins. With the current processes in place, this payroll monitor spends up to four full business days gathering time sheets every two weeks to complete the time entry process. By automating this process and allowing self-service capabilities, this time commitment should be reduced to hours as opposed to days. This could represent a significant cost savings to the City in terms of labor hours.

7. **Provide Project Cost Accounting**
   Project cost accounting modules in more modern systems provide the ability to establish projects with a funding profile that allows multiple funding sources and multiple appropriations within each funding source. Each appropriation could identify the percentage of the total project cost within the appropriation or fund. The funding profile allows the project costs to be distributed by percentage or actual cost. A project number could be associated to each payment to provide an accurate life-to-date accounting history of the total project costs and of each item charged to a project. Project Cost Accounting is useful for managing activities that cross fiscal years, associating vendor payments with milestone activities, managing a project without the need to commit future funding at the time of creation, and administering programs that are not necessarily confined to only one department or division as identified by the chart of accounts structure.

8. **Provide Grant Accounting**
   Grant Management modules in modern systems provide the ability to track and maintain multiyear grants, including award and disbursement information and compliance requirements. Codes can be applied to fund payroll and equipment expenditures with grant funds as appropriate. Grant functionality available in modern integrated systems automates financial reporting, reducing the possibility of error that may stem from manual reporting and provide department staff the ability to carry out many reporting tasks independently.

9. **Provide Mobile Access to Employees in the Field**
   Remote access for users allows inspectors, code enforcement officers, and other land use City officials to access most modern systems remotely in the field regardless of connectivity. Allowing users to work in the field and make updates to records directly on a tablet or smartphone eliminates redundant data entry and efficiencies are gained. The ability to upload photos and comments directly into the system avoids the need for transferring files to a central document management system for disparate retention and file keeping. The City can expect to save staff time currently spent researching data not available while in the field. Additional cost savings may be seen by using routing functionality to establish inspection routes, reducing travel time and return trips to City buildings and allowing field staff to complete processes in one location.

6.6.3 Benefits for Information Technology and Telecommunications Department

1. **Reduced Support Demands for Core Department Functions**
   Currently the IT Department spends a considerable amount of time assisting departments with core business functions where City systems are involved, such as with reporting and maintaining integrations between applications. A modern system will provide adequate

capabilities in a user-friendly manner so that department end users will not need the same level of technical expertise currently required to perform regular business functions.

2. **Updated Environment Allows for Leveraging New Technologies**
   The current financial management and community development systems in the City do not offer capabilities and functionalities available in current software system marketplace offerings. In addition, some of the core technical features of a modern system can provide increased security, audit logs, and internal controls.

3. **Increased Ability to Leverage Vendor Support**
   In using a more modern system, the ITT Department will have the opportunity to leverage the vendor to provide support. Such support will be developed with a Service Level Agreement to provide the appropriate levels required by the City, and to ensure that expectations surrounding roles have been firmly established. This agreement can provide the City with a greater depth of product knowledge from the vendor's support staff than would be available if support was provided internally.

4. **Decreased Time Spent Maintaining Interfaces**
   In the current environment, the ITT Department spends a considerable amount of time managing the integration points across the software tools used by functional areas in the City. An integrated system will greatly reduce this need. Advanced integration capabilities in a new system will allow for better data sharing and a reduction in duplicate data entry.

6.6.4 Benefits for City Constituents

1. **Support e-Government**
   Implementing a more modern solution will allow the City to maximize its investments in e-Government services and applications. As industry standards have moved toward Web-enabled technology, reengineered management systems have taken advantage of improvements in servers, operating systems, and software languages upon which these systems are built. The centralization of data and improved access to information from utilizing relational database standards, which can be achieved with an ERP solution, is a core requirement of successful e-Government applications. Implementing e-Government services would allow the City the opportunity to increase the amount of City services available online for City citizens.

   The City can expect improved eGovernment offerings to decrease the time staff spend working with customers in person for community development projects and applications. Customers would see savings in time and travel cost to City buildings. In addition, with eGovernment capabilities, time is typically reduced between review steps, allowing projects to be approved and completed more timely.

   Government organizations moving to online permit applications have seen 40-60% of permit applications submitted online. Organizations have also moved to online permit payment and issuance, reducing the need for applicants to make a trip to the City. The automated permit application process reduces the cost of printing applications and supporting files, eliminates

the need for applicants to drive to the City, and also allows for applicants to submit documents any time of the day.

The City of Oak Grove, Ohio implemented online inspection requests and now have 60% of all inspection requests come in online. Because requestors aren't limited to City business hours or a cut-off time, they have also seen a reduction in canceled inspections.

2. **Improve Vendor Service.**
   The procurement function of a new ERP system will enable vendors to track bidding opportunities, streamline the bidding process, receive electronic payments, and allow vendors to review and update details such as their banking information online. The system should reduce the cost of the procurement process for both vendors and the City, making it easier to do business with the City.

3. **Improve Use of Funds**
   The ability to project cash flow, schedule payments, and identify anticipated dates for payables will enable the City to manage the funds in its accounts with greater efficiency and ease. This will allow the City to better manage its money, providing taxpayers with a greater return on the tax dollars collected by the City.

4. **Improve Collection of Accounts Receivable**
   Modern software systems have the ability to check if a payee also has an outstanding debt to the City. The City could use this function to take money owed to debtors, apply it to the debt, and notify the customer of the transaction. This process, along with other traditional collection activities, could increase collections on payables, improving the City's financial standing.

5. **24/7 Availability of Government Services**
   A new system that is web-based and contains a citizen and contractor interface would allow the capability for immediate, around-the-clock access to City services and information. The City serves a broad base of constituents and contractors in a geographical area that generally extends beyond Albuquerque. By reducing the need to appear in person at the counter in the City offices for services related to permitting, inspections, and other City services, contractors would benefit by being able to submitting applications, documents, and payment through a web portal at any time of day. This would reduce the need for multiple trips to the City offices, and increase customer satisfaction. San Diego County, California moved their solar permitting process online with automated internal workflow and realized a 75% reduction in permit processing time. In another example Clackamas County, Oregon implemented an online permit application and processing system and were able to reallocate two staff to perform other functions.

6.6.5 Benefits Summary

Table 6.6 summarizes at a high level the potential improvements and savings that may be realized through the successful implementation of a new software system or systems.

Table 6.6: Summary of Benefits and Potential Improvements/Savings

Summary of Benefits and Potential Improvements/Savings		
No.	**System(s) Benefit**	**Potential Improvements**
Benefits for Management		
1	Leveraging Existing Technology Staff	Use of institutional knowledge and skills will allow for a more concentrated effort on maintaining other locally developed applications.
2	Decrease Time Spent Processing Transactions	Realize up to 1% savings of total City staff time spent processing transactions. Savings up to 20% may be realized in certain specific functions, such as payroll and budgeting.
3	Improve Vendor Tracking	Increase in value the City receives for the goods and services it acquires.
4	Increased Transparency to Development Activity	Increased visibility into development in the City and trends.
5	Improve Budget Process	Increased accuracy in budget forecasting and reporting capabilities.
6	Improve Inventory and Asset Management	Track inventory and fixes assets more effectively.
7	Provide Ongoing Access to Budget Information	Improved ability to monitor actual revenues and expenditures against the adopted budget.
8	Provide Automated Tools to Support Business Processes	Improved workflows and business process to maximize staff efficiency.
9	Improved Efficiencies in the Application and Onboarding Process.	Reduction in staff time spent processing and organizing applications. Ability to attract and employ qualified applicants in a more timely fashion.
Benefits for System End-Users		
1	Redesign Outdated Business Processes	Increased productivity for City staff.
2	Automate Workflow	More efficient internal controls and the ability to track transactions.
3	Provide Browser-Based Interface	Improved user access and usability of the system.
4	Improve Access to Training	Increases in overall staff efficiency and satisfaction with systems.
5	Improve Year-End Closing Procedures	Increased efficiencies and timelines allow for more timely decisions and resuming normal course of business.
6	Automated Time Entry Processes	Significant reduction in the amount of staff time required to complete the time entry and submission process.
7	Provide Project Cost Accounting	Increased efficiency in calculating and reporting project costs.

Summary of Benefits and Potential Improvements/Savings		
No.	**System(s) Benefit**	**Potential Improvements**
8	Provide Grant Accounting	Reduction in errors from manual entry with the ability to automate expenditure and salary management.
9	Provide Mobile Access to Employees in the Field	Unfettered access while in the field and reduction in duplicate data entry.
Benefits for the IT Department		
1	Reduced Support Demands for Core Department Functions	Reduced time spent by IT staff will allow more time to be spent on IT-related projects.
2	Updated Environment Allows for Leveraging New Technologies	Ability to utilize the latest standards of technology.
3	Increased Ability to Leverage Vendor Support	Reduced time spent by IT staff, reduced risk associated with reliance on individual IT staff members, increased product knowledgebase and best practices.
4	Decreased Time Spent Maintaining Interfaces	Reduced time spent by IT staff will allow more time to be spent on IT-related projects.
Benefits for City Constituents		
1	Support e-Government	Centralization of data and improved access to information.
2	Improve Vendor Service	Reduced cost of procurement process for both vendors and the City, making it easier to do business with the City.
3	Improve Use of Funds	Increased efficiency related to reporting and managing City funds.
4	Improve Collection of Accounts Receivable	Increased collection activities, and reduction of outstanding debt to the City.
5	24/7 Availability of Government Services	Around-the-clock access to City services and information

Based upon experience and research of prior projects, the potential improvements and savings identified in Table 6.7 above are conservative. Additional potential savings in other areas, especially labor-related costs, could be realized if the City focuses on maximizing cost savings through business process improvements during a software system(s) implementation. Furthermore, additional benefits may be realized as more functionality is added to a new system. Establishing a single source of data may present opportunities for City management to use metrics in new ways to improve and expand upon services. As more users begin to use the system, particularly at the citizen, vendor, and contractor level, improvements will be realized in terms of service levels and accessibility to City information. Successfully identifying and implementing business process improvements will require significant time investment and planning activities prior to the implementation. Projects that fail to deliver expected benefits and savings often lacked proper planning. Therefore, effective change management activities are essential to reduce risk and promote success.

7.0 Next Steps in the Project

This section presents a summary of the next steps planned in this project.

The information contained in this ERP Strategy Report reflects the City's current business processes and the associated challenges as a result of the current environment. This Report is part of the third Deliverable for this project and the first associated with Phase #1. The next steps in the project involve presenting the final version of this Report to City leadership, and developing functional and technical requirements as well as the RFP (Request for Proposal) specifications, allowing project participants continued involvement in the process. These next steps are summarized in Table 7.1.

Table 7.1: Next Steps in the Project

Project Deliverables
Phase #1: Current Environment Fact-Finding and Analysis
D3. ERP Strategy Document and Presentation
D4. Preliminary Functional and Technical Requirements Document
Phase #2: Request for Proposal (RFP) Document
D5. Final Functional and Technical Requirements
D6. RFP Document
Phase #3: System Selection
D7. System Selection Assistance
Phase #4: Contract Negotiation Assistance
D8. Contract Negotiation Assistance and Presentation
Phase #5: Implementation Planning
D9. Implementation Planning Document

Appendix A: Project Participants

Project Participants		
No.	**Name**	**Department**
1	Aaron Aragon	Human Resources
2	Amanda Encinias	Land Use
3	Amy Duran	Accounts Payable
4	Andy Hopkins	Finance Department
5	Angelina Garcia	Police Department
6	Antoinette Padilla	Land Use
7	Barbara Boltrek	Finance Department
8	Becky Casper	Public Works Department
9	Bobbi Huseman	Public Works/Transportation
10	Bobby Padilla	Land Use
11	Brian Snyder	City Manager
12	Caryn Fiorina	Information Technology
13	Chris Martinez	Land Use
14	Chuck Bear	Finance Department
15	Clarence Romero	Finance Department
16	Cristella Roybal	ITT
17	Dan Esquibel	Land Use
18	Dana Benavidez	Land Use
19	David Leyba	Land Use
20	David Rasch	Land Use
21	David Tapia	Acct Rec. / Business License
22	Debora Trujillo	Parks and Recreation Department
23	Dee Beingessner	Water Division, PU
24	Dominic Gonzales	Building Permits
25	Donna Wynant	Land Use
26	Edith Martinez	Community Services
27	Edward Montoya	Land Use
28	Eric Sanchez	Police Department
29	Erica Martinez	Finance Department
30	Erik Litzenberg	Fire Department

Project Participants		
No.	**Name**	**Department**
31	Fabian Trujillo	HCDD
32	Faustino Contreras	Information Technology
33	Felix Herrera	Information Technology
34	Gabriel Vigil	Public Works Department
35	Gary Moquino	Land Use
36	Greg Smith	Land Use
37	Halona Crowe	Finance Department
38	Ian Longacre	Land Use
39	Irene Romero	City Attorney's Office
40	Isabel Lucero	Public Works Department
41	James Martinez	Land Use
42	James Varela	Account Receivable/Business License
43	Jaome Blay	Fire
44	Jason Sena	Land Use
45	Jessica Rodriguez	Land Use
46	Joe Encinias	Fleet Management
47	John Romero	Public Works Department
48	John Tennyson	Tourism Department
49	Jon Bulthuis	Transportation Department
50	Karyn Romero	Fire Department
51	Katherine Mortimer	Land Use
52	Lani McCulley	Land Use
53	Laura A. Vigil	Police Department
54	Leonard Padilla	ITT
55	Lisa D. Martinez	Land Department
56	Lois Amador	Transportation Department
57	Lynette Trujillo	Human Resources
58	Mackie Romero	Buckman Direct Diversion Facility
59	Manuel Sanchez	Environmental Services Department
60	Marcos Martinez	City Attorney's Office
61	Margaret A. Griego	Payroll Department

Project Participants		
No.	**Name**	**Department**
62	Maria Clokey	City Manager's Office
63	Marisa Sargent	Land Use
64	Mary MacDonald	Public Works Department
65	Maryanne Seiderer	Land Use
66	Matt Ross	City Manager's Office
67	Maya Martinez	Public Utilities
68	Melinda Jagles-Moquino	Human Resources
69	Melissa Byers	City Clerk's Office
70	Melissa D. Ortiz	Finance Department
71	Mike Purdy	Land Use
72	Monique Maes-Doyle	Accounts Payable
73	Nancy Jimenez	Police Department
74	RB Zaxus	Land Use/Tech. Review
75	Rene Roque	Information Technology
76	Renée Martínez	Information Technology
77	Richard Trujillo	Land Use/Building Permits
78	Rob Carter	Parks and Recreation Department
79	Robert Rodarte	Finance and Purchasing
80	Ross Chaney	Community Development
81	Sevastian Gurule	Constituent Services
82	Shelley Abeyta	Police Department
83	Shirley Rodriguez	Purchasing Department
84	Soamiya Ahmed	Land Use
85	Stephanie Lopez	Public Utilities
86	Teresita Garcia	Finance Department
87	Tim L'Esperance	Fire Department
88	Tomas Montano	Land Use
89	Vicki Gage	Human Resources
90	Vince Fernandez	Information Technology
91	Vincent Montoya	Finance Department
92	William Moore	Land Use

Project Participants		
No.	**Name**	**Department**
93	Yodel Catanach	Information Technology
94	Yolanda Cortez	Land Use
95	Yolanda Green	Finance Department
96	Yolanda Vigil	City Clerk's Office
97	Zach Thomas	Land Use
98	Zachary Quintero	Economic Development

Appendix B: Work Sessions Facilitated

	Tuesday September 22, 2015		Wednesday September 23, 2015		Thursday September 24, 2015	
8:30			**Human Resources** 8:30 - 10:00 Location: *O'Keeffe Rm Convention Center*	**Fixed Assets** 8:30 - 10:00 Location: *Milagro Rm Convention Center*	**Accounts Receivable and Cashiering** 8:30-10:00 Location: *Milagro Rm Convention Center*	8:30
9:00						9:00
9:30						9:30
10:00	**Project Kickoff Meeting** 10:00 - 10:45 Location: *City Of Santa Fe Convention Center Coronado Room* Steering Committee and Project Team		*Follow-Up and Meeting Preparation*		*Follow-Up and Meeting Preparation*	10:00
10:30	*Follow-Up and Meeting Preparation*		**Payroll** 10:30 - 12:00 Location: *O'Keeffe Rm Convention Center*	**Fleet Maintenance** 10:30 - 12:00 Location: *Milagro Rm Convention Center*	**Time Entry** 10:30 - 11:30 Location: *Milagro Rm Convention Center*	10:30
11:00	**Project Management Team Meeting and Change Management Planning** 11:00 - 12:00 Location: *City Of Santa Fe Convention Center Coronado Room*					11:00
11:30					**Project Management Team Closeout Meeting** 11:30 - 12:00 Location: *Milagro Rm Convention Center*	11:30
12:00	**One Government Solution Working Lunch Session** 12:00 - 1:00 Location: *Milagro Rm Convention Center*		Lunch			12:00
12:30						12:30
1:00	**General Ledger and Financial Reporting** 1:00 - 2:30 Location: *O'Keeffe Rm Convention Center*	**RFP Process Work Session** 1:00 - 2:00 Location: *Milagro Rm Convention Center*	**Purchasing and Contract Management** 1:00 - 2:30 Location: *O'Keeffe Rm Convention Center*	**Project Accounting and Grants Management** 1:00 - 2:30 Location: *Milagro Rm Convention Center*		1:00
1:30						1:30
2:00		*Follow-Up*				2:00
2:30	*Follow-Up and Meeting Preparation*	**Technical Work Session** 2:15 - 3:15 Location: *Milagro Rm Convention Center*	*Follow-Up and Meeting Preparation*			2:30
3:00	**Budgeting** 3:00 - 4:30 Location: *O'Keeffe Rm Convention Center*	*Follow-Up*	**Accounts Payable** 2:45 - 4:15 Location: *O'Keeffe Rm Convention Center*	**Inventory Management** 2:45 - 4:15 Location: *Milagro Rm Convention Center*		3:00
3:30		**Interfaces and Data Conversion Needs Work Session** 3:30 - 4:30 Location: *Milagro Rm Convention Center*				3:30
4:00						4:00

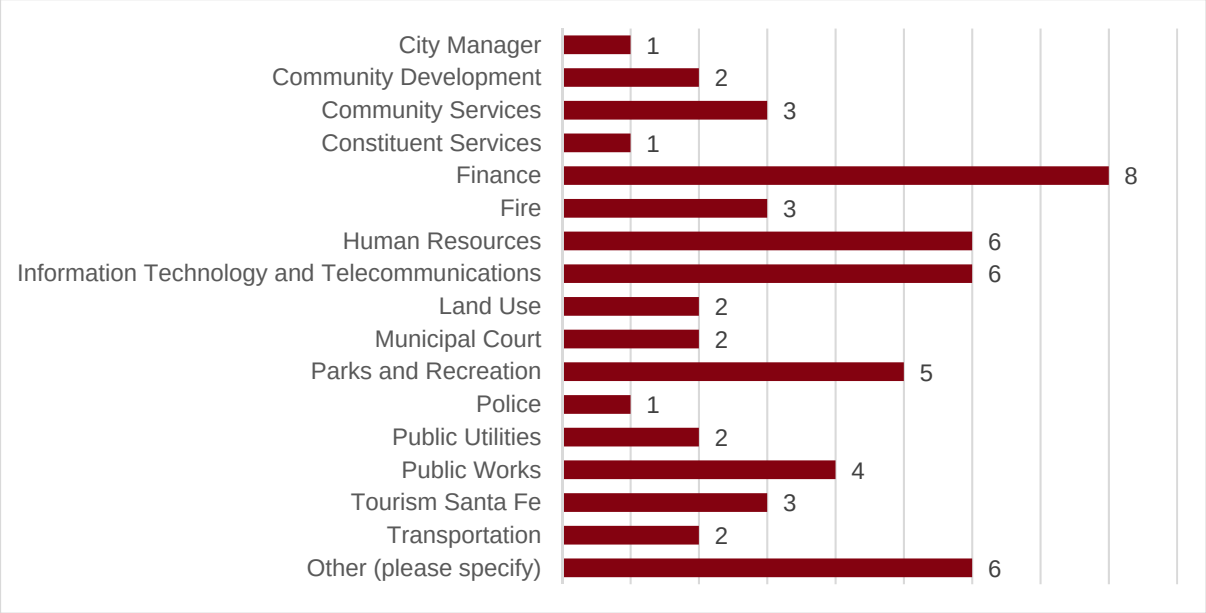
	Thursday October 29, 2015	Friday October 30, 2015	
8:00	**Project Kickoff Meeting** 8:00 - 9:00 Location: *TBD*	**Inspections** 8:00 - 9:30 Location: *TBD*	8:00
8:30			8:30
9:00	*Follow-Up and Meeting Preparation*		9:00
9:30	**Plan Tracking and Review** 9:15 - 10:45 Location: *TBD*	*Follow-Up and Meeting Preparation*	9:30
10:00			10:00
10:30	*Follow-Up and Meeting Preparation*	**Permitting** 10:00 - 12:00 Location: *TBD*	10:30
11:00	**eGovernment and Web Capabilities** 11:00 - 12:00 Location: *TBD*		11:00
11:30			11:30
12:00	**Lunch**	**Lunch**	12:00
12:30			12:30
1:00	**Technical, Interfaces, and Data Conversion** 1:00 - 2:15 Location: *TBD*	**Business Licensing** 1:00 - 2:30 Location: *TBD*	1:00
1:30			1:30
2:00	*Follow-Up and Meeting Preparation*		2:00
2:30	**Addressing and Central Property File** 2:30 - 3:30 Location: *TBD*	*Follow-Up and Meeting Preparation*	2:30
3:00		**Project Team Closeout Meeting** 2:45 - 3:30 Location: *TBD*	3:00
3:30	*Follow-Up and Meeting Preparation*		3:30
4:00	**Code Enforcement** 3:45 - 4:45 Location: *TBD*		4:00
4:30	*Follow-Up and Meeting Preparation*		4:30
	5:30 - 6:45: Land Use Department Services with External Stakeholders		
	7:15 - 8:00: Business Licensing Services with External Stakeholders		

Appendix C: Web Survey Responses

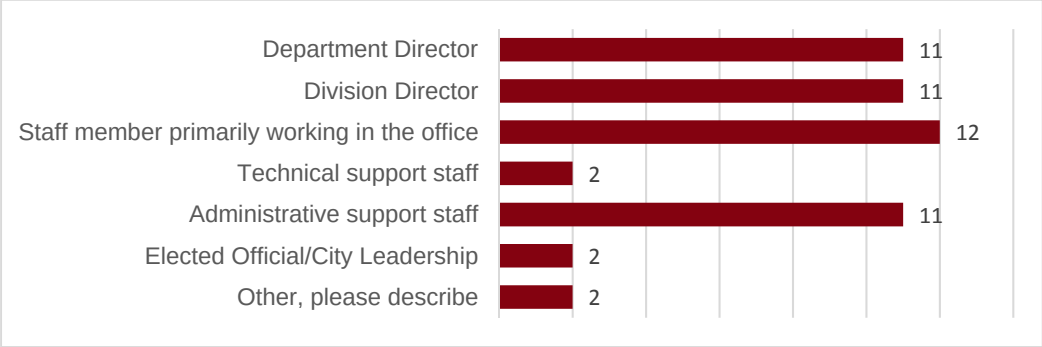
Below are selected results to the survey questions that were included in the web surveys administered prior to BerryDunn's on-site fact-finding meetings.

ERP End User Web Survey

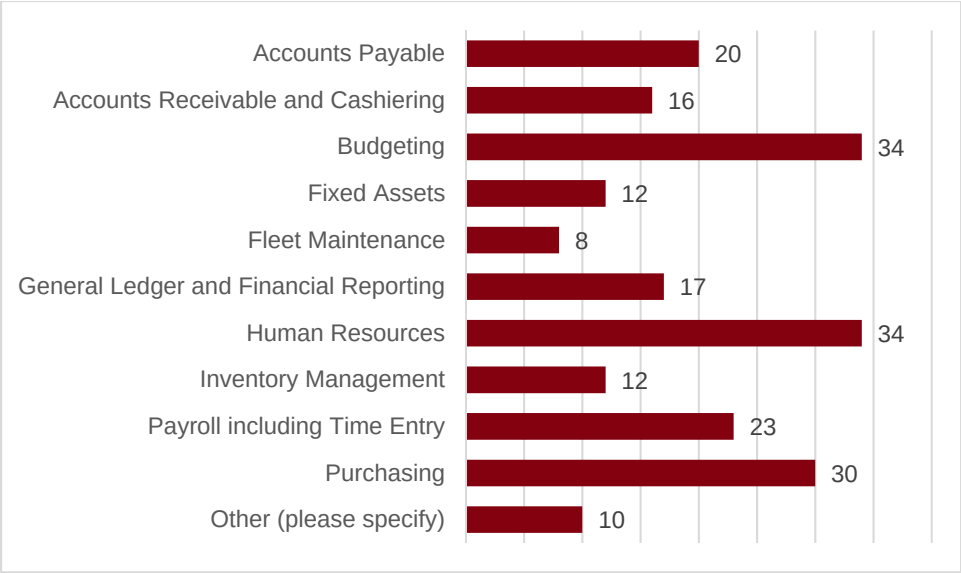
1. Please provide the name of the Department that relates to you:



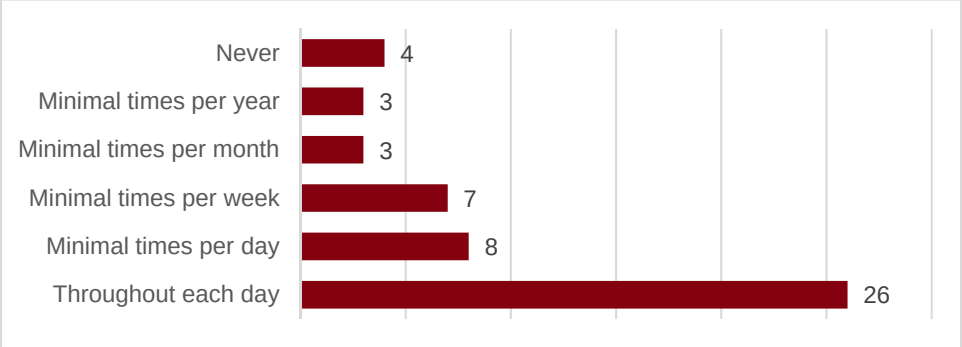
2. Please select the role that best describes your participation in your respective business areas:



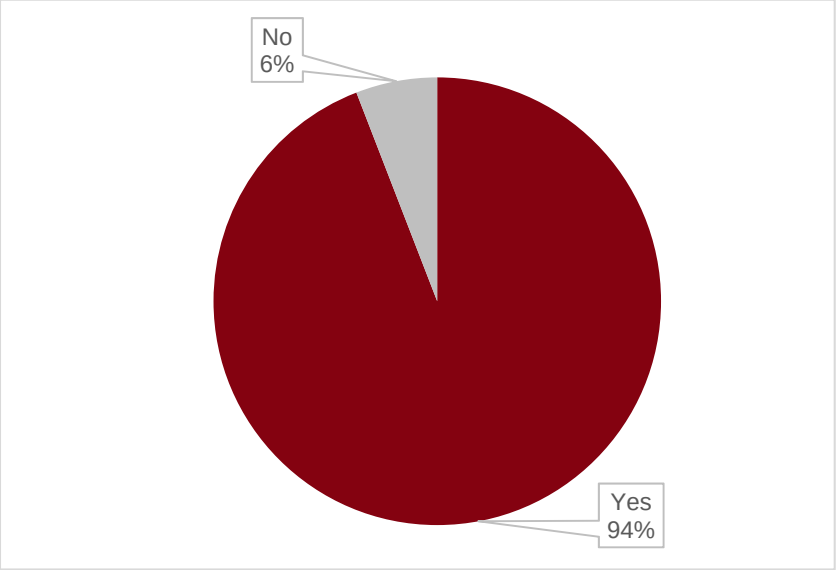
3. Please select the functional area(s) that best align with the responsibilities of your position (please select all that apply):



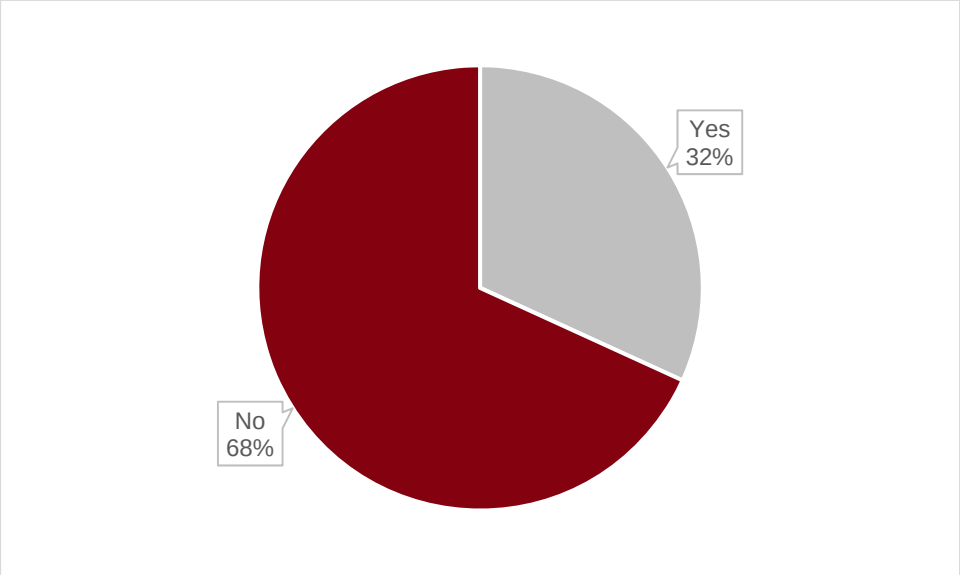
4. How often do you utilize the existing JD Edwards EnterpriseOne ERP system?



5. Are you using MS Excel spreadsheets, external databases, or paper-based and manual processes to track information related to your business area?

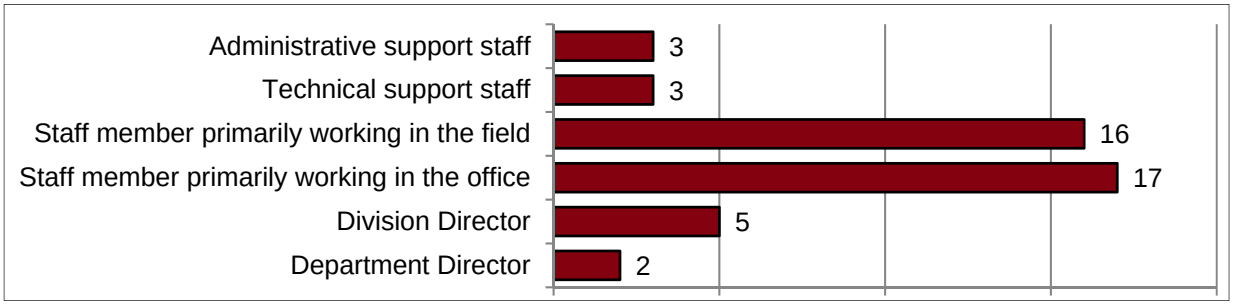


6. Are you able to effectively and efficiently access the information you need using the existing JD Edwards EnterpriseOne ERP system?

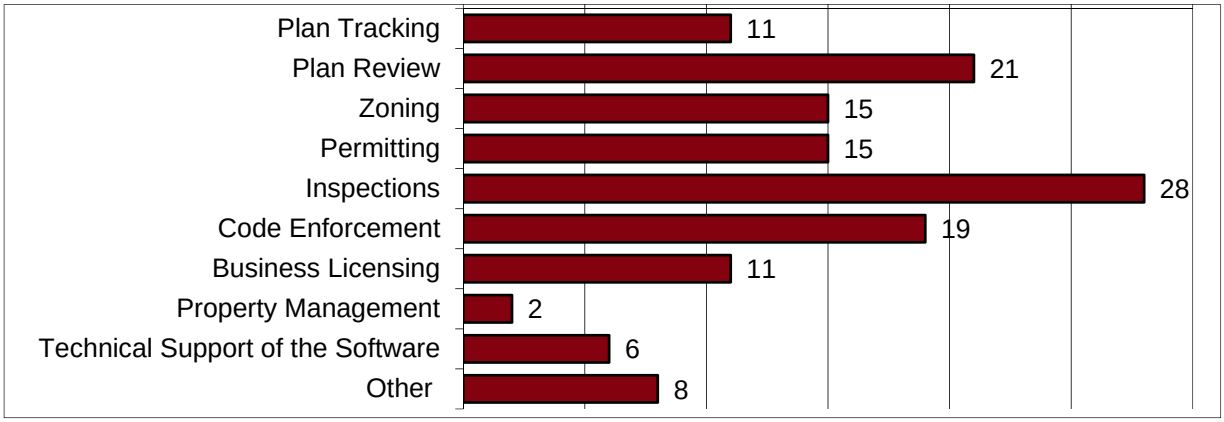


Land Use and Community Development Survey (46 Responses)

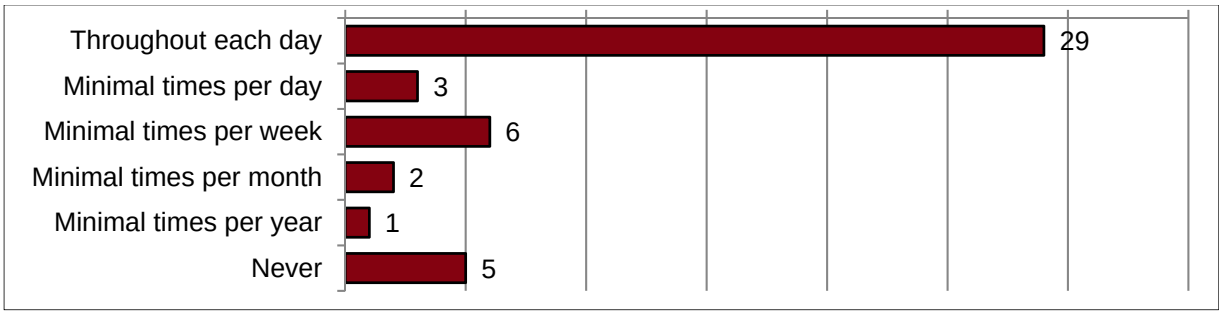
1. Please select the role that best describes your participation in your respective business areas



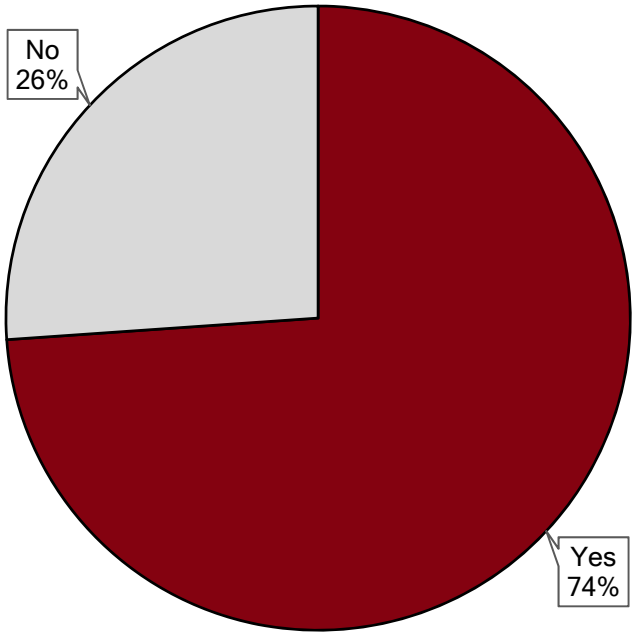
2. Please select the functional area(s) that best align with the responsibilities of your position (please select all that apply):



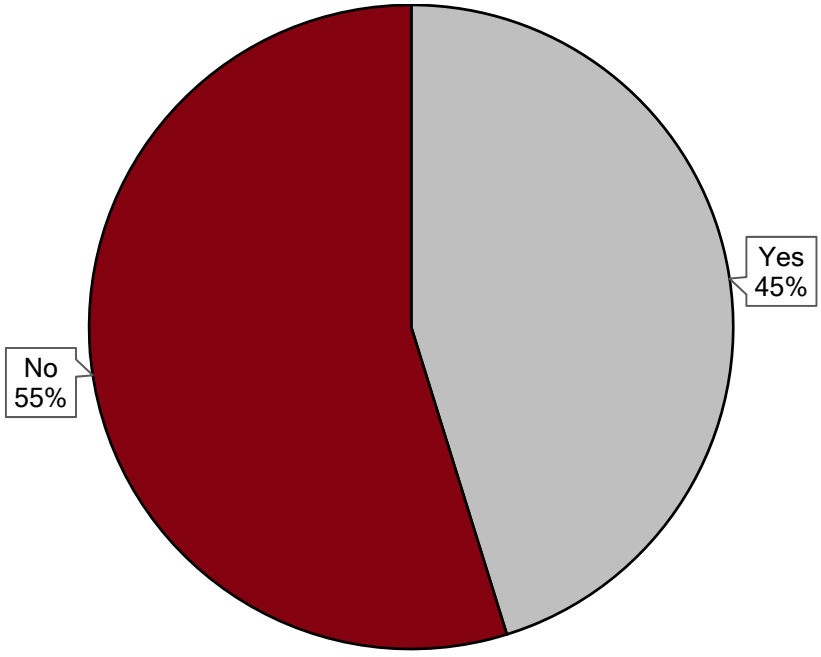
3. How often do you utilize the existing SunGard HTE system?



4. Are you using MS Excel spreadsheets, external databases, or paper-based and manual processes to track information related to your business area?



5. Are you able to effectively and efficiently access the information you need using the existing SunGard HTE system?



Appendix D: Application Inventory

The following table lists each of the applications at the City that are utilized in the existing environment. Note that there may be other applications in the current environment that are important to City business processes, but are not necessarily relevant to the scope of this project.

Application Inventory	
No.	**Application**
1	Active Payment Manager (APM) cashiering system
2	ActiveNet
3	City website
4	Create Form
5	FullCourt
6	GenesisPro
7	GIS
8	Infor Infinium
9	Insight
10	JD Edwards EnterpriseOne
11	Kronos Telestaff
12	Microsoft Office (Word, Excel, Access)
13	PERA – Public Employees Retirement Association
14	Phoenix Fuel Systems
15	SunGard HTE
16	T2 Parking Tickets
17	Utilities CIS
18	Wells Fargo
19	311

Appendix E: Potential Interfaces

The following table identifies the potential interfaces identified during the fact-finding process that may exist in the future environment.

Potential Interfaces	
No.	**Application**
1	Active Payment Manager (APM) cashiering system
2	ActiveNet
3	City website
4	Create Form
5	FullCourt
6	GenesisPro
7	GIS
8	Infor Infinium
9	Insight
10	JD Edwards EnterpriseOne
11	Kronos Telestaff
12	PERA – Public Employees Retirement Association
13	Phoenix Fuel Systems
14	SunGard HTE
15	T2 Parking Tickets
16	Utilities CIS
17	Wells Fargo
18	311

Appendix F: Provided Documentation

The following table reflects the documentation provided in response the information request sheets submitted to the City during the initial project planning process.

City of Santa Fe Provided Documentation
Requested Technical Documentation
T.1 JD Edwards Software Environment
• JD Edwards Enterprise One Software Environment
T.10 Training Documentation
• Santa Fe User Procedures - AR - Rita Fiore
• Santa Fe User Procedures - AR
• Santa Fe AP User Procedures
• Santa FeUser Procedures - Budget_Rev
• SF - General Accounting User Procedures
• SF - UCIS-PAYPOINT User Procedures
• SF-Fixed Assets User Procedures
• COSF EAM Procedure Steps v1.0
• COSF EAM Procedure Steps v1.1
• COSF EAM Procedure Steps v1.1
• SWM Customer Procedure
• Inventory Procedures
• MAC Inventory Procedures
• SF Inventory Procedures
• SF Inventory Procedures2
• SF Receiving Procedure
• COS Sales Order Final Rev1
• COS Sales Order Final Rev2
• COS Sales Order User Procedures
• SF Requisition User Procedures
• COS Procurement Procedures Final Rev. 1
• SF-Job Cost Project Management User Procedures
• 8.12 AAI Implementation
• 8.12 Benefits Implementation Guide
• 8.12 Payroll History Conversion
• 8.12 Release Notes
• 8.12 US Payroll Implementation Guide
• 812 OMW
• 812 Package Management
• 812 System Administration
• 812AS400install
• bi-foundation-suite-wp-215243[1]
• HCM

City of Santa Fe Provided Documentation
• HR-E1- How to designate a person on Military Leave
• HR-E1- How to Enter new Hire
• HR-E1- How to Enter Disciplinary Actions
• HR-E1 How to Transfer a Current Employee to a New Job_ Section
• Network_Diagram
T.12 Integration Points and Interfaces
• E1 Modules
• T.12 Integration Points and Interfaces
T.13 Manuals
• CoS Common Foundation Manual
• Final Purchasing Manual
T.2 Information On Locally Developed Applications
• T.2 Locally Developed Applications
T.3 Oracle License Agreement
• Oracle License and service agreement
T.4 Custom Applications
• Information Request Sheet Item T.4 Custom Applications
T.5 JD Edwards Support Agreement
• JD Edwards Support Request Description
T.6 Support Requests for Locally Developed Applications
• T.6 Support Requests for Locally Developed Applications
T.9 Existing Support Requests
• Existing Open Spinnaker Support Requests
• 8.12 HCM Fundamentals Implementation Guide
• 8.12 HCM Self Service Implementation Guide
• 8.12 Human Resources Implementation Guide
• 8.12 Time and Labor Implementation Guide
• 812 CNC Guide
• 812 Security Administration
Requested Non-Technical Documentation
Community Development Non-Technical
• Commercial Permit Checklist - Internal Process
• Copy of Copy of DRT work sequence 2015-10-22
• Copy of Routing Chart 7-15-14
• GREEN CODE PROCESSING FLOWCHART 10-21-15
• Historic Preservation Division Process
• Inspections and Enforcement Division Process
• PERMIT PROCESSING FLOWCHART 10-15-15
• Post Planning Commission process
• Residential Permit Checklist - Internal Process
• Routing Chart 7-15-14
• VIPSQuickReferenceGuide

City of Santa Fe Provided Documentation
ERP Non-Technical
• M.10 Finance Business Process Flows
• Accounts Payable
• Accounts Payable
• AS400 Systems
• Cashier ACH
• Cashier cust
• Cashier dept
• Cashier Detail
• E1 Modules
• Fleet Process
• GL Cash Posting2
• HR Hiring Process
• HTE Systems
• Purchasing
• UCIS process updated
M.7 Other Non-Technical - 2014 RFI for Upgrade and 2007 RFP for Upgrade
• RFI - JD Edwards E1 Upgrade - City of Santa Fe (3)
• RFP for E1 Implementation 0811P
M.9 How to Manuals Developed By Internal Staff
• E1 Modules
• E1_Tables
• E1-AddingUser
• E1-Client Install
• E1-Compare HMCU and RMK (BUs)
• E1-FinancialReports
• E1-Menu_Maint
• E1-Timesheet Conversion Install
• E1-Timesheet Conversion Install
• E1-Updating TimeSheets
• E1-Updating TimeSheets
• Labor Distribution Instructions
• michelle
• PROCESSING SICK LEAVE BANK FORMS
• RePrint POs with BIP
• Project Directory City Of Santa Fe ERP Solution Selection 8_27_15
M.2 City Org. Charts
• CityDepartmentOrgChart
M.1 Project Directory and Core team list
• Copy of Core Team List
• Project Directory City Of Santa Fe ERP Solution Selection 8_27_15