BUSINESS SOFTWARE SOLUTION (ERP SYSTEM)
School Board Meeting
November 17, 2015

The implementation of the ERP System (Enterprise Resource Planning) Business Software Solution will benefit the management of the District Strategic Plan from the aspect that HR, Financial, and Procurement data will be readily accessible after implementation. One of the many benefits of the ERP System is improved quantity, quality and timeliness of business information for better data-driven decision making.

Financial Impact

The ERP software project is one of the projects approved in the District's five year Capital Outlay Plan and is authorized to be funded by Capital Outlay Funds. These funds are advertised and approved to provide the funding for the projects listed on the Capital Outlay Plan and cannot be used to support salaries and benefits.

Paperwork Reduction

The ERP System (Enterprise Resource Planning) Business Software is expected to significantly contribute to paperwork reduction, as many manual processes will be automated. Some examples include:

- ➢ Open enrollment forms (multiple forms for each employee)
- ➢ Overtime forms
- ➢ Paper purchase orders
- ➢ Purchase order changes
- ➢ Invoices
- ➢ Budget amendments
- ➢ Reports
- ➢ Position notifications
- ➢ Personnel recommendation, assessment, termination, and contract forms

Impact Of Not Implementing

The total cost of implementing an ERP System solution may be considered high, but it needs to be considered in relation to the cost of not implementing. Almost all school districts in the State of Florida have gone through a similar evaluation and came to the same conclusion of the need to implement an ERP System. Clay County School District still struggles to use a legacy system that is more than 20 yeas old and is one of the few districts in the state that has not updated their system. Implementing an ERP System system would increase efficiencies, overall cost saving and cost avoidance opportunities as reflected below:

Loss of the opportunity for increased efficiency, increased speed, and improved support to schools

- ➢ Reducing redundant data entry such as filling in a funding location number in multiple fields and/or forms for a single action. Because there are multiple disparate, non-integrated databases, the same data must be entered into several different systems. An ERP System will eliminate the need to key information in several different areas, thus freeing staff time to be redirected to other activities.
- ➢ Eliminate/reduce the use of internal mail for transporting a single form around to multiple locations for approvals/information. Delays caused by the internal mail system and other manual processed may actually prevent an employee being paid appropriately and on time.
- ➢ Both time and money are currently underutilized. One example of this is the position control process. The ERP System will solidify the timing and effectiveness of position control with less paper, input, and delay, which will save staff, time, and save the district dollars by placing tighter controls on hiring.
- ➢ Inefficient use of staff time results in flextime and overtime hours. Efficiencies created by an ERP System can help redirect staff time and decrease flex and overtime hours.
- ➢ Reduce labor-intensive manual input processes.
- ➢ Data driven decision-making is currently delayed due to the time and effort required to obtain and analyze data from various sources.
- ➢ Multiple, disparate, non-integrated databases are in place to accommodate data collection and tracking requirements.
- ➢ The current process of replacing voided lost checks is lengthy and labor intensive starting with identifying the lost check, voiding the lost check, processing the replacement check and then date entering the void check. The ERP System will allow on-line access to identify the original check and will facilitate the replacement check while simultaneously updating the impacted accounting ledgers.

Loss of the opportunity for increased accuracy

- ➢ An ERP System would improve accuracy and have the added benefit of reducing time spent correcting inaccuracies. The opportunity for human error dramatically increased the more times a document is handled by multiple individuals in different locations. The ERP System program will bring the action into a single setting with a single set of protocols, limiting the opportunity for error. Common HR/Business Services definitions for items such as "position" or termination date" will reduce variance among transaction outcome while greatly improving data accuracy, consistency and integrity.
- ➢ An ERP System would help reduce audit findings that result in a direct cost to the District.
- ➢ An ERP System provides increased accountability mechanisms and more transparent reporting features.
- ➢ Data integrity would improve by eliminating the need for replicated data in disparate systems.
- ➢ Cross check processes between departments can be strengthened with an ERP System. One such example is crosschecking positions and accounts between personnel, payroll, and budget, which will prevent individuals from being paid to incorrect account lines, and avoid having to correct mistakes after the fact.

Loss of the opportunity to operate as a quality organization

An ERP System would help:

- ➢ Improve data-driven decision-making based on timely, real-time information.
- ➢ Implement best business practices across central services process in alignment with our Strategic Plan and our way of work.
- ➢ Improve customer satisfaction and service through the use of employee portals.
- ➢ Increase the opportunity to plan and work proactively, instead of in a reactionary manner.
- ➢ The development of necessary training materials, procedures manuals and functional documentation that many times are never developed due to conflicting priorities.
- ➢ Facilitate agility to accommodate mandated state, federal, and contractual changes.
- ➢ Provide sufficient information for planning. With information at our fingertips, the need for staff time to retrieve information is eliminated, leaving more time for analysis.

Procurement Objectives

In order to ensure that the School Board of Clay County made the best selection possible, a formal procurement process was established. This process included the release of an RFP, a formal technical demonstration (two days per vendor) and a district visit to vet the finalist. The goal of this process was to ensure stakeholder feedback was strongly considered alongside industry best practices for the procurement used in procuring a new ERP System system.

Establishment of Enterprise Resources Planning Procurement Team

The members of the Enterprise Resource Planning Committee include the following members.

- ➢ Co-Chair – Nancy Racine, Director of Accounts Payable and Purchasing (Non-Voting Member)
- ➢ Co-Chair- Duane Weeks, Supervisor of Information and Technology Services (Non-Voting Member)
- ➢ Betsy Condon – School Board Member, District 3
- ➢ Susan Legutko – Assistant Superintendent of Business Affairs
- ➢ Dave Broskie – Assistant Superintendent of Human Resources
- ➢ John Merrill – Assistant Superintendent of Support Services
- ➢ Sonya Findley - Director of Finance
- ➢ Bertie Staefe – Coordinator of Purchasing
- ➢ Becky Murphy – Principal Lake Asbury Junior High School
- ➢ Samantha Wright – Supervisor of Human Resources
- ➢ Margaret Schultz – Payroll Coordinator
- ➢ Linda Niles – Coordinator of Information and Technology Services
- ➢ George Canova – Instructional Application Specialist, Information and Technology Services

Evaluation Process

The evaluation process comprised of:
- ➢ A preliminary examination of the completeness and validity of the written RFP responses.
- ➢ A technical evaluation to determine compliance with requirements, which required a demonstration, proof of concept, references and support certification.
- ➢ A commercial risk and cost analysis of all pricing, project schedules, and terms and conditions contained in the proposal.

The evaluation process will be completed on a point system. The percentage breakdown for evaluation of the potential ERP System vendors was as follows:

	Percentage Breakdown
Total Score from Phase 1	20%
Final Demonstrations	50%
Pricing – Final and Best Offer	30%

The selected vendor was SunGard Systems. SunGard Systems currently serves St. Johns County alongside two other districts in Florida and scored higher than the other vendors in all three categories.

Procurement Process and Timeline

Procurement Planning and Timeline
- Determine the Order of Events in the ERP Procurement
- Determine the Timeline of the ERP Procurement -
- Exploration of Modern ERP Systems

Research Existing ERP Systems
- Schedule Two Hour Exploratory Demonstrations to Highlight Innovative Features — Summer 2014
- Study of Existing RFPs — November 2014

Construction of RFP
- Establishment of Functional Requirement Matrixes — December 2014
- Completion of Draft of RFP — January 2015
- Use of a Consultant (Gartner) in Vet the Drafted RFP — January 2015
- Board Approval to go to Bid — February 19th 2015
- RFP Released Late Feburary 2015

Release of RFP
- Notify Key Players to Encourage Vendor Participation — February 2015
- Requests for Proposals Submitted to the District — Late April 2015

Evaluation of RFP
- Calculation of Submitted RFP Scores — May 2015
- Selection of Vendor Finalists — May 2015
- Scheduling of Vendor Demonstrations — October 2015

Demonstrations
- Two Day Vendor Demonstrations of Functional Requirements — October 2015
- District Visit (St. Johns County) Early November 2015
- Selection of Awarded Vendor — Early November 2015
- Board Approval to Negotiate with Selected Vendor — November, 17 2015