

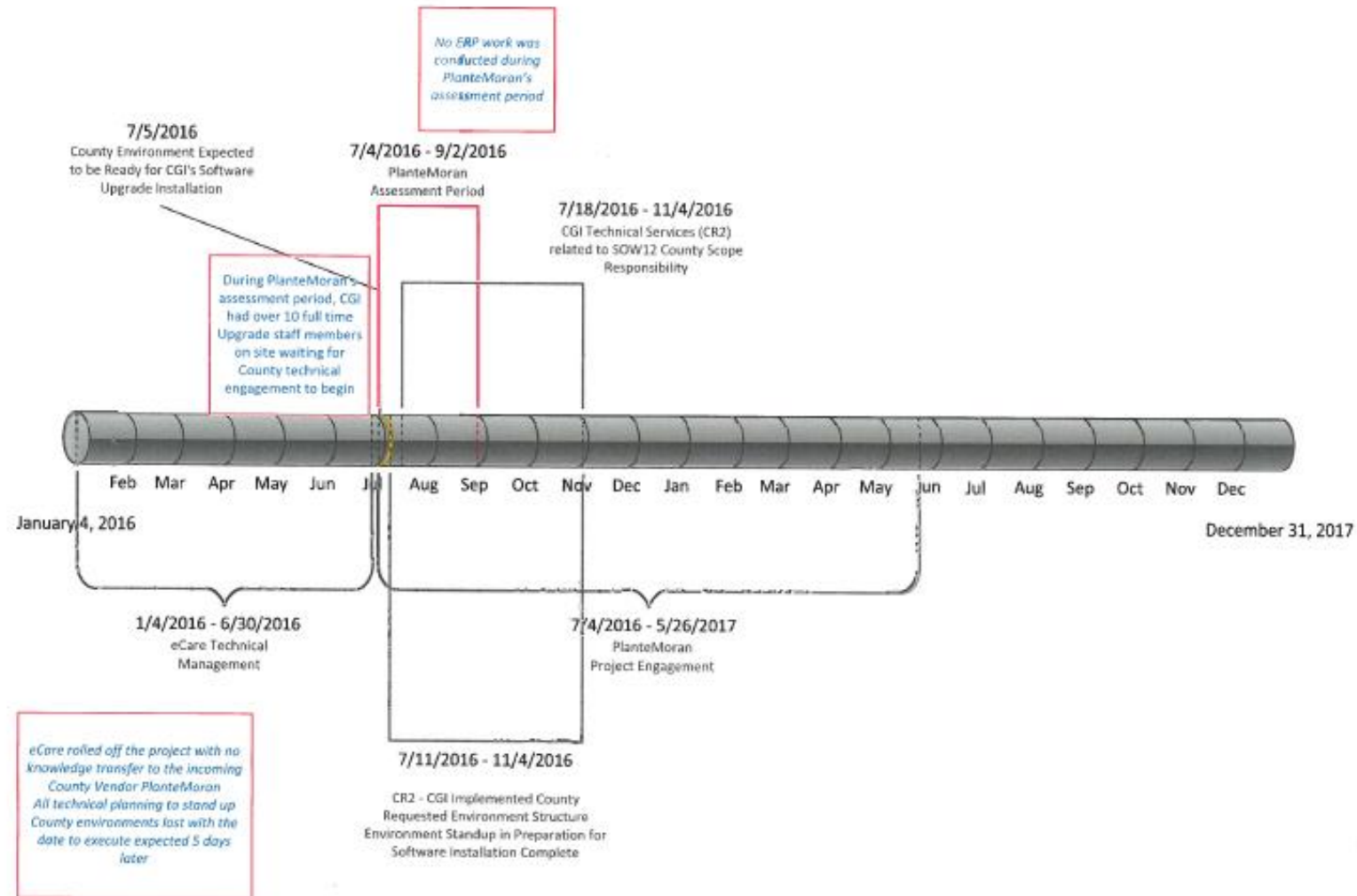


ENTERPRISE RESOURCE PLANNING UPDATE

- Implementation scheduled for completion end of February has moved to end of March
 - due to new tax law implementation and difficulties in programming customizations
 - Negotiated no additional CGI costs (\$120,000 savings)
- Costs still within approved budget of \$18,563,271
- Request to approve a retroactive contract change request (CR)
 - Not asking for additional funding
 - Requires 3/5 vote
- Correct some misinformation that was disseminated at the January 31 budget committee

ENTERPRISE RESOURCE PLANNING UPDATE

- Retroactive change request
 - Work and funding previously approved by BoS to be implemented by the previous Project Management Team
 - That team was required to exit 1 week prior to beginning the implementation
 - The new Project Management team was not prepared to complete the work on such short notice
 - Critical hardware implementation
 - Requested CGI to do the work
- Simply exchanging one implementer for another
 - No additional funding required
 - Need a 3/5 vote



ERP Upgrade to 3.10 Project		
CGI		10,933,259
CGI SC 04266 (\$264,902.40)	127,169	
SW 11 (was under minor Computer Software)	417,997	
SW12	10,388,093	
Plante & Moran		1,684,910
E-care		796,281
DO 9004 contract (\$99,9750) Quality Assurance	93,600	
Project Management contract funded at \$804,240	702,681	
SAVVI (Subsidiary of Century Link)		72,227
Internal Staff		2,682,026
Other Expenditures		209,323
Expenditures To Date:		16,378,026
Additional Estimated Expenditures		
Other Expenditures (based on CYE)		87,000
Internal Staff (based on BC report)		1,507,164
CGI SOW 12 Estimated Contract Balance		667,433
Additional CGI Cost (based on BC report)		409,000
Estimated Expenditures to Completion:		2,670,597
TOTAL ESTIMATED PROJECT COST:		19,048,623
Associated Project Costs		
GF Contingencies Used for Shortage in Systems Unit in FY 2016-17 due to Project		936,560
Century Link Project		1,684,910
Total Associated Costs:		2,621,470
Cost Plan Allocations/Charges		
FY 2016-17		1,845,251
FY 2016-18		3,826,913
Cost Plan Total:		5,672,164
Total Estimated Budgetary Project Impact:		27,342,257
Allocations Out to Departments		
Beginning Fund Balance		914,172
FY 2014-15		1,522,416
FY 2015-16		2,547,968
FY 2016-17		2,608,861
FY 2017-18		10,942,977
Use of GF Contingencies		936,560
ERP Century Link Ops Allocations		1,684,910
Total Allocations:		21,157,864
Estimated FY 2017-18 Budgetary Deficit		(6,184,394)

A ACO 3.10 Total Project Cost compared to CAO Associated Project Cost

	ACO	CAO	
1 Estimated 3.10 Project Cost	18,563,271	19,048,623	Based on to-date actual expenditures and estimates to complete the project.
Operational Staff cost due to project delay		936,560	Not associated to project cost. Ongoing operational staff cost appropriated and accounted within the Auditor's operational budget to be allocated by COWCAP for reimbursement. To be continued after the upgrade
Century Link Hardware		1,684,910	Not associated to project cost. Ongoing ITD operational cost appropriated and accounted for within operational budget. The cost will be allocated via COWCAP for reimbursement. To be continued after the upgrade
2 CAO classified "Associated" Project Cost	0	2,621,470	"Operational" costs not associated with 3.10 Project. Budgeted and financed outside of ERP fund via Auditor's operational budget similar to ongoing software maintenance cost.
Cost Allocation Plan Charges FY 2016-17		1,845,251	A credit subject to be received by the ERP fund of \$7.7 million during FY 2012 - 2016 from Receiving Departments would have offset the charge of \$5.6 million in FY 2017 and 2018 and 2018 leaving a surplus of \$2.1 million in the fund
FY 2017-18		3,826,913	COWCAP true-up prior year actuals with current year. If the fund was not converted to ISF, the future credit would offset the charge. Under the new ISF fund structure, direct charge/rate is necessary to recuperate the cost in this fund
3* CAO adds Cost Allocation Plan Charges	0	5,672,164	Did not add a single penny to the existing cost of the County - it is simply a cost allocation. A charge to this fund with corresponding credit to receiving funds/departments. No net cost increase or decrease to the County. The cost is not associated with the 3.10 Project. It is a COWCAP true-up of prior years consisting 3.7 implementation cost A fund or two runs into negative cash every year and incurs proportionate interest charge to compensate for its use of the pool cash
Total Project Cost	18,563,271	27,342,257	The project cost is \$18.5 million
Benchmark Project Cost	18,563,271		\$18.5 million will provide a true benchmark for the future

B COWCAP financing need due to Accounting Structure Conversion per BOS decision to postpone financing

1 COWCAP financing need due to ERP Fund Conversion to ISF	5,672,164	Not needed if the fund remained under prior fund structure
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* Ventura County implemented 3.10 recently, who verified that they excluded COWCAP from the Project cost for the same reason. COWCAP is not part of the project cost but an ongoing annual true-up of the prior years' cost - either a charge or a credit that nets to 'zero'.