



Legislation Details (With Board Report)

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8/31/2016	1	Budget Committee		

Receive Quarterly Report from ERP Upgrade Capital Project.

RECOMMENDATION:

It is recommended that the Budget Committee:
Receive Quarterly Report from ERP Upgrade Capital Project.

SUMMARY/DISCUSSION:

Systems Division Chief

In May the Office of the Auditor/Controller hired a Systems Division Chief, Corinna Martinez. She is extremely qualified, with extensive government experience, mostly in the State of California. Although her primary focus is to manage and maintain the current ERP Production System, her management, technical and organizational skills have already made significant positive input to the upgrade project as well.

New Project Management Team

As required by the Board of Supervisors, an RFP for Project Management Services was let and executed. As a result, a new project management team has been contracted. The new team is from Plante & Moran, PPLC (PlanteMoran), a national CPA firm.

Between the two responding bidders, although theirs was not the lowest cost bid, PlanteMoran was deemed by the assessment team to be the most qualified respondent due to extensive experience in government and in ERP project management solutions, specifically with CGI, our ERP vendor.

CenturyLink Implementation

Due to the required change in the Project Management team, the completion of the CenturyLink implementation was postponed. CenturyLink provides the hardware infrastructure for the project. The expectation was that this critical phase would be completed at the beginning of July. The timing for completion was critical, in that CGI had staged their resources to arrive July 18, 2016 with the expectation the hardware platform would be completed and available. The timing of the change in Project Management introduced risk in that completion of the technical specs and infrastructure preparation was halted in mid-process. Additionally, the county required consulting services to guide CenturyLink on troubleshooting and enabling

correct ports for appropriate remote development work scheduled.

CGI Savings and Additional Resources

As a result of the delay in a Project Management team to lead the County resources in technical preparation, there was a delay on the effort of preparation of software, server and computer functions housed at CenturyLink and on-site at Schilling Place. Many of these functions were delayed and without guidance for completion at the needed time for CGI Accelerate team to start conversion activities in July introducing high risk. It was decided to have CGI pick up the preparation activities as these activities were needed before conversion could begin. Scope previously under Monterey County was moved to CGI. This included 3rd party software installs, standing up environments, database rebuilds, and systems troubleshooting and support. Included in the scope were the interface development needed to finish the conversion effort. CGI already had a list of reports agreed to and many of these interfaces were needed for input to the reports being developed for through testing. Additional resources from CGI were brought to bear in the absence of a County Project Management team. Because of efficiencies identified by the prior County Project Management team working in conjunction with the CGI Project Management team and the new A/C Systems Division Chief, cost savings were identified allowing the project budget to cover the necessary additional work performed by CGI.

Change Management

A new Change Manager is being sought from within County of Monterey to lead the Change Management and communication efforts for ERP. This person will be working with a couple of key resources from the PlanteMoran group to revitalize the Change Management Plan and outreach efforts to the expectations outlined in the Government Finance Officers Association (GFOA) Consulting Report to Monterey County. These efforts have lagged in the absence of a strong Change Manager. It is anticipated to have this position filled and the person functioning in the role before the end of August.

FINANCING:

Effect on Budget & Schedule

Because of previously identified efficiencies, there was a credit applied to the CGI change request lowering the overall cost of the change request. Providing skilled resources to more quickly address the infrastructure preparation items allowed for some catch up on the overdue schedule. There are still outstanding resources needed on the County side for both IT and Business areas to address scripts, testing, policy and process revisions.

The inclusion of PlanteMoran to assist in these can only help in the overall process improvement, requirements refinement and validation, general baseline testing and technical personnel to supplement as the County of Monterey is still the primary source for all process, policy and operations that are Monterey specific.

PlanteMoran is new to the County and has 30 days to conduct an assessment and provide recommendations on Functionality Fit, Infrastructure, Security, Maintenance and Operations as well as Skills and Training needed for County personnel. During that time, their ability to address the daily issues is limited. After the assessment period PlanteMoran will also have a combined schedule with the detail to support schedule and risk mitigation.

The change in the County project management team in mid implementation introduced additional risk and delays. Since the old project management team departed on June 30 and the new project management team is in assessment period, this of course has delayed the project. As a result of this and the break in continuity, it is likely that additional costs will be incurred, especially if we miss our first critical milestone for implementing the Budget module. If the Budget module is not implemented as scheduled, the entire implementation will be delayed. This could result in as much as a one year delay in project completion, as the rest of the project has been staged and is dependent on the successful and timely implementation of the Budget module. This is because the Budget module feeds information to the remaining modules. If this occurs, it is likely to add

additional cost in the multiple seven figures.

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