

CITY OF SAN LEANDRO

Enterprise Resources Planning System Selection Project



AGENDA

- ✓ Background
- ✓ Existing Challenges
- ✓ Selection Process
- ✓ Final Selection
- ✓ Financial Impacts
- ✓ Proposed Timeline
- ✓ Q&A



PROJECT BACKGROUND

Objective:

- Modernize City operations through a new ERP system.

Goals:

- **Operational Effectiveness:** Enhance information accuracy and accessibility.
- **Process Optimization:** Align business processes with best practices.
- **System Enhancements:** Support automation and efficiency
- **Productivity:** Eliminate unnecessary tasks and redundancies.
- **Decision-Making:** Use technology to improve communication and decision making

Budget Task Force:

Identified the need for a new ERP system and recommended an initial \$1.4 M appropriation, which Council approved.

CURRENT SYSTEM CHALLENGES

Aging System:

- The primary ERP system, "Eden," is over twenty years old and is being phased out by Tyler Technologies.
- Limited to compliance updates with no broader functional improvements.

Hardware and Cybersecurity Risks:

- Significant investment required in hardware and infrastructure.
- Infrequent updates and upgrades pose increased cybersecurity risks, compromising the safety and efficiency of city operations.

System Shortfalls and Deficiencies

- Limited reporting, reliance on manual Excel use, and outdated workflows (emails, paper forms) increase error risk.
- Missing crucial modules like project accounting and inadequate scheduling tools fail departmental needs.

VENDOR SELECTION PROCESS

Collaboration with BerryDunn:

- Partnered to identify over 3,000 functional and technical requirements.

Two-Year Effort:

- Planning and issuance of a Request For Proposal (RFP).
- Conducted demonstrations and discovery interviews.
- Engaged with cities and counties with similar systems.

Six proposals received from the following vendors:

- CentralSquare
- Collaborative Solutions (Cognizant/Workday),
- Forsys (Oracle)
- Graviton (Oracle)
- NetSuite for Government
- Tyler Technologies

VENDOR SELECTION PROCESS

Collaborative Effort:

- Selection process involved contributions from multiple departments, including Finance, Human Resources, IT, the CMO's office, and Engineering.
- Human Resources, Finance and IT worked closely to ensure the vendor met all essential operational and strategic needs.

Scoring and Evaluation Rounds:

- **Round 1:** Technical Proposal to shortlist for demonstration.
- **Round 2:** Demonstrations.

Final Assessments:

- **Round 3:** Reference Checks and Cost.
- **Best and Final Offer:** Final round of scoring to determine the preferred vendor

SELECTED VENDOR & CONTRACT DETAILS

Workday selected as the preferred ERP solution

- Cognizant , Robert Half, and Teller identified as implementation/additional partners

Contract Negotiations:

- Confirmed scope and approach.
- Realistic timeline established.
- Contracts with Workday and Cognizant finalized.
- Contracts with Teller and Robert Half still in progress.

FINANCIAL IMPACT

Software Subscriptions and Services (Workday)	\$3,306,144
Additional Support – 3 years (Workday)	\$285,000
Training (Workday)	\$66,600
Implementation Services (Cognizant)	\$2,914,042
Staffing augmentation (Robert Half)	\$925,000
Cashiering Subscriptions (Can/Am)	\$534,844
Cashiering Services (Can/Am)	\$112,832
Total Ten Years Costs	\$8,144,522
Contingency	\$814,452

COST – 10 YEAR COST

Total Costs by Year for Subscription, Implementation, Training, Staff Augmentation

Year	Workday
Year 1 (FY25)	\$2,121,266
Year 2 (FY26)	\$2,169,436
Year 3 (FY27)	\$715,220
Year 4 (FY28)	\$445,328
Year 5 (FY29)	\$445,328
Years 6 – 10 (FY30 – FY34)	\$2,247,944
5-Year Total	\$5,896,578
10-Year Total	\$8,144,522

PROPOSED ERP IMPLEMENTATION TIMELINE

Timeline	Tasks
March 2024 – April 2024	<ul style="list-style-type: none">• Scoring of the Vendors• Vendor Finalization
May 2024 – July 2024	<ul style="list-style-type: none">• Contract Negotiations• Council Presentation (July)
August 2024 – September 2024	<ul style="list-style-type: none">• Organizational Change Management (OCM) planning• Familiarize/Training in the new environment
October 2024 – September 2025	Phase 1: HR/Payroll Implementation
October 2025 – June 2026	Phase 2: Finance Implementation
July 2026 – December 2026	Project Closeout & Stabilization

