

City of Mercer Island, WA

Needs Assessment Report



Submitted by:

BerryDunn
2211 Congress Street
Portland, ME 04102-1955
207.541.2200

Seth Hedstrom, Principal
shedstrom@berrydunn.com

David Ledbetter, Project Manager
dledbetter@berrydunn.com

Submitted On:

July 14, 2021



Table of Contents

Section	Page
Table of Contents.....	i
Executive Summary	1
1.0 Introduction	3
1.1 Project Background.....	3
1.2 Report Format.....	5
1.3 Work Performed.....	5
1.4 Common Terms and Abbreviations	6
2.0 City Project Goals	8
3.0 Current Functional Area Environment.....	9
3.1 Current High-Level Business Process.....	9
4.0 Current Technical Environment	19
4.1 Primary Applications	19
4.2 Application Support Structure	20
4.3 Infrastructure.....	21
4.4 Ongoing Technology Initiatives	21
5.0 Primary Challenges and Opportunities for Improvement.....	22
6.0 ERP System Scope and Objectives.....	23
6.1 Future Environment Modules	23
6.2 Implementation Phasing	23
6.3 Implementation Timing.....	25
6.4 Change Management	26
7.0 Recommended Key Decision Points.....	28
8.0 Next Steps.....	30
Appendix A: Project Participants	31
Appendix B: City Stakeholder Web-Based Survey Responses.....	33



Executive Summary

The City of Mercer Island has retained Berry Dunn McNeil & Parker, LLC (BerryDunn) to provide support in developing a Needs Assessment Report for a replacement ERP system. Later phases of the project will include developing a Request for Proposals (RFP) and assisting with selecting a replacement system and negotiating a contract with the preferred vendor. In May 2021, BerryDunn facilitated a Project Kickoff Meeting with the City Project Team and department users. During the meeting, BerryDunn introduced the BerryDunn and City Project Teams and reviewed the approach and timeline for the project. In addition, staff had the opportunity to ask questions about the project and discuss the goals and objectives. Following the Project Kickoff Meeting, BerryDunn facilitated fact-finding meetings with department users of the existing systems and processes. The virtual fact-finding sessions were conducted based on the following functional subject matter areas:

Table A: Fact-Finding Functional Areas

Fact-Finding Subject Matter Areas			
No.	Subject Area	No.	Subject Area
1	General Ledger, Investments, and Financial Reporting	6	Business Licensing/Business Tax Collection
2	Budgeting (Capital, Non-Capital, and Revenue Forecasting)	7	RFP Process Overview
3	Purchasing (Including Requisitions and Contracts)	8	Technical Current Environment Overview
4	Accounts Payable (AP)	9	Project and Grant Accounting
5	Accounts Receivable (AR) and Cash Receipts		

Immediately following the on-site fact-finding sessions, BerryDunn began developing the first draft of this Needs Assessment Report. BerryDunn has identified seven primary challenges and areas for improvement in the current environment at the City in the table below.

Table B: Primary Challenges and Improvement Opportunities

Primary Challenges and Improvement Opportunities	
1	The reporting capabilities of the existing system are limited. Staff conveyed that the current system lacks key reporting capabilities, making it difficult to monitor metrics and forcing IT staff to create custom reports.
2	The current system does not support a significant amount of functionality. City needs such as cash receipting and project accounting are not supported by the current system. Staff use third-party applications or paper based or Excel-based processes to support these functions.



Primary Challenges and Improvement Opportunities	
3	Staff reported a desire to have a greater amount of data within one system to eliminate duplicate data entry. Departments enter duplicate information into ONESolution and other department-specific systems.
4	Staff reported a desire to generate custom ad-hoc reports with dashboard functionality without requiring extensive manipulation or intervention from IT staff.
5	Staff reported a desire to explore electronic signature capabilities in a future environment.
6	Staff indicated the internal business processes may not be necessarily based on best practices and are open to business improvements.
7	Staff discussed that training will be an important component of success with a new ERP system.

As the City moves forward with the project, the next steps will involve a transition in focus to planning for future multiple phases, tasks, and deliverables, which will allow project participants' continued involvement in the process. These next steps are summarized in table below.

Table C: Next Steps

Deliverable	Status and Timing
Project Coordination and Initiation	
D1. Project Work Plan and Schedule	Completed
D2. Biweekly Project Status Updates	Ongoing
Phase 1: Needs Assessment	
D3. Needs Assessment Report	June 25, 2021
Phase 2: RFP Development	
D4. Preliminary Functional and Technical Requirements	July 16, 2021
D5. Final Functional and Technical Requirements	August 6, 2021
D6. RFP Package	August 9, 2021
Phase 3: System Selection	
D7. Proposal Executive Summary Memo and Vendor Short-List	October 4, 2021
D8. Preferred Vendor Identification	November 22, 2021
Phase 4: Contract Negotiations	
D9. Contract Negotiation Assistance	December 27, 2021



1.0 Introduction

This section of the report describes the background information, the report's format, the work performed and a list of common terms and acronyms.

1.1 Project Background

The City of Mercer Island has retained Berry Dunn McNeil & Parker (BerryDunn) to conduct a needs assessment of current software systems to identify future business software needs for a replacement Enterprise Resource Planning (ERP) system. Later phases of the project will include developing a Request for Proposal and assisting with selecting a replacement system. There are four major phases in the project, including:

- ❖ **Project Planning and Ongoing Project Management.** Conducting initial project planning and facilitating meetings with City's project team to introduce key team members, clarify goals and objectives, identify known project constraints, and refine dates and/or tasks, as appropriate. This also involved drafting a Project Work Plan and Schedule with bi-weekly status updates.
- ❖ **Phase 1: Needs Assessment.** Developing and issuing an end-user web-based survey, an Information Request, and reviewing results while also facilitating a Kickoff Presentation, facilitating fact-finding meetings, process mapping discussions, facilitating an RFP planning meeting, and developing process diagrams and a Needs Assessment Report.
- ❖ **Phase 2: RFP Development.** Facilitating vendor outreach demonstrations, developing preliminary Functional and Technical Requirements, facilitating work sessions to review requirements, finalizing Functional and Technical Requirements, developing a draft RFP document, and conducting a work session with the City project team to finalize RFP documents.
- ❖ **Phase 3: System Selection.** Responding to vendor questions, developing addenda, assisting with facilitating vendor pre-proposal conference via teleconference, performing initial completeness review of vendor proposals received and identifying initial items for clarification, and developing a Proposal Executive Summary memo. BerryDunn will also facilitate a Round 1 Scoring Meeting to identify shortlisted vendors and items needing clarification, assist the City in planning demonstrations and writing demo scripts, facilitate pre-demonstration conference calls with short-list vendors, facilitate vendor demonstrations, a Round 2 Scoring Meeting to identify preferred vendors, assist the City in planning for reference checks and site visits, and facilitate the Final Scoring Meeting.
- ❖ **Phase 4: Contract Negotiations.** This includes supporting the City in the contract negotiations process. BerryDunn will also work with the City's project team and legal



counsel, as well as the preferred vendor, to develop a draft contract, using the City's contracting procedures and the vendor's proposal as starting points.

- ❖ **Phase 5: Implementation Assistance (Optional)**, which includes developing an Implementation Planning Memo, conducting various implementation activities such as providing risk management and coordinating project tasks, and conducting a project closeout work session.



1.2 Report Format

This report includes an executive summary, nine sections, and two appendices described below:

Executive Summary. This section of the report summarizes the information contained in the report.

- 1. Introduction.** Describes the project's background, the report format, work performed and a list of common terms and acronyms in the development of the report.
- 2. City Project Goals.** Presents the City leadership's goals for the project.
- 3. Current Functional Area Environment.** Summarizes the City's functional areas in focus and the systems and databases used to support them. It also identifies challenges and opportunities for improvement.
- 4. Current Technical Environment.** Describes the City's current business applications environment, including the available support structure, infrastructure, and ongoing technology initiatives.
- 5. Primary Challenges and Opportunities for Improvement.** Presents the primary challenges in the current environment and opportunities for improvement in a future environment.
- 6. High-Level Future-State Business Process Improvements.** Defines potential high-level business process changes for the City's consideration during implementation.
- 7. ERP System Scope and Objectives.** Presents the scope required of a future system as confirmed by City staff during the fact-finding sessions, and objectives to consider for a new system implementation.
- 8. Recommended Key Decision Points.** Presents recommended decision points for the City related to the project.
- 9. Next Steps.** Identifies future activities in the project.

Appendix A: Project Participants. Includes a list of City staff who participated in the fact-finding sessions.

Appendix B: City Stakeholder Web-Based Survey Responses. Includes selected results to the survey questions included in the web survey prior to BerryDunn's fact-finding sessions.

1.3 Work Performed

In April 2021, BerryDunn conducted an initial project planning meeting with the City Project Management Team (PMT) to review and clarify project goals, objectives, and schedule; identify known project constraints and stakeholders; refine dates and/or tasks as appropriate; discuss



planning documents and confirm next steps. As part of initial fact-finding, BerryDunn requested information from the City to become familiar with the current environment. BerryDunn also administered a web survey to collect feedback from City staff on issues and challenges with current systems and business processes.

In May 2021, BerryDunn facilitated a project kickoff meeting in which BerryDunn introduced the BerryDunn project team and the City project team and reviewed the approach and timeline for the project. In addition, staff had the opportunity to ask questions and discuss the project’s goals and objectives. Following the project kickoff meeting, BerryDunn facilitated fact-finding meetings over two days with department users of the existing systems. The virtual fact-finding sessions were conducted based on the following functional subject matter areas:

Table 1-1: Fact-Finding Subject Matter Areas

Fact-Finding Subject Matter Areas			
No.	Subject Area	No.	Subject Area
1	General Ledger, Investments, and Financial Reporting	6	Business Licensing/Business Tax Collection
2	Budgeting (Capital, Non-Capital, and Revenue Forecasting)	7	RFP Process Overview
3	Purchasing (Including Requisitions and Contracts)	8	Technical Current Environment Overview
4	Accounts Payable (AP)	9	Project and Grant Accounting
5	Accounts Receivable (AR) and Cash Receipts		

1.4 Common Terms and Abbreviations

A glossary of the common terms and abbreviations in this document are in Table 1-2 below:

Table 1-2: Common Terms and Abbreviations

Common Terms and Abbreviations	
Term	Definition
ACH	Automated Clearing House
Annual Report	Comprehensive Annual Financial Report
AP	Accounts Payable
AR	Accounts Receivable
BerryDunn	Berry Dunn McNeil & Parker, LLC
CIP	Capital Improvement Plan



Common Terms and Abbreviations	
Term	Definition
City	City of Mercer Island
COA	Chart of Accounts
CSV	Comma-separated values
DOR	Department of Revenue
EFT	Electronic Fund Transfer
ERP	Enterprise Resource Planning
FTE	Full-time Equivalent
Functional Area	A functional area of the City's business processes, such as General Ledger, Budget, Accounts Payable, etc.
GIS	Geographic Information System
GL	General Ledger
HCM	Human Capital Management
HP	Hewlett Packard
IT	Information Technology
JE	Journal Entry
LGIP	Local Government Investment Pool
MS	Microsoft
PDF	Portable Document Format
PMT	Project Management Team
PO	Purchase Order
RFP	Request for Proposals
RSI	Required Supplementary Information
State	State of Washington



2.0 City Project Goals

This section of the report presents the City leadership's goals for the project.

As defined in the City RFP for ERP Software Selection and Implementation, the overall goal of this project is to take advantage of the newest technology and harness efficiencies by reviewing business processes or implementing technology so City departments can work more efficiently and effectively. Objectives for this effort are to:

- Assess current applications and identify business needs not currently met.
- Identify challenges and ways to work more effectively and efficiently.
- Educate staff on the tools available in modern systems.
- Encourage staff to rethink business processes to work smarter, not harder.
- Conduct thorough planning for the selection of a modern financial system.
 - Be **collaborative** so a variety of viewpoints shape priorities.
 - Use a **structured** approach to manage limited resources and ensure project success.

As this project progresses, these goals and objectives will serve to guide decision-making and will become important considerations in the final phase related to implementation planning based upon the preferred vendor(s).



3.0 Current Functional Area Environment

This section of the report summarizes the City’s functional areas in focus for this project and the systems and databases used to support them and identifies challenges and opportunities for improvement.

3.1 Current High-Level Business Process

This section of the report summarizes the current functional environment within the scope of the ERP Software Selection and Implementation Project. These descriptions are not intended to detail each step involved in every process but instead to highlight the major activities, challenges faced, and opportunities for improvement.

Table 3-1: General Ledger, Project Accounting, Investments, and Financial Reporting Functional Area Summary

General Ledger, Project Accounting, Investments, and Financial Reporting	
Description	<p>The City’s chart of accounts (COA) structure follows the State of Washington Budgeting and Accounting Reporting System (BARS) requirements and is split into the following segments:</p> <ul style="list-style-type: none"> • Fund (three characters) • Department (three characters) • Sub-department (three characters) • BARS code (seven characters) • Object code (five to seven characters) • Program code (four characters) <p>Finance staff are responsible for creating and entering new accounts into ONESolution and have the capability of doing so at any time. Account creation occurs at the request of departments or during the Capital Planning Project (CIP) process. Departments may email new account requests to the Finance department. COA security is established at the object, fund, and the key level. Staff reported that because of not having a project accounting module, there are many inactive accounts in the system.</p> <p>A limited number of Finance and Utility Billing (UB) staff can make journal entries (JE). The ONESolution system allows for users to import journal entries from a .csv file. This is a process that is heavily used, and staff would like this feature in a future system. UB staff create approximately 50+ JE in a batch at month-end using the .csv import. Payroll, benefits, and most revenues are entered by JE using a combination of .csv imports and hand data entry. Other than the Deputy Finance Director’s review of JE’s, staff reported there is no other formal review process. Staff reported that verifying the accuracy of entries, including cross-fund entries is a mostly manual process via batch posting reports.</p>



General Ledger, Project Accounting, Investments, and Financial Reporting

The monthly bank reconciliation process is reported to take approximately one week; the process involves reconciling all sub system accounts to create the revenue posting, validating deposits made to the bank, merchant fees, etc., and creating, posting, and verifying the JE's.

The City does not currently hard close at month-end, only at year-end. The City currently files Basic Financial Statements and Required Supplementary Information (RSI) schedules per BARS GAAP requirements. It is anticipated that the City will switch to BARS Cash Basis reporting for the year ending December 2021. For both annual and quarterly financial reporting OneSolution data is exported to excel and requires extensive reformatting prior to analysis. Staff reported that the process is cumbersome, cluttered, and inefficient. Excel data is often copied into Word format for formal reporting to the City Council. The City does not use a third-party report writer and noted many reporting challenges in existing OneSolution reporting ability for staff across departments.

The City indicated great frustration with the limitations regarding reporting. There is a lack of manipulation of the standard reports and staff reported that many reports do not deploy due to a lack of completing updates and the inability to modify report definitions. Staff reported the desire to have a future system that allows ad-hoc reporting, is BARS compliant, reports data across multiple fiscal years, and can generate the schedules as required by the State (Schedule 01 and other RSI).

Projects and Grants

The City currently manages the following project types but not limited to:

- Playgrounds
- Natural areas
- Shorelines
- Vegetation management
- Public Works Projects
- Sports fields
- City facilities

Project tracking is decentralized at the department level. Departments use excel sheets to monitor funding sources and noted that while they could create and track projects under a job ledger that rolls up to the GL in ONESolution, the reporting functionality is nonexistent.

To close a project, some projects are required to be reviewed by Council before close, and projects that cross a biennial budget cycle must be re-proposed in a new six-year plan and would not automatically roll over into the new year.

The City obtains Federal, State, County, and other non-competitive grants that contribute to funding both capital and operating programs. According to staff, City grants all have diverse reporting requirements and include City match requirements to be fully reimbursed.

The City Public Works department relies heavily on the use of MS Excel spreadsheets to track expenditures related to project expenses. Staff also tracks the same information in multiple sheets including retainage withheld, progress



General Ledger, Project Accounting, Investments, and Financial Reporting			
	<p>payments to vendors, along with tracking total costs to a project.</p> <p>Staff across all departments reported an issue with a limitation of all projects in ONESolution are tracked within one year. This increases reliance on MS Excel to report on projects that cross multiple fiscal years.</p> <p>Stakeholders reported issues with 'lag' time in posting of financial transactions. This occurs because of many factors including posting frequency, but the City desires a system that shows transactions in real time even if the transactions are not in a posted status.</p> <p>The City is not actively managing its investments as all cash is stored in the Washington State Treasury Local Government Investment Pool (LGIP). Staff reported that while an investment strategy is not a high priority, there is a desire to explore what system functionality can be offered in a future environment.</p>		
Systems and Databases Used	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; padding: 5px;"> <ul style="list-style-type: none"> MS Word ADP (GL file transfer interface) </td> <td style="width: 50%; padding: 5px;"> <ul style="list-style-type: none"> MS Excel ONESolution </td> </tr> </table>	<ul style="list-style-type: none"> MS Word ADP (GL file transfer interface) 	<ul style="list-style-type: none"> MS Excel ONESolution
<ul style="list-style-type: none"> MS Word ADP (GL file transfer interface) 	<ul style="list-style-type: none"> MS Excel ONESolution 		
Challenges Faced	<ol style="list-style-type: none"> 1. Staff reported formatting challenges when attempting to export data from ONESolution to MS Excel for reporting. 2. Staff reported tracking financial data external of the ONESolution system in Excel. 3. Staff reported difficulty tracking projects that span multiple biennial budget cycles and have multiple funding sources. 4. Staff reported tracking retainage is a manual process. 5. Staff cannot filter results in the system or existing reports in an efficient manner. 6. Staff reported that retrieving data from ONESolution is not as challenging as performing basic analysis in the system. 7. Staff reported many state-required reports require a workaround and are not easily extractable from the system. 		
Opportunities for Improvement	<ol style="list-style-type: none"> 1. The City has previously explored transparency reporting through OpenGov, however, it was not implemented. Staff reported a desire to explore this ability in a future environment. 2. Staff would like the ability to perform wildcard searches and filter results in a future system. 3. Staff reported that the process of generating recurring reports could be more user-friendly. 4. Staff would like access to real-time financials to track department budgets and expenditures, with the ability to drill into the budget to actual reports. 5. Staff reported a desire to modify their COA to be more aligned with Washington State's BARS requirements and noted that a future system will need to be able to support and comply with BARS requirements. 6. Staff reported a desire to include in a new COA the ability to classify objects in cost centers using a four-character "Program" code. 		



General Ledger, Project Accounting, Investments, and Financial Reporting	
	<ul style="list-style-type: none"> 7. Staff reported a desire to include Cash Basis reporting requirements for the state of Washington and to have these reports created in the financial system. 8. Staff would like the ability to allocate interest to funds. 9. Staff would like the ability to reconcile bank statements in the software to reduce time spent reconciling the accounts.

Table 3-2: Budgeting (Capital, Non-Capital, and Revenue Forecasting) Functional Area Summary

Budgeting (Capital, Non-Capital, and Revenue Forecasting)	
Description	<p>The City operates a biennial budget that is initiated in March of an even year. In the second year of the budget, capital projects are prioritized via an internal process and are reviewed by a CIP committee. The CIP has a six-year planning horizon per the State’s requirement. For the first two years funds are allocated in the biennial budget. The latter four years are for planning purposes. Staff have used an MS Access database to support the CIP process in the past, however, it is no longer used. Departments now use templated excel workbooks to submit capital project applications. Though the applications consist of robust information, the information within each application is only published in the biennial budget. Project information must be manually entered into ONE Solution.</p> <p>Departments are provided a timeline to begin the operating budget process. The prior year’s authorized budget is used as a starting point. The narratives for documentation requirements are recorded in MS Word. Staff extract historical budget data from ONESolution and use MS Excel to input budget requirements. There is no standardized process across the departments to draft line-item budget proposals in excel. Each department comes up with a different approach.</p> <p>Once departments submit their budget proposals, it is reviewed by Finance and the City Manager before budget workshops begin in September and October.</p> <p>Interdepartmental communication during the budget process is informal in the current environment. Staff noted that while there is the ability to export data from MS Excel to ONESolution, it is not intuitive, and all budget entry is manually keyed into ONESolution. Per the State’s requirement, the new budget must be adopted by Council before the end of the current biennium.</p> <p>Finance staff compile budget request narratives in MS word and budget requests in MS Excel and convert to Adobe to create the budget document. Staff reported this is a significant undertaking that requires significant staff effort. Position budgeting is also currently performed in MS Excel.</p> <p>The budget is adopted at the fund level and broken down by departments. Departments have the authority over their budgets but can also delegate staff at the cost center level.</p> <p>Revenue forecasting occurs at most twice per year and is allocated to subgroups to identify predictions based on environmental factors. City staff has the desire to update the COA so that four-character program code can be used to classify revenue and expenditure line-items for forecasting purposes. Also, staff seek to</p>



Budgeting (Capital, Non-Capital, and Revenue Forecasting)			
	<p>complete this classification process in a future system to forecast and identify areas of vulnerability within the budget more accurately.</p> <p>Budget amendments are presented to City Council once a quarter and adjustments are posted in ONESolution as a Budget JE once approved by Council. Budget transfers, however, can occur without Council approval or review if the allocated budget for the fund is not altered.</p>		
Systems and Databases Used	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; vertical-align: top;"> <ul style="list-style-type: none"> Adobe MS Excel </td> <td style="width: 50%; vertical-align: top;"> <ul style="list-style-type: none"> MS Word ONESolution NeoGov </td> </tr> </table>	<ul style="list-style-type: none"> Adobe MS Excel 	<ul style="list-style-type: none"> MS Word ONESolution NeoGov
<ul style="list-style-type: none"> Adobe MS Excel 	<ul style="list-style-type: none"> MS Word ONESolution NeoGov 		
Challenges Faced	<ol style="list-style-type: none"> 1. Staff reported the paper process causes duplication of entry. 2. Staff reported budget to actual reporting can be improved as it is currently a manual process. 3. Staff must manually assign project numbers for projects that are funded by multiple sources. 4. Project management staff noted entering, tracking, and monitoring project specific data in the current environment is labor-intensive and requires working outside of ONE Solution. 		
Opportunities for Improvement	<ol style="list-style-type: none"> 1. Staff would like the ability to generate ad-hoc reports in a future system. 2. From capital project application through project approval and completion, staff would like to give project managers the ability to enter, track, and monitor their capital project budget data in the future system, as opposed to using external systems. 3. Staff would desire for a “one-stop shop” to track project costs, timeline, etc. 4. Staff would like the ability to view line-item budget in a future system. 5. Staff would like to work with NeoGov to explore the possibility of a position budgeting module to capture personnel costs and import into the current or future system. 		

Table 3-3: Purchasing (Including Requisitions and Contracts) Functional Area Summary

Purchasing (Including Requisitions and Contracts)	
Description	<p>The City follows the State’s established procurement thresholds for Public Works, Small Public Works, and Code Cities. The vendor file is maintained by the AP function in the Finance Department and adding new vendors in ONESolution is limited by system security to the accounting specialist and deputy finance director.</p> <p>Purchase orders are initiated and generated in ONESolution and follow an electronic workflow based on different thresholds. Once approvals are recorded in the system, an email notification is sent to the requesting staff/department. The City currently uses blanket Purchase Orders (PO) for partial payments on public works and contract payments. Emergency PO approvals are facilitated informally over the phone or in person with the Finance Department. Before the pandemic, the Finance department primarily stored check stubs, receipts, packing slips, etc.</p>



Purchasing (Including Requisitions and Contracts)

physically in file cabinets. Many of the original documents are now scanned but must be printed for audit/records retention purposes. At year-end, opened POs are automatically rolled over and any associated encumbrances is kept until a PO is paid out or the encumbrance is manually closed.

Public Works Purchases over \$50,000 require a formal bid process, with some variety based on the type of work, that is decentralized at the department level. City bids are required to be advertised in the local newspaper, including a notice 13 days before the bid closes. Interested vendors can upload the bid from the City website and questions are emailed to the appropriate project manager. Before the pandemic, bids were collected in person, but are now collected online. Project managers are also responsible for developing evaluation criteria and reviewing received bids.

While POs are initiated in ONESolution, the contract management approval processes at the City remain paper based. City staff are managing workflow via email. Most contracts require signatures from the Finance and Deputy Finance Director, City Attorney, City Clerk, and City Manager.

Currently, staff does not have electronic signature capabilities. Once a contract is awarded, staff request supporting documentation such as W9 from the vendor and store all associated files in a local drive. The official contract copy is also physically stored in the Finance Department and respective department (s).

The City has issued around 50 purchasing cards (p-cards) that are not all active at the same level; staff estimated approximately 30 active p-cards. Department's requests for p-cards are routed from the deputy finance director to the accounting specialist via email. Each month, the p-card user reviews the monthly statements from U.S. Bank and updates GL coding online via the US Bank portal. Once reconciled the individual US Bank statement and all original purchase receipts are sent to AP. The Accounting Specialist verifies all statements and documentation have been received by reconciling to Managing account statement. The US bank Comma-separated values (CSV) file is uploaded to ONESolution as an AP batch once verification and coding are complete. Staff reported that the p-card bank reconciliation process is straightforward but does involve a lot of paper.

Systems and Databases Used	<ul style="list-style-type: none"> • ONESolution • Excel 	<ul style="list-style-type: none"> • U.S. Bank
-----------------------------------	--	---

Challenges Faced	<ol style="list-style-type: none"> 1. Staff reported system limitations have resulted in duplication of data in the vendor file (e.g., the system's inability to store multiple remits to addresses). 2. Encumbrances cannot be cleared automatically according to staff. 3. Staff are unable to track the not-to-exceed amount in a contract within the current environment. 4. Staff raised auditing concerns due to system limitations to properly track data. 5. Staff reported that the purchasing process is inconsistent through City departments.
-------------------------	--



Purchasing (Including Requisitions and Contracts)	
Opportunities for Improvement	<ol style="list-style-type: none"> 1. The City does not currently use commodity codes but is interested in exploring it in a future environment. 2. Staff would like to standardize the purchasing process, as it is currently decentralized and inconsistent at the department level. 3. Staff would like the ability to merge vendor records, in cases of duplicate entry. 4. Staff would like ability to attach electronic copy of invoice/packing slip/receiving reports to Purchase Order. 5. Staff are interested in exploring a vendor self-service portal functionality that vendors may offer. 6. Staff would like to implement an electronic workflow for the change order process. 7. Staff would like to explore electronic signature functionality in a future environment. 8. Staff would like to ability to track contract expiration dates, with notifications. 9. Staff would like the ability for an integrated P-Card functionality that reports detail on vendors and allows for integrated document management. 10. The City is interested in exploring Automated Clearing House (ACH) payment functionality in a future environment.

Table 3-4: AP Functional Area Summary

Accounts Payable	
Description	<p>The City's AP process is decentralized. Invoices are received through email by departments, reviewed, and funneled to the senior administrative assistant. Once an invoice is received by the senior administrative assistant, it is manually entered into ONESolution to initiate the workflow approval. Staff reported instances where invoices were emailed to an employee who no longer worked at the City and would lose sight of the invoice. As a result, the City is exploring creating department-centric emails for invoices to mitigate this challenge.</p> <p>For partial payments, staff print out the invoice and notate the partial amount paid physically on the purchase order and repeat the process until the PO and invoice is completely paid. Staff use manual pay functions for invoices that are not associated with a PO via batch entry.</p> <p>The City uses a Magnetic Character Recognition (MCIR) toner to print checks on a blank check stock. Checks are printed every Friday and the paystubs are attached to the invoice. Staff reported the check formatting lives on the printer and edits such as modifying a signature line requires a payment and vendor intervention.</p> <p>To reconcile checks, the Deputy Finance Director retrieves a file from Key Bank and imports it into a ONESolution batch to post and clear. According to staff, checks do not automatically expire. Rather, the City is required to remit unclaimed property of uncashed checks to the State Department of Revenue after three years. Reporting unclaimed property requires the City void stale dated checks into</p>



Accounts Payable			
	<p>a liability account and report to the state in a specific format.</p> <p>At year-end, entries can still be made in the following January or February, however, anything after 60 days is adjusted via a JE. While ONESolution provides a 13th period, it is not in use. Staff indicated that 1099 creation is outsourced to a third-party vendor due to the system's inability to segregate vendor types for different types of 1099 forms.</p>		
Systems and Databases Used	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;"> <ul style="list-style-type: none"> Key Bank Portal </td> <td style="width: 50%; text-align: center;"> <ul style="list-style-type: none"> ONESolution </td> </tr> </table>	<ul style="list-style-type: none"> Key Bank Portal 	<ul style="list-style-type: none"> ONESolution
<ul style="list-style-type: none"> Key Bank Portal 	<ul style="list-style-type: none"> ONESolution 		
Challenges Faced	<ol style="list-style-type: none"> 1. Staff reported the AP process is paper-intensive. 2. Staff mentioned being unable to view the status of a PO in the workflow. 3. Staff reported tracking sales and excise tax payments in MS Excel rather than the financial system. 4. Staff reported that check printing does not have a preview function (i.e., once a payment is selected for payment there is no return). 5. Staff are not able to modify the signature line without vendor intervention and paying an additional fee. 6. Staff reported challenges being able to view what was previously paid to a vendor without pulling the physical file from the file cabinet. 		
Opportunities for Improvement	<ol style="list-style-type: none"> 1. The City is interested in exploring Automated Clearing House (ACH) payment functionality in a future environment. 2. Staff would like the ability to edit check printing format independent of the future vendor. 3. Staff reported voiding a check involves creating multiple duplicate files. Staff reports a desire to have a more streamlined process in the future environment. 4. Staff would like to electronically store vendor supporting documentation in the system. 5. Staff would like the ability to preview checks before printing and have the ability to reprint checks. 6. Staff would like for the future system to segregate vendor types for 1099 creation. 7. Staff would like the ability to track excise and sales tax for out-of-state purchases in the future system. 8. Staff would like the ability to automate Council claims reporting and have the claims report include all payments made by Electronic Funds Transfer. 		

Table 3-5: Accounts Receivable (AR) and Cash Receipts (POS) Functional Area Summary

AR and Cash Receipts (POS)	
Description	<p>The City mainly uses ONESolution's AR module for miscellaneous receivables and access is limited to the Deputy Finance Director. Receivables are entered into ONESolution via an AR Batch posting function. The customer file which feeds from</p>



AR and Cash Receipts (POS)			
	<p>the vendor database is managed by the finance department. Requests for invoices from departments typically originate in an email. The City commonly bills for water service deposit refund or invoices where additional money is due. There is currently no link between AR and various cash receipting systems. Applying payment to AR invoices requires duplicate entry. Departments outside of Finance are not able to verify whether requested invoices have been paid.</p> <p>The City uses various external cash receipting systems including but not limited to RASWIN, Inhance, TRAKiT, KEYSTROKE, and Perfect Mind. The City currently receives payment via cash, check, and credit card through Invoice Cloud, for utility billing and permitting only, but is exploring Paypal or Venmo for future payment options. Each cashier sends a paper copy of their respective daily cash balancing reports to Finance. Finance uses the paper reports to compile excel worksheets recapping total deposits by month for each cash receipting sub-system software. The Excel worksheets are used to reconcile daily deposits to the Bank Statement and to post monthly revenue totals to OneSolution by JE. Some, but not all, cashiering subsystems create .csv files that are imported to a OneSolution JE batch for revenue posting.</p> <p>The AR system is underutilized due to limitations with the current system as it does not have a user-friendly interface and staff reported that the set-up is very cumbersome.</p>		
Systems and Databases Used	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; vertical-align: top;"> <ul style="list-style-type: none"> Invoice Cloud ONESolution RASWIN Cityworks Excel </td> <td style="width: 50%; vertical-align: top;"> <ul style="list-style-type: none"> Perfect Mind TRAKiT InHance Keystroke </td> </tr> </table>	<ul style="list-style-type: none"> Invoice Cloud ONESolution RASWIN Cityworks Excel 	<ul style="list-style-type: none"> Perfect Mind TRAKiT InHance Keystroke
<ul style="list-style-type: none"> Invoice Cloud ONESolution RASWIN Cityworks Excel 	<ul style="list-style-type: none"> Perfect Mind TRAKiT InHance Keystroke 		
Challenges Faced	<ol style="list-style-type: none"> 1. Staff reported a lack of interface between TRAKiT and ONESolution is causing duplicate entry. 2. Staff reported compiling deposit information, for reconciliation and revenue posting purposes, is paper-based and time-consuming. 3. Staff reported manually splitting and coding payments from the various options on payment types (credit card, ACH, direct deposit) and for multiple receipting subsystems. 		
Opportunities for Improvement	<ol style="list-style-type: none"> 1. Staff reported a desire to standardize the AR process. 2. Staff reported a desire to have the ability to execute standard AR reports such as aging reports, customer statements, and amounts billed by a department. 3. The Finance department is open to decentralizing invoice creation to the departments with an electronic approval. 4. Staff would like a centralized online portal for constituents' payments. 5. Staff would like options on improving posting of bank deposit amounts to streamline bank reconciliation process. 6. Staff would like to eliminate duplicate payment and receipt entry for 		



AR and Cash Receipts (POS)	
	TRAKIT.

Table 3-6: Business Licensing/Business Tax Collection Functional Area Summary

Business Licensing/Business Tax Collection			
Description	<p>The City has approximately 7,500 unique business licenses holders. While most licensed businesses are annual B&O tax filers, a few have quarterly filing requirements. Business licensing is facilitated by the State Department of Revenue (DOR) through their master licensing web-based Portal. The City uses DOR generated reports and data to manually enter licensing information in the Business license module of the permitting software, TRAKIT. Business license fees are collected by the State’s DOR and remitted to the City weekly. The dollar amount is receipted via RASWIN cash register and reconciled to TRAKIT License module monthly.</p> <p>To collect B&O tax, City staff mail both quarterly and annual B&O tax returns to all active license holders and require that they report their City earnings. The City uses a third-party printing company that prints and sends the tax return to license holders. Annual Earnings less than \$1.0 million require filing an annual tax return and earnings over \$1 million require quarterly filings. Business and Occupation (B&O) tax is paid directly to the City and posted in against a license account via a batch process into the license module of TRAKIT. Payment of B&O tax is currently only via check. The City does not have a method for electronic payment or filing of B&O tax return.</p>		
Systems and Databases Used	<table border="1"> <tr> <td> <ul style="list-style-type: none"> • ONESolution • RASWIN cash register </td> <td> <ul style="list-style-type: none"> • TRAKIT • Washington DOR </td> </tr> </table>	<ul style="list-style-type: none"> • ONESolution • RASWIN cash register 	<ul style="list-style-type: none"> • TRAKIT • Washington DOR
<ul style="list-style-type: none"> • ONESolution • RASWIN cash register 	<ul style="list-style-type: none"> • TRAKIT • Washington DOR 		
Challenges Faced	<ol style="list-style-type: none"> 1. There is currently no ability to pay or file for B&O tax online. 2. Department users reported being unable to create reports in TRAKIT without additional costs or IT intervention. 3. Staff reported TRAKIT has difficulty receiving payments. 4. Staff reported limitations with the Washington DOR Website. 		
Opportunities for Improvement	<ol style="list-style-type: none"> 1. Staff would like to offer the business community the ability to file and pay tax payments online. 2. Staff reported the desire to interface to the Washington DOR if the DOR would allow it. 		



4.0 Current Technical Environment

This section of the report describes the City’s current business applications environment, including the available support structure, infrastructure, and ongoing technology initiatives.

4.1 Primary Applications

ONESolution

Version 11.12

The City’s current ERP software ONESolution – provided by Central Square Technologies is hosted on premise running on Windows 2008. The ERP system was originally purchased and implemented by the City in 1997 with the most recent major update occurring in 2005.

Table 4-1 Current ERP System Functions

Current ERP System Functions	
1	General Ledger and Financial Reporting
2	Purchasing
3	Accounts Payable
4	Accounts Receivable
5	Budget

City staff reported that the current system lacks features and integration capabilities required to support the current and future needs of the City. Many users are completing business processes outside the ERP system, relying on MS Excel and other stand-alone applications to provide the necessary reporting and analysis to complete their job functions.

Other Major Applications

The City is in the process of implementing NEOGOV to provide Human Capital Management (HCM) capability and functionality. In addition, the City uses other specialized systems; many of these applications are listed in Table 4-2 below. These applications will need to be closely examined to identify areas of overlapping functionality and to determine which of these functions may be included in a new system.



Table 4-2: Additional Software Applications

Additional Software Applications		
No.	Application	Use/Summary
1.	ArcGIS	GIS system
2.	Avigilon	Surveillance camera provider
3.	Cityworks	Asset management software
4.	Invoice Cloud	Online payment solution
5.	Key Bank	Bank portal
6.	MS Access	Database functionality
7.	MS Excel	Spreadsheet functionality
8.	MS Outlook	Email functionality
9.	MS Word	Word processing functionality
10.	MuniCode	Civic Management (policy and procedure) functionality
11.	Next Request	Public records software
12.	ONESolution	The City's ERP system offered by CentralSquare Technologies
13.	PerfectMind	Parks and recreation software
14.	TRAKiT	Permit software used for business licenses
15.	U.S. Bank	Bank portal
16.	NeoGov	Human Resources/Payroll software
17.	ADP	Current Payroll Provider

4.2 Application Support Structure

The City's IT department is staffed by three full-time equivalent (FTE) employees with a current vacant position. The IT Department's Help Desk provides first line of support for ONESolution. Staff contact the Help Desk using a portal to submit tickets. Staff can assign priority to a ticket based on their perceived priority however, tickets are assigned to technicians based on technical skills. IT Department staff will contact ONESolution directly for support related to the application as end-users do not contact ONESolution.



4.3 Infrastructure

The City operates in a virtualized environment with three hosts in City Hall in a cluster and replicated in multiple locations. The City’s fiber optic network is running on 1 – gigabyte however have the capability have for 10 – gigabyte, if needed. The City indicated they should have enough bandwidth for a hosted solution but did not state a preference towards a SaaS or on-premise deployment model.

The City has multiple internet connections provided by the County and Comcast. The City has a 1 – gigabyte connection to the internet provided by the County and 100-megabyte connection provided by Comcast. The City uses a mix of Dell and Hewlett Packard (HP) desktop hardware devices. The City’s replaces a quarter of the equipment every four years. The City also uses Xerox copiers and smaller printers in communal spaces; additionally, AP and Payroll staff also have separate check printers at their locations.

4.4 Ongoing Technology Initiatives

Concurrent with this analysis for a replacement ERP system, the City is planning to allocate resources to other technology projects. A brief description of each of these projects is contained in Table 4-3 below.

Table 4-3: Related Technology Projects

Related Technology Projects		
No.	Project	Description
1	NEOGOV	The City expects to complete the full implementation of NEOGOV by Q3 2021.
2	TRAKiT Upgrade	Staff reported an upgrade to the TRAKiT system is underway.



5.0 Primary Challenges and Opportunities for Improvement

This section of the report presents the primary challenges in the current environment and opportunities for improvement in a future environment.

Through fact-finding activities, BerryDunn identified many challenges related to the current systems and environment at the City. Table 5-1, below, identifies 7 primary challenges and improvement opportunities noted in this Needs Assessment Report.

Table 5-1: Primary Challenges and Improvement Opportunities

Primary Challenges and Improvement Opportunities	
1	The reporting capabilities of the existing system are limited. Staff conveyed that the current system lacks key reporting capabilities, making it difficult to monitor metrics and forcing IT staff to create custom reports.
2	The current system does not support a significant amount of functionality. City needs such as cash receipting and project accounting are not supported by the current system. Staff use third-party applications or paper based or Excel-based processes to support these functions.
3	Staff reported a desire to have a greater amount of data within one system to eliminate duplicate data entry. Departments enter duplicate information into ONESolution and other department-specific systems.
4	Staff reported a desire to generate custom ad-hoc reports with dashboard functionality without requiring extensive manipulation or intervention from IT staff.
5	Staff reported a desire to explore electronic signature capabilities in a future environment.
6	Staff indicated the internal business processes may not be necessarily based on best practices and are open to business improvements.
7	Staff discussed that training will be an important component of success with a new ERP system.



6.0 ERP System Scope and Objectives

This section of the report presents the scope required of a future system as confirmed by City staff during the fact-finding sessions, and objectives to consider for a new system implementation.

6.1 Future Environment Modules

The following list represents common terminology used by software vendors on the market today that represents the scope of functionality to be acquired in a new system. Discussions with staff identified that some modules might or might not be needed in the scope of a new ERP system, but that the City is interested in understanding vendor functionality and pricing.

Table 7-1: Future ERP System Functions

Future ERP System Functions	
1	GL and Financial Reporting
2	Budgeting
3	Purchasing, Bids, and Contract Management
4	AP
5	AR and Cash Receipts
6	Project Accounting and Grant Management
7	Fixed Assets and Inventory
8	Investment Management
9	B&O Tax Collection

6.2 Implementation Phasing

The City will need to consider multiple factors in planning for the timeline to transition onto a new system(s). 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 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. These factors will contribute to the decision of which implementation approach will be used. The City should determine its preference on whether to use implementation phasing and should



identify this preference within its RFP. 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 system 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 because staff might 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. For it to be successful, significant planning must be done prior to starting implementation. This planning effort can require significant City resources and be time-consuming. Once the project schedule and plan are developed, it is difficult to modify the approach due to the many dependencies in such a 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 be developed and that appropriate City resources be 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 while progressively going live with additional modules as the implementation progresses. The phased approach is the more commonly used approach for implementations among local governments of similar size and project scope. Typically, there is a core group of modules that must interact with each other that will go live first. From there, many of the ancillary modules can go live once the foundation has been established. This approach typically involves going live on core financials due in part to the COA relationship to many modules (e.g., GL, Budget, Purchasing, and AP) first, followed by the other modules.

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 to adapt and learn the new system functionality.

One of the disadvantages of this approach is that it will generally require two separate systems (such as the new ERP system for core financials and the legacy system for payroll) 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.



Summary of Considerations

BerryDunn recommends that a phased approach be used for the City’s ERP implementation. Due to the many risks involved and resources required to support 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 a longer implementation timeline to reach go-live dates with calendar and fiscal year starts, and allows the City to pay for initial startup and maintenance costs over a longer period.

A successful phased implementation requires significant planning. One of the most important aspects of a phased project plan is the criteria for exiting and entering each stage of a phase as it progresses, as well as for entering and exiting each project phase. Adhering to entrance and exit criteria will help minimize risk and ensure each phase has reached the necessary milestones, as established during project planning, before initiating work on subsequent phases of the implementation. The City will need to identify the modules to go live in each phase of the project, followed by additional modules, in conjunction with the successful vendor.

6.3 Implementation Timing

The City should begin to identify its ideal timelines for the implementation of a new system. Often, there are target milestones that can be beneficial, such as core financials going live at the start of a new fiscal year, and HR and payroll functionality going live at the start of a new calendar year. These are not required target dates, however. When considering a timeline, it is also useful to consider operational processes, milestones, or projects external to the implementation that could impact the deployment date selected for particular modules, such as the annual budget process or year-end closing. To the extent possible, the City should include information about these considerations in its RFP package to software vendors. The information included could be as simple as artifacts such as the budgeting or open enrollment calendar of activities, for example. In addition to these considerations, BerryDunn recommends that the City understand the timing of transitioning off the Lawson system to minimize cost and allow data access as needed during and immediately following the go-live period.

The implementation timeline will vary to a certain extent based upon the methodology of each vendor. However, in BerryDunn’s experience, similar organizations that implement the proposed scope of modules in a phased approach generally do so over a period of 24 – 36 months. The following table represents typical phasing based on functional criticality and operational life cycles most common to local governments.



Table 7-2: Implementation Phasing and Durations

Implementation Phasing and Durations			
Phase	Functional Areas	Duration (Low Estimate)	Duration (High Estimate)
1	Core Financials	12 months	18 months

**Among phases, there might be opportunities for project work to be concurrent.*

During implementation, occasionally organizations determine it is in the project's best interest to defer implementation of select functionality for less-critical operational needs. For example, an organization might come to this decision following changes in available information or project constraints such as upcoming development enhancements or key staffing changes.

In these scenarios, BerryDunn recommends a project schedule be created and resources allocated to an additional phase to help ensure that the functionality is implemented soon after other phases. These actions allow the organization to capitalize on project momentum, maximize the use of software for which maintenance fees are paid, and more quickly realize the potential return on investment resulting from meeting project goals and objectives.

6.4 Change Management

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 affected individuals. Substantial changes resulting from projects such as an ERP implementation 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, 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.

As the City proceeds with the ERP replacement project, many City staff will be impacted by one or various implemented changes. 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 that exist in the current environment or new concerns that arise during 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.

During numerous meetings as part of this project, City leadership and staff reported a desire to utilize best practices and plan for future growth as part of the ERP implementation. This will require changes to business processes and effective management of these changes. Some key tasks the City may now begin to prepare for, whereas many other tasks are dependent on the system(s) the City purchases and decisions made during implementation.

The tasks the City has begun and should continue include:

- Work to ensure executive-level sponsorship of the project.
- Establish a decision-making group with cross-functional representation.
- Involve a variety of stakeholders from different levels in the organization.
- Communicate goals and objectives of the project at the onset.
- Communicate project status and progress on a regular basis.
- Provide a medium by which stakeholders can ask questions about the project.
- Establish appropriate expectations related to workload and the impact of the project.



7.0 Recommended Key Decision Points

This section of the report presents recommended decision points for the City related to the project.

- 1. The implementation timeline of the future ERP system.** The City should begin to identify target timelines for the implementation of a replacement system. Often there are certain target timing milestones that can be beneficial (i.e., core financials going live at the start of a new fiscal year).

- 2. Data to be converted to a future systems environment.** The City will need to consider the data, and amount of data, to be transferred into a future system. Quantity, quality, and complexity of data to be converted will be an important input into the implementation timeline and cost. One of the common challenges in converting prior-year financial information is that the information from the legacy system does not match the structure of the new system. Often, attempting to load converted data from the prior system creates incomplete records within the new system because information stored in the new system has greater detail than information stored in the old system.

- 3. Available City resources for the implementation phase of the project.** Due to the size of the City and the ultimate scope and timeline of the implementation phase, the City will need to consider what resources are available to commit to the project. Resources will be needed from multiple levels and areas of the organization to contribute functional knowledge, technical knowledge, and decision-making capabilities, in addition to ongoing project management.

- 4. The approach to standardization of processes across departments.** Implementation of a new system creates an opportunity to reengineer business processes. During fact-finding meetings staff noted in many areas that many business processes at the City are not consistent throughout departments. The City has an opportunity to pursue the standardization of processes across departments and to streamline processes such as accounts payable. Doing so would improve workflow, streamline required processes, and reduce or eliminate redundant data entry. Savings will result in an increase of productivity for City workers and a decrease in redundant processes; however, this will be a significant change for the City and will require an assessment of the City’s vision for standardization, a desire for business transformation, and an ability to execute considerable change.

- 5. Discuss strategy for training in a future environment.** The City would benefit from a discussion to understand the organizational capabilities for training as it relates to the implementation of a future system. Preparing to identify an approach in advance of implementation activities can better position stakeholders for success in learning the new system initially and create an ongoing training and support structure after go-live for



remedial training and training for new or newly promoted employees. If staff resource levels would be changed to support an expanded training effort, BerryDunn recommends that those resources be planned for at the start of the implementation effort.

- 6. The deployment method for the future financial system.** The City has multiple deployment methods to consider including traditional on-premise, vendor-hosted, and software-as-a-service method. Each option will have varying implications on needed technical infrastructure as well as IT.
- 7. Plan for and prioritize ongoing City projects.** The City should identify both planned and potential projects that might impact the implementation of an ERP system. BerryDunn recommends that the City map the projects that have funding, resource, or technical impacts to show their expected timelines and understand the budget and resource impact within a particular time frame. In some cases, the City might elect to adjust project timelines, increase resource allocations, or phase in more sophisticated technical development tasks to manage any constraints.
- 8. Integration points to third-party systems in use today.** The City has a certain number of third-party systems in use today that have been implemented to compensate for gaps in functionality in the core systems. The number of third-party applications required typically diminishes with the use of an ERP system; however, certain applications might continue to serve a distinct purpose in the future environment. Identifying any third-party systems that should remain in place will be useful in helping to ensure appropriate steps are taken to develop integration points with the ERP system. The City should also consider integration points to NEOGOV to help mitigate duplicate data entry.



8.0 Next Steps

This section of the report identifies future activities in the project.

The information contained in this Needs Assessment Report reflects the City’s current business processes and the associated challenges in the current environment. Following confirmation of the content of this report, BerryDunn will update this report to final.

As the City moves forward with the project, the next steps will involve a transition in focus to planning for future multiple phases, tasks, and deliverables, which will allow project participants’ continued involvement in the process. These next steps are summarized in Table 9-1.

Table 9-1: Next Steps in the Project

Deliverable	Status and Timing
Project Coordination and Initiation	
D1. Project Work Plan and Schedule	May 17, 2021
D2. Biweekly Project Status Updates	Ongoing
Phase 1: Needs Assessment	
D3. Needs Assessment Report (Draft)	June 25, 2021
Phase 2: RFP Development	
D4. Preliminary Functional and Technical Requirements	July 16, 2021
D5. Final Functional and Technical Requirements	August 6, 2021
D6. RFP Package	August 9, 2021
Phase 3: System Selection	
D7. Proposal Executive Summary Memo and Vendor Short-List	October 4, 2021
D8. Preferred Vendor Identification	November 22, 2021
Phase 4: Contract Negotiations	
D9. Contract Negotiation Assistance	December 27, 2021



Appendix A: Project Participants

This appendix includes a list of City staff who participated in the fact-finding sessions.

Project Participants		
No.	Name	Department
1.	Alaine Sommargren	Public Works Deputy Director
2.	Alfredo Moreno	IT Director
3.	Ali Spietz	Chief Administrator
4.	Allen Hunter	Utilities Operations Manager
5.	Analisa Cartwright	UB Lead
6.	Andrea Larson	Senior Administrative Assistance
7.	Angie Moreau	Customer Service Supervisor
8.	Ben Schumacher	Financial Analyst
9.	Casey Leyde	Water Quality Technician
10.	Cheryl Lucero	Court Administrator
11.	Clint Morris	Street Engineer
12.	Deb Estrada	City Clerk
13.	Derek Franklin	Clinical Program Manager
14.	Don Cole	Building Official
15.	Ed Holmes	Chief of Police
16.	Emily Moon	Independent Consultant
17.	Fred Gu	CIP Project Manager
18.	Fred Schumacher	Inventory/Warehouse team member
19.	Gareth Reece	Senior Policy Analyst
20.	James Moe	Utility Foreman
21.	Jeff Thomas	Interim CPD Director
22.	Jen Matsuda	Administrative Assistant
23.	Jennifer Franklin	Emergency Manager



Project Participants		
No.	Name	Department
24.	Jennifer Peterson	Accounting Specialist
49.	Jessi Bon	City Manager
50.	Jolene Judd	Administrative Assistant
51.	LaJuan Tuttle	Deputy Finance Director
52.	Lara Gerheim	HR Manager
53.	Leah Llamas	GIS Analyst
54.	Marina Gonzales	YFS Program Assistant and Thrift Shop Supervisor
55.	Mary Swan	Public Records Coordinator
56.	Matt Mornick	Finance Director
57.	Maya Giddings	CIP Project Manager
58.	Merrill Thomas-Schadt	Recreations and Operations Manager
59.	Mike Helten	GIS Analyst
60.	Mike Seifert	Operations Commander
61.	Olivia Harvey	Water Services Specialist
62.	Patrick Yamashita	City Engineer
63.	Paul West	Capital Projects and Planning Manager
64.	Rona Lina	Utilities Engineer
65.	Ryan Daly	Recreations and Operations Manager
66.	Shawn Matheson	Battalion Chief
67.	Suzanne Philen	Thrift Shop Business Coordinator
68.	Tammy Bodmer	HR Coordinator
69.	Todd Roggenkamp	Police Corporal
70.	Troy Mandeville	Sr. System Administrator
71.	Zachary Houvener	Support Services Manager



Appendix B: City Stakeholder Web-Based Survey Responses

Below are selected results to the survey questions that were included in the web survey administered prior to BerryDunn’s fact-finding sessions.

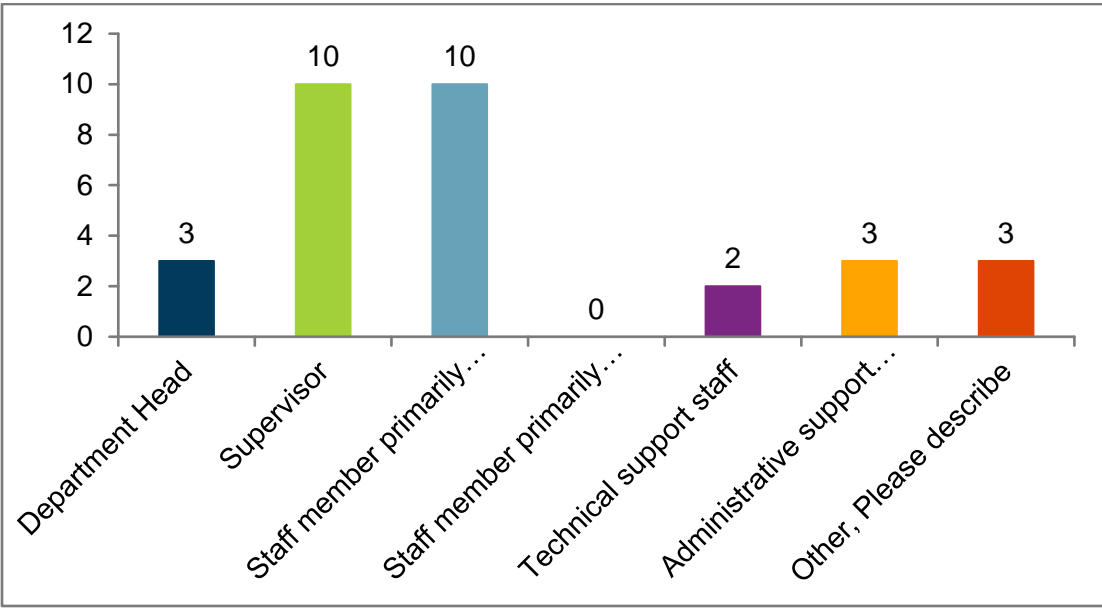
Table B.1: City Stakeholder Web Survey Questions

City Stakeholder Web Survey Questions	
No.	Question
1	Please provide the name of the department or agency that relates to you.
2	Please select the role that best describes your participation in your respective business areas: a) Elected Official b) Department Head c) Supervisor d) Staff member primarily working in the office. e) Staff member primarily working in the field. f) Technical support staff g) Administrative support staff h) Other (please describe)
3	What are the greatest strengths or benefits you experience with using the existing systems?
4	What are the greatest challenges or problems you experience with using the systems?
5	What system(s) do you use to support the specific business processes of your department (i.e., the systems your primarily use on a daily basis)? (open comments)
6	Are you using MS Excel spreadsheets, external databases, or paper-based and manual processes to track information related to your business area?
7	What information are you tracking, through what method(s), and for what reason(s)?
8	Are you able to access the information effectively and efficiently you need using the legacy system?
9	What system functionality do you not have today that could help meet the needs of your business area?
10	Are there specific changes to current business processes that you feel a potential future application environment may be able to facilitate or provide?
11	Is there any additional information you wish to share related to the existing systems or this project?

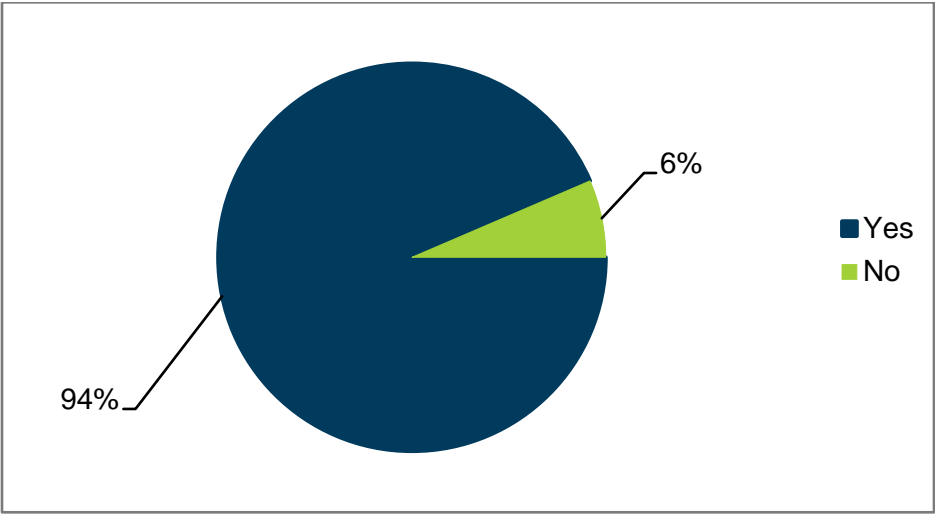
Below are selected results to questions included in the web-based survey administered prior to BerryDunn’s on-site fact-finding meetings.

The City is in the process of analyzing the use of the existing ONESolution system, and other related enterprise systems, to identify challenges and areas for improvement so that BerryDunn can plan for potential solutions that better support effective and efficient business processes. This project will involve participation from departments across the City.

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



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



3. Are you able to access the information effectively and efficiently you need using One Solution?

