



Financial System Software Upgrade Project Update

to

Whatcom County Council

by

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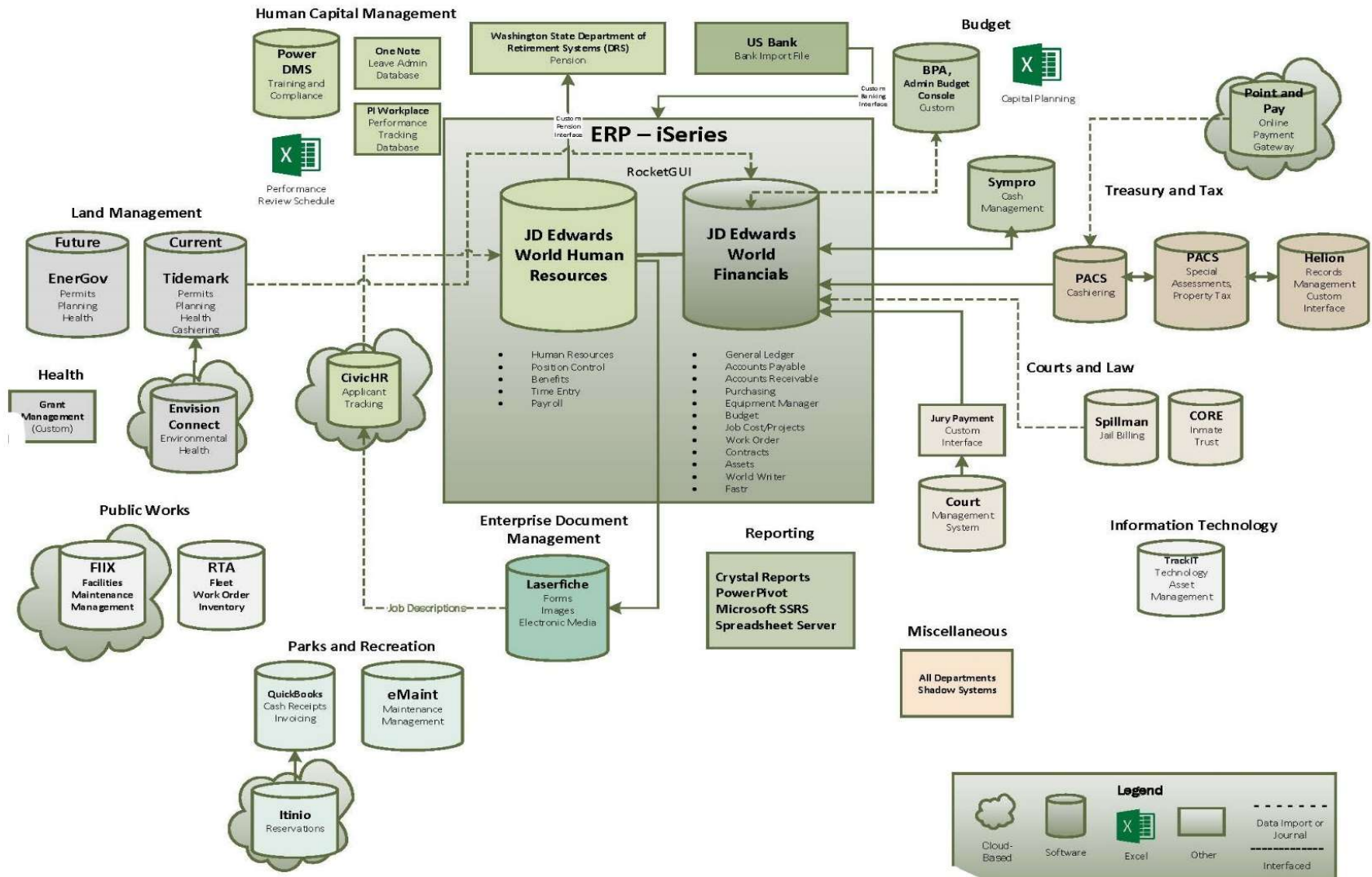
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May 21, 2024

Financial System Project Upgrade

- **15 Minutes**
- **Project Background**
- **Implementation Status**
- **Current Timeline**
- **Budget Review**
- **Project Phases**

Systems Map – Current State - 2020



Project Background

- **1994 – Whatcom County Implemented Oracle JD Edwards World**
- **Software has Been Upgraded Over the Years but is End-of-Life**
- **2018 – Council Ordinance Created Financial System Software Fund
– Initial Funding of \$1,750,000**
- **2020 – SoftResources Needs Assessment (Met w/ All Departments)
– Upgrade to Latest JD Edwards Software Most Viable Option
– Oracle JD Edwards EnterpriseOne**
- **2020 / 2021 / 2022 – Project Interrupted by COVID-19 Global Pandemic**
- **2022 – Selected iKW Solutions (iKW) Implementation Consultant from RFP**
- **2022 – Council Approved Adding \$1,604,000 to Project Budget
(RFP Experience Provide Insight on Cost of Project)**
- **2022 – Entered into \$1,225,975 Contract with iKW Solutions**

Project Implementation Status

- **Early 2023 – Kicked Off Project to Upgrade to JD Edwards EnterpriseOne**
- **Initial Core Team: Finance, HR, IT, Treasurer, Public Works**
- **Requirements Process Identified Items Which Increased Project Scope**
 - **Chart of Accounts Needed to be Reorganized**
 - **Enhancements Needed for Cash & Investment Accounting**
 - **Enhancements Needed for Junior Tax District Accounting**
 - **New Module Needed for Grant Accounting**
 - **New Report Writing Software Needed to Reproduce Current Reports**
 - **Custom Development for Complex Payroll & Purchasing Forms**
- **Given Timeline & Staffing Limitations Project Focus Narrowed to Go-Live Critical Items**
- **Deferred Budget Software, Accounts Payable Automation, Advanced Purchase Order Approval Routing, and Integration with Public Works Fleet and Asset Management to a Future Project Phase**

Project Implementation Status

- **Summer 2023 – Purchased & Built New System**
 - Piloted Oracle Cloud
 - More Cost Effective and Timely to Use On-Premise Computer Servers
 - Purchased & Setup Complex Server Infrastructure
 - Database, Application, Web and Reporting Servers
 - iKW Installed JD Edwards EnterpriseOne Software
- **Summer 2023 – Initial Configuration of Software Modules**
 - Human Resources \ Payroll
 - General Ledger and Reporting
 - Treasurer Special Districts and Investments
 - Grant and Job Cost Accounting
 - Fixed Asset Management
- **Fall 2023 – Revised Implementation Timeline**
 - Not Feasible to Complete Configuration & Testing by End of Year

Project Implementation Status

- **Early 2024 – Project Reset & Continued Configuration**
 - **Revised Timeline with New Go-Live Target for End of Year 2024**

	Year 2024											Year 2025		
	April	May	June	July		August		September		October	November	December	January	
Project Management	Plan for 2024 Go Live	Prep UAT1		Prep UAT2		Prep UAT3		Prep Train			Prep Go-Live	Support Go-Live		
General Ledger and Reporting	Build - Configuration, Build Reports, Development, Menus, Unit Testing			UAT-World Tasks	Rework	UAT-Report	Rework	UAT-Signoff		Training Prep	End User Training	Cutover Prep	Go-Live	Post Go Live Support
Treasurer				UAT-World Tasks	Rework	UAT-Bank Rec, etc.	Rework	UAT-Signoff						
Purchasing and Accounts Payable				UAT-World Tasks	Rework	UAT-Report	Rework	UAT-Signoff						
Human Resources and Payroll				UAT-World Tasks	Rework	UAT-Report	Rework	UAT-Signoff						
Grant, Contract and Job Cost						UAT-Grants/Job Cost	Rework	UAT-Signoff						
Cash Receipts and Receivables				UAT-World Tasks	Rework	UAT-Report	Rework	UAT-Signoff						
Fixed Assets Management				UAT-World Tasks	Rework	UAT-Report	Rework	UAT-Signoff						
Budget Management				UAT-World Tasks	Rework	UAT-Report	Rework	UAT-Signoff						
Fleet Support				UAT-World Tasks	Rework	UAT-Report	Rework	UAT-Signoff						
Technical System Support	System Support	R24 Upgrade		UAT Support		UAT Support		UAT Support			Prep Go-Live	Support Go-Live		

Key to Remaining Project Stages
Stage 2 - Planning
Stage 4 - Build, Configure, and Unit Test
Stage 5 - User Acceptance Test (UAT) including Cut-over
Stage 6 - Train and Go-Live
Stage 7 - Support Go-Live Effort
Stage 8 - The Live Environment

- **New Reporting Tool, Configuration, System Administration**
- **Purchased, Installed & Trained on New ReportsNow Reporting Tool**
- **Continued Configuration of EnterpriseOne Software Modules**
- **Initial Administrative Training on System Setup & System Security**

iKW Consulting Contract Status

- Less than \$100,000 Remains on Initial Contract with iKW as of 4/30/2024
- Additional Consulting Services are Needed to Complete Configuration and Extensive User Acceptance Testing Over the Next Six Months

Functional Role	iKW Consultant	Rate	Estimated Hours	Estimated Functional Costs	Estimated Technical Costs
Functional Consultant - GJC (Grant, Job Cost and Contract)	Amy Wellman	\$175	400	70,000	
Functional Consultant - R2R (General Ledger & Reporting)	Amy Wellman	\$175	90	15,750	
Functional Consultant - CRR (Cash Receipts & Receivables)	Amy Wellman	\$175	200	35,000	
Technical Consultant - TE1 (Technical System Support)	Andrew McClure	\$175	564		\$98,700
Functional Consultant - BPC (Budget and Position Control)	Bill Frisco	\$175	100	\$17,500	
Functional Consultant - SDI (Treasurer Special Districts & Investments)	Bill Frisco	\$175	160	\$28,000	
Functional Consultant - TDV (Treasurer Special Districts & Investments Technical)	Bill Frisco	\$175	160		\$28,000
Functional Consultant - R2P (Purchasing and Accounts Payable)	Bill Frisco	\$175	80	\$14,000	
Functional Consultant - TDV (Purchasing and Accounts Payable Technical)	Bill Frisco	\$175	90		\$15,750
Functional Consultant - HRP (Human Resources and Payroll)	Buffy Dorpinghaus	\$175	350	\$61,250	
Functional Consultant - TDV (Human Resources and Payroll Technical)	Buffy Dorpinghaus	\$175	317		\$55,475
Project Manager - PMO (Project Management)	Dan Murphy	\$195	460	\$89,700	
Functional Consultant - FMA (Fixed Asset Management)	Thomas Grace	\$175	60	\$10,500	
Functional Consultant - AFM (Asset Management for Fleet)	Thomas Grace	\$175	100	\$17,500	
Functional Consultant - APW (Asset Management for Public Works)	Thomas Grace	\$175	0	\$0	
Technical Lead/Developer - TDV (Technical Development)	Lee Magness	\$175	649		\$113,575
Functional Consultant - R2P (Purchasing & Accounts Payable)	Thomas Grace	\$175	200	\$35,000	
Functional Consultant - TDV (Purchasing & Accounts Payable Technical)	Thomas Grace	\$175	35		\$6,125
			4,015	\$394,200	\$317,625
Total Estimated Costs				\$711,825	

iKW Consulting Contract Status

- **Project Team is Working with the Executive to Amend the iKW Contract by Adding \$711,825 to Keep Project Moving Forward**
- **Summary of iKW Contract with Amendment 1 Added**

Contract Compensation Summary

Contract (#202211028)	
Consulting Services	\$1,075,975
Travel Expenses	\$150,000
Total Contract	\$1,225,975
Contract Amendment 1 (#202211028-1)	
Additional Consulting Services	\$711,825
Total Contract as Amended	\$1,937,800

- **Once System is Configured and Thoroughly Tested, Additional iKW Consulting Services will be Needed in the Fall of 2024 to assist with training, data population, report development and Go-Live Support.**

Budget Review

Financial System Software Upgrade Project Budget

5/21/2024 - Prepared by P. Rice & B. Bennett

Revenue

10/9/2018	Financial System Software Fund (375100) (Project Based Budget Established)	\$1,750,000	Council Ordinance AB2018-269
	2023 - 2024 Biennial Budget Additions	\$1,604,000	
		<u>\$3,354,000</u>	

Expenses

	SoftResources Needs Assessment	\$47,885	2020 following RFP #19-62
	iLearnERP Online Training	\$17,408	2022, 2023
	RFP Notice - Bellingham Herald	\$58	2022
	RFP Notice - Daily Journal of Commerce	\$101	2022
	iKW Implementation Services	\$1,056,991	2022 following RFP #22-22
	Oracle Cloud Infrastructure Pilot	\$389	2023
	Computer Servers (6)	\$80,512	2023
	Microsoft Windows Server Software Licenses	\$7,740	2023
	Microsoft Visual Studio Software Licenses	\$2,164	2023
	Microsoft SQL Server Software Licenses	\$22,840	2023
	ReportsNow JDE Reporting Software and Training	\$56,141	2024
		<u>\$1,292,229</u>	

Current Balance

		Balance	\$2,061,771	Booked values as of 5/14/2024
	Planned Amendment 1 with iKW Solutions		\$711,825	Configuration & User Acceptance Testing
		Balance	\$1,349,946	
	Forecasted Amendment 2 with iKW Solutions		\$400,000	Traning, Go Live & Post-Go Live
		Balance	\$949,946	

Project Phases

- **Large Complex Multi-Year Effort**
- **Current Budget “Should” Be Enough to Complete Phase I**
- **Additional Funding & Contract Amendments Needed for Future Phases to be Addressed in 2025 – 2026 Biennial Budget**

Phase I: Upgrade Core System
<ul style="list-style-type: none">• Upgrade the Current Oracle JDE World to Oracle JDE EnterpriseOne Software• New Computer Hardware and Software Platform• New Reporting Software• Incorporate Treasurer’s Office Cash Receipting• Incorporate Job Cost and Grant Accounting
Phase II: Key Enhancements to Core System
<ul style="list-style-type: none">• New Electronic Time Keeping• Accounts Payable Automation• Basic Interface with Public Works Fleet Management• Managed Services to Assist County in Supporting the New System
Phase III: Integration with Public Works
<ul style="list-style-type: none">• Improved Integration with Public Works Fleet Management System• Integration with a New Public Works Asset Management System