



# *The County of El Dorado*

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## *Chief Administrative Office*

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February 7, 2014

TO: Board of Supervisors

FROM: Terri Daly, Chief Administrative Officer

RE: FENIX Update

The implementation of our FENIX system is the most significant investment in increased efficiency of our financial and administrative processes that the County has attempted for at least the past ten years. In addition, our current system (FAMIS) is at end-of-life and will no longer be supported by the vendor in the near future. This is a huge project for the County staff and necessitates active involvement by all Department Heads and key financial and administrative staff for the highest levels of success. In summary, we have met our major milestones in this project to date and, to date, we are on time and under budget according to milestones established in the contract with vendor Tyler Technologies.

### **Background:**

In March 2013, the Board of Supervisors approved a contract for implementation of a new enterprise resource planning system (ERP) for the County to serve as the financial backbone of County operations and to lay the foundation for other operational systems, such as the land management system. This decision was recommended by staff after approximately 18 months of needs assessment, research and analysis by multiple levels of staff, including subject-matter experts, technical experts, and finance and administrative experts. The contract with Tyler Technologies lays out a 30-month timeline for implementation of the MUNIS software, which the County has named FENIX.

As part of the implementation process, the Board of Supervisors named David Russell, Assistant Director of Information Technologies, as Project Manager. The Board also named an Executive Steering Committee to make operational decisions on the project and bring recommendations on policy decisions to the Board. The Executive Steering Committee comprises of Chief Technology Officer/District Attorney Vern Pierson, Auditor-Controller Joe Harn, and CAO Terri Daly. In addition, Assessor Karl Weiland participates in the weekly meetings of the Executive

Steering Committee as Chair of the IT Strategic Investment Team (ITSIT), which has taken the lead of the change management portion of this project.

**Milestones to date:**

- Submitted the COA (chart of accounts) crosswalk document on December 17, 2013
  - First significant milestone and we were on time.
- Scope agreement signed off with Executive Sponsors with new milestones set.
  - Upgrade of system to software release 10.5
    - Provides additional functionality required by El Dorado County
  - Go live with Financial module March 2015
  - Go live with HR/Payroll October 2015
- First Pass (Tyler's quality check) received from Tyler January 23, 2014. The pass identifies errors within our crosswalk document.
  - Error reporting detects accounts required that were not linked or identified, such as control account, reference accounts, linked accounts, errors in setup of segments, and other technical requirements
  - The stellar work by the COA core functional team provided an error report with very minimal errors identified in our COA crosswalk document which speaks volumes to the quality and quantity of effort being applied
- 22 members of the Change Management Team have received training from Tyler
  - Currently developing a framework for deploying the change management program as the implementation progresses.

**Upcoming Milestones:**

- COA final and loaded into live site week of April 28
- Financial module analysis completed in June 2014
- Core training begins September 2014
- End user training provided by the Core trainers January / February 2015
- Go live with the Financial Module Monday March 2, 2015

**Additional Information:**

- Static Environment Test (SET):
  - Provides a review of where we are at in the project based on the analysis conducted.
  - The SET sessions are a test of a subset of data and test processes at a high level.
  - Provides El Dorado County insight to the system and how it meets our needs and expectations
  - Helps identifies gaps and differences in process
  - Helps develop recommendations and or acceptance of new processes
  - Development and documentation of desktop procedures continue with acceptance.

- If the SET's are not signed and accepted by us, the schedule, scope, and possibly budget needs to be looked at for adjustments to meet the needs of El Dorado County.
- Upgrade to 10.5 will occur during the week of April 21, 2014

**Concerns going forward:**

From an overall management perspective, a serious threat to the ultimate success of this implementation is lack of meaningful engagement by all Departments. It is critical that Department Heads support their appointed functional leaders by being engaged in the process, asking questions, focusing on improving our business processes and ensuring that the system will perform as needed. While so far in the project, every Department Head has not been called upon to make critical decisions on every functional aspect of the implementation, participation and involvement is critical going forward, especially in the support of departmental employees involved in the project.

Another serious threat to the ultimate success of the implementation is fear. We need to continue to foster a “no blame” environment so that employees are not afraid to raise concerns about current or proposed processes. Our goal is to implement a system with improved process, not to fix blame for outdated or inefficient current processes. In addition, fear of change could be the single greatest obstacle for full implementation of FENIX. Thus, the ITSIT is playing a critical role in planning for and implementing robust communications and training plans.

**Expenditures to date:**

- Payments to Tyler total : \$867,223.21
- Hardware / Software Costs: \$65,465
- Employees receiving 15%:
  - Assistant IT Director (IT)
  - Chief Budget Officer (CAO)
  - Chief Financial Officer (CAO)
  - Principle Administrative Analyst (Contracts and Procurement)
  - AP Accounting Division Manager(Auditor)
- Limited Term Employees hired to date for FENIX project:
  - Sr. Accountant (Treasury Tax)

Thank you for your leadership and support of this critical project.