



The County of El Dorado

Chief Administrative Office

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TO: Board of Supervisors
FROM: Terri Daly, Chief Administrative Officer
RE: Information Technology Infrastructure Replacement

Before you today is a decision that has been years in the making. For literally years, we have had discussions about our aging technology, and specifically our financial infrastructure. Starting about 18 months ago, Elected Officials, Appointed Department Heads, various departmental staff, and technical experts began working actively to analyze our technology needs, research available options, develop a comprehensive RFP (request for proposal), and strategize on the best way to move forward to modernize our operation.

The news from other jurisdictions has widely exposed spectacular failures in implementing ERP (enterprise resource planning) systems. We have analyzed these failures in order to develop strategies to avoid such disaster. Unsuccessful organizations have failed to define their business processes before commencing ERP implementation. In many cases, they have forced new systems into existing operating modes rather than adapting as an organization to new, improved ways of doing business. As we have seen, such missteps are certain to increase costs and minimize desired efficiencies.

Our most significant strengths is the inclusion of experts in this investigative process—experts from our departments in how we currently deliver services, experts in how we want to deliver services, and experts in how businesses operate efficiently. Including diverse viewpoints from in and outside of the organization has helped to ensure that the recommendation before you today is comprehensive and methodically developed. The Board of Supervisors should be assured that we are not underestimating the changes to come, and are working to manage those changes from both a technical and cultural perspective.

We have now reached the decision point. This decision to go forward with the Tyler ERP contract will affect virtually all aspects of our County operation. Eventually every service that we offer will be integrated into the ERP. The definition of business hours will change as the new system will allow our citizens to easily access many of our services at their convenience.

Employees will be equipped with new tools and levels of information. Better data will produced more informed decisions. In short, the ERP investment will allow us to provide better service by spending tax dollars efficiently and responsibly.

Big decisions such as this are scary, no doubt about it. But continuing to allow our organization to operate with the inefficiencies of last century's technology is even more frightening. At no point will we feel perfectly prepared as an organization for this task. However, we wouldn't need to take this step if we were already a perfect organization. Each day that passes without the utilization of modern technology is day further behind—one day closer to catastrophic failure of our existing financial system. We will never wait our way to improvement. The ERP is our vehicle for improvement.

We are recommending today that the Board approve the contract with Tyler Technologies. We are also recommending that we continue managing the project utilizing our strengths—from a financial perspective, from a management perspective and from a technical perspective. Those perspectives are most clearly represented through the Executive Sponsor Team comprised of our Auditor-Controller, our Chief Administrative Officer, and our Chief Technology Officer.

We are recommending that the Executive Sponsor Team have authority to develop a budget and utilize resources to maximize the success of this implementation. The worst case scenario is that we make this investment and end up only replacing what we have now. We need to expect, in fact demand, full implementation of this ERP system to provide expanded, more efficient service to our community.

I thank you for your leadership to date with the ERP investment and for your vote of confidence in our capabilities. We are proud to be moving forward.