**COUNTY OF MILWAUKEE**

INTEROFFICE COMMUNICATION

**Date:** August 28, 2015

**To:** Supervisor Theo Lipscomb, Chairman, County Board of Supervisors

**From:** Laurie Panella, Chief Information Officer, DAS - Information Management Services Division (DAS-IMSD)

### **Subject:** Report from the Chief Information Officer, Information Management Services Division (DAS-IMSD), on a professional service contract under $300,000 with Plante Moran

**Issue**

The Department of Administrative Services – Information Management Services Division (DAS-IMSD) respectfully requests the referral of this professional service agreement to the Committee on Finance, Personnel and Audit as a passive review item.

**Background**

IMSD’s 2015 Capital Improvements Budget includes an appropriation of $300,000 plus a carryover of $250,000 for a total appropriation of $550,000 for project WO602 – Mainframe Application Migration for an Enterprise Resource Planning (ERP) system feasibility analysis. The intent of the analysis is to explore the replacement of the County’s financial and Human Resource (HR) application suite and corresponding infrastructure.

In April of 2015, IMSD issued a request for proposals (RFP) for IT professional services to support IMSD in the analysis of our current financial and human resource information systems. The RFP outlined three phases for which vendors were to respond. The phases are as follows:

**Phase I**: During this phase, the vendor will conduct a thorough review of the current ERP environment and determine a future direction in which to proceed. Activities to be included in this phase are as follows:

* Meet with staff to begin the establishment of expectations and vision for a future environment composed of new technologies, changes in business operations and organizational structure
* Obtain and review relevant documents to obtain background information on the current and desired ERP environment
* Assess the County’s current technology infrastructure and ERP environment
* Conduct departmental interviews with the objective of identifying existing business practices, process deficiencies, and shadow systems
* Develop an ERP Feasibility Study encompassing the various functional areas in the County

Upon completion of Phase I, the vendor will identify process efficiencies brought by an ERP replacement, provide solution options to meet the needs of Milwaukee County along with a cost for implementation, system operation/support and a Return on Investment (ROI) calculation for the preferred solution.

**Phase** II: In Phase 2, the vendor will develop an RFP for the purpose of soliciting responses from vendors that provide ERP solutions. This will include the following activities:

* Define vendor selection criteria and weighting factors to evaluate vendor responses
* Develop and finalize ERP software specifications
* Develop and distribute an RFP to providers of ERP software solutions
* Assist County in software selection and contract negotiations

Upon completion of Phase 2, the vendor will provide the County with ERP software specifications, and RFP and selection criteria. The vendor will guide the County through the selection process, Statement of Work (SOW), contractual language and assist with pricing negotiations.

**Phase III**: During this phase, the vendor will develop an approach to addressing business process change during implementation and a detailed project plan for the implementation phase of the project. This will include the following activities:

* Definition on how the County may best approach the change management aspects that a new ERP system brings
* Highly-detailed project plan that supports the implementation from project kick off to go live and post go live support
* Consulting advice and best practice recommendations on the project execution and control aspects of the implementation
* Consulting advice and best practice recommendations on project closing and post implementation support

IMSD specifically solicited organizations with in-depth knowledge of the ERP market and experience in process improvement, IT infrastructure design and business analysis. Plante Moran responded to the County RFP and was selected as the successful proposer. Plante Moran has extensive knowledge and background in working with the public sector and assisting in the transition from antiquated legacy systems to modern ERP platforms.

At this time, IMSD will be contracting with Plante Moran for Phase I of this project. Upon completion of Phase I, IMSD will work in conjunction with the Department of Administrative Services, the Comptroller’s Office and the Department of Human Resources to review the findings of Phase I, determine next steps and validate the framework for Phase II.

IMSD is requesting approval of a professional service contract with Plante Moran in a not-to-exceed amount of $297,400 for Phase I of this initiative which was reviewed by Corporation Counsel, Risk Management, the Comptroller and the Community Business Development Office. Upon validating the deliverables for Phase II, IMSD will return to the County Board of Supervisors to request authorization to amend the current agreement with Plante Moran for subsequent phases of this project.

**Recommendation**

The Chief Information Officer, IMSD, recommends this professional service agreement be referred to the Committee on Finance, Personnel and Audit for passive review. Pursuant to §59.52(31)(b)(1), Stats., the County Executive has approved this agreement for $297,400 with Plante Moran to provide professional services to assist DAS-IMSD with the planning and design of an ERP solution for Milwaukee County. This agreement will take effect unless the Committee takes action to reject or affirm it within 14 days after the contract is signed by the County Executive.

**Fiscal Impact**

A fiscal note form is attached.

Approved by:

Laurie Panella, IMSD

Chief Information Officer

cc: County Executive Chris Abele

Raisa Koltun, Chief of Staff

Supervisor Willie Johnson Jr., Co-Chair, Finance and Audit Committee

Supervisor Jason Haas, Vice-Chair, Finance and Audit Committee

Kelly Bablitch, Chief of Staff, County Board of Supervisors

Teig Whaley-Smith, Director, Department of Administrative Services

Steve Kreklow, Policy, Strategy and Budget Administrator, DAS

Steve Cady, Research & Policy Director, Comptroller’s Office

Ayce Chiapetta, Fiscal Analyst, DAS

Janelle Jensen, Committee Clerk, Finance and Audit Committee

Clare O’Brien, Fiscal and Budget Manager, DAS Central Business Office