

MEMORANDUM

TO: Governing Board Members

FROM: Paul E. Dumars, Sr., Chief Financial Officer, Executive Office

DATE: August 9, 2006

SUBJECT: Purchase Order TBD (Req# 10002712) – Meridian Partners – Solution Center Consulting Services

Background

Due to the significant staffing impacts of implementing SAP as the District's financial package, the need has arisen to secure support staff with the necessary skill sets and in some cases, the software specific knowledge to provide the valuable assistance to District staff using SAP. As a result, the District needs to retain the services of a set of SAP experts to fill the SAP Solution Center roles.

How this helps meet the District's 10-Year Strategic Plan:

The SAP Solution Center will provide system expertise for all future enhancements and fixes. Securing the above named vendor provides the opportunity to retain the best resources that participated in the implementation of the financial modules. Also retaining these experts allows the District to release its "best of the best" staff from the project to go back into their roles of daily business functions. We need to achieve the Core Competency Center (CCC) Certification which is another name when referring to the Solution Center and complete the high priority items from the "list of 49". Our staff in evaluating the system after "go-live" identified the referred to 49 issues as future considerations. Trying to accomplish these two tasks with brand new resources would increase the time, costs and risks significantly. Also, we have a limited amount of time in which to achieve certification and we do not have sufficient SAP qualified District staff to work on these projects.

Funding Source:

This is a 25 month Special Procurement Purchase Order using the State Contract # 973-561-06-1 in a not to exceed amount of \$10,000,000 of ad valorem funds, of which \$60,000 is budgeted in FY06 and the remainder is subject to the Governing Board approval of the FY07-FY08 budgets.

This Board item impacts what areas of the District, both resource areas and geography:

The SAP Solutions Center will impact business processes across the District, including processes in Procurement, Finance, Operations and Maintenance, Project Management, Information Technology, and Human Resources.

What concerns could this Board item raise?

Identifying and containing future costs of continued support and refining the system processes could be a concern for Board Members. However, the planning to put this support effort in place at this time includes a 25 month schedule that would address the list of 49 items. After the 25 month schedule, future support would decrease to normal industry support and upgrade costs.

Why should the Governing Board approve this item?

This would allow the District to maintain continuity of service over a 25 month period with an established vendor.

PED/dm

Attachment: Resolution