

## MEMORANDUM

**TO:** Governing Board Members

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

**DATE:** September 7, 2009

**SUBJECT:** C-13764-A12 / SAP No. 3600000098  
Amendment to SAP Maintenance Agreement to include:  
Public Budget Formulation (PBF), Governance, Risk and Compliance (GRC) and  
Public Procurement Sector (SRM/PPS)

### **Background**

In 2003, the District entered into an agreement with SAP for software and maintenance. This new amendment will include a higher level of support referred to as Enterprise Support. SAP Enterprise Support, goes beyond SAP applications, providing end-to-end support for Enterprise Application platform, including SAP provided partner solutions. It includes and extends all the elements of the previously existing SAP Standard Support plus Premium Support provides mission-critical support services, an enhanced SAP Solution Manager and the Run SAP methodology. According to leading industry analyst firms, SAP Enterprise Support represents a further evolution of support services, offering customers continuous innovation and investment protection by providing integrated end-to-end solution life cycle management.

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

The SAP System is a critical component towards the improvement of business processes and therefore the Mission Support program, as it becomes necessary to generate, present and analyze financial information to adjust the annual work plan and the strategic plan given the expected revenue reductions in upcoming years.

### **Funding Source:**

This agreement should not exceed \$1,642,475 of which \$128,875 of ad valorem funds are budgeted in FY09 and the remainder is subject to the GB approval of the FY10 – FY13 budgets.

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

SAP affects business processes across the District, including processes in Budget, Procurement, Finance, Operations and Maintenance, Project Management, Information Technology, and Human Resources.

### **What concerns could this Board item raise?**

The District should take advantage of this agreement since it will “lock in” the price for the next 4 years and 4 months at 22% and avoid a possible increase of 8% per year.

### **Why should the Governing Board approve this item?**

The Governing Board should approve this item in order for the District to stay in SAP mainstream support, and take advantage of Public Sector functionality available in the latest release of SAP to which we recently upgraded to.

If you have any questions, please call me at ext. 6212.

PED/bc  
Resolution