

ERP Discussion for Approval

November 6, 2023



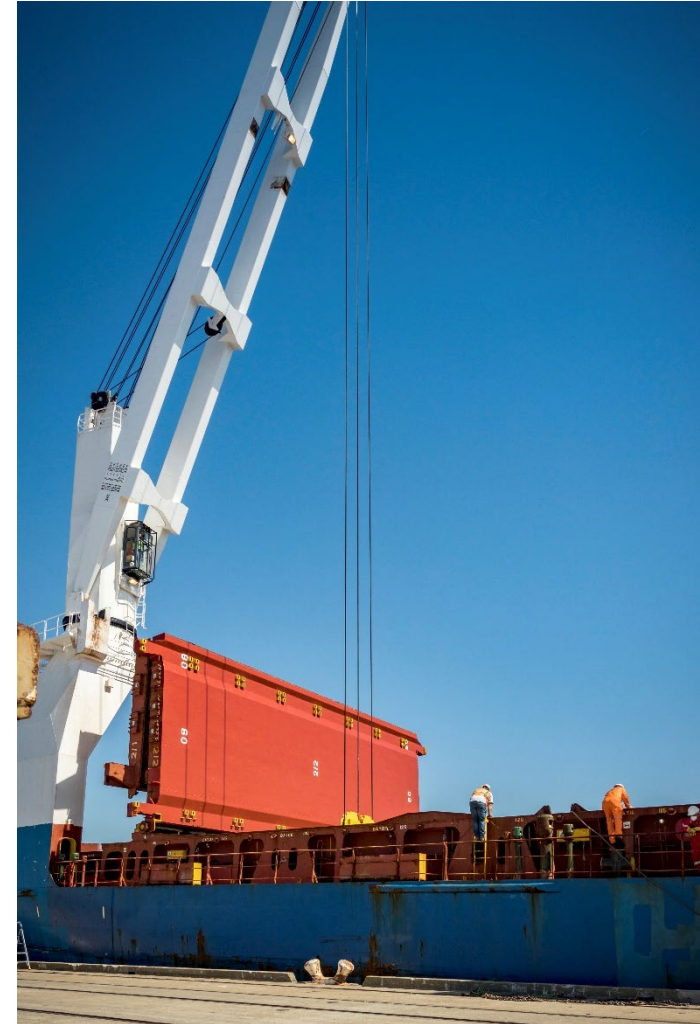
Paula O'Keefe
Director of Finance & Accounting



Background



- Microsoft Dynamics GP 2018 (Great Plains) financial software ended mainstream support on January 10, 2023
- Citrin Cooper, 3rd party system maintenance and support vendor, recommended immediate action towards a replacement ERP
- The Capital Improvement Project Budget for FY2023-24 includes an appropriation of unrestricted in the total amount of \$350,000:
 - \$250,000 Financial Software upgrade
 - \$100,000 Human Resources Information System replacement
- Staff vetted Tyler Technologies SaaS for General Ledger/Hr/Payroll implementation
- Tyler Technologies has been thoroughly vetted through a nationally solicited, strategically sourced contract with Sourcewell
 - The Port maintains the required membership with Sourcewell, which allows participation and utilization of strategically sourced contracts



Current State



- Port staff currently rely on several legacy and “shadow” systems to complete daily activities, creating the potential for significant margin of human error through the manual processes;
 - Several layers of auditing have been implemented in both Accounting and Human Resources to ensure accuracy, limiting staff capacity and preventing staff’s ability for innovation.
- Audit findings have been addressed through a “band-aid” approach due to the limitations of the current software system, leading to additional resource draining;
- In June of 2023, Port staff were made aware of the accelerated timing to replace the Port’s existing general ledger system, Microsoft Dynamics GP (Great Plains) through discussions with the 3rd party maintenance and support vendor;
- In the current Fiscal Year, both Accounting and Human Resources teams budgeted for separate replacement software solutions to meet the growing needs of the Port.

Project Overview



- Tyler Technologies ERP was vetted by the following:
 - Accounting and Human Resources teams for functionality, reporting and ease of use
 - Information Technology for cyber security and data storage
- Project Implementation will occur in phases over 18-24 months:
 - Project begins with Chart of Accounts development and import
 - All other financial modules (including A/R, A/P, Fixed Assets, Procurement & Contracts, Project Management, etc) to follow
 - Human Resources/Payroll implementation to run concurrent with Financial cutover
- Project cost includes a dedicated Project Manager to ensure timeliness and provide change management guidance
 - Additional project hours include data conversion and onsite/remote implementations
- Port staff have immediate access to vendor website that offer insights into system functionality/training, best practices and end-user community boards created for information sharing
- Project expected to begin after the first of January 2024

Project Benefits



- Resolve internal control deficiencies
- Address external audit findings through implementing best practices
- Streamline the flow of information and data throughout the Port
- Improve reporting capabilities and enhance real-time decision making
- Utilize an up-to-date ERP that meets the highest technological standards
- Promote outstanding customer service for both internal and external customers

Project Cost



- Year One:
 - One time fees: \$573,750
 - Annual Recurring Support: \$217,086
- Years Two and Three:
 - Annual Recurring Support: \$217,086
- FY2023-24 will require an additional appropriation of \$440,836 of unrestricted cash for year one of the project cost
 - All additional contract years will be included in future years' capital budget
- The Port spends approximately \$225,500 in annual maintenance and support for existing systems
 - Existing systems will continue to operate until full migration has occurred
 - The ERP implementation would save the Port approximately \$12,000 annually in year three

Staff Recommendation



Port Staff Recommends:

Approval of the following:

- 1. Amend the FY 2023-24 Capital Improvement budget to appropriate \$440,836 of unrestricted cash; and**
- 2. Authorize the Port Director to execute the contract and SaaS agreement with Tyler Technologies for the Enterprise Resource Planning solution for a three year term, not to exceed \$1,222,498.**



Questions?

Paula O'Keefe
Director of Finance & Accounting