

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Strategic Business Technology mc

BOARD AGENDA # *B-11

Urgent

Routine

AGENDA DATE March 15, 2011

CEO Concurs with Recommendation YES NO

4/5 Vote Required YES NO

(Information Attached)

SUBJECT:

Approval to Issue a Request for Qualifications for Technical Assistance on the Human Resources, Benefits, Time and Labor, and Payroll Functions System (PeopleSoft 9.1 Upgrade)

STAFF RECOMMENDATIONS:

1. Authorize the General Services Agency - Purchasing Division issue a Request for Qualifications (RFQ) for Technical Assistance with the PeopleSoft 9.1 Upgrade Project.
2. Direct the Auditor-Controller to increase appropriations as detailed in the attached Budget Journal form.

FISCAL IMPACT:

The PeopleSoft 9.1 Upgrade Project costs are estimated to be \$377,449, which includes up to \$200,000 for outside technical assistance with the remaining funds to be used for additional staff time and training, the purchase of hardware/software and extended license costs. Appropriations have been identified in the Fiscal Year 2010-2011 departmental budgets of the Alliance Worknet in the amount of \$38,630 and Strategic Business Technology in the amount of \$255,244.

(continued on the next page)

BOARD ACTION AS FOLLOWS:

No. 2011-161

On motion of Supervisor DeMartini, Seconded by Supervisor Withrow and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Withrow, DeMartini, and Chairman Monteith

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:

Christine Ferraro

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

FISCAL IMPACT (Continued)

The remaining \$83,575 will be funded from the budget remaining in the previous PeopleSoft Human Resources Management System (HRMS) Upgrade. It is projected County departments will not be charged for the costs of this project.

DISCUSSION:

The County utilizes the PeopleSoft Human Resource Management System primarily for payroll and is currently on version 8.9. Effective July 1, 2011, Oracle, the system vendor, will no longer be supporting version 8.9 without the additional purchase of Extended Software License Support and Maintenance. In order to reduce the need for long term recurring extended support and maintenance and to ensure the maximum application resources are available for use, the County has already begun to upgrade the PeopleSoft Human Resource Management System. It is important that the County upgrade these mission critical applications that are the core of the Human Resource, Benefits, Time and Labor, and Payroll functions. Investing in the upgrade now will eliminate long term recurring costs to remain on an older version.

In the past when PeopleSoft application versions required upgrades, the County paid outside consultants to perform the necessary upgrades. Total project costs due to the high cost of outside consultants were as high as one million dollars. Critical upgrades generally are an extremely long process, taking up to two (2) years to complete. The County is going to utilize internal staffing skills and resources, thus reducing the overall project costs to an estimated \$377,449.

PeopleSoft Human Resource Management System Upgrade to Version 9.1

The previous PeopleSoft Upgrade accounting fund (fund 5038) has available cash in the amount of \$89,734 (see Attachment A). It is estimated that \$83,575 of this balance could be dedicated to the current upgrade to version 9.1. These funds will be utilized in order to provide County staff with the necessary tools and training to continue the internal implementation of the PeopleSoft 9.1 Upgrade Project and cover the staff's additional time to participate in this major project. A budget journal is attached to increase appropriations in the amount of \$83,575 in the previous PeopleSoft Human Resource Management System (HRMS) Upgrade fund.

To date, County staff has completed the PeopleTools and database upgrades to support version 9.1. PeopleTools provides the framework for creating, using, and modifying the PeopleSoft applications. The completion of the PeopleTools upgrade from version 8.48 to 8.5, and the Oracle database upgrade from version 10.2 to 11g was completed in December 2010. This was achieved within current budget appropriations. County staff assumed the role of performing the upgrades in house. Completion of the upgrades has eliminated additional cost for support for these products.

From current budget appropriations in the amount of \$19,000, Strategic Business Technology has purchased the server hardware and operating software necessary to support the applications upgrade and web services for the entire project.

Some of the new features and functionality in the PeopleSoft Human Resource Management System upgrade includes absence management features and functionality that will assist with workforce scheduling and reduce administrative overhead associated with managing absences. This includes the ability to implement Family Medical Leave Act (FMLA) Federal and State eligibility and administer start and end dates for leave and leave donations. Other features include improved user interfaces, partial page refresh, new menus, lookup prompts and messages, favorites, recently viewed, pagelet drag and drop, sortable grids, rich text editor and mouse-over popups.

The PeopleSoft 9.1 upgrade project has been successful thus far, but it will be necessary to purchase Extended Software License Support and Maintenance in June 2011 to ensure the continued technical support from Oracle with a start date of July 1, 2011. It is expected that the PeopleSoft 9.1 Upgrade Project time line will continue into Fiscal Year 2011-2012 and potentially into Fiscal Year 2012-2013. Strategic Business Technology has identified \$73,442 of Fiscal Year 2010-2011 budget appropriations to pay for the major portion of the funds needed for the Extended Software License Support and Maintenance. Alliance Network has identified \$1,432 to pay the balance of the funds needed for the Extended Software License Support and Maintenance for the duration of the project.

Although County staff expertise is invaluable to the current and future progress of the PeopleSoft 9.1 Upgrade Project, past experience has shown that some outside assistance is needed on a project of this magnitude. This is the first time that the County is utilizing internal staff to complete a major upgrade to the PeopleSoft Human Resource Management System. It is prudent for us to plan on the need to utilize outside technical staff if an issue arises that we are not able to resolve working with Oracle support. Timely resolution of project issues shall be a critical success factor. The project team will not utilize outside assistance unless there is an issue that has stopped the progress of the upgrade or if during go-live an instance occurs that would push back the go-live date and we are unable to resolve the issues working through Oracle.

It is recommended that the Board of Supervisors authorize the General Services Agency - Purchasing Division issue a Request for Qualifications for technical support to assist with the PeopleSoft 9.1 Upgrade Project. It is estimated that costs for an outside technical assistance will be up to \$200,000. Strategic Business Technology has identified \$162,802 and Alliance Worknet has identified \$37,198 to be designated to pay for outside technical support. This amount is included in the total estimated project cost of \$377,449. These funds may need to be carried forward into the next fiscal year.

POLICY ISSUES:

The Board should consider whether approval to issue a Request for Qualifications for a technical assistance to assist with the PeopleSoft 9.1 Upgrade Project are consistent with the Board's stated priorities of Effective Partnerships and The Efficient Delivery of Public Services.

STAFFING IMPACT:

Existing staff from the Auditor-Controller's Office, General Services Agency, and Strategic Business Technology will prepare and issue the Request for Qualifications. There are no additional staffing requirements associated with this item.

CONTACT INFORMATION:

Marcia Cunningham, Director of Strategic Business Technology - (209) 525-4357
Lauren Klein, Auditor-Controller - (209) 525-6576

County of Stanislaus

TRIAL BALANCE OF GENERAL LEDGER ACCOUNTS
Period: JAN-11Report Date: 13-JAN-2011 13:01
Page: 1 of 1

Currency: USD
 Balance Type: Period to Date
 Fund Range: 5038 to 5038
 Fund: 5038 HRMS Upgrade

Account	Description	Beginning Balance	Debits	Credits	Ending Balance
01000	Equity in Pooled Cash	89,733.83	0.00	0.00	89,733.83
03610	Fund bal/Retained earnings	(89,733.83)	0.00	0.00	(89,733.83)
		0.00	0.00	0.00	0.00

County of Stanislaus: Auditor-Controller

Legal Budget Journal

Database
Set of Books

FMSDBPRD.CO.STANISLAUS.CA.US.PROD
County of Stanislaus

Balance Type	Budget
Category	* List - Text Budget - Upload
Source	* List - Text
Currency	* List - Text USD
Budget Name	List - Text LEGAL BUDGET
Batch Name	Text
Journal Name	Text
Journal Description	Text Budget - Adjustment
Journal Reference	Text HRMS 9.1 Upgrade
Organization	List - Text Stanislaus Budget Org

Upl	Fund	Org	Acc't	GL Proj	Loc	Misc	Other	Debit		Credit		Period	Line Description
								incr appropriations	decr appropriations	incr est revenue	decr est revenue		
	4	7	5	7	6	6	5	(format > number > general)		MMM-YY			
Pr	5038	0048510	65780	0100011	000000	000000	00000	25000				MAR-11	Incr Education & Training
Pr	5038	0048510	52010	0100011	000000	000000	00000	6575				MAR-11	Incr FICA
Pr	5038	0048510	50010	0100011	000000	000000	00000	52000				MAR-11	Incr Overtime/Comp Time

Totals: 83575 0

Explanation: Transfer fund-balance for fund 5038 to cover appropriations for the PeopleSoft 9.1 Upgrade Project, staffing overtime and education/training costs.

Requesting Department	CEO	Data Entry	Auditors Office Only
 Signature 02/15/11 Date	 Signature 3/10/11 Date	Keyed by _____ Date _____	 Approved By 2/15/11 Date