



# County ERP Project Update

Revised Timeline for Phase 1 Financials

October 15, 2024

# Recommended Actions

## **That the Board of Supervisors:**

- a) Receive and file a County Enterprise Resources Planning (ERP) Project Update regarding the Revised Timeline for Phase 1 Financials;
- b) Direct staff to return before the end of 2024 with an amendment to the County's Agreement for Services of Independent Contractor (Agreement) with Accenture LLP to extend implementation services within the contract's current scope of services for the deployment of Workday Financials software by no later than August 1, 2025;
- c) Determine that the above actions are not a "project" within the meaning of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b)(5), because they are government organizational and administrative activities that will not result in direct or indirect physical changes in the environment.

# Overview of County ERP Project

The County is implementing the Workday ERP System for all County Departments and Local Agencies that hold cash in the County Treasury. *This will:*

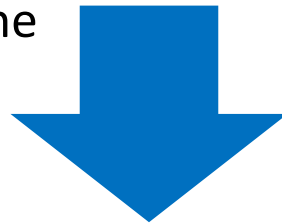
- Unify the County's Finance, Human Resources, and Payroll software into one system
- Retire multiple existing Countywide systems used for these core business functions
- Provide a Countywide platform to advance the County into the future
- Leverage future AI opportunities

Facilitate the modernization of County business operations

Standardize and further automate business processes

Simplify the County's software landscape

Meet the expectations of the County workforce



**Provides the internal system to meet modern needs,  
to better serve today's residents, clients and customers.**

# Components of the ERP System

## PHASE 1

### Financials

Financial Accounting  
Business Assets  
Banking & Settlement  
Customers  
Projects  
Grants  
Supplier Management  
Procurement  
Expenses

## PHASE 2

### HCM & Payroll

Human Capital Management  
Compensation  
Benefits  
Absence  
Payroll  
Time Tracking  
Recruiting  
Talent Management  
Learning Management

## PHASE 3

### Budget & Analytics

Prism Analytics  
People Analytics  
Budget Forecast  
Budget Development  
Budget Management

# Implementation Phases and Revised Timeline

The County entered a contract with Accenture in May 2022 to implement Workday in three phases for the term of 7/5/22 through 12/31/24.

## **Phase 1** Financials

Original	July 2022	August 2023
Revised	July 2022	August 2025

## **Phase 2** HCM & Payroll

Original	Feb 2023	April 2024
Revised	Feb 2023	May 2024 – PAUSED (completion TBD)

## **Phase 3** - Budget\* - Analytics

Original	May 2024	Oct 2024
Revised	May 2024	(completion TBD)
	May 2024 – NOT STARTED	(completion TBD)

\* The Workday Budget software included in the original Phase 3 was replaced by another software solution

# Reasons for Phase 1 Time Extension

Previous plans to implement Workday Financials within 13 (August 2023) or 25 (August 2024) months were not achieved. Some of the reasons for extending the Phase 1 timeline include:

- The original timeline for implementation was aggressive to save on costs
- Difficulty staffing authorized positions for the project and allocating sufficient staff time
- Cloud ERPs require business processes change to adapt to a vendor-delivered approach
- Deviations made by the County from the standard Workday implementation methodology
- Efforts to conform the system to meet the Auditor-Controller's accounting requirements

The Project Team has indicated that a Phase 1 go-live by August 1, 2025 is achievable, assuming no further scope changes are made.

# Involvement of Informal Ad Hoc Committee

In June 2024, two members of the Board agreed to meet with the ERP Steering Committee to gain a better understanding of the issues and plans to move forward with the deployment of Workday as timely as possible. Over a series of four meetings, this Ad Hoc Committee:

- Received detailed information on the project's Punchlist of open work items
- Requested further information on the plan and estimated schedule for completion
- Monitored progress on efforts to further define and prioritize remaining work items
- Participated in the discussion in which the Steering Committee endorsed an 8/1/25 go-live

In addition to determining the Phase 1 go-live date, the Ad Hoc Committee requested further information on the plan and expectations for resuming Phase 2. Efforts are currently underway to facilitate discussions on this item with the Committee before the end of 2024.

# Project Extension Costs

- In 2022, the Board approved contracts with Workday for multi-year software licenses and Accenture for implementation services
- Contract with Accenture is not to exceed \$7,251,500 for the term of 7/5/22 through 12/31/24. A contract amendment with Accenture will be needed by the end of 2024 to:
  - extend the term to accommodate the revised Phase 1 go-live date
  - add up to \$500K for additional services resulting from the extended timeline
- Sufficient funds are in the project budget to complete Phase 1, as scoped
- Costs and funding of future phases are being evaluated. Any unused funds in the current budget will be made available to fund future work on Phase 2.



# Actual and Estimated Costs

General County Programs General Fund	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Budget
Workday Software, Services, and Training	\$ 1,343,961	\$ 1,317,740	\$ 1,757,800
Accenture Implementation Services	3,207,521	2,496,092	2,273,100
Reimbursements to Departments for Added Staffing	254,691	1,054,453	2,574,800
Sherpa Software and Implementation Services	-	159,260	591,900
Other Project Expenses	1,980	307,471	345,000
Appropriated for Anticipated Resumption of Phase 2	-	-	1,189,300
<b>Total Cost</b>	<b>\$ 4,808,153</b>	<b>\$ 5,335,016</b>	<b>\$ 8,731,900</b>

- Ongoing General Fund is set aside every year to support project, licensing and staff support costs.
- An estimated 55% of the project implementation costs and ongoing support will be recouped from special revenue funds or internal service rates over life of project.

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