

ENROLLED ORDINANCE 177-25

MODIFY THE 2022-2026 CAPITAL PLAN FOR THE CREATION OF CAPITAL PROJECT #202215
ENTERPRISE RESOURCE PLANNING SYSTEM REPLACEMENT AND MODIFY THE 2022
DEPARTMENT OF ADMINISTRATION – SPECIAL PURPOSE GRANT FUND BY
\$200,000, FUNDED WITH AMERICAN RESCUE PLAN ACT FUNDING REVENUE

WHEREAS, in March 2021, the federal government approved legislation authorizing and funding the American Rescue Plan Act (ARPA) allocating \$350 billion of direct aid to state and local governments through the Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) program; and

WHEREAS, Waukesha County's CSLFRF allocation is \$78.5 million which must be spent or obligated by December 31, 2024 and completed by December 31, 2026; and

WHEREAS, permissible uses of the grant funding include supporting public health; responding to negative economic impacts from the public health emergency; building public sector capacity and addressing administrative needs that were caused or exacerbated by the pandemic; providing premium pay for essential workers; investing in water, sewer, and broadband infrastructure; and recovering lost revenue to fund general government services; and

WHEREAS, the Waukesha County Board previously accepted CSLFRF funding (Enrolled Ordinance 176-46); and

WHEREAS, Waukesha County staff established an ARPA Management Response team to prioritize the use of ARPA grant funds to meet the County's short and long term economic and operational recovery objectives through 12/31/2026; and

WHEREAS, areas of focus were established in the areas of community development, economic recovery/workforce development, infrastructure, and public health response and enhancement of human services; and

WHEREAS, the final rule was released in January of 2022 after which projects were reviewed against the allowable uses identified by the American Rescue Plan Act and against the strategic objectives of Waukesha County; and

WHEREAS, projects that had timeline constraints to complete within the eligible time period were selected to be submitted through ordinance, while all other projects would be included in the next budget cycle; and

WHEREAS, an Enterprise Resource Planning (ERP) system replacement (discussed below) is eligible for reimbursement under the American Rescue Plan Act eligible cost category of Public Sector Capacity: Effective Service Delivery; and

WHEREAS, the CSLFRF Final Rule clarified that permissible uses of funds under the Public Sector Capacity: Effective Service Delivery category includes investments in technology to support using data in designing, executing, and evaluating programs, including hiring public sector staff; and

WHEREAS, a fully integrated ERP system would allow for the County to more effectively utilize financial, time, and personnel data to improve the management of programmatic and administrative operations throughout the County; and

WHEREAS, in 2018 it was announced that the County's current Human Resources Information System would no longer be enhanced following an acquisition by NeoGov; and

WHEREAS, in 2021 it was announced that the County's current Financial System would no longer be enhanced following an acquisition by Tyler Technologies; and

WHEREAS, the current time and attendance system used by the County continues to not meet the needs of 24-hour operations (e.g., 911 Dispatch and Sheriff's Department); and

WHEREAS, the replacement of all three systems with a fully integrated ERP system will allow for process improvements in areas that currently require complex integrations, through the development of centralized databases, the minimization of shadow- or paper-based systems, establishment of electronic versus manual workflows and processes, more effective communications with management and employees, streamlined payroll processing, management query and reporting tools, and access through mobile applications; and

WHEREAS, the County is looking to engage a specialist consultant to assist in analyzing the market for government ERP systems and assist in the process of procuring the option which best meets the needs of the County.

THE COUNTY BOARD OF SUPERVISORS OF THE COUNTY OF WAUKESHA ORDAINS that the Waukesha County Adopted 2022-2026 Capital Plan be modified by creating capital project #202215 Enterprise Resource Planning System Replacement.

BE IT FURTHER ORDAINED that the 2022 Department of Administration – Special Purpose Grant Fund be modified to appropriate additional expenditures of \$200,000 and increase general government revenue by \$200,000 to contract with a consulting to assist in the process to analyze and procure a new ERP system for the County from American Rescue Plan Act funding.

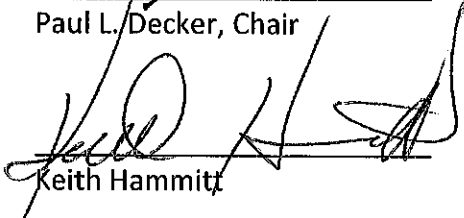
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Presented by:
Executive Committee


Approved by:
Finance Committee

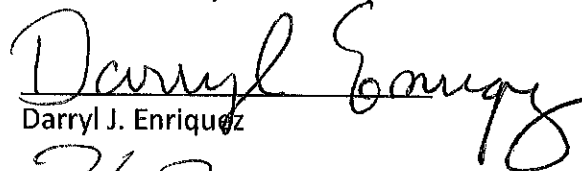

Paul L. Decker, Chair


James A. Heinrich, Chair

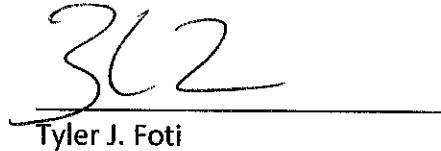

Keith Hammitt


Larry Bangs

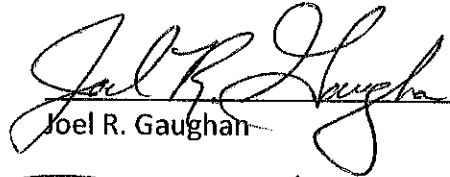

James A. Heinrich

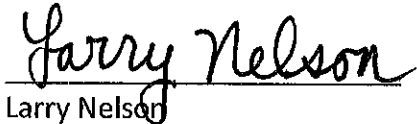

Darryl J. Enriquez

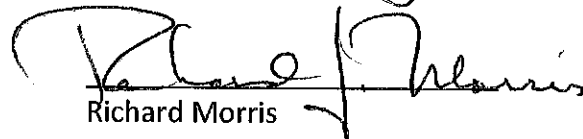

Jacob LaFontain


Tyler J. Foti


Thomas A. Michalski


Joel R. Gaughan


Larry Nelson


Richard Morris


Peter M. Wolff

Absent
Ted Wysocki

The foregoing legislation adopted by the County Board of Supervisors of Waukesha County, Wisconsin, was presented to the County Executive on:

Date: July 1, 2022, Margaret Wartman
Margaret Wartman, County Clerk

The foregoing legislation adopted by the County Board of Supervisors of Waukesha County, Wisconsin, is hereby:

Approved: X
Vetoed: _____

Date: 7/8/2022, Paul Farrow
Paul Farrow, County Executive

Project Title:	ERP System Implementation	Project #:	202215
Department:	DOA - Information Technology	Project Type:	Information Technology
Phase:	Formation	Sponsor:	HR Mgr. Renee Gage & Accounting Services Mgr. Danielle Igielski
Budget Action:	New	Manager:	Lance Spranger, IT Manager
Date:	June 7, 2022		

CAPITAL BUDGET SUMMARY				
Year	2022	2023	2024	
Project Phase	Software Selection/ Design	Implementation	Implementation	Total Project
Expenditure Budget	\$200,000	\$2,650,000	\$1,100,000	\$3,950,000
Revenue Budget	\$200,000	\$2,650,000	\$1,100,000	\$3,950,000
Net County Cost	\$0	\$0	\$0	\$0
COST DOCUMENTATION		REVENUE		
Consulting	\$450,000	American Rescue Plan Act Funding		\$3,950,000
Software	\$500,000			
Vendor Implementation	\$2,500,000			
Contingency	\$500,000			
Total Project Cost	\$3,950,000	Total Revenue		\$3,950,000
EXPENDITURE BUDGET	\$3,950,000			

Project Scope & Description: This project addresses the procurement of a cloud based Enterprise Resources Planning System (ERP), inclusive of an integrated Human Resource Information System (HRIS), time and attendance, and financial system. The first year of the project funds will be used to contract with a consulting firm to assist in analysis of the current ERP vendor market and help develop and evaluate RFPs. The project funds in the second year are budgeted to begin implementation after vendor selection. The fully integrated ERP system will allow for process improvements in areas which currently require complex integrations, a centralized database, the minimization of shadow or paper based systems, ability to establish electronic versus manual workflows and processes, more effective communications with management and employees, streamlined payroll processing, management query and reporting tools, and mobile applications.

Specific HR and Payroll areas to be improved include benefits administration (including interfaces with third-party benefit providers), HR administration, Affordable Care Act management, new-hire reporting to meet federal requirements, recruiting, employee self-service (including via mobile device), document management, performance management, management reporting, and dashboards.

The goal of this project would be to implement a fully integrated ERP system, if one product is identified that meets the County needs across all platforms. If a single solution is deemed not viable, then separate software products would be considered.

This project is funded through the American Rescue Plan Act (ARPA) – Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) program. An ERP system replacement is eligible for reimbursement under the CSLFRF category of Public Sector Capacity: Effective Service Delivery. The CSLFRF Final Rule clarified that permissible uses of funds under the Public Sector Capacity: Effective Service Delivery category includes investments in technology to support using data in designing, executing, and evaluating programs, including hiring public sector staff. A fully integrated ERP system would allow for the County to more effectively utilize financial, time, and personnel data to improve the management of programmatic and administrative operations throughout the County.

Location: All County departments.

Analysis of Need: The County is currently utilizing three different software systems to provide these functions. During the implementation of the current HRIS system, it was announced in 2018 that the system (Highline) that was purchased was acquired by NeoGov. Following this acquisition, it became known that the product purchased by the County will be replaced by a solution currently in development. The County conducted a gap analysis with the vendor, and determined that this new product will not meet County needs. In addition, in November of 2021, it was announced that the vendor that purchased the financial system will also no longer enhance or develop the product further. Lastly, the current time and attendance system is complicated to maintain, costly to incorporate any changes, and does not meet the need of county 24-hour operations (e.g., 911 Dispatch and Sheriff's Department).

Alternatives: Continue with the current systems until the vendor is no longer providing support and essential federal requirements (e.g., W2 and 1099 reporting). Pursue the needed Human Resources and financial system functionality in a number of separate projects and systems.

Ongoing Operating Costs: Ongoing annual maintenance costs for the new vendor selected through the RFP process will be approximately \$420,000. These new costs are expected to be partially offset by savings from discontinuing use of the current systems (\$200,000 for HRIS, \$50,000 for the time and attendance system, \$75,000 for the financial management system in annual maintenance fees) and from elimination of other third-party contracts (e.g., vendor for Affordable Care Act reporting) and other operating efficiencies.

Previous Action: None

FISCAL NOTE

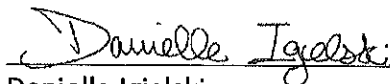
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This ordinance modifies the 2022-2026 capital plan to create capital project #202215 Enterprise Resource Planning System Replacement. This ordinance also modifies the 2022 Department of Administration budget to appropriate \$200,000 in additional expenditure authority in the Special Purpose Grant Fund and increases general government revenue of \$200,000 from the American Rescue Plan Act (ARPA) Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) program.

This ordinance is addressing the funding objective of public sector capacity – effective service delivery. This project meets the County objective of cost avoidance/ROI through replacement of our current Human Resource Information System, Time and Attendance System, and a Financial System. Two of these systems will no longer be enhanced and are required to be replaced (Human Resource Information System and Financial System) and the third system (Time and Attendance) does not meet the operational needs of departments with 24/7/365 operations.

These funds will be used to engage a consultant to assist in the analysis of current process and procedures and assist the county through the vendor selection process.

The net annual ongoing impact of these systems is estimated at approximately \$95,000 (after deducting ongoing software maintenance fees for the current systems, which will go away). It is expected that the County will gain efficiencies through process improvements, centralization of databases, minimization of shadow- or paper-based systems, implementation of electronic workflows, enhanced communication, streamlined processes, better reporting tools, and development of mobile applications.



Danielle Igielski
Accounting Services Manager
6/7/2022
JE 2022-00003623

VOTING RESULTS

AYE 22 NAY 3 ABSTAIN 0 **ABSENT** 2

Ordinance 177-O-026

Ordinance 177-O-026: Modify The 2022-2026 Capital...

Passed With 17 Yes Votes Needed

D2 - Weil	ABSENT
D3 - Morris	AYE
D4 - Batzko	AYE
D5 - Grant	AYE
D6 - Walz	AYE
D8 - Michalski	ABSENT
D9 - Heinrich	AYE
D10 - Thieme	AYE
D11 - Howard	AYE
D12 - Wolff	AYE
D13 - Decker	AYE

D14 - Mommaerts	AYE
D15 - Kolb	AYE
D16 - Crowlev	AYE
D17 - Meier	AYE
D18 - Nelson	AYE
D19 - Enriquez	AYE
D20 - Schellinger	AYE
D21 - Gaughan	AYE
D22 - Wysocki	NAY
D23 - Hammitt	AYE
D24 - Bangs	AYE
D25 - Johnson	AYE

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