

CONTINUATION OF SUMMARY EXPLANATION AND BACKGROUND

BACKGROUND

On May 6, 2014, the Board approved revisions to School Board Policy 3320. As a result, the Procurement & Warehousing Services' staff identified forty-two (42) contracts that were negatively impacted by the changes. These forty-two contracts exceeded the authorized spending authority which have now been corrected. Following an analysis of current processes, it was determined that the manual process of tracking actual expenditures against contract spending authority is subject to error. This current manual tracking method is not an efficient long-term solution due to there are a number of end-users utilizing the same contracts simultaneously. The current configuration of SAP will not automatically stop issuing purchase orders when the authorization limit is reached.

SOLUTION

To resolve this issue, configuration of the Contract Management Module in SAP is required. Configuration of this module requires an understanding of the module's functions and knowledge of what settings need to be changed to fulfill the requirements of the District. It also requires an understanding of how the module integrates with the other modules in the system, such as finance and procurement. Even though the District's technical staff supporting the ERP system is well-versed in the functionality and integration of the procurement and finance modules, staff lacks the skillset to economically implement the complex configuration of the Contracts Management Module.

PROCUREMENT RATIONAL

Procurement & Warehousing Services prepared an RFI and five (5) vendors responded to the request. The vendors met with Information & Technology and Procurement & Warehousing Services' staff to discuss how the end product would perform. The vendors made a number of inquiries regarding the system configurations to assist with providing a proposal.

Three (3) of the five (5) vendors submitted a proposal; one (1) vendor was non-responsive. Genesis Consulting Partners, LLC provided the proposal that best meets the needs of the department.

There were two (2) options available to procure this service:

Option 1 - Prepare a detailed Scope of Work and prepare an RFP to request the services (3-5 month process).

Option 2 - Piggyback an existing contract that allows for SAP configurations (1 month process).

Due to the urgency to manage the District's active contracts (approximately 330) totaling approximately \$1.5 billion and the impending bond initiative, Option 2 was selected. Configuration of the system, as well as testing and training of staff, will take approximately four (4) to five (5) months to complete. All configurations and enhancements will be in place for the 2015-16 school year.

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M/WBE PARTICIPATION

Genesis Consulting utilizes a School Board of Broward County M/WBE vendor, Synergy Software Solutions, Inc., for subcontracting opportunities. Due to the size and length of this project, Genesis Consulting does not have an opportunity to subcontract services. If the District should expand and extend its services to a longer contract term, Genesis Consulting will be able to provide opportunities to its M/WBE vendor.

SERVICES TO BE RENDERED

Genesis Consulting will perform the following deliverable-based services:

Contract Management Module (CMM)

This configuration will include the integration of notification messages to provide alerts when contracts are reaching expiration dates and expenditure allocations. It will provide a mechanism to prevent contracts from exceeding threshold limits by providing a hard stop when the contract has reached the spend authority. The estimated timeframe for the CMM implementation/enhancement is three (3) months.

Catalog Content Management (CCM)

This modification will allow all SAP users to interact with procurement via web-based catalogs. The system will have the ability to integrate with vendors' online catalogs to look up pricing and apply the negotiated discount to purchases. The purchases will be pulled into the requisition when user departments create a requisition. This enhancement will ensure that all users are paying the same price for catalog and bid items. The estimated timeframe for the CCM is three (3) months and will be run concurrent with the CMM implementation.

Vendor Management Module (VMM)

This enhancement is the first of a three (3) step process for the vendor registration process. Staff will have the ability to register vendors and classify them by commodity and classification (M/WBE and/or Contractor Pre-Qualification). Staff will have the ability to run reports based on commodity groups, spend analysis, and vendor status. The estimated timeframe for the VMM is two (2) months and will start once CMM and CCM are completed.

Along with these services, Genesis Consulting will provide staff training and documentation of all the configurations, enhancements, and modifications. Payments for this project are based on completion of milestones and deliverables as described in Attachment A. The targeted completion date for the entire project is August 31, 2015.

This item was reviewed by the Technology Advisory Committee on March 9, 2015.