

**Priority:** Accountability  
**Program Offer Type:** Internal Service  
**Related Programs:**  
**Frameworks:**

**Lead Agency:** County Business  
**Program Contact:** Dave Boyer

### **Executive Summary**

Multnomah County uses the SAP software system to support many County-wide functions, including budget development and monitoring, financial reporting, bill-paying, contract processing and monitoring, employee history tracking, payroll and facilities management. The SAP Support team keeps SAP up-to-date, modifies SAP in response to changes in program requirements, and supports the County's SAP users and their departments.

### **Program Description**

(1) The SAP Team provides access, assistance, support, training and business consulting; (2) Advises on and enables use of SAP for streamlined and optimized County processes; (3) Manages hardware and software, including: (a) Security requirements, system availability and usability (b) County-specific customization (functionality and reports) (c) Employer and regulatory requirements, and (4) Supports Strategic Planning to maximize SAP value and link to County goals.

### **Program Justification**

SAP is an effective and efficient tool for County operations. It provides reliable information for reporting, decision making, and results. It enables continuous improvement through the introduction of new and/or improved functionality.

Appropriate support resources are required so that the County can use SAP well and maximize its value (keep it current, thoughtfully expand functionality, help users re-tool business practices and support users when they get stuck.) Additionally, the program must cover costs like debt service and license fees associated with its use.

### **Performance Measures**

System Availability - 99.9% (target and actual) Timeliness of processing - All checks (Payroll, Payables), W-2's, 1099's etc. processed on time. (target and actual). Number of on-line help documents. Number of on-line help documents accessed by end-users(a measure of usage).

### **Summary of last year's program results and this year's expected results**

Implemented 3 year SAP Strategic plan. Implemented Remedy as a tracking tool for all incoming customer requests (produce a quarterly overview of statistics). Piloted SAP-BW (Business Warehouse) with Facilities. Partnered with Facilities Division in a review of all systems to determine where SAP could be leveraged. Collaborated with Records to implement a new payroll archiving method that saved the County \$1,300 monthly. Collaborated with Accounts Payable Program to implement electronic receipt of bank and vendor data to eliminate manual data entry.

Implementing a new on-line help tool to aid end users in County usage of SAP transaction entry.

## Program Mandate: 4 Program and Funding Level Choice

SAP itself is not mandated, but, many business functions supported by SAP (e.g. payroll, general ledger) are not optional. SAP is used to support other mandated activities such as PERS and financial reporting.

## Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
<b>Program Expenses</b>	2005	2005	2006	2006
Personnel	\$0	\$1,155,170	\$0	\$1,222,167
Materials & Supplies	\$0	\$43,290	\$0	\$46,270
Internal Services	\$0	\$3,159,471	\$0	\$3,270,651
Subtotal: Direct Exps:	<b>\$0</b>	<b>\$4,357,931</b>	<b>\$0</b>	<b>\$4,539,088</b>
Administration	\$0	\$0	\$0	\$24,801
Program Support	\$0	\$0	\$0	\$0
Subtotal: Other Exps:	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$24,801</b>
Total GF/non-GF:	<b>\$0</b>	<b>\$4,357,931</b>	<b>\$0</b>	<b>\$4,563,889</b>
Program Total:	<b>\$4,357,931</b>		<b>\$4,563,889</b>	
Program FTE	0.00	0.00	0.00	12.00
<b>Program Revenues</b>				
Fees, Permits & Charges	\$0	\$0	\$0	\$3,865,953
Program Revenue for Admin	\$0	\$0	\$0	\$0
<b>Total Revenue:</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,865,953</b>

## Explanation of Revenues

Revenues to the SAP program are from the allocation of the SAP expenses to departments. SAP infrastructure and other required costs are allocated to departments based on their FTE percent as a total of all county FTE. The logic of this allocation is that SAP provides the enterprise solution for HR/Payroll/Benefits and finance activities that are utilized by all departments and all County personnel. Approx 50% of personnel cost provides services for training users on SAP and for business process consulting. The allocation for those activities is based on Remedy tickets that are for training or consulting and the percentage of the total that each department consumes.

## Significant Program Changes

Multnomah County has used SAP since July 2000. Behind the scenes it quietly and accurately supports day-to-day operations. Because we are using an updated version of it, we can focus on using SAP in a more strategic manner. We can consider unused SAP capabilities that are known to modernize processes, deliver more County services or value for the same cost (add efficiencies). Several initiatives to improve business processes are possible within the confines of this offer.