

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

**Lead Agency:** County Business  
**Program Contact:** Bob Thomas

### **Executive Summary**

This program offer uses one time only FY 2006 General Fund resources to pay off the debt service on the County's SAP information system.

### **Program Description**

FY 2006 debt service for the implementation of the SAP system is approximately \$1.26 million. This offer combines the payments that would have been due in FY 2007 and 2008 to pay off the County's obligation.

### **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.

Paying off debt service in FY 2006 reduces FY 2007 payments for this function to zero.

### **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: 2 Mandated Program with Funding/Service Level Choice**

The repayment of debt service was scheduled to be complete in FY 2008. This offer is intended to complete that debt service in FY 2006, freeing up ongoing funds in FY 2007.

**Revenue/Expense Detail**

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
	2005	2005	2006	2006
<b>Program Expenses</b>				
Internal Services	\$0	\$0	\$1,740,000	\$0
<b>Subtotal: Direct Exps:</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,740,000</b>	<b>\$0</b>
Administration	\$0	\$0	\$0	\$0
Program Support	\$0	\$0	\$0	\$0
<b>Subtotal: Other Exps:</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total GF/non-GF:</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,740,000</b>	<b>\$0</b>
<b>Program Total:</b>	<b>\$0</b>		<b>\$1,740,000</b>	
Program FTE	0.00	0.00	0.00	0.00
<b>Program Revenues</b>				
Program Revenue for Admin	\$0	\$0	\$0	\$0
<b>Total Revenue:</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Explanation of Revenues**

General Fund One Time Only revenue source

**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.