



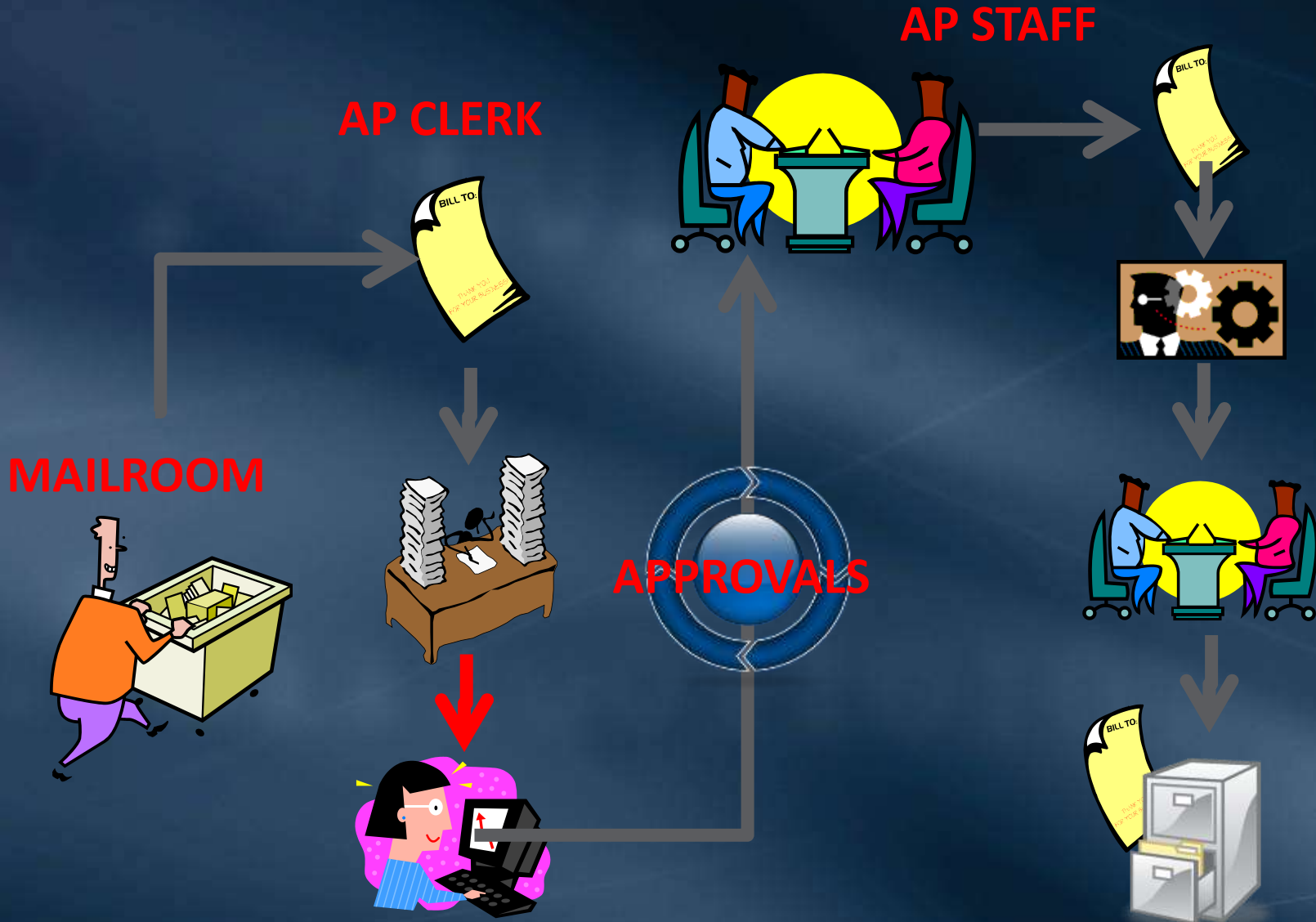
Appropriate \$ 1.18 million in budgeted capital funds for the Accounts Payable Automation implementation (Approp. 15484)

Organization, Personnel and Technology Committee  
Item 7-5  
October 7, 2013

# Current Action

- Appropriate \$1.18 million in budgeted capital funds to cover hardware, software and professional services.
- Authorize the Accounts Payable (AP) Automation implementation
- Authorize 2 agreements
  - Oracle Corp, for software
  - AST Corp, for professional services

# Current AP Process



# Proposed AP Process



**Scan**

**Automate  
Store  
Circulate**

**Verify &  
Prepare for  
Payment**

# Benefits of Automation

- Improves efficiency by accepting, processing and storing invoices electronically
- Improves staff productivity
  - Higher volumes with fewer staff
  - Improves data retrieval efficiency
- Improves data reliability
  - Minimizes manual data entry

# Benefits of Automation

- Decreases cost for off-site document storage & retrieval
- Promotes paperless, sustainable environment
- Provides ready-access to invoice data during an emergency response
- Addresses audit requests

# Alternatives Considered

- Cloud based alternative
  - Presents significant difficulties when interfacing with in-house Oracle Financials AP system
- On-site implementation
  - Provides secure means of achieving automation
  - Allows Metropolitan to take full advantage of all benefits

# Vendor selection

- RFP for software & services issued February 2013
- 7 responses received
  - 6 qualified responses were evaluated and scored
- Oracle Corporation software selected
- Applications Software Technology Corp (AST) selected for services
  - Experienced in public sector projects
  - Currently implementing solution at MTA and LA County Sanitation District



# Capital Budget

● Professional Services	\$447,000
● Software, Hardware, Documentation	\$ 436,000
● Oracle software	\$390,000
● Hardware	\$ 44,000
● Metropolitan Labor	\$ 190,000
● Remaining Budget	<u>\$107,000</u>
● <b>Total Budget</b>	<b>\$1,180,000</b>

# Estimated Schedule

- Board Action Oct 2013
- Install and Configure Oct - Mar 2014
- Test and Deploy Apr - Oct 2014

# Board Options

- Option #1
  - Adopt the CEQA determination
  - Appropriate \$1.18 million in budgeted capital funds
  - Authorize the Accounts Payable (AP) Automation project
  - Authorize agreements with
    - Oracle Corporation, in amount of \$390,000
    - Applications Software Technology (AST) in amount not to exceed \$447,000
- Option #2
  - Do not implement the automation of Accounts Payable business function at this time

# Staff Recommendation

- Option #1

