

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

December 17, 2024

FROM

ENSEN MASON, Auditor-Controller/Treasurer/Tax Collector

SUBJECT

Agreement with EPI-USE America Inc. for SAP System Integration Services

RECOMMENDATION(S)

1. Approve **Agreement No. 24-1308** with EPI-USE America Inc. for system integration services for conversion and re-hosting of the County's SAP environment, in the amount of \$4,600,000, for the total contract period of January 2, 2025 through March 31, 2026.
2. Authorize the Auditor-Controller/Treasurer/Tax Collector, as the authorized official, to approve and execute non-financial documents as they pertain to changes to, or confirmation of, the scope of work of the project, subject to review by County Counsel, so long as such documents do not increase the agreement amount or extend the duration of the agreement beyond the approved term.

(Presenter: Ensen Mason, Auditor-Controller/Treasurer/Tax Collector, 382-7000)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Improve County Government Operations.

Operate in a Fiscally-Responsible and Business-Like Manner.

FINANCIAL IMPACT

Approval of this item will not result in the use of additional Discretionary Funding (Net County Cost). Sufficient appropriation is included in the Automated Systems Development 2024-25 budget and will be included in the future recommended budget.

The maximum payment amount by fiscal year for the term of the contracts are \$3,067,000 for 2024-25 and \$1,533,000 for 2025-26, for a total of \$4,600,000

BACKGROUND INFORMATION

The County uses SAP for enterprise-wide financial operations and reporting. On October 1, 2017, the County implemented the new Enterprise Resource and Planning (ERP) system, which replaced the old Financial Accounting System (FAS), the TZ Treasury System, and several functions of the existing Electronic Procurement Network (ePro) system. The County is currently still utilizing SAP's ERP Central Component (ECC) based ERP and Financial Operations Platform for Public Sector. This SAP platform was originally deployed and still operates today within the County's owned, managed, and operated data center.

The County is embarking on a strategic initiative to transition its on-premise SAP ECC system to SAP's S/4HANA Rise Private Cloud environment, as support for the existing version of the SAP ECC software will end by 2027.

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On July 30, 2024 (Item No. 1), the Board of Supervisors (Board) approved Agreement No. 24-674 with SAP Public Services for the SAP S/4 HANA RISE and Ariba subscriptions, covering the software support, infrastructure support, and maintenance. The agreement is for the term of July 31, 2024 through September 8, 2029, in the amount of \$20,701,203. As a phased approach, the recommended agreement with EPI-USE America Inc. (EPI-USE) will be for the implementation to the S/4 HANA RISE environment only.

The Auditor-Controller/Treasurer/Tax Collector's (ATC) goal is to establish a sustainable, secure, and well-maintained SAP platform that will support County operations through at least 2040 and beyond. This transition will enable ongoing enhancements to better align the system with the County's evolving needs. Concurrently, ATC is focused on transforming the customer service experience by delivering a more user-friendly SAP environment for all County users. Additionally, migrating to a cloud environment will increase the security of the County's financial data and provide advanced capabilities to streamline processes across County departments. This dual approach aims to modernize operations while improving usability and efficiency across the organization.

PROCUREMENT

On September 16, 2024, ATC issued Request for Proposal (RFP) No. ATC125-ACTT-5600 for the SAP on-premise move to S/4 HANA through the County's ePro system. Four Proposals for system implementation services were received by the October 25, 2024, deadline for proposals. All proposals were deemed eligible for evaluation.

Proposer Name	Location
EPI-USE America, Inc.	Atlanta, Georgia
G3 Business Services	Sacramento, California
invenioLSI	Waltham, Massachusetts
Phoenix Business, Inc.	Sarasota, Florida

An evaluation committee comprised of two ATC SAP Center of Excellence (CoE) management representatives, one ATC SAP CoE technical representative, one Innovation and Technology Department representative, and one ATC Information Technology Division representative, reviewed and evaluated the proposals based on the criteria listed in the RFP. The criteria included: proposer qualifications, financial review, business requirements, technical requirements (implementation approach, maintenance, and operation support), total cost, references, and vendor demonstration.

The evaluation committee recommended awarding a contract to EPI-USE, due in part to their detailed cost breakdown and in-depth migration strategy. The award and denial letters were sent to all responsible and responsive proposers on December 5, 2024. No protests were received within the allowable period ending on December 16, 2024.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Bonnie Uphold, Supervising Deputy County Counsel, 387-5455) on December 4, 2024; Risk Management (Greg Ustaszewski, Staff Analyst, 386-9008) on December 4, 2024; Purchasing (Jessica Barajas, Supervising Buyer, 387-2065) on December 4, 2024; Finance (Penelope Chang, Administrative Analyst, 387-4886) on December 4, 2024; and County Finance and Administration (Paloma Hernandez-Barker, Deputy Executive Officer, 387-5423) on December 4, 2024.

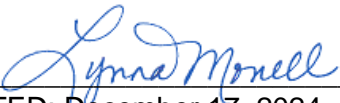
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Services
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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Curt Hagman Seconded: Joe Baca, Jr.
Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: December 17, 2024



cc: ATC - Barcelona-Nuqui w/agree
Contractor - c/o ATC w/agree
File - w/agree
CCM 12/23/2024