

ERP Detailed Requirements Gathering

Prepared for



Scope of Work

June 17, 2019

Gartner Engagement #330049365

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Engagement Background and Objectives



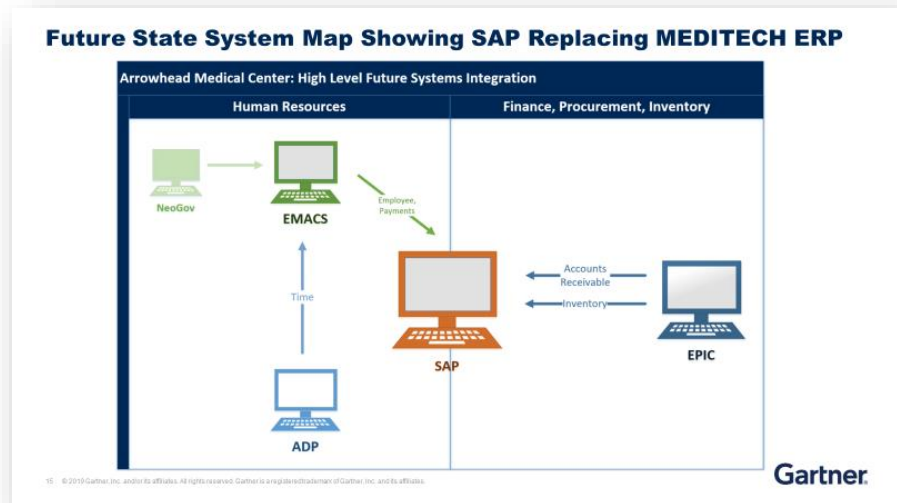
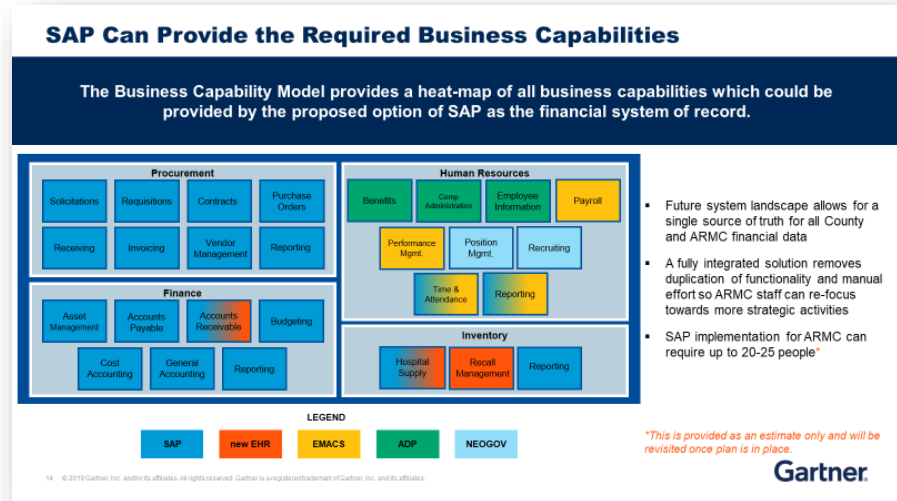
Scope of Work

Engagement Background

- ARMC currently uses an older version of the MEDITECH CS 5.67 suite for its Electronic Health Record (EHR) and for financial and human resource functions typically provided by an ERP system.
- ARMC is in the process of replacing MEDITECH with a modern EHR solution that will most likely not have ERP functionality, thus requiring ARMC to find a different ERP solution.
- San Bernardino County (SBC) has been implementing SAP as the County-wide Enterprise Resource Planning (ERP) solution for variety of financial functions.
 - To date, SBC has deployed GL, A/P, Treasury, Risk, Fund and Grant Management, HCM and SRM functionality.
 - Additional functionality such as A/R, Asset Management, Inventory and Budgeting are planned to be deployed by end of August 2019.
- SBC uses PeopleSoft and EMACS (ADP) for Human Resource and Payroll functions.
- ARMC has previously engaged Gartner to develop high-level requirements for ERP functionality to assess which of those capabilities can be provided by the new EHR and/or the County implementation of SAP.
- The conclusion from Gartner's engagement so far was that the County ERP can meet most of the needs of ARMC.
- In order to further validate, ARMC has requested Gartner to assist with the development of a concise set of requirements to provide the assurance that SAP can deliver the functionality needed by ARMC.

Engagement Background (cont'd)

- Gartner used a Business Capability Model (BCM) to determine what functional requirements ARMC needs from an ERP solution
- Using the BCM, Gartner conducted an alternatives analysis that concluded that SAP can meet the needs of ARMC and that a standalone ERP implementation for ARMC was not necessary
- To ensure that the needs of the ARMC are met, the BCM needs to be augmented with a set of detailed requirements that can be used to ensure that the County's SAP implementation team delivers to ARMC the functionality needed



Engagement Objectives

By the end of the engagement, ARMC will have a set of guiding principles, validated business capability model, and detailed set of ERP requirements that clearly state the needs to be met in order to retire the current solution and achieve ARMC's vision for future state.

Business Needs



Identify functional requirements to
replace current legacy system



Maximize operational effectiveness
to reduce manual work



Standardization of data for effective
OSHDP reporting and budgeting
activities



Key Objective

Retire MEDITECH – Identify the key requirements to ensure current legacy EHR solution can be fully replaced and retired.

Implement ERP – ARMC can implement ERP functionality by leveraging the detailed set of requirements, and integrate financial data with the new EHR system, further reducing the need for manual work.

Leverage ERP's Functionality – With ERP in place, ARMC can fully leverage ERP's reporting capabilities to streamline the OSHPD reporting and budget activities.

Proposed High Level Scope

ARMC is seeking assistance from Gartner as follows:

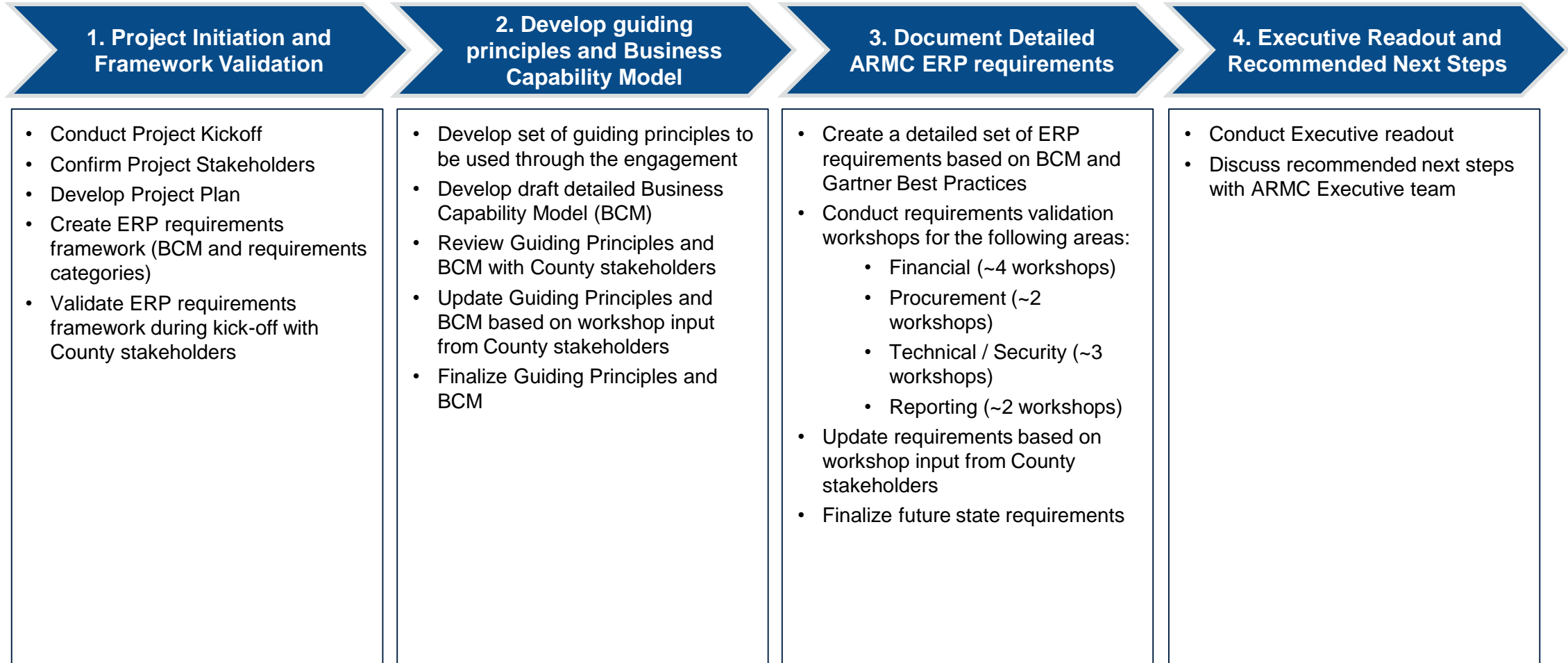
- Create a framework to capture ERP detailed requirements based on the existing Business Capability Model
- Develop Guiding Principles to achieve the target state and for the use of County-wide ERP and HR solutions at ARMC
- Develop a detailed business capability model
- Develop detailed requirements for ERP functionality needed to replace the MEDITECH system and leverage the existing County of San Bernardino SAP ERP
 - Document integration points between the EHR and ERP systems
- ARMC would like to engage an independent and objective third party with the resources, experience and expertise to perform this work in a timely, efficient, and thorough manner. To address this need, Gartner has prepared this Scope of Work.



Scope of Work

ERP Detailed Requirements Gathering

Scope of Work Overview



Task 1 – Project Initiation and Framework Validation

Key Activities

Gartner Responsibilities

- Develop Project Kickoff materials that specify the:
 - Project plan
 - Project logistics
 - Deliverables
- Create ERP requirements framework (BCM and requirements categories)
- Validate ERP requirements framework during kick-off with County stakeholders
- Finalize schedule for ERP requirements workshops
- Validate requirements framework with both County and ERP implementer

ARMC Responsibilities

- Provide stakeholder list
- Assist with scheduling meetings
- Participate in meetings and interviews

Deliverables

- Kick-off deck
- Requirements workshop schedule
- Document request list
- ERP requirements framework



Task 2 – Develop Guiding Principles and Business Capability Model

Key Activities

Gartner Responsibilities

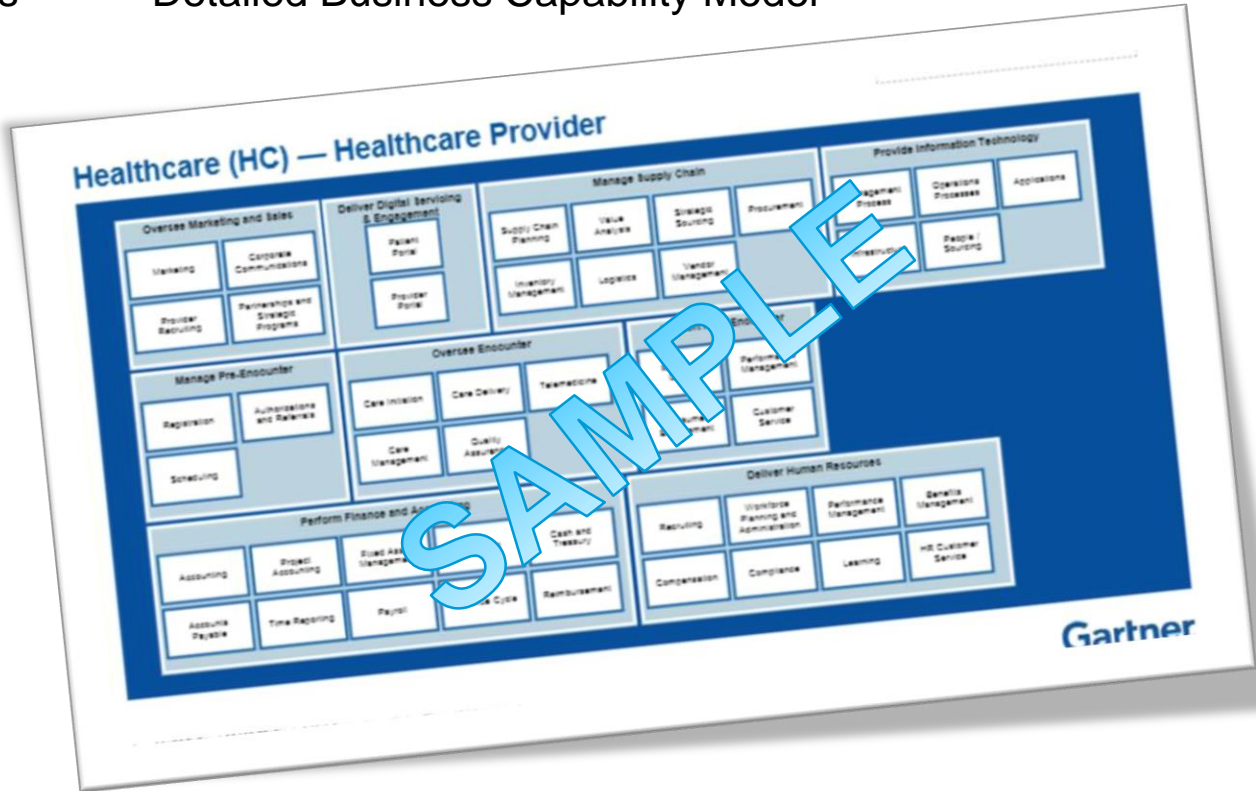
- Document the business objectives and guiding principles that will be used to inform the downstream analyses
- Develop the detailed Business Capability Model that articulates “what” the desired future state looks like
- Conduct workshop to review the guiding principles and Business Capability Model
- Update Business Capability Model based on workshop feedback
- Finalize Guiding Principles and BCM

ARMC Responsibilities

- Participate in follow-up meetings and interviews as needed

Deliverables

- Guiding Principles
- Detailed Business Capability Model



Task 3 – Document Detailed ARMC ERP Requirements

Key Activities

Gartner Responsibilities

- Create a detailed set of ERP requirements based on BCM and Gartner Best Practices
- Lead requirements workshops with County of SB and ARMC
- Finalize detailed ARMC ERP requirements from a business perspective:
 - Financial (~4 workshops)
 - Procurement (~2 workshops)
 - Technical / Security (~3 workshops)
 - Reporting (~2 workshops)
- Update requirements based on workshop input from County stakeholders
- Finalize future state requirements and Business Capability Model (if applicable)

ARMC Responsibilities

- Participate in follow-up meetings and interviews as needed

Deliverables

- Final ARMC ERP detailed requirements
- Final future state Business Capability Model



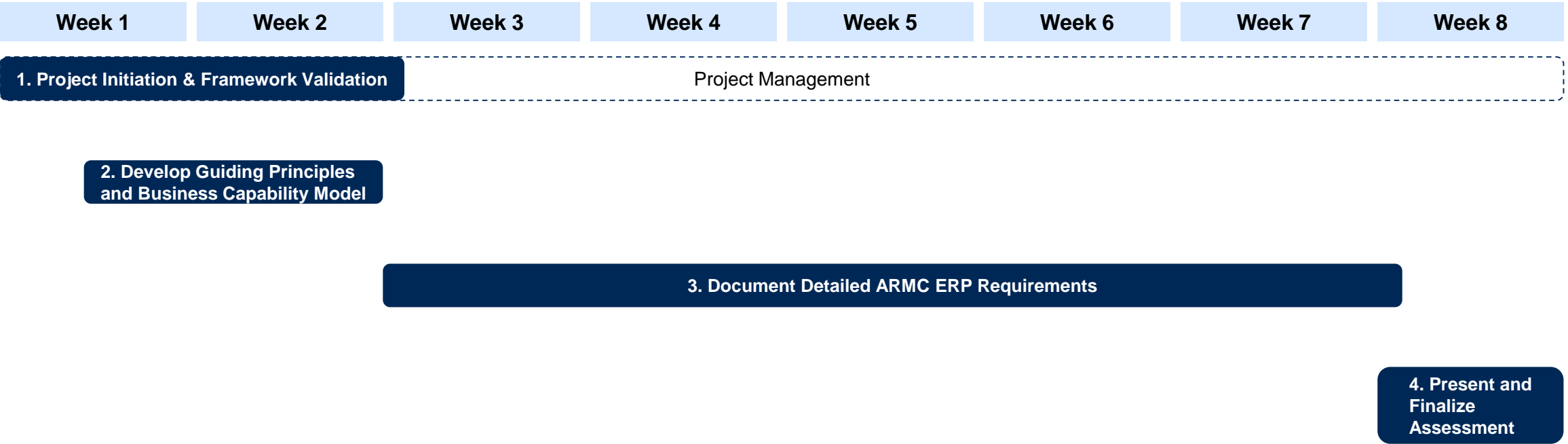
Req ID	Sub-Process	Requirement	Can SAP Meet the Functionality?	ERP Module	Out of the Box or Custom?	Comments
1	Chart of Accounts Management	Ability to maintain chart of account (COA) values and hierarchy	Y	Chart of Accounts	Out of the Box	
2	Chart of Accounts Management	Ability for users to identify and track changes to the COA	Y	Chart of Accounts	Out of the Box	
3	Chart of Accounts Management	Ability to use a standardized (model/master) COA for financial reporting	Y	Chart of Accounts	Out of the Box	
4	Chart of Accounts Management	Ability to interface COA data to external systems	Y	Chart of Accounts	Out of the Box	
5	Chart of Accounts Management	Ability to maintain account security and access for COA segments	Y	Chart of Accounts	Custom	
6	Chart of Accounts Management	Ability to maintain cross-validation rules for COA segments	Y	Chart of Accounts	Custom	
7	General Accounting	Ability to restrict access to change batch status (clear when use to)	Y	General Ledger	Out of the Box	
8	General Accounting	Ability to select a specific ledger	Y	General Ledger	Out of the Box	
9	General Accounting	Ability to disable old account values	Y	Journal	Out of the Box	
10	Journal Entry	Ability to review journals in summary	Y	Journal	Out of the Box	
11	Journal Entry	Ability to clean up rejected entries in General Accounting	Y	Journal	Out of the Box	
12	Journal Entry	Ability to designate type of entries to an excel upload feature	Y	Journal	Out of the Box	
13	Journal Entry	Ability to prepare and implement journal entries by automated programs	Y	Journal	Out of the Box	
14	Journal Entry	Ability to enter recurring journal batch and journal entry information	Y	Journal	Custom	
15	Journal Entry	Ability to provide for automated process by which reports are generated and distributed	Y	Reporting	Out of the Box	
16	Reporting & Analytics	Ability to control over report version numbers during financial close process	Y	Reporting	Out of the Box	
17	Reporting & Analytics	Ability to provide reporting on selected KPIs to measure internal performance metrics	Y	Reporting	Out of the Box	
18	Reporting & Analytics	Ability to provide a set of out-of-the-box KPI reports per organization, and the ability to have more specific KPI reports/dashboards defined as custom reports	Y	Reporting	Out of the Box	
19	Reporting & Analytics	Ability to generate a set of standard reports that support financial accounting and reporting processes (e.g., trial balance, account analysis, and journal reports)	Y	Reporting	Out of the Box	
20	Reporting & Analytics					

Task 4 – Executive Readout and Recommend Next Steps

Key Activities	Deliverables
<p>Gartner Responsibilities</p> <ul style="list-style-type: none">▪ Conduct one executive readout to communicate the assessment to stakeholders▪ Make updates based on feedback received in the presentations <p>ARMC Responsibilities</p> <ul style="list-style-type: none">▪ Assist with scheduling meetings▪ Participate in workshops	<ul style="list-style-type: none">▪ Executive Read-out▪ Recommendations for next initiatives/steps

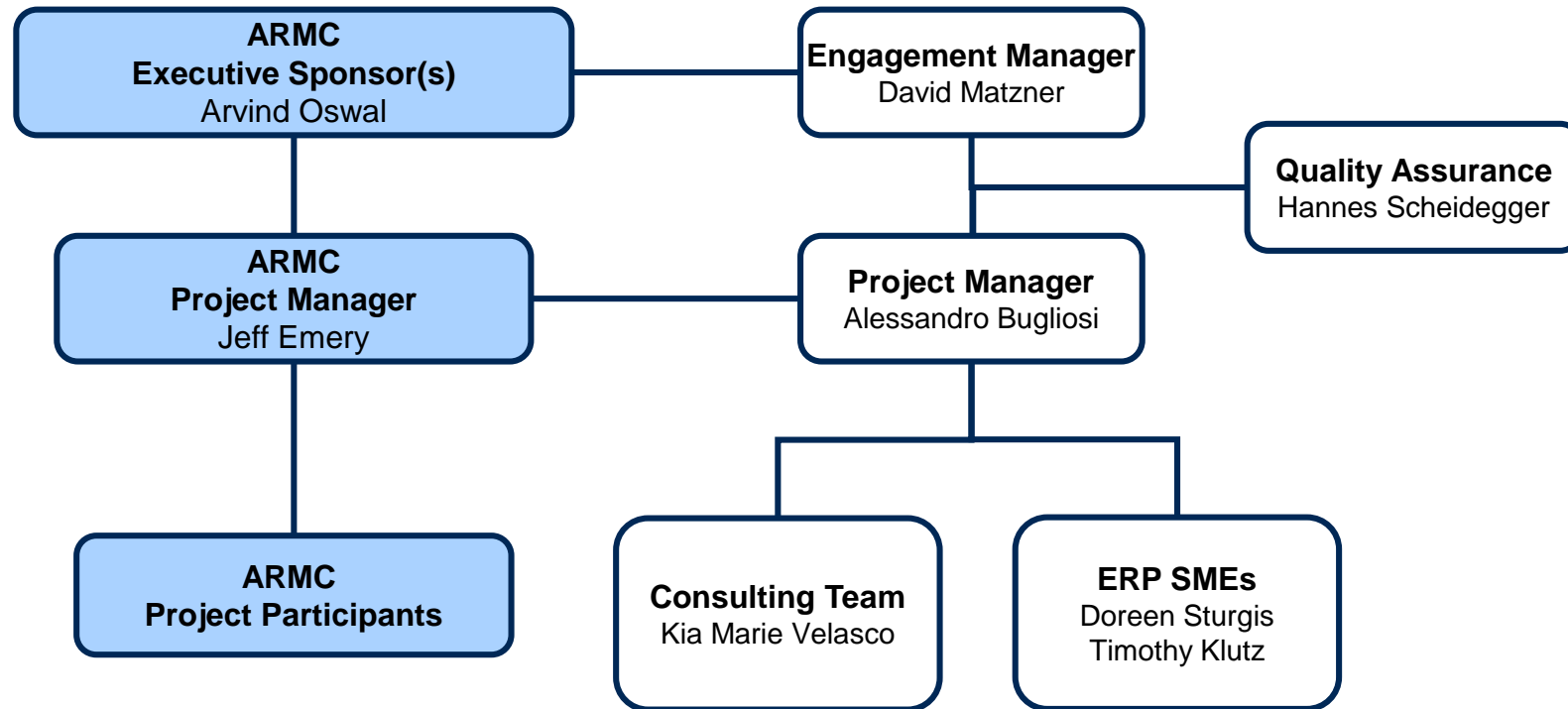
Project Schedule

- Gartner anticipates completion of this engagement within 8 weeks, as illustrated below.



Gartner Project Team Organization

- Gartner has created an organization structure for this engagement that ensures high-level sponsorship and quality assurance, strong day-to-day project management, a focused team of project consultants, and deep subject matter expertise.



Investment Summary and Authorization

- This Scope of Work is submitted under the terms and conditions of the Gartner Agreement # 18-644, dated August 21, 2018 between Gartner and the County of San Bernardino.
- Gartner will provide the services under this Statement of Work on a Fixed Fee basis for \$105,000, using currently unbilled work under Task 4 of the SOW for EHR Services, Contract 18-644 between Gartner and the ARMC (line 3 of PO Number 4100069987).
- Garner will invoice for the work under this Scope of Work upon completion of Task 4 – “Executive Readout”. Invoices are payable 30 days from the date of invoice

SUBMITTED ON BEHALF OF GARTNER, Inc.



SIGNATURE

Hannes Scheidegger, Senior Managing Partner

PRINT NAME AND TITLE

June 17, 2019

DATE

AGREED ON BEHALF OF ARMC

SIGNATURE

PRINT NAME AND TITLE

DATE

Validity Period and Further Assurances

- The Scope of Work is valid for 60 days from June 17, 2019
- Gartner Research and Consulting recommendations are produced independently by the Company's analysts and consultants, respectively, without the influence, review or approval of outside investors, shareholders or directors. For further information on the independence and integrity of Gartner Research, see “[Guiding Principles on Independence and Objectivity](#)” on our website, [gartner.com](#) or contact the Office of the Ombudsman at ombudsman@gartner.com or +1 203 316 3334.

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