To: Chairman Skinner and the VRE Operations Board

From: Rich Dalton

Date: June 19, 2020

Re: Authorization to Issue a Task Order for Accounting and Financial Support Services for Enterprise Resource Planning Implementation

Recommendation:
The VRE Operations Board is asked to authorize the Acting Chief Executive Officer to issue a Task Order to RSM US LLP ("RSM") for Accounting and Financial Support Services for ERP Implementation in the amount of $286,500, with a 10 percent contingency of $28,650, for a total amount not to exceed $315,150.

Summary:
VRE is initiating the implementation of an organization-wide Enterprise Resource Planning (ERP) software solution. Specialized consulting support services through this Task Order are necessary to ensure the new ERP software system meets audit requirements, incorporates modernized policies and procedures for accounting and finance, and provides effective support for the goals and objectives of VRE.

Background:
In a concurrent action, the VRE Operations Board is being asked to authorize the purchase and implementation of an ERP software solution. VRE currently utilizes multiple, non-integrated software systems to manage its business functions. The proposed ERP solution will provide business process management that allows VRE to use a system of integrated applications to manage the business and automate many back office functions including accounting, budgeting, grants management, procurement, inventory, human resources, asset management, and other related areas.
Managing a successful implementation of this new organization-wide software while also ensuring that critical day-to-day financial functions and internal controls can be maintained by VRE staff requires additional resources and expertise. Specifically, VRE needs these additional resources to achieve two distinct goals:

Integrity: The conversion of mission-critical data from existing legacy systems (particularly accounting and inventory) to the new system must be closely managed to mitigate risk. Support is needed to guarantee the continuity and integrity of data and to ensure system compliance with all legal and audit requirements.

Modernization: VRE must take advantage of this opportunity to improve its efficiency and analytical capability and not simply recapitulate existing processes in a new system. External expertise is needed to review existing accounting and finance policies and procedures, recommend improvements that follow industry best practices, and support VRE staff during the design, testing, and implementation of these processes.

Prince William County has an existing task order contract with RSM for internal audit services, and the critical services of ensuring audit compliance and mitigating internal risk fall within the scope of that contract. RSM also has extensive in-house expertise with assisting in ERP system implementations and data migrations. The Prince William County contract was awarded following a competitive Request for Proposals solicitation process and includes a rider clause that extends the contract to other public entities for the purpose of cooperative purchasing.

The Scope of Services for this task order includes the following items over an 18-month timeframe:

- Data discovery and mapping of current VRE business processes, workflows, and supporting technologies
- Development of detailed future process workflows and future requirements (roles, processes, technologies, and data)
- Development of prioritized business initiatives and creation of an operational plan for conversion and transition
- Coordination with the technology team to determine configurations for the new system, define roles, and document standard procedures
- Manage the migration of data from the legacy systems into the new system
- Assist in the development of User Acceptance Test plans in accordance with project goals and oversee finance-specific test cases in accordance with testing plans
- Assist VRE finance staff in final deployment and cutover
- Assist ERP vendor (Tyler Technologies) and VRE staff where needed in system training

**Fiscal Impact:**

Funding for the design and implementation of an ERP system is provided for in the approved FY 2020 Capital Improvement Program (CIP) through the “ERP Implementation” project, which has a total budget of $2.8 million funded primarily through prior year capital
reserve contributions. Although the primary expenditure under this project is the purchase and implementation of the ERP software, directly associated consulting support as outlined here is also included in the expected cost of the project.
Virginia Railway Express
Operations Board

Resolution
9E-06-2020

Authorization to Issue a Task Order for Accounting and Financial Support Services for Enterprise Resource Planning Implementation

WHEREAS, VRE is initiating the implementation of an organization-wide Enterprise Resource Planning software solution; and,

WHEREAS, specialized consulting support services are necessary to ensure the new Enterprise Resource Planning software system meets audit requirements, incorporates modernized policies and procedures for accounting and finance, and provides effective support for the goals and objectives of VRE; and,

WHEREAS, Prince William County has an existing task order contract with RSM US LLP for internal audit services which includes a rider clause that extends the contract to other public entities for the purpose of cooperative purchasing; and,

WHEREAS, the critical services of ensuring audit compliance and mitigating internal risk fall within the scope of the Prince William County contract, and RSM has extensive expertise with assisting in ERP system implementations and data migrations;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby find that, in accordance with recently adopted amendments to budget bills HB 29 and 30, meeting by electronic means is authorized because the nature of the declared emergency makes it both impracticable and unsafe for the Operations Board to assemble in a single location on June 19, 2020, and that meeting by electronic means is authorized because the items on the June 19, 2020 Operations Board Meeting Agenda are statutorily required or necessary to continue operations of the Operations Board and the discharge of the Operations Board’s lawful purposes, duties, and responsibilities; and further find that meeting by electronic means is authorized because the items on the June 19, 2020 Operations Board Meeting Agenda are encompassed within the continuity of operations ordinances adopted by member localities of the Virginia Railway Express Operations Board to assure the continued operation of the government during the disaster posed by the public health emergency resulting from COVID-19; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby authorize the Acting Chief Executive Officer to issue a Task Order to RSM US LLP for Accounting and Financial Support Services for Enterprise Resource Planning Implementation in the amount $286,500, with a 10 percent contingency of $28,650, for a total amount not to exceed $315,150.
Approved this 19th day of June 2020

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Gary Skinner
Chairman

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Jeanine Lawson
Secretary