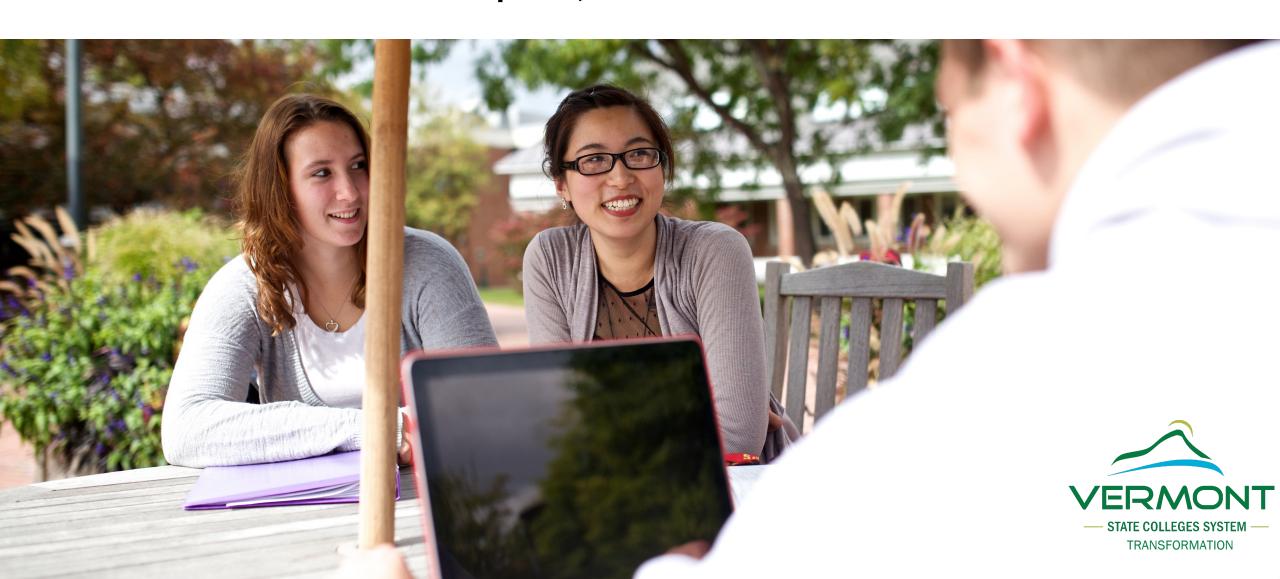# ERP Assessment – Finance and Facilities Update
April 5, 2024

Scope of the ERP Assessment

- ERP = Enterprise Resource Planning
  - Software system that helps run our "business" – supports core processes
- Ferrilli conducted an ERP Assessment and is working to develop an ERP Roadmap
- The Assessment is inclusive of systems connected to the ERP
- The Assessment and Market Analysis is in three phases:
  - Phase 1: Current State Assessment - complete
  - Phase 2: ERP Market Analysis - complete
  - Phase 3: ERP Roadmap

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Board-Approved Governance

Governance Structure	Responsibility/Function
SPONSORS Board of Trustees	SPONSOR FUNCTION • Final decisions on recommendation • Approval to move to next stage • Removal and support of organizational/budget barriers
STAKEHOLDERS Council of Presidents, CFOO, CIO	STAKEHOLDER FUNCTION • Consultation with sponsors regarding recommendation • Removal of functional institutional barriers • Decisions related to internal processes • Engagement and participation with Executive Steering Group Team Lead/Members as needed
EXECUTIVE STEERING GROUP -Delegate a team lead(s) as appropriate -Inclusive of executive-level leadership and broad functional leads MEMBERSHIP: 6 individuals from CCV 6 individuals from VTSU	TEAM LEAD(S) FUNCTION • Decisions delegated to the team • Recommendations to bring to stakeholders and sponsors TEAM MEMBERS FUNCTION • Full team participation • Communication back to functional/institution teams as needed • Collect input from functional/institution teams

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Assessment Report Highlights – Current State

- Challenges
  - Ellucian Colleague is not built to support a system with multiple institutions
    - Complications with cross-enrollment - calendar, financial aid, billing, shared curriculum
  - Exceptional challenges exist with HR/payroll and the use of UKG
  - General challenges with integration of products (Slate, UKG, and others), reporting, and customization
- Timing Considerations
  - UKG is not viable long-term
  - Modern ERP systems are cloud-based

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Assessment Report Highlights – Market Analysis

- Suggested we consider ERP options with:
  - Robust functionality specific to higher education
  - Multi-institution capabilities
  - High scalability
- Provided an analysis of specific ERP products based on capability factors
- Presented optional paths forward
- Total cost of ownership estimates were provided

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Steering Committee and Stakeholder Recommendation

- Move forward with ERP replacement, beginning with action steps related to readiness:

  - Architecture Assessment – processes, user experience, requirements
  - Preliminary Resource Plan
  - Governance Structure
  - Project Timeline

- Upon completion of those four initial steps, move to budget modeling and Request for Proposal (RFP) development

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Recommendation Assumptions

- Current ERP does not meet institutional needs
- Seek a product that will accommodate multiple institutions in one instance to maximize efficiencies
- New solution will offer streamlined and integrated user experience for students and employees
- New system will foster a culture of continuous improvement
- We will be intentional about correcting inaccurate information in current systems before implementing a new product

Recommendation Guardrails

- A single, shared instance of an ERP must provide functionality to support the distinctive functional needs of multiple institutions

- A new ERP must support seamless integration across functional areas, including HR, finance, and the Student Information System

- A new ERP must support seamless integration between other VSC systems that support business needs, including external vendors

- Budgeting and preliminary resource planning must be completed in preplanning phase before moving forward with RFP

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Recommendation Risks

- **Resource capacity** of existing staff with subject matter expertise required to implement a new ERP solution

- **Change fatigue** in recognition of the significant pace of transformation on all of the impacted areas

- Risk of replicating existing **data issues** in new ERP system

- **Readiness** for this change is at varying levels across functional areas and institutions

- **Current system sustainability** in a time of rapid market change

Pillars of Readiness

- Clearly documented objectives, goals - "why" clearly documented
- Architecture Assessment (process, user stories, requirements)
- Resource Plan
- Governance Structure
- Change Planning
- Project timeline