# Pre-Solicitation Briefing for SAP Upgrade Program - System Integration Services for Ariba & S/4



## Audit Committee

Date: May 13, 2025
Presented by:  Craig Hopkins, Chief Information Officer, Information Technology Services Department

# SAP Program Upgrade Outcomes

COSA needs to migrate its current SAP/ERP platform to a modern, integrated Enterprise Resource Planning (ERP) solution that include hybrid cloud capabilities, innovative business solutions, and re-engineered operational business processes. This migration will enable the development of a next generation, fully integrated ERP system that delivers enhanced business value to COSA employees and our residents.

*Why we can't stay on what we have:*

- <u>End of Life:</u> Premium support ends in 2027
- <u>Increase Efficiency:</u> Minimize manual processes
- <u>Improve Performance:</u> Simplify data model
- <u>Improve User Experience:</u> Modern user interface
- <u>Create Scale:</u> Security, data model, hybrid cloud
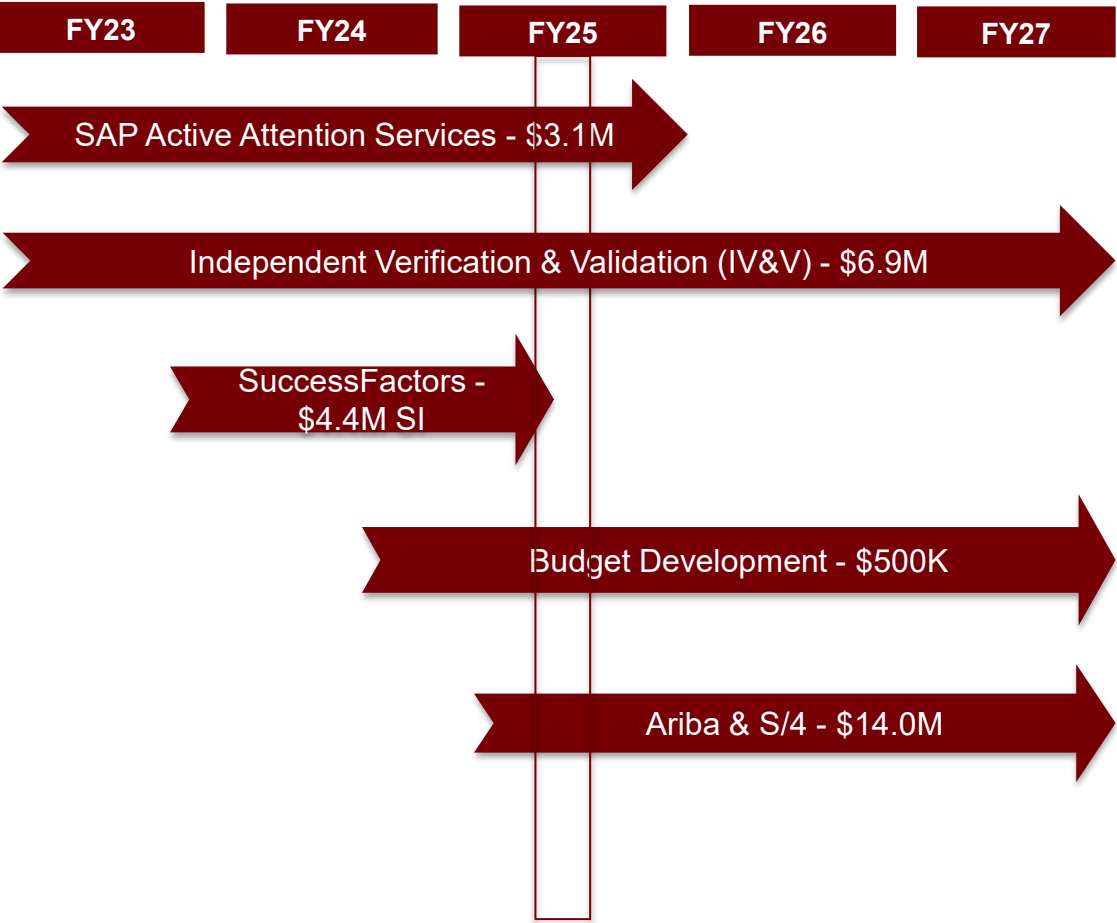
*Scope/Responsibility: (6 workstreams)*

- Budget to Report - B2R (OMB/Finance)
- Hire to Retire - H2R (HR/Finance)
- Source to Pay - S2P (Finance)
- Revenue Collections - RC (Finance)
- Acquire to Retire - A2R (Finance)
- Manage IT - MIT (ITSD)

# SAP Program Upgrade Platform Approach

- Conducted 18 months of planning and 14 detailed discovery capability sessions with Finance, Human Resources (HR), Budget, ITSD and other stakeholders.

- Decision was made to upgrade our current SAP suite and platform to the latest business modules and capabilities across Finance, HR, Budget and ITSD.

- This decision gives COSA the greatest opportunity to re-engineer operational business processes and create a next generation, fully integrated ERP system that:
  - Drives additional business value to COSA employees and our residents,
  - At the lowest implementation and operational costs,
  - With the shortest time to value,
  - While minimizing the risk to our employees and current business operations.

# Program Procurement Timeline

| FY23 | FY24 | FY25 | FY26 | FY27 |

SAP Active Attention Services - $3.1M →

Independent Verification & Validation (IV&V) - $6.9M →

SuccessFactors - $4.4M SI →

Budget Development - $500K →

Ariba & S/4 - $14.0M →

| Pre-Solicitations | Estimated Contract Value |
|---|---|
| SAP Active Attention Services | $3.1M |
| Independent Verification and Validation Partner | $6.9M |
| SuccessFactors System Integrator | $4.4M |
| Budget Development System Integrator | $500K |
| Ariba & S/4 System Integrator | $14M |

## Estimated Total Program Cost ($69M):

| $28.9M | Consulting & System Integrator Services (detailed contracts noted above) |
|---|---|
| $22.3M | Software Licenses (SuccessFactors, Sherpa, S/4, Ariba) |
| $17.8M | Contractors/Staffing/Contingency |

# Project and Solicitation

The City of San Antonio plans to transition to SAP's Ariba & S/4 as part of the final phase of our ERP upgrade. The current version of SAP used by the City will no longer be supported in the next two years, making this upgrade a crucial step toward transforming the City into a Digital Enterprise. The City intends to select one experienced vendor to manage the implementation and system integration for Ariba & S/4. The selected vendor will collaborate closely with internal City stakeholders and third-party partners to optimize processes, enabling data-driven decision-making and ensuring the successful realization of:

- Ariba: Procurement business processes for Supplier Management, Strategic Sourcing, Procurement Processing and Financial Supply Chain.
- S/4: Finance business processes for Core Financials, Funds Management and Grants Management.

| Solicitation Type | Proposed Term | Estimated Value | Funding Source | Current Contract Status |
|---|---|---|---|---|
| • Request for Proposals (RFP) | • 2-years with 2, 1 -year renewal options | • $14 million | • Certificates of Obligation | • New Contract |

# Solicitation Overview

## Outreach

- **NIGP Codes Identified**
  - 91890 – Strategic Technology
  - 92024 – Data Conversion Services
  - 92064 – System Implementation
  - 92065 – System Requirements
  - 92091 – Training, Computer
  - 95877 – Project Management Services
- **Number of Vendors to be Notified**
  - Central Vendor Registry: 781
  - Veteran-Owned Small Business (SBA/SCTRCA): 5,399
  - Targeted Outreach: 15
- **Advertising**
  - TVSA Channel
  - COSA Bidding & Contracting Webpage
  - Hart Beat
  - SAePS

## Evaluation Voting Members

- Troy Elliott, Chief Financial Officer, Finance Department
- Craig Hopkins, Chief Information Officer, Information Technology Services Department
- Kevin Goodwin, Chief Technology Officer, Information Technology Services Department
- Justina Tate, Director, Office of Management & Budget
- Renee Frieda, Director, Human Resources Department
- Melanie Keeton, Deputy Director, Finance Department
- Angelica Mata, Assistant Director, Finance Department
- Vidya Rangachar, Vice President of Business Solutions & Digital Experience, CPS Energy

# Solicitation Requirements

## Evaluation Criteria

- Experience, Background and Qualifications: 20 points
- Proposed Plan: 40 points
- Pricing: 15 points
- SBE Prime Contract Program: 5 points
- M/WBE Prime Contract Program: 5 points
- Local Preference Program: 10 points
- Veteran-Owned Small Business Preference Program: 5 points

## Additional Requirements

- Prohibited Campaign Contributions: starts on the 10th business day after release date through the 30th calendar day following City Council approval ("blackout" period)
- Restrictions on Communications: City officials from the release date until the contract is posted on "A" session agenda; City employees from release date until the contract is approved at a City Council "A" session
- Audited Financial Statements: Not Required
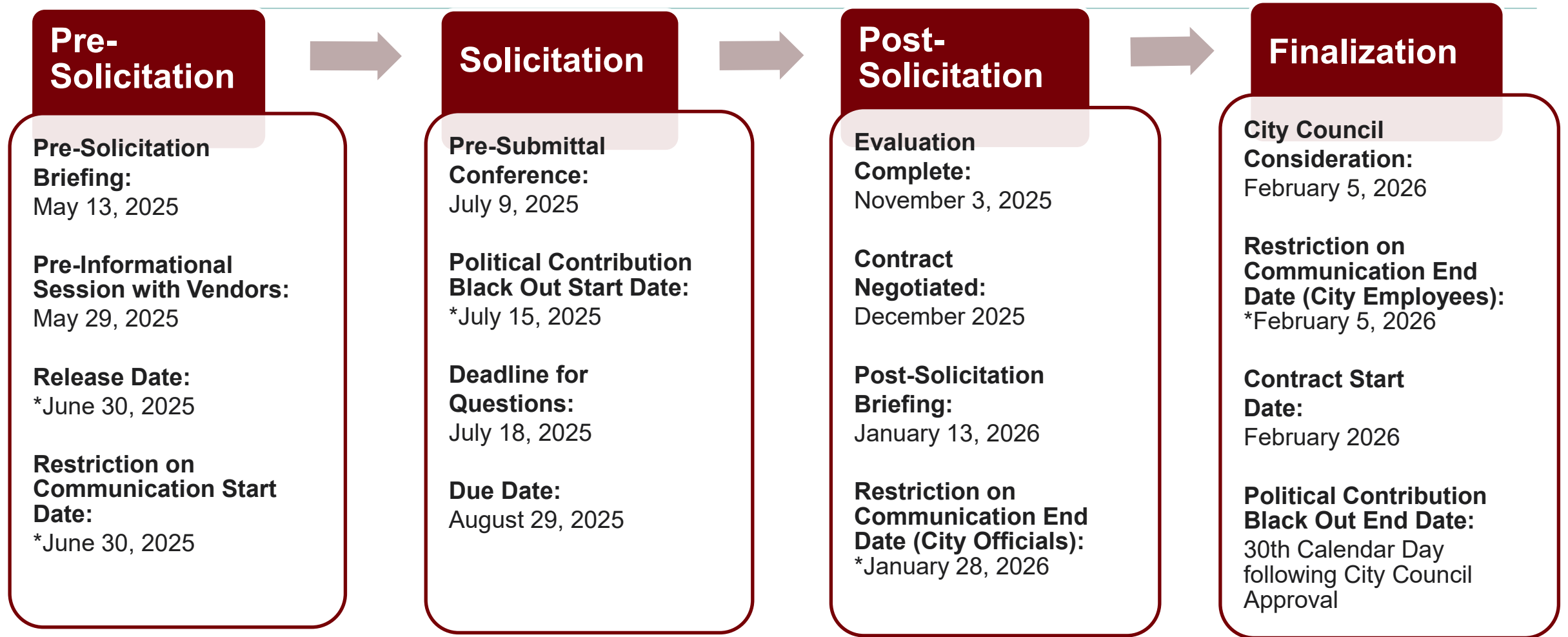- SBEDA Subcontracting Requirements: 8% M/WBE; 3% AABE

# SBEDA Overview

## Availability Analysis

APIs are supported by the following analysis on a contract-by-contract basis:

- Opportunities for S/M/WBEs within the scope of work
- Percentage of S/M/WBEs available in the Central Vendor Registry
- Utilization of S/M/WBEs on historic projects similar in nature

# Project Timeline

## Pre-Solicitation

**Pre-Solicitation Briefing:**
May 13, 2025

**Pre-Informational Session with Vendors:**
May 29, 2025

**Release Date:**
*June 30, 2025

**Restriction on Communication Start Date:**
*June 30, 2025

## Solicitation

**Pre-Submittal Conference:**
July 9, 2025

**Political Contribution Black Out Start Date:**
*July 15, 2025

**Deadline for Questions:**
July 18, 2025

**Due Date:**
August 29, 2025

## Post-Solicitation

**Evaluation Complete:**
November 3, 2025

**Contract Negotiated:**
December 2025

**Post-Solicitation Briefing:**
January 13, 2026

**Restriction on Communication End Date (City Officials):**
*January 28, 2026

## Finalization

**City Council Consideration:**
February 5, 2026

**Restriction on Communication End Date (City Employees):**
*February 5, 2026

**Contract Start Date:**
February 2026

**Political Contribution Black Out End Date:**
30th Calendar Day following City Council Approval

\* Dates are subject to change dependent upon release date.

\* **Prohibited Campaign Contributions: start on the 10th business day after release through the 30th calendar day following City Council approval ("blackout" period) & Restrictions on Communications: City officials - release of solicitation until contract is posted on "A" session agenda; City employees - release of solicitation until contract is approved at City Council "A" session.**

# Thank You

Date: May 13, 2025

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