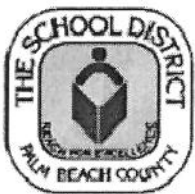


# ERP Implementation Project

## Statement of Work 3

### Phase II PeopleSoft Implementation

June 2006



eVerge  
GROUP

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## Summary

This statement of work will serve to define the scope of effort in the second phase of the School District of Palm Beach County's (The District) PeopleSoft software implementation and business process redesign. The scope of work contained herein relies upon and incorporates by reference the findings of a six week assessment (Requirements Phase) jointly conducted by the District and eVerge Group and the experience gained through the implementation of the first phase of the project.

The scope and assumptions concerning this statement of work are based on the information provided by the District during the Requirements Phase and Phase I, and further qualified by eVerge's K-12 experience and knowledge. eVerge will continue to direct the implementation utilizing the detailed project plan, management tools and controls as defined in the Project Charter (Deliverable 1 from the Requirements Phase).

## Success Factors

We believe that a successful project, regardless of its size, depends upon the following success factors:

- Well-defined scope based upon a predefined vision and mission statement
- Executive sponsorship and participation as outlined in the Leadership Enrollment and Alignment Strategy (Deliverable 11 from the Requirements Phase)
- Effective and frequent communication to all affected constituencies.
- Thoroughly defined metrics by which we may determine the effectiveness of the effort
- User-level knowledge transfer
- Multi-faceted training with clear job aids
- Innovative, "best practice" solutions rather than extensive modification of the software
- Business process redesign to better utilize technology
- Adequate and stable infrastructure

With these key success factors in mind, this Statement of Work document defines the tasks necessary for the successful completion of this project. Based upon these tasks, we determined the resource requirements, the project schedule, and therefore, the cost associated with completing Phase II of the implementation that will meet the District's expectations.

# Deliverables

## Business Process Inventory

This implementation, like Phase I, will be driven from a business process perspective. This approach allows us to address all processes that are unique to the District, adopt best practices, and create a more efficient and effective administration. eVerge and the District will identify all pertinent business processes related to applicable Phase II functionality and will address those business processes as part of the Phase II implementation.

## Business Process Document

Each business process will be identified and evaluated for relevance during the Discovery segment of Phase II. For each business process used by the District, the project team will produce the following:

- **As-Is Process** detailing the existing business process
- **Business Process Redesign Worksheet** a working document used to evaluate the effectiveness of the As-Is in order to create the To-Be
- **To-Be Process** showing the new business process steps
- **System Test Script** testing the functionality of the process

eVerge will create one living document to memorialize each of the steps above. Each document will build off of the last, resulting in a comprehensive series of documents that can be used for ongoing District reference and training for all Phase II business processes.

# Phase II PeopleSoft Modules and Initiatives

## Module / Initiative Detail and Assumptions

Each module and initiative that the District has identified for a Phase II is listed below. Each section contains a Deliverable Scope, the Assumption made when costing the work, and the FTE and duration requirements of the module.

### Project Management

#### Deliverable Scope:

- Establish and maintain internal and external project direction and control including authoring/executing statements of work, project plans, issue management plans, risk management plans, scope management plans, etc.
- Ensure that the aims of the planned changes continue to be aligned with the business, and establishing a firm basis for the project during its initiation, definition and installation.
- Establishing and maintaining a collaborative relationship with the District Project Manager.
- Monitoring and controlling the progress of the project implementation at a strategic level.
- Provide regular status reports to Project Sponsors and Senior Stakeholders.
- Monitoring, managing and ultimately resolving project issues
- Ensuring that the communication processes are effective and linkages are maintained between the technical and functional teams and the District's strategic direction.

#### Assumptions:

- Projected timeframe of 7 months
- District will provide a District Project Manager

### ePay

#### ePay provides each employee of the District with the ability to:

- View their paycheck online
- Change their direct deposit information
- View their Compensation information
- Create or change W-4 information
- Submit a request to reissue a W-2 (W2C)

#### Deliverable Scope:

- Conduct Fit Sessions regarding the delivered functionality to determine business process flow
- Create ePay To-Be(s)
- Determine page security questions
- Scope and create Job Aids/Communication for end-users if any
- System Testing

#### Assumptions:

- District will use Self-Service pages as delivered
- Projected timeframe of 1 month
- District will provide 2 functional FTE
- District will provide .5 technical FTE
- District will provide .5 training FTE for 1 month
- All information to support these pages was converted in Phase I, and no new information will be converted.

## eProfile

### **eProfile provides each employee of the District with the ability to:**

- View a Personal Information Summary
- View and change home and mailing addresses
- View and change phone numbers
- View and change e-mail address
- View and change emergency contact
- View and change marital status
- View and change name

### **Deliverable Scope:**

- Conduct Fit Sessions regarding the delivered functionality to determine business process flow
- Create eProfile To-Be(s)
- Determine page security questions
- System Testing

### **Assumptions:**

- District will use Self-Service pages as delivered
- Projected timeframe of 2 months
- District will provide 2 functional FTE
- District will provide .5 technical FTE
- All information to support these pages was converted in Phase I, and no new information will be converted.

## eBenefits

### **eBenefits provides each employee of the District with the ability to:**

- Review health, insurance, savings, or other benefits information
- Review and update dependent and beneficiary personal information
- Review a summary of current, past or future benefit enrollments
- Initiate a life event to record your marriage or the birth or adoption of your child
- Review or update dependent and beneficiary information
- Review a summary of your life and AD&D insurance
- Enroll in benefits during the Annual Enrollment process

### **Deliverable Scope:**

- Facilitate creation of As-Is by District Staff
- Business Process Redesign Workshops
- To-Be Creation
- Configuration
- General Design of Modifications, Reports, Interfaces, Queries, Security, and Communications
- Unit Testing of Modifications
- System Testing
- Conversion (if required)
- Execution of Go-Live Activities (if required)
- Training Support
- Two Weeks of Go-Live Support
- 100 hours of Modifications, Reports or Interfaces
- 80 Hours of classroom training

**Assumptions:**

- District will use Self-Service pages as delivered
- Projected timeframe of 9 months
- District will provide a total of 6.75 functional FTE
- District will provide a total of 2.05 technical FTE
- District will provide 1.5 training FTE for 3 months
- All information to support these pages was converted in Phase I, and no new information will be converted.
- The District's first Annual Enrollment using PeopleSoft is in Fiscal Year 2008

**ePerformance****ePerformance provides the District with the ability to:**

- Generate evaluations
- Establish evaluation criteria
- Manage multiple participants
- Enter evaluation data, including notes, ratings, weights, and comments
- Consolidate feedback from multiple sources into the manager/mentor's evaluation.
- Submit the manager/mentor evaluation for review and approval.

**Deliverable Scope:**

- Facilitate creation of As-Is by District Staff
- Business Process Redesign Workshops
- To-Be Creation
- Configuration
- General Design of Modifications, Reports, Interfaces, Queries, Security, and Communications
- Unit Testing of Modifications
- System Testing
- 100 hours of modifications, queries, interfaces or reports
- 300 hours Training Support/Classroom training
- Two Weeks of Go-Live Support (if required)

**Assumptions:**

- District will use Self-Service pages as delivered
- Projected timeframe of 8 months
- District will provide a total of 10 functional FTE
- District will provide a total of 3.8 technical FTE
- District will provide 2.0 training FTE for 4 months
- All information to support these pages was converted in Phase I, and no new information will be converted.

**Expenses****Description:**

- Reengineer the District's expense reimbursement process based upon best practices
- Utilize online travel authorizations including flexible approval routing rules
- Check travel authorizations against budgets prior to approval
- Enable employees to enter expense reports online and submit for approval
- Enable employees to monitor the payment status of their expense reports
- Analyze expenses for potential cost saving opportunities using a central reporting repository

**Deliverable Scope:**

- Facilitate creation of As-Is by District Staff
- Business Process Redesign Workshops

- To-Be Creation
- Configuration
- General Design of Modifications, Reports, Interfaces, Queries, Security, and Communications
- Unit Testing of Modifications
- System Testing
- Conversion of required setup data
- Two Weeks of Go-Live Support (if required)
- 40 hours of Modifications, Reports or Interfaces
- 200 hours of training materials development and classroom training support

**Assumptions:**

- District will use Travel Authorization and Expense Report pages as delivered
- Projected timeframe of 5 months
- District will provide 2.5 functional FTE
- District will provide 1.25 technical FTE
- District will provide 1.75 training FTE for 3 months
- All information to support these pages was converted in Phase I, and no new information will be converted.

**Strategic Sourcing****Description:**

- Enable new bidders to register to bid on line
- Enable bidders to enter their bids online
- Create events and invite bidders to participate in them
- Establish bid factors on which to score events
- Establish business policies and constraints on which to base the sourcing awards
- Collaborate on events and event analysis with others in the District
- Negotiate bids by creating multiple rounds and versions as in reverse auctions
- Optimize bids to determine a recommended award
- Tabulate bids and recommend the ward.

**Deliverable Scope:**

- Conduct Fit Sessions regarding the delivered functionality to determine business process flow
- To-Be Creation
- Configuration
- General Design of Modifications, Reports, Interfaces, Queries, Security, Communications and Training
- Unit Testing of Modifications
- System Testing
- Conversion of required setup data (if required)
- Execution of Go-Live Activities (if required)
- Two Weeks of Go-Live Support
- Scope and create Job Aids for bidders, if any
- 80 hours of Modifications, Reports or Interfaces
- 240 Hours of assistance with bidder communication (training) development and delivery including buyer training and materials.

**Assumptions:**

- District will use Event and Bidder pages as delivered
- Projected timeframe of 4 months
- District will provide a total of 6 functional FTE
- District will provide a total of 2 technical FTE



- District will provide 3 training FTE for 3 months
- District resources will be responsible for organization and delivery of bidder communications including bidder conference, if required
- District resources will be responsible for bidder userid creation and direct bidder support
- After participating in Fit sessions, District resources may elect to stop the Strategic Sourcing implementation if the functionality is not a good fit for the District

## **eSupplier Connection**

### **Description:**

- Enable suppliers to view and modify their business information such as company address, phone, and contact data using a self-service application
- Enable suppliers to review schedule, invoice, payment, order, and receipt activity as well as view their account balances and the invoices related to those balances
- Allow suppliers to provide transactional information, online and in real-time, by responding to RFPs and Invitations to Negotiate
- Enable suppliers to provide Purchase Order Acknowledgements and Advance Shipment Notices

### **Deliverable Scope:**

- Conduct Fit Sessions regarding the delivered functionality to determine business process flow
- Create eSupplier Connection To-Be(s)
- Configuration
- General Design of Modifications, Reports, Queries and Security
- Unit Testing of Modifications
- System Testing
- Two Weeks of Go-Live Support
- 80 hours of Modifications and Reports
- 80 Hours of assistance with supplier communication (training) development and delivery

### **Assumptions:**

- Vendors will use Self-Service pages as delivered
- Projected timeframe of 2 months
- District will provide a total of 3 functional FTE
- District will provide a total of 1 technical FTE
- District will provide 2 training FTE for 2 months
- District resources will be responsible for organization and delivery of supplier communications including supplier conference, if required
- District resources will be responsible for supplier userid creation and direct supplier support

## **Deal Management**

### **Description:**

- Define deal instruments and templates, and perform deal portfolio activities
- Create deals, securities, and trades, and maintain portfolio groups
- Perform deal maintenance such as resetting rates and deal maturity; undo deals
- Perform manual or automatic deal confirmations and run confirmation reports
- Define and manage equities and equity quotes
- Generate accounting entries for deal transactions

**Deliverable Scope:**

- Facilitate creation of As-Is by District Staff
- Business Process Redesign Workshops
- To-Be Creation
- Configuration
- General Design of Modifications, Reports, Interfaces, Queries, Security, and Communications
- Unit Testing of Modifications
- System Testing
- Conversion (if required)
- Execution of Go-Live Activities (if required)
- Two Weeks of Go-Live Support
- 80 hours of Modifications, Reports or Interfaces

**Assumptions:**

- Projected timeframe of 6 months
- District will provide a total of 4.5 functional FTE
- District will provide a total of 1.5 technical FTE
- No formal classroom training. Consultant responsible for knowledge transfer to Treasury staff and training aids..

**Cash Management****Description:**

- Perform manual and automatic cash position activities
- Automate bank reconciliation activities
- Perform funds transfer, EFT template creation, and fee entry activities
- Perform settlement, deal settlement, and bilateral netting activities
- Perform automated and manual accounting, and view accounting entries and events
- Calculate interest accruals

**Deliverable Scope:**

- Facilitate creation of As-Is by District Staff
- Business Process Redesign Workshops
- To-Be Creation
- Configuration
- General Design of Modifications, Reports, Interfaces, Queries, Security, and Communications
- Unit Testing of Modifications
- System Testing
- Conversion of existing activities from an electronic source (if required)
- Two Weeks of Go-Live Support (if required)
- 80 hours of Modifications, Reports or Interface

**Assumptions:**

- Projected timeframe of 6 months
- District will provide a total of 6 functional FTE
- District will provide a total of 1.5 technical FTE
- No formal classroom training. Consultant responsible for knowledge transfer to Treasury staff and training aids..

## Internal Accounts Restricted Checks

### Description:

- Enable schools to produce onsite PeopleSoft checks from their Internal Accounts
- Enable schools to enter deposits for cash receipts into PeopleSoft for their Internal Accounts
- Implement appropriate safeguards to protect the integrity of each school's Internal Accounts
- Leverage the central Treasury function for Internal Accounts with the goal of improving yields and reducing fees
- Allow centralized, automated bank reconciliation for Internal Accounts activity in PeopleSoft

### Deliverable Scope:

- Facilitate creation of As-Is by District Staff
- Business Process Redesign Workshops
- To-Be Creation
- Configuration
- General Design of Modifications, Reports, Interfaces, Queries, Security, and Communications
- Unit Testing of Modifications
- System Testing
- Conversion of account balances (if required)
- Two Weeks of Go-Live Support (if required).
- 80 Hours of classroom training and/or Procedures Guide development
- 350 hours of Modifications, Reports or Interfaces including module creation

### Assumptions:

- Projected timeframe of 8 months
- District will provide a total of 16 functional FTE
- District will provide a total of 2.5 technical FTE
- District will provide 4.5 training FTE for 7 months
- eVerge will assist the District in developing a pilot program for 10 schools

## Minority/Women and Small Business Initiative

### Description:

- Enable the District to capture the information necessary to monitor and report on their Diversity Program
- Monitor subcontractor activity against prime contractor goals
- Enable vendors and bidders to complete an online minority certification form and submit it for review and approval
- Convert historical data required to monitor the current Diversity Program

### Deliverable Scope:

- Facilitate creation of As-Is by District Staff
- Business Process Redesign Workshops
- To-Be Creation
- Configuration
- General Design of Modifications, Reports, Interfaces, Queries, Security, and Communications
- Unit Testing of Modifications
- System Testing
- Conversion (if required)
- Execution of Go-Live Activities (if required)

- Two Weeks of Go-Live Support
- 500 hours of Modifications, Reports or Interfaces including module creation

**Assumptions:**

- Projected timeframe of 5 months
- District will provide a total of 10 functional FTE
- District will provide a total of 2.75 technical FTE
- District will provide .75 training FTE for 3 months
- District resources will be responsible for the development and delivery of user training.

**Budget Preparation****Description:**

- Create budgets based on approved positions (both filled and vacant) that include salary and all benefits
- Create non-salary budgets based on multiple methodologies such as historical data, current year actuals, previous budgets, and zero based budgeting
- Facilitate budget planning by maintaining multiple scenarios
- Ability to create formula driven assumptions
- Develop a robust reporting environment with electronic delivery of ad hoc reports as well as developed Excel and Crystal reports designed to facilitate approval and adjustments

**Deliverable Scope:**

- Facilitate creation of As-Is by District Staff
- Business Process Redesign Workshops
- To-Be Creation
- Configuration
- General Design of Modifications, Reports, Interfaces, Queries, Security, Communications and Training
- Unit Testing of Modifications
- System Testing
- Conversion (if required)
- Execution of Go-Live Activities (if required)
- Two Weeks of Go-Live Support
- 800 hours of Modifications, Reports or Interfaces including module creation
- 240 Hours of training materials development and classroom training
- 160 hours of FY 2008 integration assistance for existing Budget Preparation tools

**Assumptions:**

- Projected timeframe of 5 months
- District will provide a total of 5 functional FTE
- District will provide a total of .5 technical FTE
- District will provide 3 training FTE for 3 months
- Design of the Budget Preparation module does not anticipate producing the Capital Five Year plan from PeopleSoft
- The District will use the custom Budget Preparation tool for the first time to develop the FY 2009 budget

**Request for Leave****Description:**

This will use the delivered self-service pages in Time and Labor to allow employees to request leave time.

**Deliverable Scope:**

- Facilitate creation of As-Is by District Staff
- Business Process Redesign Workshops
- To-Be Creation
- Configuration
- General Design of Modifications, Reports, Interfaces, Queries, Security, and Communications
- Unit Testing of Modifications
- System Testing
- Conversion (if required)
- Execution of Go-Live Activities (if required)
- 40 hours of Modifications, Reports or Interfaces

**Assumptions:**

- This does not include time and expense reimbursement included in the Expenses module
- Does not include any formal training by eVerge trainers
- Projected timeframe of 2 months
- District will provide a total of 2 functional FTE
- District will provide a total of .5 technical FTE

**Direct Entry of Requisitions by Teachers****Description:**

- Enable teachers to use the delivered requisitions pages to order through the District Marketplace

**Deliverable Scope:**

- Scope and create Job Aids/Communication for teachers, if required
- Assist with stress testing for projected volume of requesters
- No Modifications, Reports or Interfaces are anticipated

**Assumptions:**

- Projected timeframe of 2 months
- District will provide a total of 2 functional FTE
- District will provide a total of .5 technical FTE
- District will provide .5 training FTE for 1 month
- District resources will be responsible for creating teacher userids and assigning security

**Out of Field****Description:**

The District is required to report whether or not a teacher is "In Field". Producing this status requires input of their National Board Certification, State Certification, ESOL (which relies upon the tracking of Inservice Points), input from the Department of Education, student TERMS, and HOUSSE. This enhancement must organize and determine the Out of Field Status and display it in PeopleSoft. It must also meet any reporting requirements.

**Deliverable Scope:**

- Facilitate creation of As-Is by District Staff
- Business Process Redesign Workshops
- To-Be Creation

- Configuration
- General Design of Modifications, Reports, Interfaces, Queries, Security, and Communications
- Unit Testing of Modifications
- System Testing
- Conversion (if required)
- Execution of Go-Live Activities (if required)
- Two Weeks of Go-Live Support
- 100 hours of Modifications, Reports or Interfaces

**Assumptions:**

- Projected timeframe of 2 months
- District will provide a total of 1 functional FTE
- District will provide a total of 1 technical FTE

**Year-end Payroll Processing Support****Description:**

This is the process for producing W-2s in PeopleSoft.

**Deliverable Scope:**

Assist the payroll department in navigating the steps necessary to produce a W-2 run in PeopleSoft.

**Assumptions:**

- Projected timeframe of 1 months
- District will provide a total of 1 functional FTE
- District will provide a total of 1 technical FTE
- District resources will be responsible for producing W2s from PeopleSoft. Consultant will advise the District how to use PeopleSoft to accomplish this goal.
- District will implement special tax update to database that is necessary for year-end processing

**Purchase Order Rollover Process Improvement****Description:**

Purchase Order Rollover is the process to roll purchase orders from one fiscal year to the next.

**Deliverable Scope:**

- Assist with testing the delivered Purchase Order rollover process
- Assist with identifying changes to meet District requirements
- Assist with unit testing any modifications to the delivered process

**Assumptions:**

- Projected timeframe of 1 month
- District will provide a total of .5 functional FTE
- District will provide a total of .5 technical FTE
- Prior to the start of Purchase Order Rollover testing and processing, District resources will be responsible for the application and testing of all required PeopleSoft Purchasing patches

## Additional Production Support

### Description:

The District is requesting additional support from a select group of team members for 2 weeks beginning September 1. Certain team members have been identified to provide additional production support beyond the 2 week timeframe. The District has also requested that we reserve 15% of Phase II consulting time as support for Phase I.

### Deliverable Scope:

- Functional support beginning September 1 which includes 15% of all Phase II consultant time to end on February 28, 2007
- Technical support beginning September 1 which includes 15% of all Phase II consultant time to end on February 28, 2007

### Assumptions:

- 2 weeks of production support from 2 HR functional consultants, 1 Time & Labor functional consultant and 3 technical consultants
- Additional production support from 1 Payroll functional consultant for 2 months, 1 GL functional consultant for 1 month, 1 Lead technical consultant for 1 month and 1 Database Administrator consultant for 1 month
- District Staff will apply patches and fixes with eVerge assistance
- District Staff will be responsible for testing patches and fixes

## Enterprise Performance Management (EPM)

Provides the ability for the District to report and analyze all of the human resources, financial and supply chain activity from the production systems. This will provide a framework for the future implementation of EPM's Analytic modules and data from other administrative systems in the district.

### Deliverable Scope:

- General EPM Configuration
- Configure ETL load scripts between production systems and EPM
- Setup delivered Operational Data Store (ODS) and Reporting Tables
- Configure Data Loader scripts between the ODS and the Data Warehouse tables
- 160 hours of custom reporting table and/or data mart design, development and testing
- 640 hours of report and query design, development and testing
- Migrate high volume / high processing reports from production systems to EPM
- System Test
- 80 hours of one-on-one technical support training

### Assumptions:

- Projected timeframe of 9 months
- District will provide a total of 4.5 functional FTE
- District will provide a total of 4.5 technical FTE
- Implementation of Balanced Scorecard, Budgeting, Business Planning or Business Analytics is not included in the quote.

## Development

Development includes any work intended to configure PeopleSoft to meet the District's requirements. Development may include interfaces to third-party systems or systems external to PeopleSoft, the creation of custom reports, workflow, forms, or enhancements to the system. Per the District's request to limit system modifications, this Statement of Work provides for a minimal number of modifications, which are defined as a result of the analysis conducted during the Requirements Phase and the experience gained through Phase I of the implementation. These in-scope modifications include the following:

- The Modifications, Interfaces, and Reports identified in the attached preliminary development item list
- Modifications to meet a State or Federal reporting requirement
- Modifications to meet a negotiated bargaining unit requirement
- Modifications where the workaround is extremely labor intensive
- Workflow necessary to meet the District's business requirements

All development requests must be approved by the Steering Committee in place from Phase I. The Steering Committee will agree upon the relevance, timing, and cost of these requests.

## Out of Scope Work

Out of scope requests approved by the Change Review committee will be funded from the contingency dollars outlined in this SOW. The Project Executive Sponsor will be notified anytime contingency funds are being utilized. If the committee approves out of scope requests that exceed the available contingency funds, the escalation and Change Request process outlined in the Scope Management Strategy (Deliverable 1e from the Requirements Phase) will be followed.

The following are examples of items that are out-of-scope:

- Implementation of any PeopleSoft module or other Software package not identified in the Phase II PeopleSoft Modules section of this document.
- Training of end-users for any process other than those directly related to the business processes and modules identified as a part of Phase II.
- Interface, system modifications, report development, or workflow beyond the hours stipulated in this document for each module.
- Redesign of business processes not included in the Phase II Business Process Inventory
- Support for Phase I, II or functionality beyond the hours stipulated in this Statement of Work.

## Conversion

eVerge will work with the District during the implementation to ensure that proper data conversion strategies will be utilized during the Project. Phase II will utilize the same Conversion, Cleansing, Migration Strategy document from the Requirements Phase to complete the necessary conversions for Phase II.

eVerge will be responsible for planning, mapping, scripting, and loading of the District conversion files. District will be responsible for providing eVerge with conversion files that can be used by the conversion utilities in the format required by PeopleSoft. The District is responsible for data cleansing in the legacy systems prior to producing the conversion load files. These files should not require manual massaging or editing of data



by eVerge to make them useful for conversions. Report files are not acceptable. The District will assist with data verification once the data is loaded into PeopleSoft.

## Testing

A key to the success of the project is thorough testing of all development work. Successful testing requires participation from the District. To this end, eVerge includes the following segments as a part of this Phase II Statement of Work:

### Unit Testing

Unit testing is the testing of any development work by the technical team. eVerge will be responsible for unit testing any development work it produces. Likewise, any development assigned to a District employee will require adherence to the same unit testing procedures followed by eVerge. This includes:

1. Completion of Modification, Interface, Report as documented in the Functional Design.
2. Verification that modification, interface, report meets expected results in functional design.
3. Addition of all PeopleTools objects in a project for migration.
4. Documenting modification status in PB Tools Database.

### System Test

Each of the Phase II business processes (as it reads at the beginning of the System Testing segment) will require one successful test to pass system test.

## Acceptance Criteria

eVerge will require User Signoff of the System Test, Stress Test, and Go-Live. The District Project Manager will be responsible for this signoff. The following shall constitute the successful completion of each of these segments:

### Go-Live

The District will certify that the conversion was complete and that all balances, counts, and history are accurate.

## Timeline

Phase II of this project is scheduled to begin on September 1, 2006. The Go-Lives will be staggered based on the schedule for groups of modules. Post-production support from eVerge is stipulated in the detailed description of each module or work effort listed in this document.

## Methodology

The methodology that we intend to use for the Phase II implementation is the same as we used for Phase I with the notable absence of a Parallel Test.

### Blueprint Phase

The primary concentration of the Blueprint phase is business process design using best business practices, and the integration of those designs into PeopleSoft. During this phase, the project team will analyze each of the identified business processes in detail. Combining this information with K-12 best business practices, the team will fit each business process into PeopleSoft, identify any gaps in the process, and record the new process flow. The objective of this phase is to streamline the District's business processes and to produce a prototype of the new system.

### Construction Phase

During the Construction Phase, the team "builds" the system based upon the findings of the Blueprint phase. All of the interfaces, reports, forms, workflow and enhancements are written and tested by the technical team. The functional teams are busy preparing for the subsequent testing phases, and creating the training materials.

### System Test Phase

The System Test Phase is designed to thoroughly test the work from Construction Phase. The team will execute a series of detailed scripts in PeopleSoft meant to test every business process, its inputs and its outputs. Each business process is run until it passes.

### Stress Testing Phase

The Stress Testing Phase allows us to be sure that the system hardware and architecture is tuned to function at an appropriate speed, even during peak usage times. eVerge will work with District IT staff to measure peak memory and CPU usage, maximum concurrent users, and self-service page build times under peak load.

### Mock Conversion

"Practice makes perfect" when it comes to converting a large amount of data. During the Mock Conversion Phase, the Conversion Team is practicing the execution of the conversion scripts so that there is no delay or error in the actual conversion. This section applies only to those modules with a conversion listed in the "Deliverables" section.

### Go-Live

This phase encompasses the last steps leading to the Go-Live of the system as well as the final conversion and validation of the system itself.

### Post Go-Live Support

During this time, the project team will help end-users grow accustomed to the new environment, provide technical support, quickly resolve issues, and provide daily communication to the user community. We will also continue to refine reports and workflows that become more evident after users work in the system for the first time.

# Resource Requirements

## District Staffing

eVerge provides this Statement of Work with a cost that assumes a specific level of staffing on behalf of the District. In order to complete the work detailed in this document, eVerge will need the District staff at the proposed level of effort outlined in the Assumptions section of each module.

- District-assigned technical and functional personnel will need to be experienced in each of their respective areas. They need to understand the process flows, policies, and business requirements, and attend the recommended PeopleSoft training courses.
- The District personnel assigned to the project will follow the direction and guidance of the eVerge and District Project Managers based on the agreed project scope, time line, and project plan.

Failure to provide this staff or meet these criteria may result in project delays and potentially additional costs.

## Assumptions

### General Assumptions

In addition to the specific assumptions listed with each module, the pricing and staffing model for Phase II assume the following:

- The project team will implement the system at the District site in West Palm Beach, Florida using the product licensed by the District.

### District Participation Assumptions

eVerge assumes that the District will provide the following to enable these efforts:

- Expedited decision-making, issue resolution, documentation review, and performance of the necessary tasks to complete the project on time and on budget. All major decisions must be made within 5 business days and must meet deadlines and milestones as defined in the Phase II project plan. Failure to make decisions in this timeframe may result in an increased cost to the District.
- Immediate and frequent access to key personnel to determine necessary functional and technical requirements
- Access to all PeopleSoft development and production environments, and the security access to use those environments
- Participation of all personnel identified in the staffing plan at the level of effort defined in that document
- Desk space and access to internet, printer, fax and a copy machine for eVerge team while onsite
- Badges to access the building during and after regular business hours
- Meeting rooms and projectors for conducting Fit Analysis sessions, System Test Sessions, and team meetings
- Adequate space and priority to support our effort to train District employees in a "Just-In-Time" fashion

## Cost

The following chart includes the costs associated with Phase II of the District's ERP project. These costs will be invoiced on a monthly based upon the Terms and Conditions in the contract between the District and eVerge.

| <b>The School District of Palm Beach County - ERP Phase II Project</b> |                     |
|--|---------------------|
| Phase II Cost  | \$ 4,975,275        |
| Phase II Contingency   | \$ 840,000          |
| <br>   |                     |
| Total Phase II Cost  | <u>\$ 5,815,275</u> |

## Contingency

This Statement of Work is our best estimation of work required of eVerge by the District at this point in time. Inevitably, the District may require work outside the scope defined here. All such work will be approved by a Steering Committee appointed by the District before work is commenced by eVerge, including the dollar amount of the work. eVerge will itemize this work on its monthly invoice, not to exceed the amount approved by the Steering Committee. The total of approved work will not exceed the contingency amount stated in the Cost section of this proposal.

**IN WITNESS WHEREOF**, each of the Parties has caused this Statement of Work to be duly executed by its authorized officer or representative whose signature appears below, effective as of the Effective Date.

**eVerge Group, Inc.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**The School Board of Palm Beach County, Florida**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Reviewed as to form and legal sufficiency:**

By: Blair Hoyle 7/20/06 \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_