

March 14, 2007

ERP Update:

The District and eVerge have created a project plan which includes all tasks to be completed in the stabilization phase. From this plan we have also prepared a chart, one for HR/Payroll (HCM) and one for Finance (FIN) showing % of completion by task. These items are attached for your information.

In addition to the project plan, a tracking program called Bugzilla is being used to identify new issues and if not easily fixed then new tasks are added to the project plan. Leads in each area assign the priority for completing all tasks.

Leads in each area include Darron Davis for HR; Mike Burke for Payroll, Accounts Payable, and other Finance areas; Dianne Howard in Employee Benefits, Lata Guntur in Technology and Sharon Swan in Purchasing. They have the responsibility for supervising and approving invoices of all consultants and design and oversight of the execution of all of the tasks in their respective areas.

Our goal is to transition from consultant support to staff support. Seven of the eight PeopleSoft specific positions approved by the Board have been filled. The functional specialist in the payroll area remains open and recruitment activities are on-going.

We are recommending the addition of two PeopleSoft leads who will serve as General Managers, one for HR/Payroll and one for Financials. While this concept was included in the original plan presented to you through Mike Guay's efforts, it was never formalized. These managers will allow us to replace senior level consultants who coordinate activities of the functional and technical specialists and assist the specialists with tasks that are more complex in nature.

All areas are refining their processes, doing knowledge transfer and adding reports to the original phase 1 activities. Phase 2 activities for summer school activities, out of field, budget loading, pox rollover, and two new modules; e-benefits which will allow for open enrollment and e-supplier connect (pilot) which will allow vendors to confirm receipt of their order and manage other related activities on-line will be performed in this fiscal year. Other new modules are not planned until next fiscal year and most activities involving the need for additional consultants will not begin until January 2008.

It is still our intent to utilize all modules originally scheduled. However, the timing of initiating activities for these additional new modules will be later than originally planned to allow our staff and schools to successfully integrate the new processes into their activities. Implementation of all remaining new modules originally identified as phase 2 and phase 3 is planned to be done with in-house staff and outside consultants using the funding originally identified as \$6,580,000. Of these funds, \$2,580,000 will be set aside for such outside consultant needs.