

AGREEMENT NO.

AGREEMENT BETWEEN
THE CITY OF LOS ANGELES AND
NITI SYSTEMS CONSULTANTS, INC.

THIS AGREEMENT ("Agreement") is made and entered into by and between the CITY OF LOS ANGELES, a municipal corporation ("City"), acting by and through its Board of Harbor Commissioners ("Board"), and NITI SYSTEMS CONSULTANTS, INC., a Georgia corporation, 4251 Bastion Dr., Roswell, GA 30075 ("Consultant").

WHEREAS, City requires professional services to migrate the Department's on-premise Oracle E-Business Suite (EBS) financial system to a new Oracle Fusion Cloud Enterprise Resource Planning (ERP) system in Government Cloud and provide related design, development, as well as support service; and

WHEREAS, City requires additional services related to the Oracle Fusion Cloud ERP Implementation Services for design, development, and support services, along with training and education of Harbor Department staff; and

WHEREAS, City requires the professional, expert and technical services of Consultant on a temporary or occasional basis to assist the City in planning, designing, developing, implementing and supporting the migration to Oracle Fusion Cloud ERP Implementation Services; and

WHEREAS, Consultant possesses extensive experience in on-premise Oracle E-Business Suite (EBS) financial system and Oracle Fusion Cloud Enterprise Planning (ERP) system in Government Cloud migration and implementation services; and

WHEREAS, Consultant, by virtue of training and experience, is well qualified to provide such services to City; and

WHEREAS, City does not employ personnel with the required expertise nor is it feasible to do so on a temporary or occasional basis;

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

1. SERVICES TO BE PERFORMED BY CONSULTANT

A. Consultant hereby agrees to render to City, as an independent contractor, certain professional, technical and expert services of a temporary and occasional character as set forth in Exhibit A ("Scope of Work").

B. Consultant, at its sole cost and expense, shall furnish all services, materials, equipment, subsistence, transportation, and all other items necessary to perform the Scope of Work. As between City and Consultant, Consultant is solely responsible for any taxes or fees which may be assessed against it or its employees resulting from

performance of the Scope of Work, whether social security, payroll or other, and regardless of whether assessed by the federal government, any state, the City, or any other governmental entity.

C. Consultant acknowledges and agrees that it lacks authority to perform any services outside the Scope of Work. Consultant further acknowledges and agrees that any services it performs outside the Scope of Work are performed as a volunteer and shall not be compensable under this Agreement.

D. The Scope of Work shall be performed by personnel qualified and competent in the sole reasonable discretion of the Executive Director or his or her designee ("Executive Director"), whether performance is undertaken by Consultant or third-parties with whom Consultant has contracted ("Subconsultants"). Obligations of this Agreement, whether undertaken by Consultant or Subconsultants, are and shall be the responsibility of Consultant. Consultant acknowledges and agrees that this Agreement creates no rights in Subconsultants with respect to City and that obligations that may be owed to Subconsultants, including, but not limited to, the obligation to pay Subconsultants for services performed, are those of Consultant alone. Upon Executive Director's written request, Consultant shall supply City's Harbor Department ("Department") with all agreements between it and its Subconsultants.

2. SERVICES TO BE PERFORMED BY CITY

A. City shall furnish Consultant, upon its request, all documents and papers in possession of City which may lawfully be supplied to Consultant and which are necessary for it to perform its obligations.

B. The Executive Director or his or her designee is designated as the contract administrator for City and shall also decide any and all questions which may arise as to the quality or acceptability of the services performed and the manner of performance, the interpretation of instructions to Consultant and the acceptable completion of this Agreement and the amount of compensation due. Notwithstanding the preceding, the termination of this Agreement shall be governed by the provisions of Article 11 (Termination) hereof.

C. Consultant shall provide Executive Director with reasonable advance written notice if it requires access to premises of Department. Subsequent access rights, if any, shall be granted to Consultant at the sole reasonable discretion of Executive Director, specifying conditions Consultant must satisfy in connection with such access. Consultant acknowledges that such areas may be occupied or used by tenants or contractors of City and that access rights granted by Department to Consultant shall be consistent with any such occupancy or use.

3. EFFECTIVE DATE AND TERM OF AGREEMENT

A. Subject to the provisions of Charter Section 245, the effective date of this Agreement shall be the date of its execution by Executive Director upon authorization of the Board. Consultant is aware that the City Council, pursuant to Charter Section 245 of

the City of Los Angeles, has the right to review this Agreement. Accordingly, in no event shall this Agreement become effective until after the expiration of the fifth Council meeting day after Board action, or the date of City Council's approval of the Agreement.

B. This Agreement shall be in full force and effect commencing from the date of execution and shall continue until the earlier of the following occurs:

1. Three (3) years have lapsed from the effective date of this Agreement;

or

2. The Board of Harbor Commissioners, in its sole discretion, terminates and cancels all or part of this Agreement for any reason upon giving to Consultant ten (10) days' notice in writing of its election to cancel and terminate this Agreement.

4. TERMINATION DUE TO NON-APPROPRIATION OF FUNDS

This Agreement is subject to the provisions of the Los Angeles City Charter which, among other things, precludes the City from making any expenditure of funds or incurring any liability, including contractual commitments, in excess of the amount appropriated thereof.

The Board, in awarding this Agreement, is expected to appropriate sufficient funds to meet the estimated expenditure of funds through June 30 of the current fiscal year and to make further appropriations in each succeeding fiscal year during the life of the Agreement. However, the Board is under no legal obligation to do so.

The City, its boards, officers, and employees are not bound by the terms of this Agreement or obligated to make payment thereunder in any fiscal year in which the Board does not appropriate funds therefore. The Consultant is not entitled to any compensation in any fiscal year in which funds have not been appropriated for the Agreement by the Board.

Although the Consultant is not obligated to perform any work under the Agreement in any fiscal year in which no appropriation for the Agreement has been made, the Consultant agrees to resume performance of the work required by the Agreement on the same terms and conditions for a period of sixty (60) days after the end of the fiscal year if an appropriation therefore is approved by the Board within that 60-day period. The Consultant is responsible for maintaining all insurance and bonds during this 60-day period until the appropriation is made; however, such extension of time is not compensable.

If in any subsequent fiscal year funds are not appropriated by the Board for the work required by the Agreement, the Agreement shall be terminated. However, such termination shall not relieve the parties of liability for any obligation previously incurred.

5. COMPENSATION AND PAYMENT

A. As compensation for the satisfactory performance of the services required by this Agreement, City shall pay and reimburse Consultant at the rates set forth in Exhibit B.

B. The maximum payable under this Agreement, including reimbursable expenses (see Exhibit B), shall be Twelve Million Eight Hundred Eighty-Four Thousand Four Hundred Thirty-Eight Dollars (\$12,884,438.00).

C. Consultant shall submit invoices in quadruplicate to City monthly following the effective date of this Agreement for services performed during the preceding month. Each such invoice shall be signed by the Consultant and shall include the following certification:

"I certify under penalty of perjury that the above bill is just and correct according to the terms of Agreement No. _____ and that payment has not been received. I further certify that I have complied with the provisions of the City's Living Wage Ordinance.

(Consultant's Signature)

D. Consultant must include on the face of each itemized invoice submitted for payment its Business Tax Registration Certificate number, as required at Article 8 of this Agreement. No invoice will be processed for payment by City without this number shown thereon. All invoices shall be approved by the Executive Director or his or her designee prior to payment. All invoices due and payable and found to be in order shall be paid as soon as, in the ordinary course of City business, the same may be approved, audited and paid.

Consultant shall submit appropriate supporting documents with each invoice. Such documents may include provider invoices, payrolls, and time sheets. The City may require, and Consultant shall provide, all documents reasonably required to determine whether amounts on the invoice are allowable expenses under this Agreement.

Further, where the Consultant employs Subconsultants under this Agreement, the Consultant shall submit to City, with each monthly invoice, a Monthly Subconsultant Monitoring Report Form (Exhibit C) listing SBE/VSBE/MBE/WBE/DVBE/OBE amounts. Consultant shall provide an explanation for any item that does not meet or exceed the anticipated participation levels for this Agreement, with specific plans and recommendations for improved Subconsultant utilization. Invoices will not be paid without a completed Monthly Subconsultant Monitoring Report Form. All invoices are subject to audit. Consultant is not required to submit support for direct costs items of \$25 or less.

E. For payment and processing, all invoices should be mailed to the following address:

Accounts Payable Section
Harbor Department, City of Los Angeles
P.O. Box 191
San Pedro, CA 90733-0191

6. RECORDKEEPING AND AUDIT RIGHTS

A. Consultant shall keep and maintain full, complete and accurate books of accounts and records of the services performed under this Agreement in accordance with generally accepted accounting principles consistently applied, which books and records shall be readily accessible to and open for inspection and copying at the premises by City, its auditors or other authorized representatives. Notwithstanding any other provision of this Agreement, failure to do so shall constitute a conclusive waiver of any right to compensation for such services as are otherwise compensable hereunder. Such books and records shall be maintained by Consultant for a period of three (3) years after completion of services to be performed under this Agreement or until all disputes, appeals, litigation or claims arising from this Agreement have been resolved.

B. During the term of this Agreement, City may audit, review and copy any and all writings (as that term is defined in Section 250 of the California Evidence Code) of Consultant and Subconsultants arising from or related to this Agreement or performance of the Scope of Work, whether such writings are (a) in final form or not, (b) prepared by Consultant, Subconsultants or any individual or entity acting for or on behalf of Consultant or a Subconsultant, and (c) without regard to whether such writings have previously been provided to City. Consultant shall be responsible for obtaining access to and providing writings of Subconsultants. Consultant shall provide City at Consultant's sole cost and expense a copy of all such writings within fourteen (14) calendar days of a written request by City. City's right shall also include inspection at reasonable times of the Consultant's office or facilities which are engaged in the performance of the Scope of Work. Consultant shall, at no cost to City, furnish reasonable facilities and assistance for such review and audit. Consultant's failure to comply with this Article 6 shall constitute a material breach of this Agreement and shall entitle City to withhold any payment due under this Agreement until such breach is cured.

7. INDEPENDENT CONTRACTOR

Consultant, in the performance of the work required by this Agreement, is an independent contractor and not an agent or employee of City. Consultant shall not represent itself as an agent or employee of the City and shall have no power to bind the City in contract or otherwise.

8. BUSINESS TAX REGISTRATION CERTIFICATE

The City of Los Angeles Office of Finance requires the implementation and enforcement of Los Angeles Municipal Code Section 21.09 et seq. This Code Section provides that every person, other than a municipal employee, who engages in any business within the City of Los Angeles, is required to obtain the necessary Business Tax Registration Certificate and pay business taxes. The City Controller has determined that this Code Section applies to consulting firms that are doing work for the Department. See <https://finance.lacity.org/how-register-btrc>.

9. INDEMNIFICATION

Except for the sole negligence or willful misconduct of the City, or any of its Boards, Officers, Agents, Employees, Assigns and Successors in Interest, Consultant undertakes and agrees to defend, indemnify and hold harmless the City and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the City, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including Consultant's employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of the negligent acts, errors, omissions or willful misconduct incident to the performance of this Agreement by Consultant or its subcontractors of any tier. Rights and remedies available to the City under this provision are cumulative of those provided for elsewhere in this Agreement and those allowed under the laws of the United States, the State of California, and the City.

10. INSURANCE

A. In addition to and not as a substitute for, or limitation of, any of the indemnity obligations imposed by Article 9, Consultant shall procure and maintain at its sole cost and expense and keep in force at all times during the term of this Agreement the following insurance:

(1) Commercial General Liability Insurance

Commercial general liability insurance covering personal and advertising injury, bodily injury, and property damage providing contractual liability, independent contractors, products and completed operations, and premises/operations coverage written by an insurance company authorized to do business in the State of California rated VII, A- or better in Best's Insurance Guide (or an alternate guide acceptable to City if Best's is not available) within Consultant's normal limits of liability but not less than One Million Dollars (\$1,000,000.00) combined single limit for injury or claim. Where Consultant provides or dispenses alcoholic beverages, Host Liquor Liability coverage shall be provided as above. Where Consultant provides pyrotechnics, Pyrotechnics

Liability shall be provided as above. Said limits shall provide first dollar coverage except that Executive Director may permit a self-insured retention or self-insurance in those cases where, in his or her judgment, such retention or self-insurance is justified by the net worth of Consultant. The retention or self-insurance provided shall provide that any other insurance maintained by the Harbor Department shall be excess of Consultant's insurance and shall not contribute to it. In all cases, regardless of any deductible or retention, said insurance shall contain a defense of suits provision and a severability of interest clause. Each policy shall name the City of Los Angeles Harbor Department, its officers, agents and employees as Primary additional insureds.

(2) Automobile Liability Insurance

Automobile liability insurance written by an insurance company authorized to do business in the State of California rated VII, A- or better in Best's Insurance Guide (or an alternate guide acceptable to City if Best's is not available) within Consultant's normal limits of liability but not less than One Million Dollars (\$1,000,000.00) covering damages, injuries or death resulting from each accident or claim arising out of any one claim or accident. Said insurance shall protect against claims arising from actions or operations of the insured, or by its employees. Coverage shall contain a defense of suits provision and a severability of interest clause. Each policy shall name the City of Los Angeles Harbor Department, its officers, agents and employees as Primary additional insureds.

(3) Workers' Compensation and Employer's Liability

Consultant shall certify that it is aware of the provisions of Section 3700 of the California Labor code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and that Consultant shall comply with such provisions before commencing the performance of the tasks under this Agreement. Coverage for claims under U.S. Longshore and Harbor Workers' Compensation Act, if required under applicable law, shall be included. Consultant shall submit Workers' Compensation policies whether underwritten by the state insurance fund or private carrier, which provide that the public or private carrier waives its right of subrogation against the City in any circumstance in which it is alleged that actions or omissions of the City contributed to the accident. Such Worker's Compensation and occupational disease requirements shall include coverage for all employees of Consultant, and for all employees of any subcontractor or other vendor retained by Consultant.

(4) Professional Liability Insurance

Consultant is required to provide Professional Liability insurance with respect to negligent or wrongful acts, errors or omissions, or failure to render services in connection with the professional services to be provided under this

Agreement. This insurance shall protect against claims arising from professional services of the insured, or by its employees, agents, or contractors, and include coverage (or no exclusion) for contractual liability.

Consultant certifies that it now has professional liability insurance in the amount of Five Million Dollars (\$5,000,000.00), which covers work to be performed pursuant to this Agreement and that it will keep such insurance or its equivalent in effect at all times during performance of said Agreement and until two (2) years following the completed term of this Agreement.

Notice of occurrences of claims under the policy shall be made to the City Attorney's office with copies to Risk Management.

(5) Technology Errors and Omissions Liability Insurance

Consultant is required to provide Technology Errors and Omissions Liability Insurance with respect to negligent or wrongful acts, errors or omissions, in rendering or failing to render computer or information technology services or technology products in connection with the professional services to be provided under this Agreement. This insurance policy shall include coverage for Privacy and Network Security and protect against claims arising from all products and services of the insured, or by its employees, agents, or contractors, and include coverage (or no exclusion) for contractual liability. The limits disclosed herein shall neither increase nor decrease Consultant's liability as defined elsewhere in this Agreement.

Consultant certifies that it now has Technology Errors and Omissions Liability Insurance in the amount of Five Million Dollars (\$5,000,000.00) per claim/aggregate including Notification Costs, which shall cover the work to be performed pursuant to this Agreement and that it will keep such insurance or its equivalent in effect at all times during performance of said Agreement and until two (2) years following acceptance of the completed project by Board.

Each policy shall include a 10-days' notice of cancellation for nonpayment of premium and a 30-days' notice of cancellation for any other reasons may be submitted.

Notice of occurrences of claims under the policy shall be made to the City Attorney's office with copies to Risk Management.

B. Insurance Procured by Consultant on Behalf of City

In addition to and not as a substitute for, or limitation of, any of the indemnity obligations imposed by Article 9, and where Consultant is required to name the City of Los Angeles Harbor Department, its officers, agents and employees as Primary additional insureds on any insurance policy required by this Agreement, Consultant shall cause City

to be named as an additional insured on all policies it procures in connection with this Article 10. Consultant shall cause such additional insured status to be reflected in the original policy or by additional insured endorsement (CG 2010 or equivalent) substantially as follows:

"Notwithstanding any inconsistent statement in the policy to which this endorsement is attached, or any endorsement or certificate now or hereafter attached hereto, it is agreed that City, Board, their officers, agents and employees, are additional insureds hereunder, and that coverage is provided for all contractual obligations, operations, uses, occupations, acts and activities of the insured under Agreement No. ____, and under any amendments, modifications, extensions or renewals of said Agreement regardless of where such contractual obligations, operations, uses, occupations, acts and activities occur.

"The policy to which this endorsement is attached shall provide a 10-days' notice of cancellation for nonpayment of premium, and a 30-days' notice of cancellation for any other reasons to the Risk Manager.

"The coverage provided by the policy to which this endorsement is attached is primary coverage and any other insurance carried by City is excess coverage;

"In the event of one of the named insured's incurring liability to any other of the named insureds, this policy shall provide protection for each named insured against whom claim is or may be made, including claims by other named insureds, in the same manner as if separate policies had been issued to each named insured. Nothing contained herein shall operate to increase the company's limit of liability; and

"Notice of occurrences or claims under the policy shall be made to the Risk Manager of City's Harbor Department with copies to the City Attorney's Office."

C. Required Features of Coverages

Insurance procured by Consultant in connection with this Article 10 shall include the following features:

(1) Acceptable Evidence and Approval of Insurance

Electronic submission is the required method of submitting Consultant's insurance documents. Consultant's insurance broker or agent shall register with the City's online insurance compliance system **KwikComply** at <https://kwikcomply.org/> and submit the appropriate proof of insurance on Consultant's behalf.

Upon request by City, Consultant shall furnish a copy of the binder of insurance and/or a full certified policy for any insurance policy required herein.

This obligation is intended to, and shall, survive the expiration or earlier termination of this Agreement.

(2) Carrier Requirements

All insurance which Consultant is required to provide pursuant to this Agreement shall be placed with insurance carriers authorized to do business in the State of California and which are rated A-, VII or better in Best's Insurance Guide. Carriers without a Best's rating shall meet comparable standards in another rating service acceptable to City.

(3) Notice of Cancellation

For each insurance policy described above, Consultant shall give a 10-day prior notice of cancellation or reduction in coverage for nonpayment of premium, and a 30-day prior notice of cancellation or reduction in coverage for any other reason, by written notice via registered mail and addressed to the City of Los Angeles Harbor Department, Attn: Risk Manager and the City Attorney's Office, 425 S. Palos Verdes Street, San Pedro, California 90731.

(4) Modification of Coverage

Executive Director, at his or her sole reasonable discretion, based upon recommendation of independent insurance consultants to City, may increase or decrease amounts and types of insurance coverage required hereunder at any time during the term hereof by giving ninety (90) days' prior written notice to Consultant.

(5) Renewal of Policies

At least thirty (30) days prior to the expiration of any policy required by this Agreement, Consultant shall renew or extend such policy in accordance with the requirements of this Agreement and direct their insurance broker or agent to submit to the City's online insurance compliance system **KwikComply** at <https://kwikcomply.org/> a renewal endorsement or renewal certificate or, if new insurance has been obtained, evidence of insurance as specified above. If Consultant neglects or fails to secure or maintain the insurance required above, Executive Director may, at his or her own option but without any obligation, obtain such insurance to protect City's interests. The cost of such insurance shall be deducted from the next payment due Consultant.

(6) Limits of Coverage

If Consultant maintains higher limits than the minimums required by this Agreement, City requires and shall be entitled to coverage for the higher limits

maintained by Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to City.

D. Right to Self-Insure

Upon written approval by the Executive Director, Consultant may self-insure if the following conditions are met:

1. Consultant has a formal self-insurance program in place prior to execution of this Agreement. If a corporation, Consultant must have a formal resolution of its board of directors authorizing self-insurance.
2. Consultant agrees to protect the City, its boards, officers, agents and employees at the same level as would be provided by full insurance with respect to types of coverage and minimum limits of liability required by this Agreement.
3. Consultant agrees to defend the City, its boards, officers, agents and employees in any lawsuit that would otherwise be defended by an insurance carrier.
4. Consultant agrees that any insurance carried by Department is excess of Consultant's self-insurance and will not contribute to it.
5. Consultant provides the name and address of its claims administrator.
6. Consultant submits its most recently filed 10-Q and its 10-K or audited annual financial statements for the three most recent fiscal years prior to Executive Director's consideration of approval of self-insurance and annually thereafter.
7. Consultant agrees to inform Department in writing immediately of any change in its status or policy which would materially affect the protection afforded Department by this self-insurance.
8. Consultant has complied with all laws pertaining to self-insurance.

E. Accident Reports

Consultant shall report in writing to Executive Director within fifteen (15) calendar days after it, its officers or managing agents have knowledge of any accident or occurrence involving death of or injury to any person or persons, or damage in excess of Five Hundred Dollars (\$500.00) to property, occurring upon the premises, or elsewhere within the Port of Los Angeles if Consultant's officers, agents or employees are involved

in such an accident or occurrence. Such report shall contain to the extent available (1) the name and address of the persons involved, (2) a general statement as to the nature and extent of injury or damage, (3) the date and hour of occurrence, (4) the names and addresses of known witnesses, and (5) such other information as may be known to Consultant, its officers or managing agents.

11. TERMINATION PROVISION

The Board of Harbor Commissioners, in its sole discretion, shall have the right to terminate and cancel all or any part of this Agreement for any reason upon giving the Consultant ten (10) days' advance, written notice of the Board's election to cancel and terminate this Agreement. It is agreed that any Agreement entered into shall not limit the right of the City to hire additional consultants or perform the services described in this Agreement either during or after the term of this Agreement.

12. PERSONAL SERVICE AGREEMENT

A. During the term hereof, Consultant agrees that it will not enter into other contracts or perform any work without the written permission of the Executive Director where the work may conflict with the interests of the Department.

B. Consultant acknowledges that it has been selected to perform the Scope of Work because of its experience, qualifications, and expertise. Any assignment or other transfer of this Agreement or any part hereof shall be void provided, however, that Consultant may permit Subconsultant(s) to perform portions of the Scope of Work in accordance with Article 1. All Subconsultants whom Consultant utilizes, however, shall be deemed to be its agents. Subconsultants' performance of the Scope of Work shall not be deemed to release Consultant from its obligations under this Agreement or to impose any obligation on the City to such Subconsultant(s) or give the Subconsultant(s) any rights against the City.

13. AFFIRMATIVE ACTION

The Consultant, during the performance of this Agreement, shall not discriminate in its employment practices against any employee or applicant for employment because of employee's or applicant's race, religion, national origin, ancestry, sex, age, sexual orientation, disability, marital status, domestic partner status, or medical condition. The provisions of Section 10.8.4 of the Los Angeles Administrative Code shall be incorporated and made a part of this Agreement. All subcontracts awarded shall contain a like nondiscrimination provision. See Exhibit D.

14. SMALL/VERY SMALL BUSINESS ENTERPRISE PROGRAM AND LOCAL BUSINESS PREFERENCE PROGRAM

It is the policy of the Department to provide Small Business Enterprises (SBE), Very Small Business Enterprises (VSBE) and Minority-Owned, Women-Owned, Disabled

Veteran Business Enterprises and all Other Business Enterprises (MBE/WBE/DVBE/OBE) an equal opportunity to participate in the performance of all City contracts in all areas where such contracts afford such participation opportunities. Consultant shall assist the City in implementing this policy and shall use its best efforts to afford the opportunity for SBEs, VSBEs, MBEs, WBEs, DVBEs, and OBEs to achieve participation in subcontracts where such participation opportunities present themselves and attempt to ensure that all available business enterprises, including SBEs, VSBEs, MBEs, WBEs, DVBEs, and OBEs, have equal participation opportunity which might be presented under this Agreement. See Exhibit E.

It is also the policy of the Department to support an increase in local and regional jobs. The Department's Local Business Preference Program aims to benefit the Southern California region by increasing jobs and expenditures within the local and regional private sector. Consultant shall assist the City in implementing this policy and shall use its best efforts to afford the opportunity for Local Business Enterprises to achieve participation in subcontracts where such participation opportunities present themselves.

NOTE: Prior to being awarded a contract with the City, Consultant and all Subconsultants must be registered on the City's Contracts Management and Opportunities Database, Los Angeles Business Assistance Virtual Network (LABAVN), at <http://www.labavn.org>.

15. CONFLICT OF INTEREST

It is hereby understood and agreed that the parties to this Agreement have read and are aware of the provisions of Section 1090 et seq. and Section 87100 et seq. of the California Government Code relating to conflict of interest of public officers and employees, as well as the Los Angeles Municipal Code (LAMC) Municipal Ethics and Conflict of Interest provisions of Section 49.5.1 et seq. and the Conflict of Interest Codes of the City and the Department. All parties hereto agree that they are unaware of any financial or economic interest of any public officer or employee of City relating to this Agreement. Notwithstanding any other provision of this Agreement, it is further understood and agreed that if such financial interest does exist at the inception of this Agreement, City may immediately terminate this Agreement by giving written notice thereof.

During the term of this Agreement, Consultant shall inform the Department in writing when Consultant, or any of its Subconsultants, employs or hires in any capacity, and for any length of time, a person who has worked for the Department as a Commissioner, officer or employee. Said notice shall include the individual's name and current position and their prior position and years of employment with the Department. Written notice shall be provided by Consultant to the Department within thirty (30) days of the employment or hiring of the individual.

16. COMPLIANCE WITH APPLICABLE LAWS

Consultant shall at all times in the performance of its obligations comply with all applicable laws, statutes, ordinances, rules and regulations, and with the reasonable requests and directions of Executive Director.

17. GOVERNING LAW / VENUE

This Agreement shall be governed by and construed in accordance with the laws of the State of California, without reference to the conflicts of law, rules and principles of such State. The parties agree that all actions or proceedings arising in connection with this Agreement shall be tried and litigated exclusively in the State or Federal courts located in the County of Los Angeles, State of California, in the judicial district required by court rules.

18. TRADEMARKS, COPYRIGHTS, AND PATENTS

Consultant agrees to save, keep, hold harmless, protect and indemnify the City and any of its officers or agents from any damages, cost, or expenses in law or equity from infringement of any patent, trademark, service mark or copyright of any person or persons, or corporations in consequence of the use by City of any materials supplied by Consultant in the performance of this Agreement.

19. PROPRIETARY INFORMATION

A. Writings, as that term is defined in Section 250 of the California Evidence Code (including, without limitation, drawings, specifications, estimates, reports, records, reference material, data, charts, documents, renderings, computations, computer tapes or disks, submittals and other items of any type whatsoever, whether in the form of writing, figures or delineations), which are obtained, generated, compiled or derived in connection with this Agreement (collectively hereafter referred to as "property"), are owned by City as soon as they are developed, whether in draft or final form. City has the right to use or permit the use of property and any ideas or methods represented by such property for any purpose and at any time without compensation other than that provided in this Agreement. Consultant hereby warrants and represents that City at all times owns rights provided for in this section free and clear of all third-party claims whether presently existing or arising in the future, whether or not presently known. Consultant need not obtain for City the right to use any idea, design, method, material, equipment or other matter which is the subject of a valid patent, unless such patent is owned by Consultant or one of its employees, or its Subconsultant or the Subconsultant's employees, in which case such right shall be obtained without additional compensation. Whether or not Consultant's initial proposal or proposals made during this Agreement are accepted by City, it is agreed that all information of any nature whatsoever connected with the Scope of Work, regardless of the form of communication, which has been or may be given by Consultant, its Subconsultants or on either's behalf, whether prior or subsequent to this Agreement becoming effective, to the City, its boards, officers, agents or employees, is

not given in confidence. Accordingly, City or its designees may use or disclose such information without liability of any kind, except as may arise under valid patents.

B. If research or development is furnished in connection with this Agreement and if, in the course of such research or development, patentable work product is produced by Consultant, its officers, agents, employees, or Subconsultants, the City shall have, without cost or expense to it, an irrevocable, non-exclusive royalty-free license to make and use, itself or by anyone on its behalf, such work product in connection with any activity now or hereafter engaged in or permitted by City. Upon City's request, Consultant, at its sole cost and expense, shall promptly furnish or obtain from the appropriate person a form of license satisfactory to the City. It is expressly understood and agreed that, as between City and Consultant, the referenced license shall arise for City's benefit immediately upon the production of the work product, and is not dependent on the written license specified above. City may transfer such license to its successors in the operation or ownership of any real or personal property now or hereafter owned or operated by City.

20. CONFIDENTIALITY

The data, documents, reports, or other materials which contain information relating to the review, documentation, analysis and evaluation of the work described in this Agreement and any recommendations made by Consultant relative thereto shall be considered confidential and shall not be reproduced, altered, used or disseminated by Consultant or its employees or agents in any manner except and only to the extent necessary in the performance of the work under this Agreement. In addition, Consultant is required to safeguard such information from access by unauthorized personnel.

21. NOTICES

In all cases where written notice is to be given under this Agreement, service shall be deemed sufficient if said notice is deposited in the United States mail, postage prepaid. When so given, such notice shall be effective from the date of mailing of the same. For the purposes hereof, unless otherwise provided by notice in writing from the respective parties, notice to the Department shall be addressed to Director of Public Safety and Emergency Management, Los Angeles Harbor Department, P.O. Box 151, San Pedro, California 90733-0151, and notice to Consultant shall be addressed to it at the address set forth above. Nothing herein contained shall preclude or render inoperative service of such notice in the manner provided by law.

22. TAXPAYER IDENTIFICATION NUMBER (TIN)

The Internal Revenue Service (IRS) requires that all consultants and suppliers of materials and supplies provide a TIN to the party that pays them. Consultant declares that it has an authorized TIN which shall be provided to the Department prior to payment under this Agreement. No payments will be made under this Agreement without a valid TIN.

23. SERVICE CONTRACTOR WORKER RETENTION POLICY AND LIVING WAGE POLICY REQUIREMENTS

The Board of Harbor Commissioners of the City of Los Angeles adopted Resolution Nos. 19-8419 and 19-8420 on January 24, 2019, adopting the provisions of Los Angeles City Ordinance No. 185356 relating to Service Contractor Worker Retention (SCWR), Section 10.36 et seq. of the Los Angeles Administrative Code, as the policy of the Department. Further, Charter Section 378 requires compliance with the City's Living Wage requirements as set forth by ordinance, Section 10.37 et seq. of the Los Angeles Administrative Code. Consultant shall comply with the policy wherever applicable. Violation of this provision, where applicable, shall entitle the City to terminate this Agreement and otherwise pursue legal remedies that may be available.

24. WAGE AND EARNINGS ASSIGNMENT ORDERS / NOTICES OF ASSIGNMENTS

The Consultant and/or any Subconsultant are obligated to fully comply with all applicable state and federal employment reporting requirements for the Consultant and/or Subconsultant's employees.

The Consultant and/or Subconsultant shall certify that the principal owner(s) are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignments applicable to them personally. The Consultant and/or Subconsultant will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignments in accordance with Cal. Family Code Sections 5230 et seq. The Consultant or Subconsultant will maintain such compliance throughout the term of this Agreement.

25. EQUAL BENEFITS POLICY

The Board of Harbor Commissioners of the City of Los Angeles adopted Resolution No. 6328 on January 12, 2005, agreeing to adopt the provisions of Los Angeles City Ordinance No. 172,908, as amended, relating to Equal Benefits, Section 10.8.2.1 et seq. of the Los Angeles Administrative Code, as a policy of the Department. Consultant shall comply with the policy wherever applicable. Violation of this policy shall entitle the City to terminate any Agreement with Consultant and pursue any and all other legal remedies that may be available. See Exhibit F.

26. COMPLIANCE WITH LOS ANGELES CITY CHARTER SECTION 470(c)(12)

The Consultant, Subconsultants, and their Principals are obligated to fully comply with City of Los Angeles Charter Section 470(c)(12) and related ordinances, regarding limitations on campaign contributions and fundraising for certain elected City officials or candidates for elected City office if the agreement is valued at \$100,000 or more and requires approval of a City elected official. Additionally, Consultant is required to provide and update certain information to the City as specified by law. Any Consultant subject to Charter Section 470(c)(12), shall include the following notice in any contract with a

subconsultant expected to receive at least \$100,000 for performance under this Agreement:

Notice Regarding Los Angeles Campaign Contribution and Fundraising Restrictions

As provided in Charter Section 470(c)(12) and related ordinances, you are a subconsultant on Harbor Department Agreement No. _____. Pursuant to City Charter Section 470(c)(12), subconsultant and its principals are prohibited from making campaign contributions and fundraising for certain elected City officials or candidates for elected City office for 12 months after the Agreement is signed. Subconsultant is required to provide to Consultant names and addresses of the subconsultant's principals and contact information and shall update that information if it changes during the 12 month time period. Subconsultant's information must be provided to Consultant within 10 business days. Failure to comply may result in termination of the Agreement or any other available legal remedies including fines. Information about the restrictions may be found at the City Ethics Commission's website at <http://ethics.lacity.org/> or by calling 213-978-1960.

Consultant, Subconsultants, and their Principals shall comply with these requirements and limitations. Violation of this provision shall entitle the City to terminate this Agreement and pursue any and all legal remedies that may be available.

27. STATE TIDELANDS GRANTS

This Agreement is entered into in furtherance of and as a benefit to the State Tidelands Grant and the trust created thereby. Therefore, this Agreement is at all times subject to the limitations, conditions, restrictions and reservations contained in and prescribed by the Act of the Legislature of the State of California entitled "An Act Granting to the City of Los Angeles the Tidelands and Submerged Lands of the State Within the Boundaries of Said City," approved June 3, 1929 (Stats. 1929, Ch. 651), as amended, and provisions of Article VI of the Charter of the City of Los Angeles relating to such lands. Consultant agrees that any interpretation of this Agreement and the terms contained herein must be consistent with such limitations, conditions, restrictions and reservations.

28. INTEGRATION

This Agreement contains the entire understanding and agreement between the parties hereto with respect to the matters referred to herein. No other representations, covenants, undertakings, or prior or contemporaneous agreements, oral or written, regarding such matters which are not specifically contained, referenced, and/or incorporated into this Agreement by reference shall be deemed in any way to exist or bind any of the parties. Each party acknowledges that it has not been induced to enter into the Agreement and has not executed the Agreement in reliance upon any promises,

representations, warranties or statements not contained, referenced, and/or incorporated into the Agreement. **THE PARTIES ACKNOWLEDGE THAT THIS AGREEMENT IS INTENDED TO BE, AND IS, AN INTEGRATED AGREEMENT.**

29. SEVERABILITY

Should any part, term, condition or provision of this Agreement be declared or determined by any court of competent jurisdiction to be invalid, illegal or incapable of being enforced by any rule of law, public policy, or city charter, the validity of the remaining parts, terms, conditions or provisions of this Agreement shall not be affected thereby, and such invalid, illegal or unenforceable part, term, condition or provision shall be treated as follows: (a) if such part, term, condition or provision is immaterial to this Agreement, then such part, term, condition or provision shall be deemed not to be a part of this Agreement; or (b) if such part, term, condition or provision is material to this Agreement, then the parties shall revise the part, term, condition or provision so as to comply with the applicable law or public policy and to effect the original intent of the parties as closely as possible.

30. CONSTRUCTION OF AGREEMENT

This Agreement shall not be construed against the party preparing the same, shall be construed without regard to the identity of the person who drafted such and shall be construed as if all parties had jointly prepared this Agreement and it shall be deemed their joint work product; each and every provision of this Agreement shall be construed as though all of the parties hereto participated equally in the drafting hereof; and any uncertainty or ambiguity shall not be interpreted against any one party. As a result of the foregoing, any rule of construction that a document is to be construed against the drafting party shall not be applicable.

31. TITLES AND CAPTIONS

The parties have inserted the Article titles in this Agreement only as a matter of convenience and for reference, and the Article titles in no way define, limit, extend or describe the scope of this Agreement or the intent of the parties in including any particular provision in this Agreement.

32. MODIFICATION IN WRITING

This Agreement may be modified only by written agreement of all parties. Any such modifications are subject to all applicable approval processes required by, without limitation, City's Charter and City's Administrative Code.

33. WAIVER

A failure of any party to this Agreement to enforce the Agreement upon a breach or default shall not waive the breach or default or any other breach or default. All waivers shall be in writing.

34. EXHIBITS; ARTICLES

All exhibits to which reference is made in this Agreement are deemed incorporated in this Agreement, whether or not actually attached. To the extent the terms of an exhibit conflict with or appear to conflict with the terms of the body of the Agreement, the terms of the body of the Agreement shall control. References to Articles are to Articles of this Agreement unless stated otherwise.

35. COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute together one and the same instrument.

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(Signature page follows)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date to the left of their signatures.

THE CITY OF LOS ANGELES, by its Board of Harbor Commissioners

Dated: _____, 2022

By: _____
EUGENE D. SEROKA
Executive Director

Attest: _____
AMBER M. KLESGES
Board Secretary

Dated: 2/2, 2022

NITI SYSTEMS CONSULTANTS, INC.

By: _____
JIGNESH PATEL, CEO
(Print/type name and title)

Attest: Steve Norton, CFO
Steve Norton, CFO
(Print/type name and title)

APPROVED AS TO FORM AND LEGALITY

_____, 2022
MICHAEL N. FEUER, City Attorney
JANNA B. SIDLEY, General Counsel



By: _____
JOHN T. DRISCOLL, Deputy

JTD:cp
Attachments

Rev. 7/26/19

Oracle Cloud ERP – Capital/Operating Budget Information NITI Agreement

Capital Budget

Account #	54310	W.O. #	2564800
Ctr/Div #	1206	Job Fac. #	
Proj/Prog #	000		
Budget FY:		Amount:	
21/22		\$0	
22/23		\$8,831,838	
23/24		\$0	
24/25		\$0	
TOTAL		\$8,831,838	
For Acct Div. Use Only:			
Verified by:	 <small>Digitally signed by Melody Ugalde Date: 2022.02.03 16:11:00 -08'00'</small>		
Verified Funds Available:	 <small>Digitally signed by Frank Liu Date: 2022.02.07 09:28:16 -08'00'</small>		
Date Approved:	2/7/22		

Operating Budget



Account #	54310	W.O. #	_____
Ctr/Div #	0640	Job Fac. #	_____
Proj/Prog #	000		
Budget FY:		Amount:	
21/22		\$110,000	
22/23		\$430,000	
23/24		\$1,863,800	
24/25		\$1,648,800	
TOTAL		\$4,052,600	
For Acct Div. Use Only:			
Verified by:	 <small>Digitally signed by Melody Ugalde Date: 2022.02.03 16:11:54 -08'00'</small>		
Verified Funds Available:	 <small>Digitally signed by Frank Liu Date: 2022.02.07 09:28:46 -08'00'</small>		
Date Approved:	2/7/22		

Table of Contents

1.	EXECUTIVE OVERVIEW	3
1.1	PROJECT BACKGROUND AND OBJECTIVES	3
1.2	PROJECT TIMELINE	4
1.3	PROJECT SCOPE	6
2.	SCOPE OF SERVICES	6
2.1	FUNCTIONAL SCOPE	6
2.1.1	BUSINESS TRANSFORMATION	10
2.1.2	EPM	10
2.2	TECHNICAL SCOPE	11
2.2.1	INTERFACE DEVELOPMENT	11
2.2.2	REPORTS DEVELOPMENT	12
2.2.3	ORACLE WORKFLOWS	13
2.2.4	DATA CONVERSION	13
2.2.5	DATA ARCHIVING	15
2.3	CHANGE MANAGEMENT AND TRAINING SERVICES	16
2.4	AS-NEEDED DEVELOPMENT	18
2.5	EBS SUPPORT	18
2.6	AS-NEEDED LEVEL 1 HELPDESK CLOUD SUPPORT	18
2.6.1	AS-NEEDED CLOUD ENRICHMENT SERVICES SUPPORT	19
2.6.2	STATUS REPORTING AND MANAGEMENT OF WORK	19
2.7	CLOUD MANAGED SERVICES SUPPORT AND RESPONSIBILITIES	20
2.7.1	LEVEL 2 / LEVEL 3 – MANAGED SERVICES GENERAL CLIENT RESPONSIBILITIES	21
2.7.2	MANAGED SERVICES MANAGEMENT RESPONSIBILITIES	23
2.7.3	SERVICE VALIDATION AND TESTING	25
2.7.4	CLOUD SYSTEM DEVELOPMENT SERVICES	27
2.7.5	STATUS REPORTING AND MANAGEMENT OF WORK	29
3.	PROJECT STAFFING, ROLES, AND RESPONSIBILITIES	29
3.1	NITI AND LAHD STAFF ROLES	29

3.2	NITI AND LAHD RESPONSIBILITIES.....	30
3.3	PROJECT ORGANIZATION CHART	31
4.	IMPLEMENTATION METHODOLOGY AND WORKPLAN	31
4.1	METHODOLOGY AND DELIVERABLES	32
4.1.1	PHASE 0	32
4.1.2	VISION PHASE	34
4.1.3	VALIDATE PHASE	35
4.1.4	CONSTRUCT PHASE	38
4.1.5	DEPLOY PHASE	41
4.1.6	EVOLVE PHASE	42
4.2	DELIVERABLE ACCEPTANCE	43
4.3	COMPLETION CRITERIA	44
5.	ORACLE SOFTWARE AND THIRD-PARTY SOFTWARE TOOLS	44
6.	RATES, PRICING SUMMARY AND PAYMENT SCHEDULE	45
7.	PROJECT ASSUMPTIONS	45
7.1	GENERAL	45
7.2	LOGISTICAL	47
7.2.1	TARGET OPERATING MODEL	47
7.2.2	ORACLE CLOUD SERVICE	48
7.3	INTEGRATION	49
7.4	DATA MIGRATION	49
7.5	CHANGE MANAGEMENT AND TRAINING	50
7.6	SECURITY AND CONTROLS	51
7.6.1	SECURITY	51
7.6.2	CONTROLS	51
7.6.3	OTHER SECURITY AND CONTROLS TOPICS	51
7.7	EPM ASSUMPTIONS	52
7.7.1	APPLICATION CONFIGURATION	52
7.7.2	BUSINESS RULES	53
7.7.3	DATA INTEGRATION	54
7.7.4	NARRATIVE REPORTING	54
8.	PROVISION FOR FLEXIBILITY	55
9.	GLOSSARY AND TERMS	55

10. ATTACHMENTS.....	57
11. TABLES	58

EXHIBIT A SCOPE OF WORK

1. EXECUTIVE OVERVIEW

The City of Los Angeles Harbor Department (LAHD) requires assistance to migrate the Department's on-premise Oracle E-Business Suite (EBS) Enterprise Resource Planning financial system to a new Oracle Fusion Cloud (ERP) system in Government Cloud and provide related design, development, as well as support services.

The Scope of Work (SOW) is intended to document the scope, roles, responsibilities, tasks and timeframe for the implementation that includes: all work required to migrate from the current on-premise Oracle EBS applications (including existing features, forms used, reports, and Oracle workflows) to Oracle's Fusion Cloud ERP solution; the adoption of the inherent benefits of the new cloud system; as well as the maintenance and support services required after implementation.

The content of the SOW with respect to the original proposal and the Agreement with NITI Systems Consultants (NITI) functions to:

1. Complement and clarify the original proposal and documents negotiated changes;
2. Require that everything in the SOW must be provided; and
3. Require that everything in the proposal must be provided unless the SOW specifically documents the substitution or deletion.

This Executive Overview section is intended as an overview of the Los Angeles Harbor Department's (LAHD) objectives for the project, scope and timeline for the Oracle ERP Cloud Implementation Services. Following the executive overview, the terms of the SOW are documented in the appropriate level of detail.

1.1 PROJECT BACKGROUND AND OBJECTIVES

LAHD currently uses Oracle ERP as its financial and purchasing management system. The ERP system includes the Oracle EBS, Planning and Budget Cloud Service (PBCS) as well as other supporting products and custom-written programs and interfaces. The ERP system provides Financial Management, Procurement Management, Inventory and Cost Management, Workforce Management, Asset Management, Project and Grants Accounting, Debt and Treasury Management, and Budget Management.

LAHD will be migrating the Department's Oracle EBS financial system to a new Oracle ERP Cloud system in Government Cloud, including the cloud's hosted Debt and Treasury

(D&T) SymPro software as the Oracle ERP Cloud (SaaS) does not currently offer a module for D&T. These new cloud systems shall allow for new, enhanced, and improved functionalities for various modules. The Oracle Cloud system's planned go-live date will be July 2023.

NITI will guide LAHD in its business transformation and migrate from the on-premise EBS platform to a future state cloud model on Oracle Fusion Applications in the Government Cloud. With the implementation of the Oracle ERP Cloud system, LAHD expects to transform its overall business processes related to accounting and financial management. NITI will work with LAHD to understand LAHD's current business process, identify gaps in current practices, and make recommendations regarding how to both modify the current business process and implement new practices that will best leverage the system's capabilities to facilitate best-in-class accounting and financial management practices through an ERP system.

1.2 PROJECT TIMELINE

This section shows a high-level project timeline. The project has five (5) main phases – Phase 1-5. Phase 0 has been added in to begin the business transformation and bring parts of the discovery and project planning forward to put in place necessary time for downstream approvals and orchestration for a successful implementation.

The Phases are:

Phase 0 (estimated April 2022 – June 2022) - Designed to begin the business transformation and bring parts of the discovery and project planning forward to put in place necessary time for downstream approvals and orchestration for a successful implementation.

Phase 1 - Vision (July 2022 – November 2022) - In the Vision phase, the project will be officially launched, and key stakeholders will align on key design principles and how best to deploy the integrated and standardized enterprise financial solution across all of LAHD's organizations and locations.

Phase 2 – Validate (August 2022 – November 2022) - The parties will align and finalize the to-be design, develop a plan for implementation and finalize the solution design. During this phase, the final solution design will be validated against the standard to-be design based on leading practices that are inherent in the Powered Solution. As such, LAHD will validate this design (“review” rather than “create”). Through this validation process, LAHD can then determine any requirements that will deviate from this standard. Such deviations will be captured by NITI and reviewed and approved by LAHD. The objective in this phase will be for NITI to develop a tailored enterprise design that meets LAHD's unique business requirements.

Through the Validate phase, NITI will identify the dependencies for processes, people, and technologies and set a general strategic direction that would be a foundation for the overall program, subject to LAHD's review and approval.

Phase 3 – Construct (December 2022 – May 2023) - In the Construct phase, NITI and LAHD will build and test the technology solution and design layers using an iterative testing process, conference room pilot (CRP) and System Integration Testing (SIT) and prepare for deployment.

Phase 4 – Deploy (February 2023 – May 2023) - In the Deploy phase, NITI and LAHD will conduct user acceptance testing (UAT), deploy the solution and its relevant components, and deliver training to end-users.

Phase 5 – Evolve (February 2023 – July 2023) - In the final project phase Evolve, NITI and LAHD will complete post go-live support and project closure procedures and transition to applicable HyperCare support.

The guiding principles of the engagement are as follows:

- Focus on using delivered functionality to achieve business needs and not duplicating existing processes. It is important that the joint teams work toward a solution that meets the business need recognizing that the approach in Oracle Fusion will at times accomplish the same or similar outcome in a different way than was previously done in legacy system(s).
- The Powered Solution provides a sample set of processes, roles and system configurations and other relevant information as a starting point, based on leading practices. During the Validation phase, NITI will walk LAHD through this example in workshop settings and LAHD will make decisions as to whether the leading practice example is appropriate, or where changes should be made at LAHD's direction.
- A consistent design will be implemented across, business units, and Divisions.

During the project, approval from the LAHD Project Manager is required for any Phase timeline schedule changes.

Table 1 - Application Scope

Process Area	LAHD Functional Area / Applications	Proposed Oracle Cloud Modules / Technical Scope	Connecting to LAHD's Key Considerations
Record to Report	Core Accounting General Ledger / Reporting Encumbrance Accounting Budgetary Control Financial Reporting	Oracle Fusion ERP Cloud Service	<p>NITI believes an enterprise-wide review of the Chart of Accounts and GL Structure is essential in every ERP implementation. A simplified and standardized language in which data is captured, reported, automated, synchronized and governed consistently throughout the organization is critical for LAHD to improve reporting and meet the future needs of the operations.</p> <p>NITI agrees with LAHD's ranking of EPM focus areas for this engagement and believe that addressing the foundational aspects of your planning and reporting functions by taking your PBCS custom application to Oracle Cloud EPM Planning and addressing our ACFR reporting with Oracle Cloud EPM Narrative Reporting. This critical transformation will provide the necessary foundational elements to grow our EPM capabilities and look forward to leveraging Oracle's newest technology for the Department.</p> <p>Develop and implement financial process that comply with GAAP costing and accounting regulatory procedures. Such processes are critical to support year-end close and reporting needs.</p> <p>Redesign the Chart of Accounts (COA) by conducting current state and leading practice workshops while also incorporating a broad report cataloging and rationalization activity to confirm the COA design.</p> <p>Allocation of operation cost to expense segments.</p>
Plan to Perform	Financial Reporting Planning and Budgeting (Financials & Workforce) Narrative Reporting	Oracle EPM Enterprise Cloud Service Oracle Cloud EPM Planning and Oracle Cloud EMP Narrative Reporting (Modules)	<p>Financial reporting has evolved beyond supporting daily reconciliation activities and close processes. Today, for organizations like LAHD, reporting is critical to support decision making, expansion, and management operations.</p> <p>As noted in Section 7.7 EPM Assumptions, NITI will assess your current PBCS application and work with LAHD team to make smart choices about how to leverage Oracle Cloud EPM Planning functionality where possible to address LAHD's EPM requirements for both Oracle Cloud EPM Planning and Oracle Cloud EMP Narrative Reporting. NITI will look to leverage available reporting tools to meet requirements, including: Smart View, FR (Financial Reporting) Studio, OTBI (Oracle Transaction Business Intelligence) and BI Publisher.</p>
Acquire to Retire	Fixed Assets	Oracle Fusion ERP Cloud Service	Defining asset categories, tags, and tracking methods better defines LAHD's ability to understand a complete operational picture.

Project to Result	Project Accounting Grants Accounting Budgetary Control	Oracle Fusion ERP Cloud Service	<p>As a public sector organization, LAHD relies on grant funding. Further, LAHD must consider regulatory requirements, including how to spend the funds, what is allowable, allocation of overhead, and tracking grant dollars by project and by individual. Cloud applications help support this in an automated fashion.</p> <p>Reduce manual effort of reconciliation with LAHD legacy/custom systems such as PICS (for capital projects) and MaintStar (for maintenance projects) through integration.</p> <p>As LAHD expands and continues to add assets, funding sources, and operational needs - project accounting will only grow for both capital and indirect projects. Ensuring consistent naming, tracking, and integration across applications and interfaces is critical.</p> <p>Review and better utilize subledger accounting rules to drive financial impact of project related transactions.</p> <p>Allocation of operational costs to projects and leverage burdening functionality to capture overhead charges to projects.</p> <p>Enable budgetary control on projects, on a time period basis (annually/fiscal year basis) and life of the project/grant.</p>
Requisition to pay	Payables Procurement Expense Management Automated Invoice Processing Encumbrance Accounting	<p>Oracle Fusion ERP Cloud Service</p> <p>Oracle Fusion Procurement Cloud Service</p> <p>Oracle Fusion WebCenter and Form Center Cloud Service</p>	<p>NITI understands spend control and automation will drive efficiency, minimize errors, and improve reporting for LAHD.</p> <p>An integrated solution should provide LAHD a streamlined approach from solicitation to payment without duplicate data entry or the need to capture manual signatures while still capturing all of the necessary approvals and providing controls throughout the process.</p> <p>Solution for Withholding tax (requirement for State of CA) and Sales and Use Tax - self-assessment.</p> <p>Leverage workflow for routing of information and gaining approvals.</p> <p>Incorporate process improvements for project-related requisition through fulfillment process.</p> <p>Include encumbering of travel and expense authorization.</p>

Order to Cash	Receivables Advanced Collections	Oracle Fusion ERP Cloud Service	NITI will partner with LAHD to assess critical capability (i.e., Late Fees, Penalties, etc.) and fit with delivered capability in Accounts Receivables. NITI will validate the supporting reference data requirements for enhanced reporting and leverage improved integration capability of cloud for any custom integration requirements. KPMG's Powered Methodology and testing approach ensures all newly released capability in Oracle Fusion Applications is thoroughly tested and any gaps are vetted and quantified before a workaround is defined. Review LAHD's collections requirements and configure Advanced Collections to provide a streamlined collection process.
Store to Fulfill	Inventory Management	Oracle Fusion Supply Chain Execution Cloud Service	NITI will work with LAHD to determine opportunities to improve current processes and leverage available automated process. NITI will reference the functional requirements (Attachment 6) from PU 173.00 through PU 2019.20.
Source to contract	Supplier Relationship Management Strategic Sourcing Strategic Procurement Signature (e.g. DocuSign)	Oracle Fusion Procurement Cloud Services	To enable fully integrated end-to-end automation, LAHD will require a standard catalog, rationalize vendor master, and instances of iSupplier portal will be required. Develop supplier diversity matrices for reporting purposes to LAHD.
Debt and Treasury	SymPro Debt and Treasury Application	SymPro	Define Debt and Treasury requirements and coordinate with SymPro to enable the requirements in the software. Investigate and assess the integration requirements for SymPro to push journal entries into the Oracle Financial Cloud early.

During the Vision phase, NITI will outline the business operations and supporting systems with a clearly stated functional strategy and roadmap to transform current state to future state, and the associated enterprise structure.

During the Validate phase, NITI will deliver the Target Operating Model (TOM) describing the business transformations and future state and a prioritized list of required changes to the environment, agreeing on the purpose and scope of the solution, and the transformations within the finance operations.

LAHD provided a list of functional requirements to NITI in Attachment 6 - Functional Requirements of the request for proposal. NITI will leverage the requirements as a basis of understanding but will leverage KPMG's Powered Enterprise methodology to drive the solution design in order to gain the most benefit of process transformation for LAHD.

Any deviations to the baseline Powered Enterprise solution will be determined and documented in Section 4.1.4 Validate Phase – Deliverable Va-8. NITI will review LAHD's workflow / existing AME rules as part of NITI led validation workshops. The list provided in Attachment 8 – EBS Workflows and AME Rules of the RFP will be leveraged as the basis for this review but will be validated during the workshops to document any changes necessary to transform the workflows/AME rules to new functionalities.

LAHD's functional requirements document as provided in the Request for Proposals will be used as a reference point and is included as Attachment 6.

2.1.1 BUSINESS TRANSFORMATION

The Business Process work stream will identify and confirm the affected core business functions that make up the scope of the transformation and validate against Attachment 4 - Oracle Billing of Material (BOM). Leveraging the pain-points identified in the LAHD Functional Lead workshop, engage in small working sessions with the LAHD team and subject matter professionals to determine if directly in scope, partially in scope or not in scope.

NITI will utilize KPMG's Powered Enterprise process taxonomy tile boards to review the Finance, EPM, Procurement & Projects level 3 processes. This will lead to the initial vision for LAHD's transformed business operations in the form of a Target Operating Model (TOM). The team will then determine the transformation scope during working sessions with key functional stakeholders, and map the transformation scope to the enabling Oracle technology module to identify transformation opportunities' and key decisions.

Business process transformation should be accomplished and in alignment with the best practices and requirements of both government enterprise agencies and Oracle ERP Cloud.

2.1.2 EPM

CUSTOMER LABOR MODULE

NITI will be deploying the InnoFin public sector starter kit for position planning functionality built for EPM to facilitate planning of salaries and other compensation related elements by position as part of the migration of the existing PBCS application into the new Enterprise Planning platform and enable hybrid BSO on dimensions where applicable to enhance the performance of the application.

Specific scope related to Position Planning model:

- Enable Hybrid BSO on dimensions (1 new BSO cube in Planning application and 1 new ASO cube); Up to 5 new Reports developed for position planning process; Up to 50 forms for Personnel Planning;
- Test performance implications of Hybrid BSO;
- Interface with Cloud HCM;
- Conversion of Position historical data will include costs and FTE only;
- Remove unnecessary aggregations from business rules and sunset usage of aggregation rules from forms and job scheduler;

Import position planning starter kit and make modification to dimensions, web input forms, financial reports, and calculations aligned with the detailed design for position planning.

- Build position dimensions (Position, Pay Elements, etc.) using metadata flat files provided by LAHD;
- Modify position planning calculations in Calculation Manager based upon fit/gap analysis (up to 10 modifications);
- LAHD's Budget application will include calculations from Innofin's Public Sector Starter Kit based upon position planning fit/gap analysis. Functionality includes:
 - Calculate Compensation
 - Allocate Position Costs
 - Add Position
 - Delete Position
 - Transfer Position
 - Close Position
 - Mass Step Increase
 - Cost of Living Adjustment (COLA)
 - Mass Pay Element Rate Change
 - Add Pay Element
 - Delete Pay Element
 - Update security configuration, as required
- Examine ability to interface with new HRP (City of Los Angeles' Human Resources and Payroll system).

2.2 TECHNICAL SCOPE

The Technical scope will align to requirements as noted in Attachment 9 - LAHD ERP Cloud Interface Requirements and Attachment 7 – Technical Requirements.

In addition to the interfaces listed in Attachment 9, additional interfaces with SymPro and DocuSign will be included.

2.2.1 INTERFACE DEVELOPMENT

The interfaces required by the future state application architecture will be confirmed during the Validate phase. The scope of interfaces to be identified includes all interfaces between the Oracle modules to and from external systems and/or the integration layer. Reference Table 2 – Interface Objects

Table 2 - Interface Objects

	Module	Interface Object	Complexity
1	iExpense	Citi Air Travel Expense Credit Card Inbound Interface	Moderate
2	iExpense	Citi MC Travel Expense Credit Card Inbound Interface	Moderate
3	iExpense	US Bank Credit Card Inbound Interface	Moderate
4	Cash Management	FMS Cash Management Inbound Interface	Moderate
5	Payables	FMS Payment Outbound Interface	Moderate
6	Payables	FMS Warrant Inbound Interface	High
7	Core HR	HDTIME Employee Info Inbound Interface – WorkDay data source at time of implementation	Moderate
8	Project	HDTIME Project Costing Inbound Interface – WorkDay data source at time of implementation	High
9	Project	HDTIME Task Details Outbound Interface – WorkDay data source at time of implementation	Moderate
10	General Ledger	HDTIME to GL Inbound Interface – WorkDay data source at time of implementation	Moderate
11	Receivables	KLEIN AR Customer Inbound Interface	Moderate
12	Receivables	KLEIN AR Invoices Inbound Interface	Moderate
13	Receivables	KLEIN AR Penalty Invoice Outbound Interface	Moderate
14	Receivables	LOCKBOX Inbound Interface (JP Morgan, Wells Fargo)	Moderate
15	Payables	OPEN DATA Outbound Interface	Moderate
16	General Ledger	PBCS/Planning Inbound Interface	Moderate
17	iExpense	PCARD Inbound Interface	Moderate
18	Projects	PICS Outbound Interface	Moderate
19	Projects	MAINTSTAR Inbound Interface	High
20	Projects	MAINTSTAR Outbound Interface	Moderate
21	General Ledger	PBCS/ Planning Outbound Interface	Moderate
22	Payables/Receivables	Bank Account – Inbound Interface (2 Banks)	Moderate
23	Payables/Receivables	Bank Account – Outbound Interface (2 Banks)	Moderate

2.2.2 REPORTS DEVELOPMENT

NITI will conduct reporting sessions to review standard Oracle reports with LAHD. As part of these sessions, NITI and LAHD will identify and document customizations to existing reports and/or net new custom reports required by LAHD across the in-scope processes. Any analysis, design or enhancements to downstream data warehouses and downstream reporting tools is out of scope for this SOW. NITI includes up to twenty (20) custom reports for development across ERP and EPM and will be captured as MoSCoW items during the validate phase (for example the Comprehensive Funds Available Report as referenced in the RFP).

APPROACH

- Iterative approach
- Forces reporting and analytics business value prioritization
- Release early, release often
- Delivers value continuously
- Collaboration drives user adoption
- Business analysts take ownership of the data, reporting, analytics and dashboard capabilities
- Users are invested and motivated to take advantage of the reporting and analytics platform (rather than rely on legacy approaches, such as MS Excel).
- The LAHD's Reporting Team takes ownership and responsibility for the environment.
- Report rationalization process establishes a streamlined set of reports and analytics leveraging leading practices.
- Knowledge transfer supports long-term effectiveness.
- Leading report developers are the Subject Matter Professionals (SMP) with reporting tech skills.
- Powered Enterprise's knowledge transfer sessions during project implementation are much more impactful than typical training.

2.2.3 ORACLE WORKFLOWS

NITI will review LAHD's workflows and existing AME rules as part of the validation workshops. The list provided in Attachment 8 - EBS Workflows and AME Rules will be leveraged as the basis for this review but will be validated during the workshops to document any changes necessary to transform the workflows/AME rules to new functionalities.

2.2.4 DATA CONVERSION

Conversion refers to migrating data from LAHD's Legacy Systems to the new Oracle Fusion Applications, which will include both Master data (such as customer, items, and suppliers) and transactional data (such as GL balances, sub ledger transactions). The Conversion Data Objects in scope for this engagement are described in Table 3 – Programmatic Conversion Data Objects.

NITI will provide leading practice guidance regarding conversion approaches and will document LAHD's needs in a Conversion Strategy deliverable. NITI assumes all master data will be sourced from legacy LAHD systems: Oracle E-Business Suite (EBS).

NITI will execute against the Conversion Strategy deliverable as defined in the Exhibit B – Validate Phase Deliverables: Data Migration Strategy. The formalized development activities, shared between LAHD and NITI, will be executed as defined for the data objects in the following table. LAHD will be responsible for the creation of the legacy data extracts while NITI will be responsible for loading the following data objects into Oracle Fusion Application. Business rules, error handling and data discrepancies will be handled as defined in Section 4.1.4 Validate Phase, Va-11 Data Migration Strategy.

Table 3 - Programmatic Conversion Data Objects

	Data Object	Data Type	Sample Business Rules	Complexity
1	Active Customers	Master	Active customers, addresses, sites, and contacts or as defined in the functional design documents for the conversion.	High
2	Inventory Master Items	Master	Active items	Moderate
3	Suppliers	Master	Active suppliers, addresses, sites, addresses, contacts, and bank accounts	Moderate
4	AP Invoices	Trans	Open AP invoices (remaining balance only)	High
5	AR Receipt	Tran	Open Unapplied AR receipt	Moderate
6	AR Invoices	Trans	Open AR Invoices (remaining balance only)	High
7	Fixed Asset Books	Trans	All in-use Assets; not retired	Moderate
8	GL Journal Balances and Transactions	Trans	Primary General Ledger conversion - Beginning balances (as of July 1, 2021); Primary General Ledger conversion - Net Period Activity balance (July 2021 till June 2022) Primary General Ledger conversion - Detail Journal Activity (Current Fiscal Year)	High
9	Budget	Tran	Budget for last and current fiscal year	Moderate
10	Inventory On-Hand Balance	Trans	Inventory balances by location	Moderate
11	Purchasing Contract	Trans	Open Contracts	High
12	PA Expenditures	Trans	Open projects, incurred but not yet capitalized (for capital projects)	High
13	PA Projects/Tasks	Trans	Open projects (and tasks) only	Moderate
14	PO Standard Open Orders	Trans	Open POs (remaining balance only)	Moderate
15	Employee and Contingency worker	Master	Active: Employee and contingency worker	Moderate
16	Job / Assignment / Position	Master	Active Jobs	Low
17	Department / Cost Center	Master	Active Department and Cost Center	Low

LAHD will be responsible for extracting legacy data from source systems into the NITI-provided file format, and for validation of converted data objects loaded into Oracle Cloud back to legacy LAHD systems to confirm data quality.

Data cleansing will be the responsibility of LAHD. Only cleansed data will be loaded into the Oracle Cloud solution. LAHD is aware that poor data cleansing will impact the project timeline and the quality of the Oracle Cloud solution. NITI will

assist LAHD with developing the data cleansing approach that will be executed by LAHD.

2.2.5 DATA ARCHIVING

NITI will perform an assessment and implement a data archive solution for historical data containing data currently residing from two different sources - LAHD's current EBS environment and archived data in a MS SQL Server 2012. Estimated storage for the current EBS data will be up to 1 TB, and the MS SQL Server 2012 should remain at the current 26 GB.

The data within the EBS system will fall within three (3) separate categories:

- Data required for compliance, legal or statutory purposes
- Transactional data required for historical reporting and audit purposes
- Data no longer required (e.g. internal system management data)

NITI understands it is LAHD's intent to archive the total current volume of data (both EBS and archived data) in a warm storage to satisfy near term reporting requirements.

APPROACH

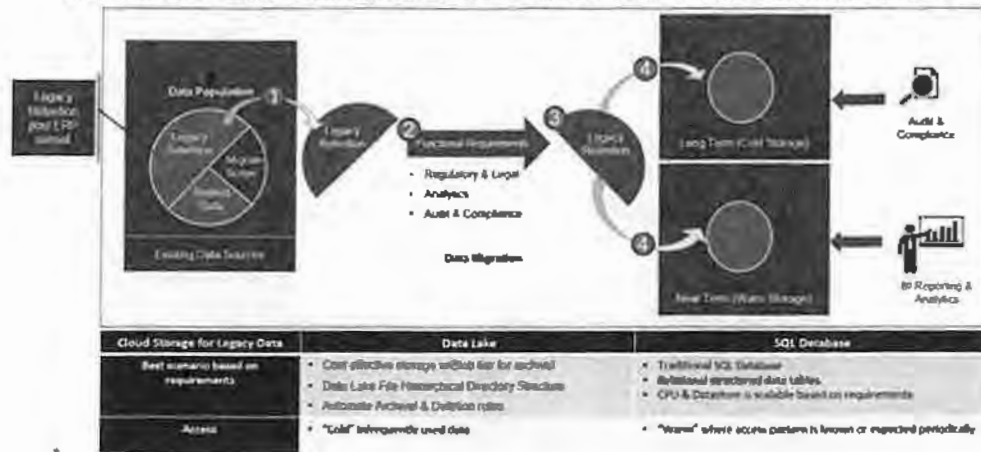
- Restrict access to the legacy system: All ability to change data in the legacy system will be removed and replaced with inquiry only access for all users that need to be able to view the history.
- Remove non-operational data: Non-transactional data will be deleted from the legacy system (e.g. internal logging and system audit tables).
- Reduce service level: Once the final migration has been successfully performed and signed-off, including all reconciliation processes, the legacy EBS system will then no longer be a production system. On-line access to the legacy EBS system will be removed and any remaining legacy EBS applications will then be decommissioned.
- Move to low cost storage: The legacy EBS system database will be migrated to permanent 'low cost' storage in a warm storage format for easy of data access through SQL queries or off the shelf reporting tool (i.e. Magnitude Angles for Oracle - formerly Noetix) used to read the Oracle table data structures. The data will maintain its existing data structure (both EBS data and MS SQL server structure) and will not be remapped or altered in anyway during the migration / archive. NITI will support the implementation of a data archiving reporting tool. LAHD will be responsible for software and ongoing maintenance costs for any reporting tool.
- Securely destroy: Finally, the data residing in the legacy data storage sites will be securely destroyed per future state strategy defined in Phase 0.

- Requirements of data archive solution will be assessed in Phase 0. LAHD will review and approve the outlined approach and design in Phase 1.

Refer to the image below for the data archive approach:

Archival Retention, and “End-of-Life” deactivation for Legacy System

Platform decision to retain legacy data will be part of the ERP Archival Exercise – based on the use-cases, functional and legal requirements



Deliverable Name	Description
Data Archive Services	<p>The implementation and migration of legacy data from EBS into the data archive solution including integration into Magnitude Angles for reporting. Deliverables should include built-in reports of legacy data in which LAHD end-users has capability to run reports against legacy/historical data. Details of reports will be assessed and designed in Phase 0</p> <p>The number of reports for the legacy data archive solution is a separate count from the count stated in Section 2.2.2 (Reports Development).</p> <p>Transactional data including attachment such as invoices and memos attached to requisitions and receipts attached to expense reports will also part of the archiving solution. Details on the approach will be discussed in Phase 0.</p>

2.3 CHANGE MANAGEMENT AND TRAINING SERVICES

NITI shall provide guidance and mentor the project core team to successfully implement the overall business transformation and system changes for LAHD.

NITI will work with LAHD to design strategies and plans that resonate with LAHD's stakeholders.

Below is a high-level summary of change and learning enablement activities designed to assist with the migration to Oracle ERP Cloud and its synergy with NITI's Powered Enterprise methodology.

	VISION Make it Clear	VALIDATE Make it Known	CONSTRUCT Make it Real	DEPLOY Make it Happen	EVOLVE Make it Stick
Purpose	Align leaders around the strategic aims, ambition, and scale of change and how this impacts required behaviors and ways of working	Communicate the change vision and case for change and begin to create ownership of the solution	Translate the change vision into reality for people and clarify what the change means to them	Equip the organization for their new ways of working and transition to the future state	Ensure there is a capability in the organization to sustain the change
Key Activities	<ul style="list-style-type: none"> — Identify new behaviors and ways of working required — Define and validate the case for change, vision, and guiding principles — Align leaders on the change — Analyse stakeholders (groups and individuals) 	<ul style="list-style-type: none"> — Engage key stakeholders — Launch Change Agent Network — Collect, assess, and validate change impacts — Define change metrics — Draft, iterate, and execute global change strategy and plan — Begin regional customizations for first deployment 	<ul style="list-style-type: none"> — Execute on Change Management plan and iterate as needed — Maintain change impacts with functional leads — Align on process for utilizing narratives during Conference Room Pilots (CRPs) — Engage stakeholders, specifically with changes coming to their roles — Define readiness checkpoints — Monitor change metrics 	<ul style="list-style-type: none"> — Start knowledge transfer between functions — Validate end user readiness to adopt the change — Execute go-live communication cascade — Enact Hypercare support model 	<ul style="list-style-type: none"> — Provide post go-live support — Ensure the change is sustainable

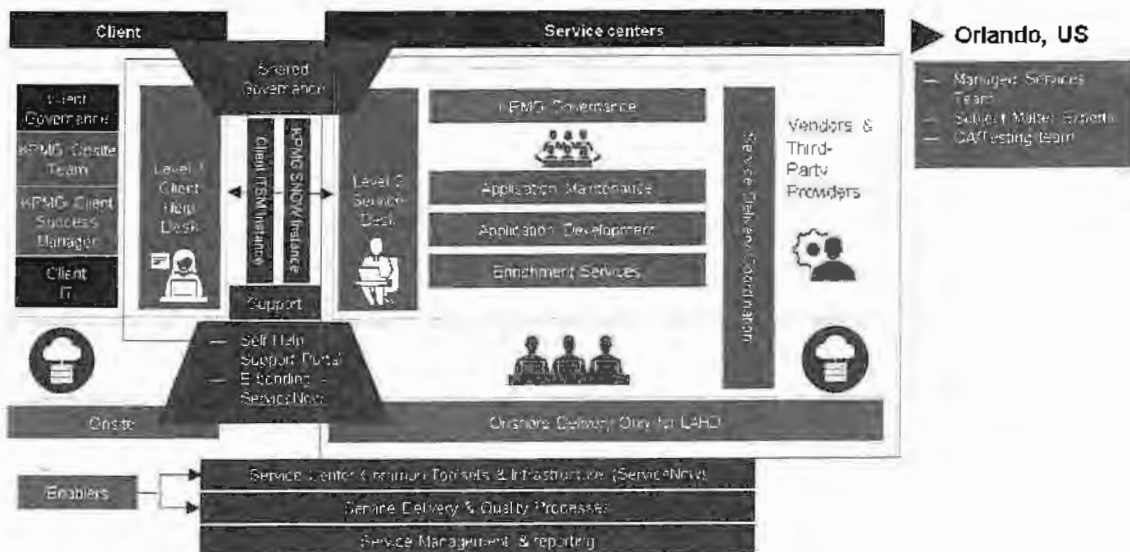
- NITI will be responsible for the development of communication and engagement materials as detailed in the Change and Communications plans. LAHD will be responsible for approving and distributing all materials intended for a non-project team audience (i.e. the organization or external vendors/partners).
- If labor group involvement is required, NITI will help develop communication materials as requested by the LAHD liaison, but all labor group interactions must be handled by LAHD directly. LAHD will work with NITI to provide communication content that is appropriate for the organization and location.
- During the Vision phase, NITI's Change Team will conduct up to ten (10) key leaders and stakeholders' interviews to inform the Change Management Plan and the Case for Change. LAHD will identify these leaders and make them available for interviews during the Vision phase.
- Training conducted by NITI should be based on the Department's ERP Cloud setups and configurations; and segmented into the following groups of users:
 - Super users
 - System administrators
 - Workflow approvers
 - Other end users
- Training content will cover basic functionality and navigation of the Oracle application and the key processes therein; Change Management is not responsible for closing competency or skill gaps.
- NITI will develop training materials in the job aids format in US English. Job aids are defined for LAHD specific production instances as step-by-step system instructions for key transactions with process flow context. Job aids will be packaged with role-specific change impacts, process documentation, and any additional context as provided by the functional SMEs. The agreed upon curriculum will leverage Oracle's Guided Learning workflow where possible, and determine the number of in-scope job-aids (not to exceed 1600 development hours).
- LAHD is responsible for enhancing the job aids to cover other business processes that will otherwise be performed outside of Oracle Cloud. LAHD is responsible for enhancing the job aids to convert content to a user guide format if desired.
- See Attachment 2 - Change Control for details.

2.4 AS-NEEDED DEVELOPMENT

NITI will provide as-needed design, development, implementation and other related tasks upon LAHD's requests. Documentation and knowledge transfer based on related tasks, shall be also provided including a tracking log of tasks and hours. Work Authorization should follow the Work Authorization process as described in Section 2.6 (AS-NEEDED LEVEL 1 HELPDESK CLOUD SUPPORT).

2.5 EBS SUPPORT

NITI has partnered with Aslan Consulting to provide EBS support services with three (3) distinct support levels: Levels 1, 2, and 3. The diagram and explanation below further elaborate on our support structure and approach.



Please refer to Attachment 3 – Support SLAs for detailed description of each level of support

2.6 AS-NEEDED LEVEL 1 HELPDESK CLOUD SUPPORT

After the Hypercare post go-live support period, LAHD may require Level 1 Helpdesk Cloud Support from NITI on as-needed basis.

Pricing will be based on the rates specified in Exhibit B. NITI will invoice based on actual hours.

The makeup of NITI support team shall be comprised of dedicated and consistent members who will:

- Be familiar with LAHD systems, operating environments, and issues.
- Ensure continuity and accountability throughout the lifecycle of the issue from initiation through escalation and to final resolution.

NITI shall assign a project manager for LAHD who will function as the single point of contact for any issues, communication, work requests, etc. Below are the main the point of contacts:

Name	Email Address	Phone No.
Jignesh Patel (NITI Systems)	JPatel@nitisys.com	(404) 509-3055
John Masley (KPMG)	JMasley@kpmg.com	(281) 221-0242

If any team member is not satisfactory to LAHD, NITI shall replace with acceptable staff person within two weeks, or mutually agreed upon timeline.

WORK AUTHORIZATION

Work shall be authorized through task orders as follows:

When service is needed, LAHD will provide request with scope of work to NITI. NITI shall respond with a quote for the required work within four (4) business days of receiving the request from LAHD, or mutually agreed upon deadline. Once quote has been reviewed and approved, LAHD will issue a task order to NITI. NITI shall perform the work required to complete the request.

2.6.1 AS-NEEDED CLOUD ENRICHMENT SERVICES SUPPORT

Enhancements will be provided at the request from LAHD and will be priced and scoped at the time of the request.

Project Work will be scoped out and agreed to before any work begins. NITI shall provide a Statement of Work that includes a level of effort and pricing estimate based on the rates specified in Exhibit B. The scoping and estimates will be completed within four (4) business days of a written request or within mutually agreed upon deadline. There will be no cost to prepare the estimates.

2.6.2 STATUS REPORTING AND MANAGEMENT OF WORK

NITI will provide LAHD a summary of open Service Requests, resolved Service Requests, and the status of any tasks being scheduled or performed. A meeting to review the status of Service Requests will be scheduled on a mutually agreed upon schedule. In addition, outside of these scheduled review sessions, NITI will be available at any time to discuss issues, review service enhancements, or any other topic to meet LAHD requirements.

All Support work orders must include complete documentation and knowledge transfer detailing the resolution.

2.7 CLOUD MANAGED SERVICES SUPPORT AND RESPONSIBILITIES

NITI will provide post implementation support for the Cloud ERP solutions as part as a managed service. As part of managed services, NITI will provide LAHD services included in the "Base Services" category.

The NITI Team's Cloud Managed Services lead resources will be finalized and presented to the LAHD for the LAHD's review and approval prior to the commencement of the NITI Team's Cloud Managed Services tasks.

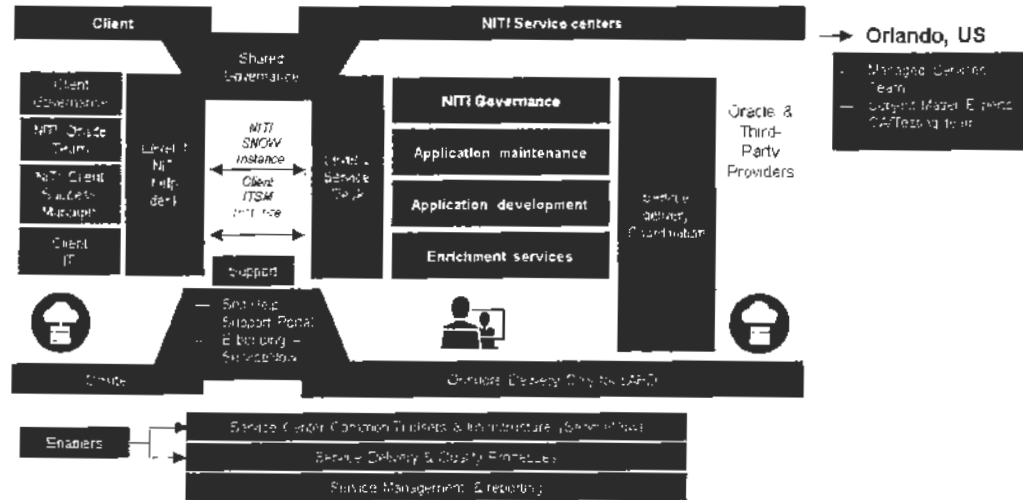
SCOPE OF SERVICES:

A. BASE SERVICES



<p>Case management</p> <p>NITI service Desk will be the single point of contact for requests and augment client's existing help desk capabilities with case management support via the ServiceNow ticketing system.</p>	<p>Quarterly update support</p> <p>Management of quarterly updates, including; impact assessment coordination of upgrades, regression testing, and change notifications for application functionality, and/or controls and security due to platform-driven functionality releases or large-impact defect fixes.</p>
<p>Patch management</p> <p>Management of patching cycles against a specified pre-production environment which will involve execution of regression tests from agreed regression test packs that will be collaboratively created at start of the service and thereafter maintained by NITI.</p>	<p>Patch management</p> <p>Client-specific content is leveraged and/or created to support consistent and tested resolutions related to: design documentation, configuration guides, training materials, and service delivery process and procedures</p>

B. SERVICE DELIVERY MODEL



2.7.1 LEVEL 2 / LEVEL 3 – MANAGED SERVICES GENERAL CLIENT RESPONSIBILITIES

In addition to the roles and responsibilities outline below, LAHD shall:

- Designate an individual who has the requisite skills, knowledge and/or experience to oversee Managed Services (“Contract Manager”).
- Ensure timely engagement by the team responsible for the services hereunder to assist with NITI’s timely completing of its responsibilities.
- Provide oversight, along with the NITI team, of the project progress and address issues, if any, as they arise.
- Complete acceptance and signoff on Deliverables as defined herein.
- Provide access to any LAHD Resources necessary for NITI to provide Managed Services and any duties or responsibilities related to the use of such Client Resources.
- All activities below (through 2.7.3) are considered Base Services.

Activities	NITI	LAHD
Provide reports and/or data on a monthly basis in respect of Base Services and Enrichment Services charges.	√	
Provide input for preparation of budgets and other planning processes as requested by Client.	√	
Provide timely input for requests and changes to		√

the Managed Services Forecast		
Coordinate with Client on a monthly basis forecasting for the Managed Services.	√	
Participate in Client functional analysis meetings as reasonably requested.	√	
Develop, update and maintain, support configuration workbooks, standard operating procedures and production procedures (where applicable).	√	
Provide and maintain Client contact, escalation and notification requirements (e.g. email, IM and/or phone).		√
Provide reports in accordance with the Agreement.	√	
Establish operations and service management quality assurance programs. Analyze performance reports and make changes to operations and service delivery based on the service management quality assurance programs.	√	
Create, update and maintain online standards, policies, technical, operational and self-help documentation for the Managed Services.	√	
Review and update training materials as required due to changes in Cloud System.	√	
Conform Cloud System to changes in federal, state, and local laws, regulations and policies as applicable to the Managed Services as directed in writing by Client.	√	
Report Service Level performance on a monthly basis against targets for Service Levels. If requested, make calculation data elements available to Client.	√	
Provide access to monthly metrics reports.	√	
Manage, coordinate and schedule monthly Service Level reviews.	√	
Approve system access requests.		√

Grant access to systems as requested and approved by the Client administrator.	√	
Maintain Cloud System-related documentation reasonably required for commercially reasonable security assessments, audits and internal control and control testing.	√	

2.7.2 MANAGED SERVICES MANAGEMENT RESPONSIBILITIES

A. MANAGED SERVICES OPERATIONS RESPONSIBILITIES

Activities	NITI	LAHD
Develop and maintain Cloud System road-map.		√
Conduct feasibility studies for the implementation of new modules and functionality.	√	
Conduct feasibility studies for the implementation of Enhancements.	√	
Create, implement and maintain a process and log to manage requests for new requirements to existing applications from Authorized Users.	√	
Prioritize requests for Base Services and Enrichment Services.		√
Identify scope and timing of Enrichment Services.		√
Monitor Vendor notices regarding the availability of Quarterly Updates and advise Client as to their applicability.	√	
Run annual segregation of duty report and deliver results to Client.	√	

B. RELEASE MANAGEMENT RESPONSIBILITIES

Activities	NITI	LAHD
Update and maintain Cloud System configurations.	√	
Create and maintain the release management plan.	√	

Review and approve the release manage plan.		√
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C. CHANGE AND QUARTERLY UPDATE MANAGEMENT

Activities	NITI	LAHD
Coordinate Quarterly Updates, including emergency outage responses as required in accordance with the Change Management Processes.	√	
Perform promotion activities using automated tools, where feasible, or defined processes and procedures.	√	
Perform a roll-back of deployed code if needed.		√
Participate in recurring Change Management Process meetings.	√	√
Review proposed Changes for completeness.	√	
Approve Changes on a timely basis.		√
Execute the Client Change Management Process.		√
Perform Changes in Production.		√
Record, document and track information on proposed changes to Cloud System.	√	
Provide information in support of audits for compliance-related activities and internal / external audits upon Client's reasonable request.	√	
Manage communication, coordination, monitoring and scheduling of Changes in environments with Client as necessary.	√	
Coordinate Changes to published schedule, ad hoc Changes schedule, and Cloud System availability schedule.	√	
Provide Change window forecasting based upon Quarterly Update Management needs and business negotiated outage windows.		√

D. INCIDENT AND PROBLEM MANAGEMENT RESPONSIBILITIES

Activities	NITI	LAHD
Recommend, document and implement leading practices for Incident and Problem management.	√	
Recommend Managed Services improvements based upon Incident data.	√	
Coordinate Incident conference calls for Major Incidents.	√	
Manage Incidents and Problems as they arise.	√	
Facilitate break/fix and maintenance support with Vendor.	√	
Coordinate Incident and Problem resolution with Vendor, and Client IT groups.	√	
Communicate with the applicable Authorized User to validate and obtain confirmation each Incident has been resolved prior to closure.		√
Perform trend analyses and other analyses to attempt to identify recurring or systematic problems.	√	
Perform Root Cause Analyses for P1s and repetitive Incidents, attempt to identify preventative measures and attempt to implement fixes to prevent recurrence.	√	
Lead, manage and coordinate Root Cause Analysis discussions.	√	

2.7.3 SERVICE VALIDATION AND TESTING

A. TESTING RESPONSIBILITIES

Activities	NITI	LAHD
Provide, document and maintain user acceptance tests.	√	
Prototype new scenarios in test environments to support design efforts.	√	
Develop, document and maintain Integration testing procedures in the Process and Procedures Manual.	√	

Coordinate/support business involvement in User Acceptance Testing.		√
Sign-off approval of Acceptance test results.		√
Manage Client's functional, integration, and regression test environments and associated test data, including creation and maintenance during the testing period.		√
Create test environment and data where required, including demonstration of requirements traceability to verify the requirements specified in the requirements document have been satisfied.	√	
Approve testing plans.		√
Review and approve QA environment plans.		√
Coordinate Cloud System testing configurations, including coordination with Client or Client-specified IT infrastructure teams or Vendor in regard to system software, network, capacity, and other requirements needed for testing.	√	
Coordinate, develop and maintain test data in Client-approved repositories.	√	
Create test plans, test cases, test scripts, test data and schedules.	√	
Approve test plans, test cases, test scripts, test data and schedules.		√
Coordinate with Client entities and third parties required to conduct Testing Services (i.e., gain user involvement, establish and define acceptance criteria, setting high-level test objectives, and establish high level test scenarios).		√
Conduct the following tests, as required or specified by Client prior to introducing and releasing a Change into Client's Production environment: Unit, Functional, End to End, Regression, System and Integration. (For multiple system projects, this includes coordination with the affected systems).	√	
Review testing results for compliance with policies, procedures, regulatory standards, plans, and test criteria and metrics (e.g., defect rates, progress against schedule).		√
Validate Changes to Cloud System for compliance with Client security policies.		√
Record and report applicable test results.	√	
Complete and deliver to Client required testing documentation.	√	
Conduct walk-throughs of applicable test results with Client-appointed representatives.	√	

Work to correct defects found as a result of testing efforts.	√	
Monitor and review Production defects to attempt to improve test models over time.	√	

B. USER ACCEPTANCE TESTING RESPONSIBILITIES

Activities	NITI	LAHD
Facilitate and support UAT (e.g., establishing adequate test environments based on acceptance criteria, preparing data to support test scenarios within modified system as well as managing the relationship with interfaced systems necessary to conduct test, troubleshooting, support users to progress through scenarios, simulating Interfaces or working with integrated systems to conduct end-to-end tests, support batch processing, exercise functionality, and report results) as prescribed.		√
Participate in test plan reviews, recommending appropriate test environments/configurations, and determining necessary test data.		√
Support User Acceptance Testing, including identification and support for Authorized Users participating in the testing.	√	

C. INFORMATION SECURITY MANAGEMENT RESPONSIBILITIES

Activities	NITI	LAHD
Establish Client security strategies, policies, standards and guidelines.		√
Provide Resources to assist with compliance testing relevant to Managed Services, as requested by Client.	√	
Work with the Vendor to document, communicate, recommend and take actions to resolve risks and issues associated with security vulnerabilities across Cloud System-related environment.		√
Provide documentation and reasonably cooperate in third party security audits	√	
Maintain confidentiality of user information (contact information and passwords).	√	

2.7.4 CLOUD SYSTEM DEVELOPMENT SERVICES

(Note: Cloud System Development Services apply to Base Services and applicable Enrichment Services in relation to Service Requests.)

A. DELIVERY MANAGEMENT RESPONSIBILITIES

Activities	NITI	LAHD
Provide input to develop design decision documents and meetings.	√	
Create and maintain project plans for approved development items.	√	
Perform progress and milestone reporting (when applicable).	√	
Manage development activity towards budget, schedule and quality requirements.	√	
Coordinate hand-over to Client in accordance with specified checklists.	√	

Provide timely Sign-off/Acceptance.		√
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B. REQUIREMENTS DEFINITION RESPONSIBILITIES

Activities	NITI	LAHD
Act as primary point of contact with the business to define, gather, refine, and prioritize business requirements for Enrichment Services.		√
Develop and document business requirements for Enrichment Services.		√
Develop Functional Requirements Documents, including conceptual, logical and physical data models for Enrichment Services.	√	
Conduct value assessments of Functional Requirements and generate an impact analysis.	√	
Approve all Functional Requirements.		√
Identify the need for software upgrade requirements and execute based upon a Service Request from Client.	√	
Approve Cloud System Quarterly Update requirements.		√
Define local adaptation deployment criteria and delivery requirements (i.e. laws/regulations).		√

C. HIGH LEVEL DESIGN RESPONSIBILITIES

Activities	NITI	LAHD
Create the high-level design document from the business and Functional Requirements.	√	
Review and approve the high-level design document.		√
Develop RICE (Report, Interface, Conversion and Enhancement) related requirements.	√	
Develop overall Minor Enhancement cost and schedule estimate.	√	
Develop Minor Enhancement Service Request.	√	
Approve Minor Enhancement Service Request.		√

D. DETAIL DESIGN RESPONSIBILITIES

Activities	NITI	LAHD
Create the detailed design document from the Functional Requirements, if necessary for applicable Enrichment Services.	√	
Document and present evaluated implementation options.	√	
Review and approve detailed design documents.		√
Approve test cases prepared by NITI.		√
Define implementation and deployment policies and project schedules to meet deployment and delivery requirements.	√	

Activities	NITI	LAHD
Review and approve implementation, deployment policies and schedules.		√
Provide Minor Enhancement implementation cost and schedule estimates.	√	

E. CODING AND UNIT TESTING RESPONSIBILITIES

Activities	NITI	LAHD
Establish Minor Enhancement schedule.	√	
Provide overall programming and development module delivery schedule for Client sign-off or Acceptance, as applicable.	√	
Approve overall programming and development module delivery schedule.		√
Perform necessary technical design, programming, development, unit testing, and scripting, as required for each Minor Enhancement.	√	
Manage programming and development efforts using industry-standard project management tools and methodologies.	√	
Conduct development status reviews and provide written report on results to Client.	√	

2.7.5 STATUS REPORTING AND MANAGEMENT OF WORK

NITI will provide LAHD a summary of open Service Requests, resolved Service Requests, and the status of any tasks being scheduled or performed. A meeting to review the status of Service Requests will be scheduled on a mutually agreed upon schedule. In addition, outside of these scheduled review sessions, NITI will be available at any time to discuss issues, review service enhancements, or any other topic to meet LAHD requirements.

All Support work orders must include complete documentation and knowledge transfer detailing the resolution.

3. PROJECT STAFFING, ROLES, AND RESPONSIBILITIES

3.1 NITI AND LAHD STAFF ROLES

Below are the key personnel proposed for this engagement. Additional subject matter and functional leads are designated in NITI's proposal response.

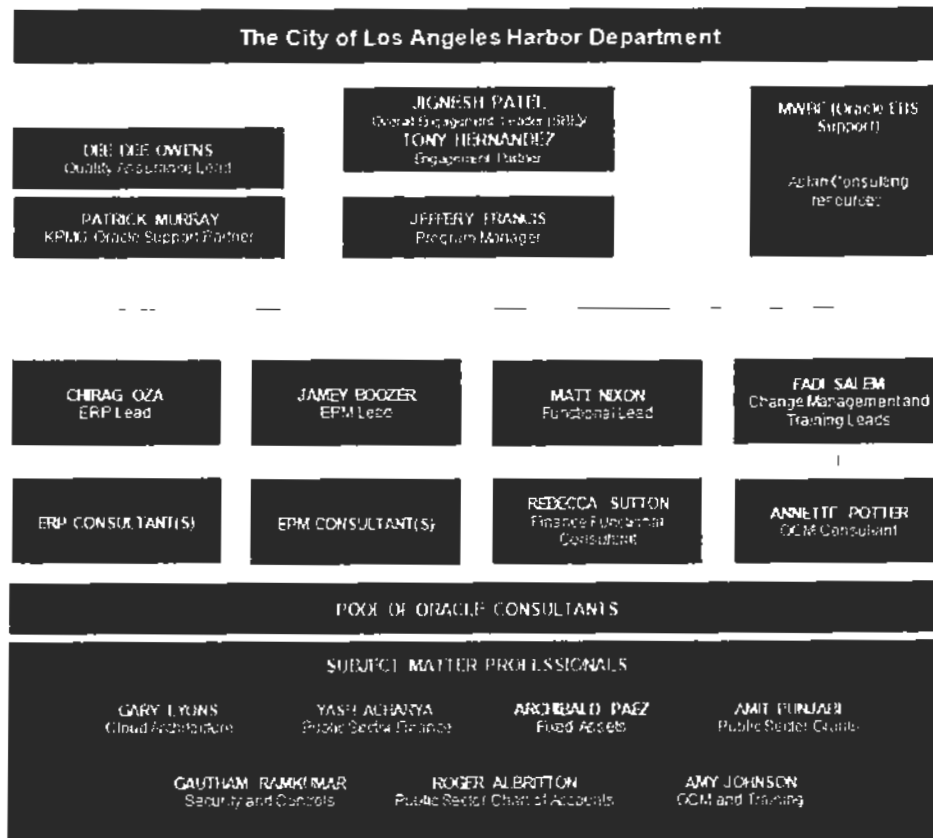
Resource	High Level Responsibility
<p>Jignesh Patel and Tony Hernandez</p> <p>Engagement Leaders</p>	<p>Jignesh has over 20 years of Public Transit experience in the areas of Transit Planning, Mobility Solutions Delivery, Systems Engineering, IT Advisory Services, Technology Governance, and Data Driven Decisions. Tony has more than 30 years of experience serving public sector and related clients, including overseeing large scale ERP transformation for transportation agencies. Jignesh and Tony will have overall responsibility for the engagement including oversight of deliverables, implementation, and governance.</p>
<p>Dee Dee Owens</p> <p>Quality Assurance Lead</p>	<p>Dee Dee serves as the Lead Partner for the City of Los Angeles and has over 20 years of QA and system implementation experience. She will review work product to help ensure quality and consistency, as well as alignment with Harbor Department expectations. Dee Dee will also periodically meet with Harbor key stakeholders throughout the project to obtain feedback.</p>
<p>Jeffery Francis</p> <p>Program Manager</p>	<p>Jeff has more than 25 years of experience implementing Oracle applications; spending the last 12 years in the public sector. Jeff will be responsible for the design and implementation of the solution. He will be responsible for day to day project management and implementation oversight.</p>
<p>Patrick Murray*</p> <p>KPMG Oracle Support Partner</p>	<p>Pat has more than 25 years of business transformation, program management, and ERP implementation experience. He has a deep understanding of the Oracle Cloud solutions including functional and business process experience through all aspects of the system implementation life cycle. He will provide insight and guidance related to Oracle Cloud functionality and processes during implementation.</p>
<p>Matt Nixon</p> <p>Functional Lead</p>	<p>Matt has extensive knowledge and experience in operational and financial reporting, requirements gathering and definition, back office business process improvement. He has lead ERP transformation projects for several large government agencies. Matt will provide insight and guidance related to public sector financial processes during implementation.</p>
<p>Fadi Salem</p> <p>Change Management and Training Lead</p>	<p>Fadi has experience in partnering with organizational leaders to help their teams navigate the uncertainty of transformation, adopt new ways of working, and achieve tangible results. He will provide insight and guidance related to change management and training during implementation.</p>
<p>Chirag Oza</p> <p>ERP Lead</p>	<p>Chirag has 20 years of experience in technology integrations, separations, IT transformations, and project management of ERP system implementations. Chirag has in-depth experience leading business process optimization initiatives, chart of account redesign projects, month-end close optimization, and reporting strategy projects. In addition to his integration, separation, and IT transformation experience, Chirag has strong leadership skills in delivery and execution of large ERP systems and successfully guided multiple clients through strategy development to implementation of ERP projects. He will lead day to day implementation for Oracle Cloud functionality and processes.</p>
<p>Jamey Boozer</p> <p>EPM Lead</p>	<p>Jamey has led delivery of EPM within the Powered Enterprise framework. He has extensive technical and functional knowledge of data transformation tools/models and standardization of corporate financial consolidation, reporting and planning processes to provide wholistic and tightly integrated solutions across the Oracle EPM suite of products. He will lead day to day implementation for EPM and EPBC functionality and processes.</p>
<p>Gary Lyons</p> <p>Cloud Architect</p>	<p>Gary is an experienced Oracle cloud architect with deep knowledge of the public sector. He will lead day to day implementation oversight of the Oracle Fusion platform, including functional and technical oversight.</p>

3.2 NITI AND LAHD RESPONSIBILITIES

Please refer to Attachment 1 – Expected LAHD Involvement.

Please refer to Attachment 5 for details on NITI and LAHD responsibilities.

3.3 PROJECT ORGANIZATION CHART



The organizational chart above is representative of key staff and project leadership. Our team has a deep bench of Oracle and public sector ERP consultants that will support this project.

If assigned staff is not acceptable to LAHD, the Consultant will provide qualified replacement within ten (10) business days. NITI will be responsible for the knowledge transition to ensure that the replacement have the knowledge specific to this project. All key project staff changes are subject to review and approval by LAHD.

LAHD's Project Manager reserves the right to contact any key personnel for questions relating to the Oracle ERP Cloud system.

4. IMPLEMENTATION METHODOLOGY AND WORKPLAN

4.1 METHODOLOGY AND DELIVERABLES

Below are the ongoing activities and deliverables across all the project phases. The due dates for activities and deliverables will be determined during the detailed project planning process and tracked in the project plan.

NITI's project management activities in this section are associated with NITI assigned activities on this project. LAHD will perform project management tasks related to the management of its personnel and LAHD's third-party providers, and their assigned tasks and associated deliverables on the project.

PROJECT MANAGEMENT TASKS

- Execute program management processes including project plan updates for all phases
- Perform ongoing project risk identification and issue tracking
- Status and budget reporting for NITI scope of work
- Project change control and escalation process
- Conduct steering committee updates
- Coordination with ERP Platform Cloud Services and ERP Platform Customer Success teams
- Coordination with LAHD's third-party vendors and other LAHD internal teams
- Develop the Value Dashboard portion of the status report
- Confirm the process of updating the Value Dashboard with the project team
- Review the dashboard with project leadership and adjust as needed
- Introduce and review the dashboard with the operating committee and steering committee

4.1.1 PHASE 0

Phase 0 is intended to begin the business transformation and set the project forward toward a successful implementation. NITI will focus on four workstreams:

- Program Management
- Business Transformation Scoping
- Change Management
- Technology and Data

PHASE 0 - ACTIVITIES

- Project Management (Status Reporting, issue tracking)

- Identify key PMO roles
- Develop governance structure (Weekly Cadence, Steering Committee, etc.)
- Assign resources to the PMO
- Based on process scope, organization requirements, and enabling technology complexity, create roll-out options and review with LAHD.
- Determine Project Management toolsets to be utilized.
- Prepare for Vision and Validation phase launch
- Utilize leading Powered Enterprise process taxonomy tile boards to review the Finance, EPM, Procurement & Projects level 3 processes. This will lead to the initial vision for LAHD's transformed operations in the form of a Target Operating Model (TOM) that will be elaborated in future phases.
- Determine transformation scope during working sessions with key functional stakeholders
- Map transformation scope to enabling Oracle technology module to identify opportunities and key decisions

PHASE 0 - DELIVERABLES

- Program Management & the LAHD Governance Framework and decision-making matrix
- Project Tool Framework
- Consolidated Deployment Timeline
- High level Project Plan for Future Phases including costs
- Integrated NITI / LAHD's Resource Plan
- Final Phase 0 readout
- Finalized Transformation Scope (Finance, EPM, Procurement, & Projects) based on key leading practices
- Mapping of Oracle Technology modules to process scope
- Finalized Oracle BOM
- Business Case for Change
- Key Journey Maps of impacted stakeholders
- Leadership & Stakeholder Engagement Strategy
- Change Management Strategy Framework
- Future State Technology Architecture
- High-level Integration Strategy
- High-level Data Migration and Archiving Strategy

- Inventory of the Integrations
- Data Readiness & Governance Assessment

4.1.2 VISION PHASE

The phase will be kicked off by establishing project organization, roles and responsibilities, governance, and leadership alignment. The initial strategy documents identified by LAHD for inclusion in the program scope are developed via collaborative workshop sessions between NITI and LAHD. Below are the key activities and deliverables for the phase.

PHASE 1 - ACTIVITIES

- Develop High Level Program Schedule and Publish Project Timeline
- Document review and approval assignments
- Establish Onboarding Procedures
- Develop Project Governance Plan (Scope, Risk, Issues, Financial Management, Project Change Control, Resource Management, Deliverables, Project Reporting)
- Establish Project Infrastructure and Resources (Organizational Structure, Committees, Infrastructure Plan, Resource Needs and Plan)
- Setup Project Infrastructure (Powered Execution Suite)
- Review Deliverable Template Structure with Key Stakeholders
- Develop Integrated Project Plan

PHASE 1 - DELIVERABLES

Deliverable Number	Deliverable Name	Description
Vi-1	Project Governance Plan	A Confluence page, which can be extracted into a PDF or Word document that describes the specific processes and procedures and resources necessary for the fulfillment of the project according to LAHD's stated requirements. These procedures should be established when the project is set up and ready to be executed.
Vi-2	Kick off presentation	Presentation used for project kick off session
Vi-3	Integrated Project Plan (Vision – Validate)	Defines and outlines the project work schedule – including the task, task duration, task start/end dates, task dependencies (predecessor/successor), task owners, deliverables, and project milestones for the Vision and Validate phases of the project. This plan includes all project tasks and dependencies regardless of which party is responsible for completing the task.
Vi-4	Consolidated List of Potential Benefits	The potential benefits are collected during the stakeholder interviews. The benefits are then consolidated from the various interview results and compiled into a list that is confirmed with project leadership and the project sponsor(s). The list will be included as part of the Value Charter deliverable.

Vi-5	Value Charter/Value Case	The Value Charter is an addendum to the Case for Change document. In keeping with the integrated nature of the program delivery approach the Value Charter will be integrated with the view on change and how change will be executed.
Vi-6	Case for Change	Outlines the rationale for undertaking a transformation, with a summary of the current state, desired future state, benefits of the transformation, and LAHD defined success criteria based on findings from the interviews and the Alignment/Visioning experiences. This document will be used as the foundation for future project communications.
Vi-7	Stakeholder Assessment	Documents key stakeholders' perspectives including definitions of program success, concerns, existing pain points, and expected impact. Provides an overview of the program's stakeholder landscape, anticipated impacts to certain demographics, and potential change or adoption risks by stakeholder group.
Vi-8	Communication Plan (Vision)	Identifies key program communications required to enable Vision activities (e.g. Visioning workshop invites and follow-up) and tentatively outlines the proposed communications for subsequent phases of the program (to be adjusted as needed). The plan includes proposed messages, vehicles/forums, senders, audiences, dates, dependencies, approvals, etc.
Vi-9	High Level Future State Vision and Roadmap	Outlines the organizational Vision, business operations and supporting systems with a clearly stated organizational and functional strategy and outlines supporting rationalized initiatives in a roadmap to transform current state to future state, including quick-win area identification. Also identifies and quantifies key value drivers of the project to track value realization (e.g. key benchmarks for cycle times, # of team members supporting processes, performance metrics, etc.)
Vi-10	Finance Data Model & Enterprise Structure Strategy	Defines the data model strategy required by the foundational application setup. This deliverable includes the strategy and structure for the chart of accounts and related segments, which drives the specific legal, managerial, and functional reporting for the enterprise as well as the strategy for the enterprise structure.
Vi-11	Security & Controls Strategy	Define the project strategy for integrating Cloud application controls, designing application roles, and user access management processes.
Vi-12	Environment Strategy & Plan	Maps out the approach and plan for the required application environments needed for the validation, construct and deploy phases and how they are used and evolve through-out the engagement.
Vi-13	Report Inventory	Provides listing of all of LAHD's current, active financial and operational reports and data sources.

4.1.3 VALIDATE PHASE

The Validate phase will include the validation of LAHD's future state processes against KPMG's Powered Enterprise solution for Oracle Cloud. This phase will include a series of validation workshops in which NITI will demonstrate and capture deviations from the standard Powered Oracle functionality in KPMG's environment with KPMG's data. At the end of this phase, a Target Operating Model design will be documented, and LAHD will approve the documented design and make decisions regarding implementation.

PHASE 2 - ACTIVITIES

- Plan and Manage Validation Workshop Schedule
- Update Integrated Project Plan
- Report and Mitigate Risks and Issues

- Manage Ongoing Program Governance
- Finalize Value Governance Framework
- Validate Communication and Engagement Materials
- Conduct Change Impact Assessment
- Develop Change Management Strategy and Plan
- Conduct Target Operating Model (TOM) Validation Workshops
- Define Finance Data Model
- Define Enterprise Structure
- Compile Development Object List
- Compile Deviation List
- Develop Integration Strategy
- Develop Data Migration Strategy
- Develop Reporting Strategy (Analyze LAHD's key reporting requirements against standard Oracle reports and Powered Enterprise report templates and determine strategy on fulfilling gaps)
- Compile Development Object List
- Conduct Roles Gap Session
- Document Roles list for future Target Operating Model (TOM)
- Conduct Controls Gap Analysis workshop to review future state control objectives
- Document draft risk and controls matrix (with control objectives only)

PHASE 2 - DELIVERABLES

Deliverable Number	Deliverable Name	Description
Va-1	Integrated Project Plan (Construct – Deploy)	Defines and outlines the project work schedule – including the task, task duration, task start/end dates, task dependencies (predecessor/successor), task owners, deliverables, and project milestones - for the Construct and Deploy phases. This plan includes all project tasks and dependencies regardless of which party is responsible for completing the task
Va-2	Value Management Governance Framework	This framework is intended to ensure that key business decisions that could affect the course and outcome of the project align with the agreed upon expected benefits in the Value Charter. The framework is part of the key business decision process and as each key decision goes through the process of completion it helps confirm how the key decisions align with the identified expected benefits measures.
Va-3	Change Management Strategy and Plan	Strategy and plan for addressing and executing change management (including Communications Strategy) throughout the program; establishes change activities, high-level timeline and techniques pertaining to stakeholder engagement, communications, and organization readiness.

		<i>Note:</i> Strategy should be iteratively built throughout Validate phase.
Va-4	Change Impact Assessment	Assesses the impact a change will have on departments and roles as a result of new and/or different processes, technology, policies, roles and responsibilities, decisions, or information.
Va-5	Communication Plan (Validation)	Identifies key program communications required to enable Validate activities and includes a refined set of proposed communications for subsequent phases of the program (to be adjusted as needed). The plan includes proposed messages, vehicles/forums, senders, audiences, dates, dependencies, approvals, etc.
Va-6	Target Operating Model (TOM)	An Operating Model is a conceptual representation of an organization's structures, capabilities, and processes. The Target Operating Model (TOM) deliverable describes the organization's desired future state across the six layers for each in-scope process (including the design requirements that will support the configuration of Oracle Fusion Applications): a new global solution design for an Operating Model that can achieve the desired business outcomes and strategic objectives.
Va-7	Global Finance Data Model & Enterprise Structure	Defines the global data model required for the foundational application setup. This deliverable includes the structure for the chart of accounts and related segments, which drives the specific legal, managerial, and functional reporting for the enterprise as well as the enterprise structure.
Va-8	Deviation List	A prioritized list of LAHD specific functional requirements that will be used to baseline requirements (freezing) and agreeing on the purpose and scope of the solution at a level that allows for detailed investigation of what the deviation/requirement imply. The MoSCoW (Must have, Should have, Could have or Won't have) technique will be used to indicate what is inside or outside scope.
Va-9	Development Object List	A prioritized list of LAHD specific development requirements e.g. reports, integrations and conversions that will be used to baseline the development scope (freezing) and agreeing on the purpose of each object at a level that allows for detailed investigation of what the requirements imply. The MoSCoW technique is used to indicate what is inside or outside scope.
Va-10	Integration Strategy	Defines the high-level integration requirements that will provide a baseline upon which to build an effective integration approach. This deliverable outlines the differing integration platform scenarios and how the various data objects could be addressed through each platform scenario. Additionally, it documents key architectural principles and the initial catalog of integrations required and volumetric information to inform the design going forward.
Va-11	Data Migration Strategy	Defines the approach for performing the migration and conversion of data from the legacy system(s) to the Oracle Fusion Application system, including specific data objects, rationale, and sequence.
Va-12	Reporting Strategy	Outlines the structural foundation to be further refined by LAHD and NIT, inclusive of key reporting elements for in-scope Oracle modules and processes as well as the framework for reporting from the people, process, organization, and systems perspective. NIT will consider multiple reporting options including BI Publisher, Oracle Transactional Business Intelligence (OTBI), Smart View, Financial Reporting Web Studio, and BI Cloud Connector (BICC). NIT will analyze the best tool to use for each report and will leverage the reports that are already part of the KPMG Powered Enterprise (KPE) methodology.
Va-13	Development Object List	A prioritized list of LAHD specific development requirements e.g. reports, integrations and conversions that will be used to baseline the development scope (freezing) and agreeing on the purpose of each object at a level that allows for detailed investigation of what the requirements imply. The MoSCoW technique is used to indicate what is inside or outside scope.
Va-14	Roles List and Data Security Requirements	A list of all the powered applications roles and any custom roles including data security requirements identified during the Validate workshops.
Va-15	Draft Risk and Controls Matrix	A spreadsheet containing list of risks and controls objectives mapped to the level 4 functional process including any gaps against powered risk and controls

VALIDATE CHECKPOINT

Upon completion of the Validate Phase, NITI and LAHD will confirm the scope of overall program and update the scope, timeline, staffing and budget for the remaining project phases: Construct, Deploy and Evolve ("Validate Checkpoint"). If there is an impact on scope, timeline, staffing and budget NITI will work with LAHD to update Estimate-to-Complete (ETC) and document the impact for review and approval via the change control process described in Attachment 2: Change Control.

4.1.4 CONSTRUCT PHASE

During the Construct phase the application will be configured based on the global design from the Validate phase; the conversion process will be built and tested; and all other development work including interfaces and reports will be developed, and unit tested. This phase will also include two (2) formal testing events called Playbacks, or CRPs. Each CRP will have a defined scope, entrance, and exit criteria, and include hands-on testing and validation of the solution by the LAHD Team.

PHASE 3 - ACTIVITIES

- Initiate cutover planning workshops
- Develop draft cutover plan
- Develop CRP test plan
- Conduct CRP entry/readiness event
- Schedule and Conduct CRP Event
- Execute CRP Test Scripts and Defect Identification and Capture
- Report CRP results
- Conduct CRP1 exit criteria review
- Develop System Integration Test (SIT) test plan
- Conduct SIT entry/readiness event
- Schedule and Conduct SIT Event
- Execute SIT Test Scripts and Defect Identification and Capture
- Document and Report SIT Results
- Document and Prioritize Issues and Defects From SIT
- Disposition Issues and Defects from SIT

- Update project plan with details for the next phases
- Coordinate Knowledge Transfer Plan development
- Construct Communication and Engagement Materials
- Change Champion Network Launch
- Organizational Readiness Assessment
- Role Impact Summary Development
- Develop Training Needs Analysis, Strategy, Plan, Curriculum, And Materials)
- Develop Integration Functional Design Documents
- Develop Report Functional Design Documents
- Develop Data Mapping Specifications
- Conduct Iteration 1 – Conference Room Pilot (CRP)
- Conduct Iteration 2 – System Integration Testing (SIT)
- Develop Oracle Cloud Reporting Technical Designs
- Review and Approve Reporting Technical Designs
- Build and Execute Unit Testing of Custom Oracle Cloud Reports
- Functional Unit Testing (FUT) Of Reports
- Provide Conversion Mapping File Format
- Design, Build and Test Legacy System Extracts
- Test Conversion Load Processes
- Reconcile Data Conversions and Extracts
- Data Migration Iteration 1 – Conference Room Pilot (CRP)
- Data Migration Iteration 2 – System Integration Testing (Sit)
- Build/test application security
- Complete security configuration in POD for CRP
- Update CRP Test Scripts with Application Security Roles
- Complete CRP issue and defect remediation in line with CRP exit criteria
- Update the Security Workbooks to reflect changes and corrections coming out of CRP1
- Build/Test Application Security
- Perform Role Level Segregation of Duties (SOD) Analysis
- Share observations and recommendations from SOD analysis
- Complete Security configuration in POD for SIT
- Update SIT Test Scripts with Application Security Roles
- Conduct Knowledge Transfer Sessions

- Complete SIT issue and defect remediation in line with SIT exit criteria
- Finalize Security workbooks

PHASE 3 - DELIVERABLES

Deliverable Number	Deliverable Name	Description
C-1	Integrated Project Work Plan (Deploy - Evolve)	Defines and outlines the project work schedule – including the task, task duration, task start/end dates, task dependencies (predecessor/successor), task owners, deliverables, and project milestones - for the Deploy and Evolve phases.
C-2	Test Plan	Outlines the details and logistics to execute the respective testing iteration in terms of theme, objectives, entry and exit criteria, structure, schedule, and required resources.
C-3	Communication Plan (Construct)	Identifies key program communications required to enable Construct activities and includes a refined set of proposed communications for subsequent phases of the program (to be adjusted as needed). The plan includes proposed messages, vehicles/forums, senders, audiences, dates, dependencies, approvals, etc.
C-4	Change Champion Network Launch Materials	Includes documentation related to the approach and stand-up of the Change Champion Network (e.g. Change Champion Network structure, resourcing, and meeting/activity plan).
C-5	Role Impact Summaries	The Role Impact Summary outlines changes by role to job tasks and processes between current and future state roles and enables users to start to understand the new ways of working.
C-6	Org Readiness Assessment	Includes a baseline Organizational Readiness dashboard for applicable functions / stakeholder groups. Assesses readiness and necessary mitigation tactics.
C-7	End-User Training Needs Analysis	Diagnostic framework used to identify process and technology capability gaps and determine how they can be addressed through training. Note: Skills/talent assessments are not in scope.
C-8	End-User Training Strategy & Plan	Based on the Training Need Analysis, identifies stakeholder groups that require training, the levels of training needed by each group, and the methods of training that should be utilized. Outlines accountability for developing, reviewing, and executing training.
C-9	End-User Training Curriculum	Outlines proposed training topics and structure by role in order for users to learn new policies, systems, and processes.
C-10	Test Strategy	Defines the approach to testing by examining the characteristics of the system to be built, approach, focus and entry/exit criteria for the testing iterations/events (e.g. CRP, SIT, UAT).
C-11	Functional Designs	Detailed designs for specific Oracle Fusion Application development objects (e.g. reports, interfaces, and enhancements) which include a functional essay, business objectives, business requirements, definition of terms, reference to business scenario that the design is covering, examples of the desired business behavior, business rules that drive the use case behavior, assumptions that form the basis for the solution, details descriptions of the data and interface behavior. It should also include a detailed report layout and description for reporting requirements.
C-12	Data Mapping Specifications	Source and target system data dictionary that shows how data from source system maps to data in target system in an Oracle required format.
C-13	Configuration Workbooks	Workbooks containing the initial LAHD specific application configuration used to setup Oracle Fusion Application modules to meet the approved deviations. These Configuration Workbooks will be used to configure the Iteration 2 – SIT environment and transitioned to LAHD for final ownership and updates/maintenance going forward (i.e. UAT to Production)
C-14	Functional Test Cases	Test Case that includes test objectives and test scripts for functional system testing.
C-15	Data Conversion Test Plan	Conversion testing guide per data load outlining the load and validation process.

C-16	Integration Architecture	A detailed description of components of Oracle Platform as a service, cloud integration framework, technical architecture, deployment architecture and operational aspects.
C-17	Technical Designs	Technical design for specific Oracle Fusion Application development objects (e.g. reports, interfaces, workflows and enhancements) which include all the technical components required to satisfy the functional design including the interface designs, navigation logic, reporting designs, subject area designs, validation logic, SQL pseudo code, performance considerations, business rules, system flow diagram and installation considerations.
C-18	Security Workbook	Security workbook will include all roles required to setup the production environment to meet the scope and requirements agreed to through the Validate and Construct phases. Design changes as a result of the SOD analysis will be incorporated in the security workbook deliverable.

4.1.5 DEPLOY PHASE

During the Deploy phase, the Configured System will be migrated to the production POD. The POD will then be copied via Oracle's production to test (P2T) process into the user acceptance testing POD. Once the copy is complete, the full data conversion will be executed, and final user acceptance testing will be initiated. Once UAT is complete and functioning in accordance with LAHD's expectations (as defined in the LAHD-approved global design, functional/technical specifications, and UAT exit criteria), the Configured System will be signed off and accepted by LAHD. At this point the cutover execution plan will be initiated to begin the go-live activities. The activities and deliverables described in this Section shall be repeated and completed for each deployment wave, as defined by the Project Plan and Cutover Strategy activities and deliverables.

PHASE 4 - ACTIVITIES

- Finalize Production Plan/Cutover Plan
- Finalize production support plan and procedures
- Co-execute Cutover Plan
- Finalize and Execute Knowledge Transfer Plan
- Develop UAT Test Plan
- Conduct UAT entry/readiness event
- Manage UAT event
- Document and report UAT results
- Conduct UAT exit criteria event
- Prepare Production Readiness Assessment
- Conduct Go-Live Decision Meeting
- Deploy Communication & Engagement Materials

- Conduct organizational risk/readiness pulse checks around program milestones in support of go/no go checkpoints

PHASE 4 - DELIVERABLES

Deliverable Number	Deliverable Name	Description
D-1	HyperCare Plan	Postproduction support plan, procedures, resources identified and trained and ready for support
D-2	Cutover Plan	Detailed step-by-step cutover execution plan that outlines the sequences of all necessary steps, processes, cutoffs, communications, and data migration activities.
D-3	Knowledge Transfer Plan	Plan to document and communicate development knowledge to appropriate LAHD stakeholders.
D-4	UAT Test Plan	UAT test plan, a schedule with test scripts, entry and exit criteria that indicate what has to be completed successfully to exit UAT.
D-5	Communication Plan (Deploy)	Identifies key program communications required to enable Deploy activities and includes a refined set of proposed communications for subsequent phases of the program (to be adjusted as needed). The plan includes proposed messages, vehicles/forums, senders, audiences, dates, dependencies, approvals, etc.
D-6	Org Readiness Assessment	Organizational Readiness pulse checks and aggregate dashboard for applicable functions / stakeholder groups to assess readiness and any necessary mitigation tactics.
D-7	Train the Trainer Sessions	Includes the materials and facilitation of (in partnership with functional leads) sessions to educate the designated trainers on how to deliver the system training to end users.
D-8	Executed & Accepted UAT (Exit)	The agreed upon User Acceptance Testing exit criteria has been met.
D-9	Configuration Workbooks	Application configuration workbooks will include all configurations required to setup the production environment to meet the scope and requirements agreed to through Validate and Construct.
D-10	Development Objects	Final version of the in-scope production ready development objects (e.g. reports, integrations, enhancements) are deployed and live in the production environment.

4.1.6 EVOLVE PHASE

The Evolve phase will focus on post go-live support, stabilization, managing the project close out, and transition to steady-state support. NITI will work with LAHD to implement the Oracle functionality and help the system go live. NITI will support post go-live through the first month-end close following the go-live.

PHASE 5 - ACTIVITIES

- Transition program and governance management processes

- Establish a Continuous Improvement Program
- Manage Enhancement Prioritization
- Conduct Evolve/Project Close-Out Check Point(s)
- Assess project performance and lessons learned
- Close project against completion criteria
- Manage Evolve Checkpoint
- Develop communications messages / materials to support program activities (Hypercare, Program close-out, etc.)
- Translate (as needed) and deploy communications to organization and/or vendors/external partners

PHASE 5 - DELIVERABLES

Deliverable Name	Description
Project Acceptance	Final acceptance and sign-off of the project
Organizational Adoption Assessment	Organizational Adoption pulse check assesses user adoption and identifies any necessary mitigation tactics.

4.2 DELIVERABLE ACCEPTANCE

Acceptance Notification

Upon completion of any Deliverables for which LAHD is required to provide formal approval as defined in Section 4.1.2 through 4.1.7. NITI shall submit such Deliverables to LAHD, in electronic format, for review and acceptance within 10 business days of NITI submission. LAHD will have one designated approver for each deliverable. If a Deliverable is rejected by LAHD within the 10 business days after NITI submission with the explanation for rejection provided in reasonable detail, NITI will have the opportunity to remediate and resubmit for approval, and/or align with LAHD on a mutual course of action to address and remediate the Deliverable.

Additional review and acceptance iteration(s) will be in accordance with change control process outlined in Attachment 2 – Change Control

Rework Notification and Time Period

NITI will have 3 business days to submit the work plan for the rejected deliverable. Once the work plan approved by LAHD, NITI will have 5 business days to submit the revised deliverable at no additional cost to LAHD.

Reworked Deliverables Not Accepted

If deliverable rejected again, the following options may be applied:

- Provide another rework period (3 business days for work plan, 5 business days to submit the revised deliverable)
- Reject deliverable and no payment will be made.
- Catastrophic deliverable failure will result in termination of agreement as outlined in the agreement.

4.3 COMPLETION CRITERIA

The completion criteria for each stage gate shall be set forth in the Project Plan. NITI shall notify LAHD's project manager in writing when NITI believes the completion criteria for a stage gate has/have been met, providing the necessary evidence as required by LAHD in the Project Plan. LAHD shall have a maximum five (5) business days to review the evidence to confirm and accept that the stage gate meets the completion criteria or reject the evidence presented by NITI. Any rejection by LAHD shall be accompanied by a written explanation by LAHD as to why the stage gate has not met the agreed upon completion criteria for the applicable stage gate.

Completion of a phase shall occur upon (a) successful completion by NITI of all deliverables and activities associated with such phase, including those listed in this SOW and the Project Plan and (b) acceptance by LAHD according to the acceptance process set forth in the process set forth above.

LAHD and NITI may agree that a phase, stage gate is complete upon the achievement of less than the criteria set forth above. Any such agreement must be made in writing and must include a plan for what, if any, additional activities, or deliverables may be needed to properly complete the applicable phase, stage gate.

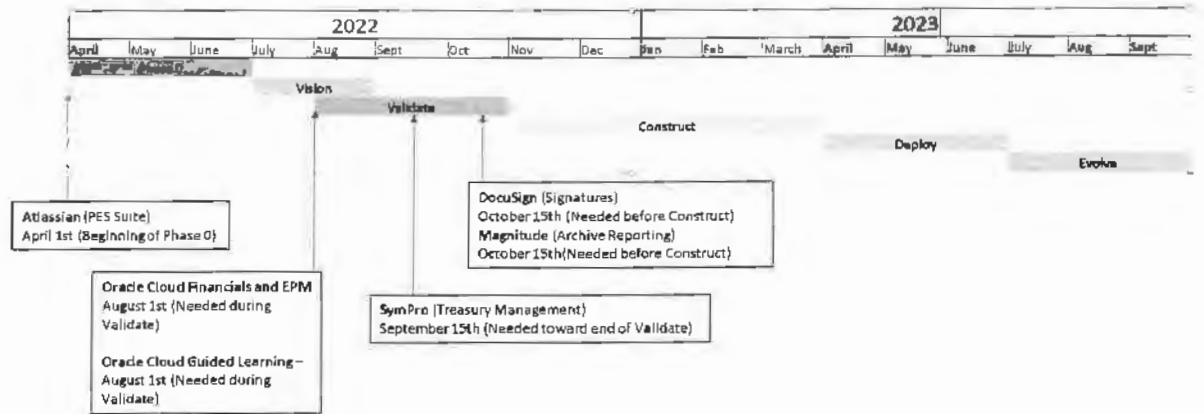
5. ORACLE SOFTWARE AND THIRD-PARTY SOFTWARE TOOLS

LAHD will be purchasing the following third-party software tools to enhance the Department's business processes in the cloud and for the teams' project management. These software tools are:

- DocuSign – electronic signing tool for the Oracle workflows;
- Atlassian (JIRA and Confluence) – project management and issues tracking;
- Magnitude – reporting tool to access legacy data.

The software purchase and implementation timeline is shown below:

Port of Los Angeles Oracle Cloud Implementation Software Timeline



6. RATES, PRICING SUMMARY AND PAYMENT SCHEDULE

The Fees for Services shall not exceed the fixed fee unless LAHD requests a change in the scope of the project in connection with those phases and such change is agreed to by the parties in accordance with change control process.

In addition to the fixed price deliverables as listed in the previous section, travel expense will be billed at the actual amounts incurred but are estimated to be \$349,560. This assumes twelve (12) core team members making one (1) trip per month for the twelve (12) month duration of the implementation phase and three (3) months of Hypercare.

Please see Exhibit B – Compensations Fees and Rates for more details.

7. PROJECT ASSUMPTIONS

The following assumptions have been made, and the professional fees are based upon these assumptions. Any material changes to these assumptions will be examined, and if needed, be subject to change control. The following assumptions have been made, and the professional fees are based upon these assumptions. Any material changes to these assumptions will be examined, and if needed, be subject to change control.

7.1 GENERAL

- The project will be managed using the KPMG Powered Enterprise methodology.
- NITI, through subcontractor KPMG LLP, intends to bring proprietary tools and accelerators, collectively called "KPMG Powered Enterprise," to enable the delivery of the engagement. Deliverables created for the LAHD based upon these tools will

become the property of the LAHD. NITI, including KPMG LLP and its affiliated member firms, will retain the ability to continue to use their proprietary tools to serve our other clients.

- LAHD will be responsible and accountable for the overall program and project management and governance processes and procedures in conjunction with this engagement.
- NITI will not be responsible or accountable for managing LAHD team, or any LAHD contractors, team members in terms of activities, work quality, performance, and overall adherence to the engagement scope of work.
- LAHD will be responsible for communication, contracting, and facilitating testing with third party vendors, applications, and financial institutions.
- NITI will not be acting, temporarily or permanently, as a director, officer, or employee of the company, or be performing any decision-making, supervisory, or on-going monitoring functions or project management functions on behalf of the company.
- Notwithstanding our duties and responsibilities in relation to the Services, LAHD shall designate individuals who possess suitable skills, knowledge and experience and retain responsibility and accountability for:
 - The management conduct and operation of LAHD business and affairs.
 - Deciding on LAHD use of, choosing to what extent LAHD wish to rely on, or implementing advice or recommendations or other product of the Services always supplied by NITI.
 - Overseeing the Services, making any decision affecting the Services, any product of the Services, LAHD's interests, or affairs.
 - The delivery, achievement or realization of any benefits directly or indirectly related to the Services which require implementation by LAHD, and compliance with your regulatory and legal obligations.
- LAHD will procure a new Atlassian Cloud instance (e.g. JIRA and Confluence) and required Add-Ons directly from the vendor or reseller. NITI will apply KPMG's Powered Execution Suite (PES) configuration to facilitate project activities like project planning, issue tracking, risk management, test management, documentation, and team collaboration.
- LAHD will provide NITI user accounts and appropriate levels of access to Oracle Fusion Applications, Oracle Technology and Atlassian Cloud applications specifically related to the scope of work contained in this SOW.
- NITI project management, project coordinator and lead roles will provide support to LAHD project management and leads in the scope of work outlined in the scope section.
- Any changes in scope and/or timeline may require a Change Order that is mutually agreed upon by LAHD and NITI.
- LAHD will use commercially reasonable efforts to ensure that project decisions required to keep the project on track will be made within a reasonable time frame. If LAHD explicitly decides at the senior executive level on a change of strategy or

direction in the ERP implementation that leads to a delay in a project deliverable, NITI reserves the right to work with LAHD to revisit and revise the project's estimated timeline and/or costs through the change control process.

- Deliverables will be reviewed and accepted by LAHD within ten (10) business days from the time final draft has been submitted.
- It is expected that the LAHD project team will attend appropriate foundational training for their areas of responsibility prior to the project in order to gain fundamental understanding of Oracle Fusion Applications concepts and capabilities.
- NITI will store all approved deliverables in Confluence in editable formats. ARIS process flows can be exported to Visio, if desired, or to LAHD's purchased instance of ARIS, after formal approval and sign off of the Target Operating Model (TOM) by LAHD.
- NITI will not be responsible for project schedule impacts due to issues with LAHD internal ancillary project dependent schedule conflicts, resource availability, decision making, or delays with LAHD owned activities and/or deliverables.

7.2 LOGISTICAL

- NITI will use nearshore (team members in Mexico and Canada) delivery centres; various resources will be engaged in the project based on project needs.
- Once COVID travel restrictions are lifted, project leadership from NITI and LAHD will review requirements to have resources available to work on-site. Once travel is approved, appropriate resources can be at the LAHD site Monday to Thursday and work remote on Fridays on a scheduled agreed to by NITI and LAHD. Out-of-town personnel may work hours other than those defined as normal business hours to accommodate their travel schedules.
- NITI team members will use NITI issued laptops and connectivity to access LAHD Oracle Fusion Application environments.
- NITI and LAHD will mutually agree on a process to access, store, and transmit sensitive data.

7.2.1 TARGET OPERATING MODEL

- LAHD will make every reasonable effort to adopt the Powered solution. Where the Powered solution cannot be adopted, a deviation will be documented for evaluation in the Validate Checkpoint.
- NITI will execute Validation Workshops leveraging KPMG's Powered environments for demonstration purposes only. These environments contain pre-configured applications and Powered data as per the Powered TOM. No changes shall be made to reflect LAHD preferred configurations or structures, nor shall LAHD get access to NITI environments.
- The design and updates of any non-Oracle integration and other related technology to align with Oracle Cloud technology will be the responsibility of LAHD.

- Alternative solutions using existing functionality will be accepted as the go-live solution to Oracle Service Requests (“SRs”) logged as part of the project. Key project milestones and deliverables will not wait on Oracle delivery of SRs. NITI and LAHD will work together to determine workarounds if LAHD deems existing functionality as not reasonably acceptable.
- The TOM solution design will be based on the most recent Oracle Fusion Application release as of the start of the Validate phase. Additional functionality and tool changes that occur throughout the project will be evaluated for project impact in accordance with Attachment 2: Change Control.

7.2.2 ORACLE CLOUD SERVICE

- LAHD will need to acquire a minimum of three (3) Oracle PaaS environments for development, testing and production. Oracle PaaS environments will be needed at the beginning of the Construct phase.
- LAHD will need to acquire a minimum of four (4) Oracle Fusion Application non-prod environments to support design, testing, development, and training project activities at the beginning of the Construct phase.
- All PaaS and SaaS environments will be hosted by Oracle Cloud Operations and coordinated with Oracle by LAHD. NITI will advise LAHD resources during this process.
- NITI will not be responsible for project schedule impacts due to issues with the Oracle delivered product functionality or cloud services.
- NITI is not responsible for any Oracle Cloud product related shortcomings, or any project schedule extensions or delays caused by product related shortcomings. NITI will assist LAHD to escalate problems to the product vendor (Oracle) and will work with the product vendor (with LAHD assistance) to help bring issues to closure and minimize impacts to schedule and project budget.
- NITI will not be responsible for any additional costs due to infrastructure related delays or issues with accessing the Oracle Cloud environment.
- The timeline and resource plan for all areas will be confirmed during Validate phase and approved during the Validate Checkpoint.
- As part of the deviation (requirements and gap/fit) process, NITI will follow KPMG's Powered approach of providing LAHD with leading practice reports and LAHD will provide any additional requirements or deviations for consideration.
- NITI will build roles in one (1) instance (CRP1). LAHD will build roles or fix roles in all other PODS/instances including Production instance.
- LAHD will provide NITI with LAHD's Oracle Customer Support Identifier (CSI) to support LAHD in opening Oracle Service Requests (SR's).
- NITI shall make every effort to close all SR's before completion of the engagement. LAHD and NITI shall mutually decide whether an SR needs to

stay open before completion of the engagement. In these cases, NITI will transition all open SR's to LAHD Team. NITI will perform a "health check" after each CRP to provide guidance on next steps.

7.3 INTEGRATION

NITI and LAHD will collaborate on a strategy to reduce the complexity and number of interfaces based on the following principles:

- Standardize similar interfaces on a single file layout wherever possible.
- Aggregate interfaces with similar functionality into single integration process wherever possible.
- Work with vendors and systems to take Oracle delivered files and new LAHD standard file formats.
- Leverage Oracle recommended Extract-Load-Translate ("ETL") tools like Data Management ("DM") and EPM Automate.
- LAHD will be responsible for changes required to non-Oracle legacy systems.
- Support for on-premise legacy Integration environments or other legacy technology will be managed by LAHD, including application and database server administration. This includes network, printers, single sign on, and all other LAHD internal technologies and existing system.
- Oracle Integration Cloud (OIC) with the NITI Cloud Integration Framework (CIF) will be leveraged to build the integrations.

7.4 DATA MIGRATION

- LAHD will provide business rules for mapping between legacy GL Accounts to the new the Chart of Accounts.
- With regards to EPBCS, the following data will be converted: Actuals (TBD), Budget (current budget for TBD) and Forecast (current forecast for TBD).
- General ledger data migration will include the summary level for one (1) year prior and detail level for current year.
- LAHD will be responsible for extracting data from source application for data conversion. In scope data objects will be cleansed by LAHD prior to conversion. The data cleansing will continue until cutover and the retirement of legacy systems.
- NITI will leverage KPMG's Cloud Conversion Framework (CCF) for the data migration activity.
- Three (3) iterations of data migration (e.g. CRP, SIT, UAT) would be done before production migration. LAHD will define a data archive strategy for any systems to be

retired. It is expected that this will be incorporated in the overall Project Plan and tracked as a key LAHD deliverable.

- LAHD will be responsible for performing additions and ongoing updates to master file data as needed once the data conversion process has started.
- LAHD performs final data mapping. NITI will provide guidance on approach and leading practices. LAHD will begin data mapping during the Vision stage.
- LAHD will extract/gather data, transform, cleanse, consolidate, and pass data to NITI in single source files (and in KPMG format). This format will be discussed and agreed with LAHD with an objective on making the data conversion process simple and repeatable for data capture, extract, and load.

7.5 CHANGE MANAGEMENT AND TRAINING

- LAHD will help identify, document, and review all change impacts as a result of the defined future state from validations sessions, these sessions will be led by NITI.
- LAHD will make available a Change Support resource starting in Vision phase to partner with the NITI Change Lead and ensure an integrated approach to the creation and execution of all change management activities. This LAHD role may be part-time.
- All materials will be developed in English, and LAHD will be responsible for any translation needs.
- LAHD and NITI will work together to agree on the distribution of project related communications, change and readiness activities, and training.
- LAHD will identify and provide a consolidated list of names of all individuals who will be part of the Change Champion Network.
- LAHD will be responsible for providing timely access to resources and documents needed to support the completion of the change management activities.
- LAHD is accountable for providing organization information (e.g. organization charts, reporting relationships, LAHD location information, etc.).
- LAHD will support in logistics and scheduling, as needed.
- Training content will cover system functionality related to LAHD's key business processes and navigation of the Oracle application; Change Management is not responsible for closing competency or skill gaps.
- LAHD System Administrator learning to occur through system configuration activities as part of the project and any supplemental system vendor.
- LAHD SMEs will work with NITI instructional designers during development of job aids to provide content and review learning material.
- NITI will not be responsible for mapping of organizational roles, posting of job descriptions, consultation on resource fit, and/or related activities.

7.6 SECURITY AND CONTROLS

7.6.1 SECURITY

- NITI will assist in incorporating design changes from iteration 1 as part of finalizing security roles for LAHD. LAHD will incorporate design changes post iteration 2.
- LAHD is responsible for user provisioning activities. NITI team will provide guidance on provisioning users. LAHD to provide technical and functional resources needed to support the user provisioning process.
- LAHD will provide security resource who will shadow role build process and complete role build/fixes after construct phase with assistance from NITI.
- NITI will perform one (1) round of Segregation of Duties (SOD) analysis, i.e., Role level SOD analysis after Iteration 1(CRP). NITI team will incorporate any role design changes coming out SOD assessment for SIT.
- Segregation of Duties configuration is the responsibility of NITI, but the final analysis and sign off must be the responsibility of LAHD.
- Data Security requirements will be gathered during Validate Phase.
- NITI will leverage LAHD's single sign on infrastructure to configure single sign on within the Oracle cloud environment. LAHD will be responsible for setting up their internal infrastructure for single sign on.
- Security Scope includes 45 roles, including ten (10) custom role changes.
- LAHD will provide security provisioning and access management resource(s) who will shadow role build process and complete role build/fixes after construct phase with assistance from NITI. LAHD is responsible for user provisioning activities. NITI will support knowledge transfer during CRP 1 and CRP2 as well as additional guidance to LAHD resources during SIT and PROD.
- NITI will perform one (1) round of SOD analysis i.e. Role level SOD analysis in CRP1 and LAHD will perform User Level SOD analysis in UAT or PROD like instance.

7.6.2 CONTROLS

- Controls scope includes reviewing the Powered risks and controls objectives identified for the process areas in scope. NITI process team will review the risks and control objectives during Validation workshops. NITI will review gaps in risks and control objectives captured during the process workshop and confirm the future state risk & control with process owners.
- LAHD will be responsible for the test of design and test of operating effectiveness of the controls.

7.6.3 OTHER SECURITY AND CONTROLS TOPICS

- Identity management integration, Single Sign-on (Federation), and other governance risk and compliance (GRC) activities not specified in the SOW are outside the scope of this engagement. NITI team will conduct a Vision workshop to review the areas of responsibility. NITI team may bring in subject matter professionals who have in-depth knowledge in the above areas to help address LAHD questions during these sessions, as needed. Any scope change coming out of these workshops will be handled using the established change request process.
- LAHD will provide resources to partner with the NITI Application Security and Controls team throughout the life of the program.
- LAHD will review the existing user lifecycle management process, risk management process, controls management process, and roles management process and optimize for Oracle cloud. NITI's scope is limited to the application security and controls activities listed in the SOW.

7.7 EPM ASSUMPTIONS

LAHD's current Planning Environment is highly developed, with detailed Business Rules, Forms, and Reports that have been developed and enhanced over at least 10 years. The EPM track will focus on migrating current planning to Oracle's Enterprise Planning Cloud. Both, LAHD and NITI will assess enhancements related to systems and processes to better integrate Fusion, Planning, and Narrative Reporting by adopting the future state data model to address the following key business requirements: Migrate from current PBCS Cloud to Oracle Enterprise Cloud Planning (full integration with Fusion and Narrative Reporting and adoption of future state data model), take advantage of Mid-Year and Adopted Budgets, configure a detailed labor budgeting module ("Custom Labor Module"), and enhance reporting with Narrative Reporting.

Planning and Budgeting assumptions are as follows:

7.7.1 APPLICATION CONFIGURATION

- Chart of Accounts / Dimensions – All hierarchies defined by the future state data model to the extent possible, all other dimension from existing PBCS application is not expected to have changes.
- Migration limited to one POD (A POD is what Oracle calls their subscription within EPM – each POD includes 2 environments: "TEST" and "PROD") – Migration activities are specific to moving from the Test to the Production in the same POD.
- Security Groups – LAHD is not expecting additional security requirements outside of current PBCS – up to 4 dimensions will be defined in EPM (e.g. Department, Entity, Unit, etc.)

- To the extent possible, existing PBCS forms will be migrated using batch functionality, in the event that the migration to Enterprise Cloud cannot be migrated using batch functionality, NITI will own the migration of up to 20 moderates to high complexity forms - LAHD to own remaining. We are not expecting the migration effort to include any new enhancements outside of the changes made to the existing PBCS data model or adjusted budgeted/transfers functionality.
- Up to five (5) Custom or New Webforms are included in this SOW.
- Enhancements in Fusion (Customized Labor Module within ERP or Planning) to support detailed planning will be incorporated/integrated into future state Enterprise Cloud Planning to the extent possible – Custom Labor Module is in scope for this implementation.
- To the extent possible, existing PBCS reports will be migrated using batch functionality, in the event that the migration to Enterprise Cloud cannot be migrated using batch functionality, NITI will own the migration of up to 10 existing moderate to high complexity PBCS reports – LAHD to own the remaining. We are not expecting the migration effort to include new enhancements outside of the changes made to existing PBCS data model or adjusted budgeted/transfers functionality.
- New Budget and Management reports (up to seven (7) net new Planning reports) will be sourced from GL and future state Enterprise Cloud Planning. These reports are expected to be built in Financial Reporting to align to the existing migrated PBCS reports, however, may be added to the scope of Narrative Reporting.
- Planning will interface with Fusion and Narrative Reporting.

7.7.2 BUSINESS RULES

- Migration of existing PBCS rules will be required and are in scope.
- LAHD is not expecting current PBCS application to require extensive rules enhancements. Up to 4 User Defined rules/allocations not to exceed 8 total days of development are included in the scope of services.
- Budget transfers / adjusted budget functionality is required and will most likely be a combination of future state ERP and EPM capabilities. Workforce planning is not in scope.
- Up to one (1) batch process to support automation is included in the scope of services – existing batches (if any) will most likely require updates as part of this migration and are out of scope, but LAHD and NITI will work together to determine impact of migration on existing batches.

7.7.3 DATA INTEGRATION

- All current direct and manual flat file integrations will require rationalization – updates to existing integrations are not in scope, including current SQL dimensional hierarchies (Account, Program, Project, Entity (Division) extractions from EBS, FSG report extractions of Actuals, Encumbrances, and Adjusted Budget figures, Adopted budget flat Planning extracts.
- New integrations will leverage Data Management (DM) – Oracle EPM Data Management (DM) will be used as an ETL tool to load data into Enterprise Cloud Planning.

Inbound Data Sources – Up to two (2) inbound data integrations to be configured (i.e. Workday, GL).

Outbound Data Sources – Up to one (1) outbound data integrations to be configured (GL). SmartView to an Autonomous DW would not be considered as an outbound integration.

- Mappings – Data mapping to future state data model to be provided by LAHD – existing integration mapping changes, if any, are not considered part of this SOW.
- Extract Files – NITI intends to leverage built in connections using Data Management, however if this is not possible, NITI will identify why Data Management cannot be used and assist, to the extent possible, with specification required for extract. Any external data extract files, if any, must be provided to NITI in the required format by LAHD.
- Drill Feature – Drill through will be enabled to DM.
- Data Conversion – Data conversion/validation is the responsibility of LAHD.

Out of Scope: Workforce Planning, Constant Currency, Automation, Reporting Cube, DM Mapping Scripting, Data Conversion

7.7.4 NARRATIVE REPORTING

7.7.4.1 APPLICATION CONFIGURATION ASSUMPTIONS FOR NARRATIVE REPORTING (EPM CLOUD)

- The application will be configured with integrations, workflow, and other configurations necessary to produce the CAFR report book only. Budget and Management reports were not considered in scope for this SOW.
- All financial and statistical data comes from Oracle Fusion Application ERP and Planning, any additional data sources will be the responsibility of the LAHD.

- Internal document reference will only be configured for data points/references that come from Narrative Reporting.
- Users - No more than 13 powered users will be provisioned and added to the workflow (10 authors, 2 reviews, and 1 sign-off).
- Out of Scope: Close manager integration, Disclosure management, Narrative Reporting custom data models/applications are all out of scope.
- Historical PBCS reports will not be converted/created in Narrative Reporting.

7.7.4.2 NARRATIVE REPORTING – REPORTING ASSUMPTIONS

- The report book will be created using one format that can accommodate narrative note disclosure, numeric schedules, and charts (e.g. Microsoft Word)
- The report book will be no more than fifty (50) pages of newly created material – we are expecting that existing CAFR report book will be leveraged to the extent possible
- No more than five (5) objects (financial reports, graphs/charts, Smart View) will be created within Narrative Reporting. Other reports/charts migrated and/or configured as part of the migration of PBCS to Enterprise Cloud Planning can be embedded within the CAFR report book that will not count against the five (5) object limit.
- The two (2) latest versions of the existing offline report book will be provided and used a baseline structure for the final deliverable. The final deliverable will mirror the latest version of the existing report provided and table of contents structure.
- This SOW does not include any non-CAFR report(s) to be in scope for Narrative Reporting.

8. PROVISION FOR FLEXIBILITY

As project work contains an element of uncertainty, LAHD and NITI will partner on decisions to move funding from line item to item as conditions dictate and on a reasonable frequency. Any movement will require the agreement of both LAHD and NITI.

9. GLOSSARY AND TERMS

The below tables provide the responsibilities information for the project. Each activity or deliverable is identified by a RACI code to determine who has which role in the completion of each activity or deliverable.

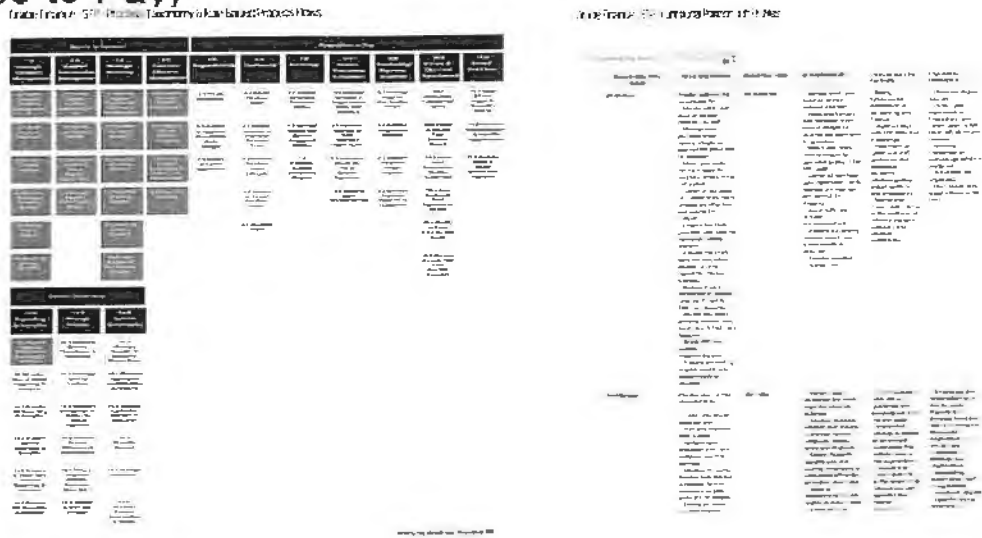
Group	Definition
PM	Project Management
BP	Business Process Transformation
CE	Change Management Execution
TM	Technology & Data Management
SC	Security Controls
MoSCoW	Must have, Should have, Could have, Won't have
POD	Another term for environment. Typical PODS should be Dev, Test, and Production.

RACI key	Definition
R = Responsible	Those who are responsible to do the work and complete the task and/or Deliverable correctly
A = Approval	Those who are accountable for giving final approval and official sign-off of Key Deliverables
C = Consulted	Those whose opinions are sought, typically subject matter professionals; and with whom there is two-way communication
I = Informed	Those who are kept up-to-date on progress, often only on completion of the task or Deliverable; and with whom there is just one-way communication

KPMG's Powered Enterprise process taxonomy tile boards and Procurement & Projects level 3 processes are leading practice process documentation that will be used to facilitate the requirement gathering workshops.

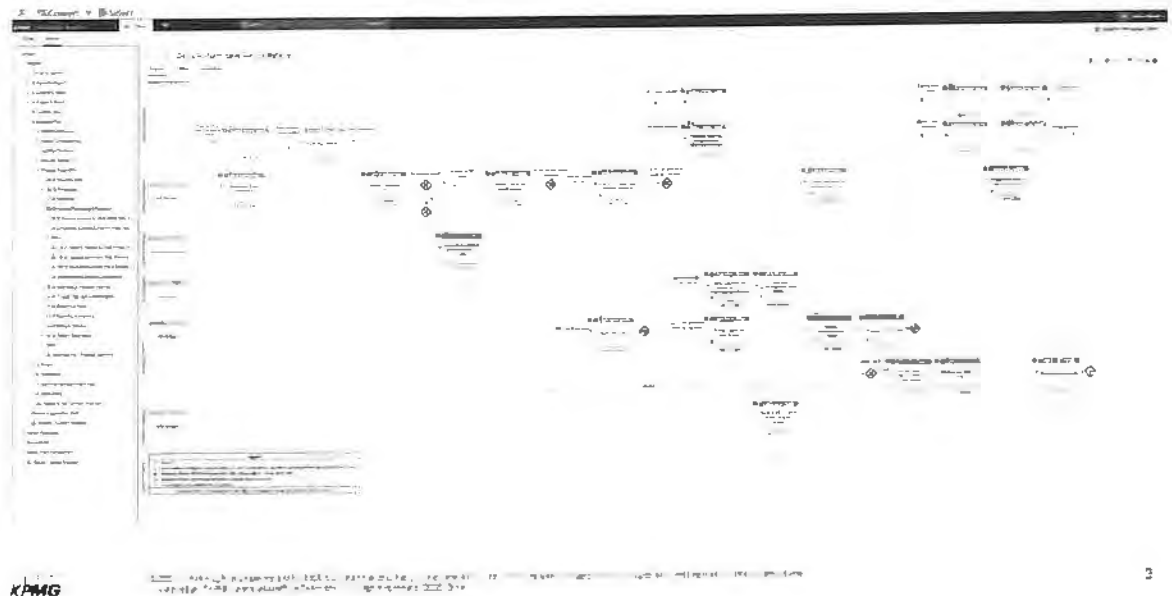
Sample Oracle Cloud Tile Boards (Source to Pay Function) and Level 3 Process Flows

Illustrative Source To Pay Process Taxonomy and Functional Position Job Roles Within Our Powered Enterprise Framework (Source to Pay)



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Illustrative Bank Reconciliation Process Within Our Source To Pay Process Taxonomy



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10. ATTACHMENTS

- Attachment 1 – Expected POLA Involvement
- Attachment 2 – Change Control
- Attachment 3 – Support SLAs
- Attachment 4 – Oracle Billing of Material (BOM)

- Attachment 5 – RACI Matrix
- Attachment 6 – Functional Requirements (Excel Documents)
- Attachment 7 – Technical Requirements (Excel Documents)
- Attachment 8 – EBS Workflows and AME Rules (Excel Documents)
- Attachment 9 – LAHD ERP Cloud Interface Requirements

11. TABLES

- Table E1.1 – LAHD Team Roles
- Table E2.1 – Development Object Complex Rating
- Table E2.2 – Development Object Summary
- Table E3.1 – SLA Target Incident Response Time
- Table E3.2 – SLA Target Incident Update and Resolution Time
- Table 2 – Interface Objects
- Table 3 – Programmatic Conversion Data Objects

ATTACHMENT 1

EXPECTED LAHD INVOLVEMENT

The following LAHD Team Roles outlines the estimated commitment level estimates for LAHD resources. Actuals will vary based on scope of the project, which will be finalized in the Validation phase. Some roles may be filled by the same person and some roles may be broken down into more than one resource.

NITI will leverage functional Subject Matter Professionals as applicable. Please see Attachment 5 – RACI Matrix for roles and responsibilities pertaining to deliverables and activities.

Project Phases	Vision (Discovery Analysis & Requirements)	Validate (Design)	Construct (Coding, Configuration, Testing)	Deploy (UAT, Deployment)	Evolve (Post Production)
Management Team					
Project Executive Team	Up to 4 hrs / week	Up to 4 hrs / week	Up to 4 hrs / week	Up to 8 hrs / week	Up to 1-4 hrs / week
Project Manager	Full Time	Full Time	Full Time	Full Time	Full Time
Functional Team					
Functional Process Owners (Supervisors) – Decision Makers	Up to 8 hrs / week or as needed for the process area	Up to 8 hrs / week or as needed for the process area	Up to 8 hrs / week or as needed for the process area	Up to 8 hrs / week or as needed for the process area	Full Time Owner of the new system
Functional Lead – Responsible for Business Process (e.g. Accounts Payable)	Up to 16 hrs / week per process	Up to 24 hrs / week per process	Up to 16 hrs / week per process	Up to 24 hrs / week per process	Full Time Users of the new system
Functional End Users (Testers)	-	-	-	Up to 24 hrs / week during UAT	Full Time Users of the new system
Technical Team					
Technical Lead	Up to 16 hrs / week per process	Up to 24 hrs / week per process	Up to 16 hrs / week per process	Up to 24 hrs / week per process	Full Time User of the new system
Technical Analyst(s) <ul style="list-style-type: none"> • Technical Architect • Data Conversion • Interface / Integration • Reporting • Workflow 	Up to 8 hrs / week or as needed	Up to 16 hrs / week or as needed	Up to 16 hrs / week or as needed	Up to 32 hrs / week or as needed	Up to 8 hrs / week or as needed

Project Phases	Vision (Discovery Analysis & Requirements)	Validate (Design)	Construct (Coding, Configuration, Testing)	Deploy (UAT, Deployment)	Evolve (Post Production)
Testing Lead	-	Up to 8 hrs / week	Up to 32 hrs / week	Up to 32 hrs / week	As needed for future testing
Testing Analyst(s)	-	-	Up to 32 hrs / week	Up to 32 hrs / week	As needed for future testing
Subject Matter Advisors (SMA)					
Subject Matter Advisor – specific expert of a particular process area (e.g. PBCS Budgeting)	Up to 2 hrs / week	Up to 8 hrs / week	Up to 8 hrs / week	Up to 8 hrs / week	Full Time Users of the new system
Change Management Team					
Change Management Lead	Up to 8 hrs / week	Up to 8 hrs / week	Up to 8 hrs / week	Up to 8 hrs / week	Up to 1-2 hrs / week
Training Team					
Functional Process Training Leads		Up to 8 hrs / week	Up to 8 hrs / week	Up to 32 hrs / week	As needed for training material maintenance

ATTACHMENT 2 CHANGE CONTROL

All Change Requests must be formally initiated, evaluated, and approved as per the change control process to be defined in the project governance plan. NITI shall not be obligated to perform any tasks, and LAHD shall not be obligated to pay additional costs applicable to Change Requests that result in a change to the scope of services, cost or schedule, unless both parties agree to such in the form of an Addendum to this Statement of Work.

The following procedures will be followed related to change control:

1. **Initiation and Control.** This includes completion of the Change Request form and submission to the Change Management Process managed by the PMO.
2. **Impact Assessment.** An impact assessment will be performed to determine the estimated impact of the change, including scope, cost, time, benefits, and external impacts.
3. **Approval Process.** The Change Request will go through a formal approval process as outlined in the project governance plan. Change Requests that are not approved will not progress further in the process.
4. **Control and Documentation of Changes.** Approved Change Requests will be recorded as such and the impacted project areas including any deliverables will be updated to reflect the Change Request.
5. **Any Change Requests that impact the NITI contract will be addressed in the form of a Statement of Work Addendum signed by both parties.** NITI shall not commence performing any services, functions or responsibilities related to the Addendum until it is executed by both parties.

Development Object Change Control

During the Validate phase development objects will be reviewed for rationalization, consolidation or elimination based upon available functionality of the in-scope Oracle Cloud applications described in Exhibit A. NITI will allow for development object to be exchanged or replaced with net new objects, without an impact on the Fees, as long as the total count described in Exhibit A, Section 4.1.3 is not increased.

Any new development objects identified and not listed in Exhibit A, Section 2.2 will be rated for complexity on a scale of Low, Moderate, High and Complex as defined in Table E2.1 - Development Object Complexity Rating. These ratings drive estimated effort. For "Complex" objects, the effort and cost will be determined on a case-by-case basis.

TABLE E2.1 – DEVELOPMENT OBJECT COMPLEXITY RATING

Object Type	Low	Moderate	High
Report	Simple custom reports created using OTBI, BI Publisher or FRS	Medium complexity custom reports created using OTBI, BI Publisher or FRS	Complex custom reports created using OAC, OTBI, BI Publisher or FRS

Object Type	Low	Moderate	High
	Simple SQL (one subject area)	Moderate SQL, two subject areas	Complex SQL, multiple subject areas
	Straightforward data retrieval	Some relational cross-checking against SaaS ERP	Relational cross-checking against PaaS Database Cloud Service
	Minimal formatting	Some formatting and processing logic	Significant formatting or processing logic
	Minimal aggregation, calculation, sorting, grouping, breaking	Moderate aggregation, calculation, sorting, grouping, breaking	Complex aggregation, calculation, sorting, grouping, breaking
	Simple data retrieval	Moderate data retrieval	Complex data retrieval
Interface	Simple API data structures	Medium complexity of API data structures	Complex API data structure
	Low data volume	Moderate data volumes	High data volumes
	Simple record format	Moderate complex record format	Complex record format
	No transformations or data validations required	Moderate transformations, SaaS data lookups and validations required	Complex transformations, SaaS data lookups and validations required
	No retry logic (errors to report log)	Some retry logic and error processing	Significant retry logic and error handling
	Batch architecture - same platform	Complex batch or simple real-time interface	Cross-platform, batch, real-time communication
Conversion	Simple FBDI data structures	Medium complexity of FBDI data structures	Complex data mapping/FBDI data structure
	Data is pre-extracted and formatted	Some reformatting of data is required	Significant reformatting is required
	Limited data mapping	Moderate data mapping	*Custom extensions are needed to support the interface process
	No transformations or data validations required	Moderate transformations, SaaS data lookups and validations required	Complex transformations, SaaS data lookups and validations required
	Single load program, no master data	Single load program, with master data lookup	Some master data rationalization required
	Low data volume	Moderate data volumes	High data volumes
Extension	Simple design	Moderately complex design	Complex design
	Usage of Visual Builder Cloud Service with single REST service interface	Usage of Visual Builder Cloud Service with multiple REST service interfaces	SOA JDeveloper - ADF with simple programming logic

Object Type	Low	Moderate	High
	No changes to processing logic or underlying table structure	Moderate level of new fields, logic, or table structures	High level of new fields, logic, or table structures
	No database updates	Database updates required	Complex supporting database
	No separate program logic	Simple PL/SQL programming logic	Complex PL/SQL or some Java programming logic
	No retry logic (errors to report log)	Some retry logic and error processing	Significant retry logic and error handling
Workflow	New simple workflow process definition or simple modification to an existing workflow process definition using {ERP} Workflow Builder, or the BPM tool in Cloud Applications. Custom code components triggered from one or more events.	Medium-complexity workflow process definition	Medium-complexity workflow process definition

ATTACHMENT 3 SUPPORT SLAS

Service Level Agreement - Support (Business Hours)

TABLE E3.1 – SLA TARGET INCIDENT RESPONSE TIME

Service Level	Description	Target Incident Response	Potential Incident Levels
1. Outage	Application Down or Services Down	Within 30 minutes	L2, L3 and L4
2. Critical	High risk of server downtime, Work stoppage, Month end, Quarter end or Year-end issues effecting close	Within 60 minutes	L2, L3 and L4
3. High	End user impact effecting downstream functionality	Within 120 minutes	L2 and L3
4. Medium	Potential for impact if not addressed	Within 1 Business Day	L2 and L3

Note: Target Incident Response is based on the Support team being notified either via mobile alerts and/or email. Target incident response times are during office hours (8AM to 6PM PST)

TABLE E3.2 – SLA TARGET INCIDENT UPDATE AND RESOLUTION TIME

Service Level	Target Incident Update SLA	Target Resolution SLA
1. Outage	2 Hours	24 Hours
2. Critical	1 Business Day	2 Business Days
3. High	2 Business Days	5 Business Days
4. Medium	3 Business Days	7 Business Days

Incident Levels

- L1: Initial level of maintenance support provided by LAHD help desk. LAHD Help Desk will triage issues and assign to relevant teams.
- L2: Support tickets that can be resolved by basic configuration changes in the EBS applications or by applying suggested workarounds.

Both L1 and L2:

- A. Workarounds suggested by EBS Support team and approved by LAHD.**
- B. Support incidents that can be resolved by configuration changes in EBS.**
- C. Rollout of Workarounds and Configuration changes to Production are dependent on validation testing and approval times by LAHD Business Users.**

- L3: Support tickets requiring code changes or Advanced EBS Configuration Changes to resolve.**
 - A. Datafix incidents requiring LAHD custom code changes, changes to existing data fix scripts and development of new data fix scripts.**
 - B. Incidents requiring advanced EBS configuration changes to resolve.**
 - C. Rollout of Datafix scripts, code changes and advanced EBS configuration changes to Production may require full validation testing and approval from LAHD Business Process Owners.**

- L4: Tickets related to the product defects and workarounds for unmet functionality, which require help from the Application Software product vendor (Oracle, Other Application Software Vendors) in terms of raising support tickets or Hotfix or a patch release.**

ATTACHMENT 5 RACI MATRIX

On-Going Activities	LAHD	NITI
- Execute program and governance management processes	C	R
- Perform ongoing risk mitigations and issue tracking	C	R
- Execute progress status and budget reporting	C	R
- Project change control and escalation process	C	R
- Conduct steering committee updates	R	C
- Ongoing Oracle ER (Enhancement Request) and SR (Support Request) creation and management	C	R
- Coordination with Oracle Cloud Services and Oracle Customer Success teams	R	C
- Coordination with third-party vendors and other Client internal teams	R	C
- Ongoing data cleansing and scrubbing	R	C
- Weekly project update reports	C	R
- Steering committee update reports	C	R

Vision Phase

Activities	LAHD	NITI
- Phase kick-off meeting	R	R
- Establish and execute program management processes to define Project Governance, Charter (project plan, issues, risk, change, SR)	R	R
- Conduct finalize governance structure workshops	C	R
- Coordinate with Oracle to provision project pods (ERP and EPM environments)	R	C
- Conduct program/project plan and schedule workshops	C	R
- Conduct environment strategy and management plan workshops	C	R
- Conduct architectural/integration strategy and design workshops	C	R
- Conduct data strategy workshops for conversion, cleansing, and archive	C	R
- Conduct reporting strategy workshops	C	R
- Conduct reporting technology workshops	C	R
- Conduct functional design workshops for decisions, risks, issues, and gaps	C	R
- Define development standards and naming conventions	C	R
- Attend outside Oracle application training	R	C
- Evaluate scope against remaining timeline and budget	C	R

Activities	LAHD	NITI
- Update project plan with details for the next phase	C	R
- Sign off on phase deliverables	R	C
Develop securing the cloud strategy		
- Conduct Applications Security Workshop	C	R
- Conduct Applications Controls Workshop	C	R
- Conduct Cyber Integration Workshop	C	R
- Review and Approve Securing the Cloud Strategy and Design	R	C
COA Design		
- Conduct Finance / Accounting Report Rationalization Workshops	C	R
- Conduct Chart of Accounts Structure and Governance Design	C	R

Validate Phase

Activities	LAHD	NITI
- Develop and deliver initial communications	C	R
- Respond to KPMG's provided discovery questionnaires	R	C
- Update Powered Enterprise Validation workshop packs	C	R
- Create change agent strategy	C	R
- Conduct Powered Enterprise Validation workshops	C	R
- Assess end user training needs	R	C
- Document and prioritize finalized scope and variances with Powered Enterprise	C	R
- Develop communication strategy & plan	C	R
- Create Test Strategy for the program	C	R
- Create Test Plan for CRP0	C	R
- Update Finance target operating model / define high-level future state organization	C	R
- Define Finance roles mapped to Oracle Finance Cloud roles	C	R
- Develop Transition to Support Strategy	C	R
- Begin to develop conversion mapping rules	C	R
- Develop legacy data cleanup strategy and start cleanup	R	C
- Finalize technical inventory (interfaces, reports, conversions)	C	R
- Evaluate scope against remaining timeline and budget	C	R
- Update project plan with details for the next phase(s) including any adjustments to target launch dates	C	R
- Sign off on phase deliverables	R	C

Activities	LAHD	NITI
- Validate Powered Controls with Process Owners	C	R
- Develop Security Gap (deviations from Powered Roles)	C	R

Construct Phase

Activities	LAHD	NITI
- Develop and execute ongoing communications	R	C
- Conduct production planning / cutover workshops	C	R
- Finalize conversion mapping rules	C	R
- Develop draft segregation of duties (SOD) rules	C	R
- Evaluate the proposed design of application roles against the agreed- to SOD rules	C	R
- Conduct mapping exercise of users to application roles based on job function within the organization	R	C
- Configure, unit test Roles in 2 Pods (CRP and Gold)	C	R
- Support 2 testing cycles	C	R
- User and Role provisioning in all environments	R	C
- Conduct security knowledge transfer sessions to client Security Team	I	R
- Train Business Users on application role capabilities	R	C
- Evaluate user access against Segregation of Duties rules prior to go- live and review with business, IT and internal control stakeholders	C	R
- Support Hyper Care security related activities	R	C
- Controls (process & IT) rationalization, formalizing Risk and Controls Matrix, Test of Design / Operating Effectiveness	R	I
SDLC (Data Migration, Integration, and Reports)		
- Document interface functional specifications	C	R
- Document reporting functional specifications	C	R
- Develop interface technical designs	C	R
- Develop reporting technical designs	C	R
- Build and execute unit testing of interfaces	C	R
- Build and execute unit testing of custom reports	C	R
- Data cleansing / cleanup in legacy system	R	C

Activities	LAHD	NITI
- Build and test legacy system extracts	R	C
- Load and test conversion processes	C	R
- Reconcile data conversions and extracts	R	C

CRP 1 Activities – Solution Validation	LAHD	NITI
- Define scope and entry / exit criteria for CRP1	C	R
- Sign off on scope and entry / exit criteria for CRP1	R	C
- Build configuration workbooks updated for CRP1	I	R
- Complete configuration in pod for CRP1	I	R
- Execute data conversion (mock 1) - Client is responsible for providing clean and correct extract files and KPMG is responsible for the load into Oracle Cloud	C	R
- Create Test Plan for CRP1 including Powered Enterprise provided test scripts	C	R
- Adjust Powered Enterprise provided test scripts to The City of Los Angeles Harbor Department requirements	R	C
- Prepare testing data scenarios	R	C
- Execute CRP1 event	R	C
- Interface functional unit testing	C	R
- Report functional unit testing	C	R
- Document and report CRP1 results	C	R
- Signoff on CRP1 exit	R	C
- Document and prioritize issues and defects from CRP1	C	R
- Resolve issues and defects from CRP1	C	R

CRP 2 Activities – System Integration Test (SIT)	LAHD	NITI
- Define scope and entry / exit criteria for CRP2	C	R
- Sign off on scope and entry / exit criteria for CRP2	R	C
- Build configuration workbooks updated for CRP2	C	R
- Complete configuration in pod for CRP2	C	R
- Execute data conversion (mock 2)	C	R

CRP 2 Activities – System Integration Test (SIT)	LAHD	NITI
- Client is responsible for providing clean and correct extract files and KPMG is responsible for taking the lead to load data into Oracle Cloud		
- Create Test Plan for CRP2 including Powered Enterprise provided test scripts	C	R
- Adjust Powered Enterprise provided test scripts to The City of Los Angeles Harbor Department requirements	R	C
- Prepare testing data scenarios	R	C
- Execute CRP2 event	R	C
- Interface functional unit testing	C	R
- Report functional unit testing	C	R
- Document and report CRP2 results	C	R
- Signoff on CRP2 exit	R	C
- Document and prioritize issues and defects from CRP2	C	R
- Resolve issues and defects from CRP2	C	R
- Finalize change agent role and identify change agents	R	C
- Evaluate scope against remaining timeline and budget	C	R
- Update project plan with details for the next phase	C	R
- Sign off on phase deliverables	R	C
- Data (Conversion) Mapping	C	R
- Data Conversion Test Plan including Powered Enterprise provided testing scripts	C	R
- Legacy Data Cleanup Strategy	R	C
- Functional Specifications – Interfaces	C,A	R
- Functional Specifications – Reporting	C,A	R
- Signed off Test Plans for CRP1 and CRP2	C,A	R
- Signed off CRP1 and 2 Entry/Exit Criteria	C,A	R
- Signed off CRP1 and CRP2 events	C,A	R
- Production Cutover Plan	C,A	R
- Technical Designs – Interfaces	I,A	R
- Technical Designs – Reporting	I,A	R
- Training Curriculum Development	C, I	R
- A listing of SOD Rules leveraged for assessing Roles	A	R
- Functional and Technical Design document for Roles	A	R

Deploy Phase

Deploy Activities	LAHD	NITI
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- Develop and execute ongoing communications	I	R
- Finalize cutover execution plan	R	C
- Develop knowledge transfer strategy & plan	C	R
- Define production support procedures (i.e. governance model, production change control)	R	C
- Resolve issues and defects from CRP1 and CRP2	C	R
- Finalize configuration workbooks	I	R
- Build and configure production environment	R	C
- Oracle to perform P2T copy of production to user acceptance testing (UAT) environment	C	R
- Finalize migration and configuration of UAT environment	R	C
- Execute data conversion (mock 3) - Client is responsible for providing clean and correct extract files and Client is responsible for taking the lead to load data into Oracle Cloud	R	C
- Finance Functional lead switches from KPMG to Client	R	I
- Conversion Technical lead switches from KPMG to Client	R	I
- Configuration Maintenance of the production environment	R	I

Deploy Phase – User Acceptance Testing (UAT) Activities	LAHD	NITI
- Define scope and entry / exit criteria for UAT	R	C
- Sign off on scope and entry / exit criteria for UAT	R	C
- Create Test Plan for UAT	R	C
- Adjust Powered Enterprise provided test scripts to The City of Los Angeles Harbor Department requirements	R	C
- Prepare testing data scenarios	R	C
- Execute UAT	R	C
- Document and report UAT results	C	R
- Sign off on UAT exit	R	C
- Document and prioritize issues and defects from UAT	C	R
- Resolve issues and defects from UAT	C	R

Deploy Activities – Change Management and Go-live	LAHD	NITI
Change Management		
- Develop go-live communications plan	R	I
- Facilitate change agent network activities	R	I

Deploy Activities – Change Management and Go-live	LAHD	NITI
- Update training strategy & plan	R	C
- Design end user training curriculum	I	R
- Conduct Super User/ Train-the-Trainer sessions	C	R
- Deliver end user training	R	C
Go-live		
- Finalize go live readiness - final go/no-go decision	R	C
- Execute cutover execution plan (day-by-day count down)	R	C
- Begin using production environment as live system	R	C
- Evaluate scope against remaining timeline and budget	C	R
- Update project plan with details for the next phase	C	R
- Signed off UAT entry and exit criteria	R,A	C
- Signed off UAT events	R,A	C
- Application Configuration (workbooks)	C,A	R
- Training Materials	I	R
- Change Readiness Assessment(s)	R	C
- Go-Live Communications Plan (Communications Toolkit)	R	C

Evolve Phase

Activities	LAHD	NITI
- Transition program and governance management processes	C	R
- Confirm post go-live/sustainability plan	R	C
- Post production support	R	C
- Execute knowledge transfer strategy & plan	C	R
- Transition from project team to steady state team	R	C
- Assess project performance and lessons learned	R	C
- Archive project deliverables and assets	R	I
- Disband project resources and infrastructure	R	C
- Close project against completion criteria	R	C
- Transition from Oracle Implementation Success Manager (ISM) to Customer	R	C
- Project Close Letter	C,A	R

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.1 General

Functional Category: General Requirements

Requirement Code (RC)
R= Required N= Nice to Have F= Future

Functional Category: General Requirements

Reference Number	Business Requirement	RC	Comments
<i>Proposed system must provide, at a minimum, the following capabilities:</i>			
	General Design		Comments
GE 1.00	Full integration between all software modules. Specifically, the updating of any data element occurs only once, and is then reflected throughout all applications.	R	
GE 2.00	All applications/modules utilize the same database.	R	
GE 3.00	System users have the ability, based upon their security profile, to customize/develop the following parameters specific to their user ID:	R	
GE 3.01	Input screens	R	
GE 3.02	Menus, including help menus	R	
GE 3.03	Notices	R	
GE 3.04	Look-up Tables	R	
GE 4.00	Prints information displayed on the screen in printable format to ensure information not truncated.	R	
GE 5.00	Accesses other input screens and modules without backing out of menus or menu paths.	R	
GE 6.00	Supports short-cut keys to move between modules and menus.	R	
GE 7.00	Ability to navigate within multiple input screens without losing information input on the original (or header) screen.	R	
GE 8.00	Ability to open multiple screens/windows.	R	
GE 9.00	Utilizes on-line drop-down list of all valid values for each validated field.	R	
GE 10.00	Supports partial queries in fields.	R	
GE 11.00	Supports user defined fields for the capture of unique data.	R	
GE 12.00	Contains an on-line calculation tool that can also insert a calculated value into a numeric value field.	R	
GE 13.00	Utilizes an on-line help feature, which directs the user to help screens specific to the transaction for which they are processing.	R	
GE 14.00	System provides the ability to attach and retrieve files (including but not limited to scanned images, programs, and word processing document(s)) to all records/transactions.	R	
GE 15.00	Ability to copy one line of coding to the next line and change one or more coding elements when using input screens.	R	
GE 16.00	Splits a single transaction over multiple coding line distributions (fund, appropriation, general ledger account, project, grant, etc.) on all transaction types based on user-defined criteria.	R	
GE 17.00	Splits account distributions by percentage, dollar amount, quantity or other user-defined calculation.	R	
GE 18.00	All transactions are stored at the level of detail entered in the system.	R	
GE 19.00	All transactions are stored until purged.	R	
GE 20.00	Parent and child transactions are linked (i.e. voucher is linked to payment).	R	
GE 21.00	Supports posting to the general ledger in summary or in detail based upon user-defined system configuration.	R	
GE 22.00	Permits users to process transactions on-line real time or in batch mode.	R	
GE 23.00	Processes external transactions (in standard format) from interfaced systems in the following ways:	R	
GE 23.01	Accepts transaction files	R	
GE 23.02	Validates data before importing	R	
GE 23.03	Applies all system edits	R	
GE 23.04	Generates exception reports and send notifications	R	
GE 23.05	Posts transactions after all edits are approved	R	
GE 24.00	Produces a standard formatted file that supports sending financial information (i.e. history extract, payment data) to other systems.	R	
GE 25.00	Take advantage of standard desktop software already installed and familiar to users, such as internet browsers, email, Microsoft Windows, Microsoft Office etc. AND Collaboration tools such as Sharepoint.	R	
GE 26.00	Maintain data across multiple fiscal years.	R	
GE 27.00	Enter business rules with future effective dates and expiration dates.	R	
GE 2019.10	User friendly GUI to navigate/search for information.	R	
GE 2019.20	Provide audit trail screen of who performing the transactions.	R	
GE 2019.30	Streamline process to add new accounting calendar year.	N	
GE 2019.40	Ability to process transactions associated with or created by terminated employees after termination (i.e. expense reports, REQs submitted prior to employment termination).	R	
Edit Requirements			
GE 28.00	Uses descriptive error messages tied to specific transactions.	R	
GE 2019.50	Ability to configure en or messages.	R	
GE 29.00	Utilizes on-line error message help screens, which can be accessed directly from the error message.	R	
GE 30.00	Highlights required elements and provides detailed error messages when entering any system transaction (i.e. purchasing, HR event, chart of account maintenance) if an element is incorrect or omitted.	R	
GE 31.00	Allows only existing table values in fields requiring valid values.	R	
GE 32.00	Validate data as it is entered.	R	
GE 33.00	Query the database to assist in data entry.	R	
Interfaces			
GE 34.00	Provide interfaces to the following systems:		
			We currently interfaced with PaySR+HDTime, and will be interfaced with WorkDay in the future.
GE 34.01	City of Los Angeles Payroll System and POLA Payroll System	R	
GE 34.02	City of Los Angeles Financial Management System	R	
GE 34.03	POLA/LAHD KLEIN Billing System	R	

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.1 General

Functional Category: General Requirements			
Reference Number	Business Requirement	RC	Comments
Reporting			
GE 34.04	POLALAHD KLEIN Real Estate System	R	
GE 34.05	POLALAHD MaintStar - Construction & Maintenance Work Order System	R	Currently not interfaced
GE 34.06	POLALAHD Project Information Control System	R	
GE 34.07	Enterprise GIS (ESRI based)	F	Cost information by terminal, property location etc.
GE 34.08	Lockbox	R	
GE 34.09	Travel & Charge Credit Card Transaction	R	Citibank is our current travel & charge credit card agent
GE 34.10	PCARD Transactions	R	US Bank is our current PCARD agent
GE 34.11	Debt and Treasury Information Management System	R	Third party software such as Sympro
GE 34.12	PBCS - Budget and Planning system	R	
GE 34.13	LATAK - Office of Finance Financial System	R	To validate BTRC - Currently manually checked, not system interfaced
GE 34.14	City of LA Personnel Risk Management system - IVDS	F	
Workflow and Approval Requirements			
GE 35.00	Utilizes workflow for processing transactions across different units within the organization, based on user defined processes and approvals	R	
GE 36.00	Workflow tools are available for all system transactions.	R	
GE 37.00	Notifies account "owners" of transactions to their accounts that are generated by users that are not part of the accounts owners workgroup (i.e., organization unit).	R	
GE 38.00	Provide user ability to set number of approvals required by type of transaction or threshold such as dollar value.	R	
GE 39.00	Monitors workflow transactions based on user-defined thresholds (i.e. time and amount)	R	
GE 40.00	Workflow rules are based upon the following:	R	
GE 40.01	Tolerances	R	
GE 40.02	Financial rules	R	
GE 40.03	User-defined parameters	R	
GE 41.00	Provides a flexible, hierarchical approval process.	R	
GE 42.00	Tracks and reports electronic approvals.	R	
GE 43.00	Workflow transaction records contains a comment field for text entry or for file attachments	R	
GE 44.00	Supports multiple approval levels for transactions.	R	
GE 2019.60	Provide transparent workflow process and easy workflow administration	R	
Audit Requirements			
GE 45.00	System should provide an automated audit trail (e.g., log of changes, additions, deletions, deactivations) of system changes.	R	
GE 46.00	Records the following minimum data on all transactions:	R	
GE 46.01	Type of change	R	
GE 46.02	Operator ID	R	
GE 46.03	Effective Date of Change	R	
GE 46.04	Date	R	
GE 46.05	Time	R	
GE 46.06	Old value	R	
GE 46.07	New value	R	
GE 46.08	Transaction type	R	
GE 46.09	Transaction ID	R	
GE 47.00	Maintains history and can report on all changes over a given period, user or activity ic records filtered by user criteria	R	
GE 2019.70	Provide audit trail of meta-data changes/updates (charts of accounts, divisions, vendors etc.)	R	
Querying			
GE 48.00	Ability to drill down to supporting documents and related transactions from any field within the system.	R	
GE 49.00	System generates ad-hoc queries and reports based on user defined parameters.	R	
GE 50.00	Ad-hoc queries access any fields within the system.	R	
GE 51.00	Exports queries to popular desktop applications (i.e., Microsoft Office Applications etc.)	R	
GE 52.00	Ability to drill down from summary balances to the supporting detail transactions and drill up from the detail transaction to the summary balance (i.e. actual links to PO/REQ/Invoices).	R	
Reporting			
GE 53.00	Ability to save and retrieve ad hoc reports/queries in various file formats(pdf, excel, csv, rtf etc.)	R	
GE 54.00	Ability to produce ad-hoc reports both online and in hard copy.	R	
GE 55.00	System meets POLALAHD'S financial reporting requirements in accordance with GAAP	R	
GE 55.00	The system supports federal and state government reporting requirements applicable to all modules/applications.	R	
GE 57.00	Ability to produce suspense report for all pending transactions.	R	
GE 58.00	Ability to generate reports that include user designed graphs and charts.	R	
GE 59.00	Ability to route reports to various network printers as defined by user.	R	
GE 60.00	Ability to produce a list of items flagged for purging.	R	
GE 61.00	Produces the following Quality Assurance reports:		
GE 61.01	Illegal access to system	R	
GE 61.02	Exception reports based on user-defined criteria	R	
GE 61.03	Out of balance reports (system and transaction)	R	
GE 61.04	Control report that reconciles summary and detail balances	R	
GE 61.05	Reconciliation report that only shows out of balance conditions within and between modules	R	
GE 2019.80	Ability to schedule and distribute reports	R	
GE 2019.90	Provide end-users ability to create reports	R	
GE 2019.91	Ability to create dashboards	R	Currently not set up
Security			
GE 62.00	All transactions require proper security.	R	
GE 63.00	Ability to restrict access to data fields to users with proper security.	R	
GE 64.00	System should provide the ability to limit the types of transactions that a user can process.	R	

ATTACHMENT 6
FUNCTIONAL REQUIREMENTS

6.1 General

Functional Category: General Requirements			
Reference Number	Business Requirement	RC	Comments
<i>Proposed system must provide, at a minimum, the following capabilities:</i>			
GE 65.00	Ability to support various flexible levels of security, meaning that the security administrator can assign security parameters which are individual to users.	R	
GE 65.00	Ad Hoc/Query/Reporting is subject to application security.	R	

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.2 Accounts Payable

Functional Category: Accounts Payable

Requirement Code (RC)
R= Required N= Nice to Have F= Future

Functional Category: Accounts Payable

Reference Number	Business Requirement	RC	Comments
Proposed system must provide, at a minimum, the following capabilities:			
	General Design		Comments
AP 1.00	Maintain and provide on-line access for Accounts Payable data	R	
AP 2.00	Accumulate year-to-date figures for purchases by vendor, payments to vendor and payments by contract	R	
AP 3.00	Can be queried by invoice, purchase order number, contract number, commodity code, account, and budgetary line item.	R	Currently not on commodity code, account, budgetary line item, and contract level
AP 4.00	Generate accruals of payables to open GL period when corresponding AP period is closed	R	
AP 5.00	Ages accounts payable	R	
AP 6.00	Integrated with the purchasing module for workflow approval, transaction processing and drilldown to source transactions.	R	
AP 7.00	Integrated with projects/grants and fixed assets to process purchases and track related information.	R	
AP 8.00	Accommodate multiple workflow approval processes.	R	
AP 9.00	Allow users to view audit trails of all transactions.	R	
AP 10.00	Track detailed activity of procurement cards and integrated card detail reconciliation.	R	
AP 11.00	Support receiving credit card detail via electronic interface with credit card carriers.	R	
AP 12.00	Match by invoice, receiving documents, purchase order and contract	R	
AP 13.00	Provide an unlimited amount of cost distributions per transaction.	R	
AP 14.00	Maintain payment history for each vendor for specified periods	R	
AP 15.00	Maintain discount taken & lost history	R	
AP 16.00	Track vendor numbers with unlimited characters	R	
AP 17.00	Process more than one 1099 category per vendor or invoice	R	
AP 18.00	Track if vendor W-9 and equivalent state form are on file and current.	R	
AP 19.00	Track vendor certifications and licenses	R	
AP 20.00	Track disadvantaged business certifications	R	
AP 21.00	Track vendor parent-child relationships with duplicate tax ID	R	Currently not used
AP 22.00	Retain prior year(s) data (up to 5 years) for comparative reporting, both on-line and off-line.	R	
AP 23.00	Handle and report "one-time" vendors, then drop them from the system based on user-defined parameters	R	
AP 24.00	Track invoices from receipt to final payment with on-line status inquiry (for three way matching process)	R	
AP 25.00	Determine cash requirements on a selective basis for any number of days into the future.	R	
AP 26.00	Track vendor historical information.	R	
AP 27.00	Enforce business rules for account distribution and payment terms based on vendor or other parameters.	R	
AP 28.00	Relieve encumbrances (commitments)	R	
AP 29.00	Track payables by facility for utility costs, maintenance material costs, construction materials costs, and related professional services, environmental study/cleanup	R	Currently track in an off-line system, Manstar system, the purpose is to help or facilitate P&L reporting by lines of business, by customer, and invested capital by lines of business and by customer
AP 30.00	Automatic account distribution of freight charges, sales tax, labor costs, discount amounts.	R	
AP 2019.10	Send notifications when receiving	R	
	Voucher Processing		
AP 31.00	Schedule invoices for payment based on vendor terms, future dated invoices, etc. and accrue costs based on vendor invoice date	R	Currently not used
AP 32.00	After proper edit checks, the system can update the general ledger expense accounts in real-time (e.g., when an invoice is entered)	R	
AP 33.00	Automatically relieve an commitment when an expenditure transaction is entered	R	
AP 34.00	Close out / reverse commitments and purchase orders by user defined parameters	R	
AP 35.00	Maintain and release recurring payments based upon user defined amounts and payment dates	R	Currently not used

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.2 Accounts Payable

Functional Category: Accounts Payable			
Reference Number	Business Requirement	RC	Comments
<i>Proposed system must provide, at a minimum, the following capabilities:</i>			
AP 36.00	Automatically update budget ledgers	R	
AP 37.00	Void or correct payments on-line, with appropriate corrections made to year-to-date vendor totals	R	
AP 38.00	Cross-reference a purchase order and invoice for the same transaction	R	
AP 39.00	Provide duplicate invoice tracking capabilities	R	
AP 40.00	Process retainage from contract purchases	R	
AP 41.00	Support detailed utility invoicing capabilities including EDI receiving of invoices	R	
AP 42.00	Prorate vendor freight charges over multiple lines	R	
AP 43.00	Maintain, update, and retrieve invoice transactions by vendor, employee, or other identification as defined by the user	R	
AP 44.00	Process invoice information, including invoice number, amount, payment date, and transaction number, if applicable	R	
AP 45.00	Age accounts payable by open item and/or in accordance with vendor terms	R	
AP 46.00	Calculate penalties and discounts	R	
AP 47.00	Assign voucher numbers (up to 15 alphanumeric digits) for internal control	R	
AP 48.00	Track anticipated cash requirements for disbursements	R	
AP 49.00	Reject transactions for insufficient appropriation and cash / fund balances (with override feature)	R	
AP 50.00	Process prepaid expenses (i.e., advanced payment, travel etc.)	R	
AP 51.00	Automatically updates to vendor master file	R	
AP 52.00	Track individual invoices over a user-specified amount	R	
AP 53.00	Automatically updates expenditures and appropriate ledgers	R	
AP 54.00	Allocate an invoice amount to various accounts according to a percentage of the invoice amount	R	
AP 55.00	Provides invoice tracking for pending approvals	R	
AP 56.00	Maintain an open item file of unpaid vendor invoices and allows inquiry into that file by vendor or invoice	R	
AP 57.00	Perform automated partial or complete liquidation of an commitment by payment against a vendor invoice	R	
AP 58.00	Schedules payments by user-defined calendars	R	
AP 59.00	Report daily, weekly, or monthly future payment requirement schedules (cash requirements reporting)	R	
AP 60.00	Process credit and debit memos to adjust the amount due if items are returned or if an invoice is incorrect	R	
AP 61.00	Cross-reference a purchase order and invoice for the same transaction	R	
AP 62.00	Accumulate state sales / use tax or income for out of state vendors and pay direct to state	R	
AP 63.00	Take discounts when the check payment date is the same as, or prior to, the discount due date with override capabilities on discount due date	R	
AP 64.00	Pay all invoices due on or before a specified due date (with override capabilities), defer payments, or pay items with later due dates	R	
AP 65.00	Maintain and allow retrieval of information by payee from the disbursement pending file	R	
AP 66.00	Allow users to enter an invoice without a PO# or receipt verification	R	
AP 67.00	Receive and enter invoices sent via OCR or Internet EDI	R	
AP 68.00	Track requirements POLA imposes on its vendors such as insurance certificates, business licenses, living wage certification, etc. Track each vendor's compliance with these requirements with an audit trail of compliance findings and expiration dates. Prevent payment to vendors whose compliance had expired prior to the date that the invoiced product or service was received	R	
AP 69.00	Combine several invoices and credit memos into one payment	R	
AP 70.00	Calculate payment and discount dates and amounts from standard vendor terms	R	
AP 71.00	Schedule payment for best possible payment date	R	
AP 72.00	Cancel or update an invoice after it has been entered but before it has been paid	R	
AP 73.00	Change the cost center or accounting distribution of a payment after it has been paid	R	
AP 74.00	Process freight bills	R	

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.2 Accounts Payable

Functional Category: Accounts Payable			
Reference Number	Business Requirement	RC	Comments
<i>Proposed system must provide, at a minimum, the following capabilities:</i>			
AP 75 00	Handle different remit-to addresses for different types of purchases from the same vendor	R	
AP 76 00	Insert specific payment parameters and free-text comments into remittance advices	R	
	Check Processing		(POLARAD does not print the checks)
AP 77 00	Provide an audit trail of disbursements, requisition number, purchase order number, contract number, check number, date and payee	R	
AP 78 00	Compute the number of checks written per check issue run and total per month	R	
AP 79 00	Allow for immediate payments, such as manual checks, and recognize the associated expenditure distribution	R	
AP 80 00	Holdback payments for contractors pending release of payment to related sub-contractors	R	
AP 81 00	Can garnish vendor payments and create a separate payable to government agencies	R	
AP 82 00	Store standard vendor information required during the check generation process	R	
AP 83 00	Collect necessary information and generate Federal 1099's at year-end (both manually and per IRS approved tape)	R	
AP 84 00	Support the use of multiple bank accounts		
AP 85 00	Generate check INTERFACE on a daily, weekly, monthly or user defined basis	R	Requires FMS interface
AP 86 00	Allow users to enter comments on the remittance advice	R	Currently done in FMS
AP 87 00	Process accounts payable through electronic funds transfers	R	
AP 88 00	Maintain and retrieve payee identity	R	
AP 89 00	Produce check "registers" in various sequences (i.e., vendor, zip code, "do not mail," dollar amounts)	R	
AP 90 00	Consolidate multiple invoices for the same vendor on one check, and itemize the invoices on the remittance advice	R	
AP 91 00	Track transactions for voided checks, blank, negative, or zero amount checks/payments	R	
AP 92 00	Include manually prepared checks in a separate check register for automatic distribution into the general ledger	R	
AP 93 00	Provide for automatic restart procedures for the check processing routine	R	
AP 94 00	Allow selected items to be paid and items to be withheld from payment for a particular check run based on the availability of cash or other constraints	R	
AP 95 00	Generate accounts payable checks daily, weekly, monthly or on demand	R	
AP 96 00	Provide for automatic distribution of the discounts actually taken during check writing to the general ledger	R	
AP 97 00	Track check numbers assigned by the system	R	
AP 98 00	Generate multiple types of checks such as trust fund payments and regular accounts payable	R	
AP 99 00	Produce a monthly report of all cleared checks by check type and by fund	R	
AP 100 00	Produce a monthly summary outstanding check report check type	R	
AP 101 00	Produce a monthly detail outdated checks listing by fund and by check type	R	
AP 102 00	Produce monthly check reconciliation reports of manual transaction by check type	R	
AP 103 00	Produce a monthly report that show the total amount as well as the number of outstanding checks	R	
AP 104 00	Produce electronic files containing detail of checks issued by the system to be used by banks for reconciliation	R	
AP 105 00	Produce a reconciliation activity report showing all the daily on-line update activity in the system	R	
AP 106 00	Produce a file containing all rejected check reconciliation transactions which could be available for on-line corrections	R	
AP 107 00	Delete selected check information on the error suspense file using appropriate security controls	R	
AP 108 00	Cancel payments on-line and automatically generate general ledger transactions to reverse all accounting distributions associated with that check	R	
AP 109 00	Retain cleared checks in a check reconciliation data base for inquiry and/or reporting purposes	R	
AP 110 00	Place a "stop payment" on checks and generate the appropriate general ledger transaction	R	

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.2 Accounts Payable

Functional Category: Accounts Payable			
Reference Number	Business Requirement	RC	Comments
<i>Proposed system must provide, at a minimum, the following capabilities:</i>			
AP 111.00	Perform on-line bank reconciliation based upon electronic media sent by various banks	R	Require interface with FMS
AP 2019.20	Provide electronic fund transfers	R	
Reporting/Inquiry			
AP 112.00	Maintain, track, and inquire (on-line), the payment history voucher information (including check request / invoice number and date, vendor name, purchase order / contract number, check amount, check date, check number, account coding, and comments)	R	
AP 113.00	Maintain and provide easy/direct on-line inquiry capabilities on commitment data, including current fiscal year commitment data, detailed commitment transactions, and ending commitment balances	R	
AP 114.00	Provide on-line inquiry to obtain current accounts payable status	R	
AP 115.00	Produce mailing labels	R	Currently done outside of the system
AP 116.00	Generate data and output to various format (excel, pdf, csv, rtf etc.) for audit trail purposes	R	
AP 117.00	Provide full tax reporting abilities to comply with both Federal and State laws	R	
AP 118.00	Provide electronic transfers to deduction facilities for voluntary deductions	R	
AP 119.00	Find warrant status with one step by knowing warrant number	R	
AP 120.00	Maintain, track, and inquire (on-line) on all payment history voucher information	R	
AP 121.00	Allow users to query and print 1099 data	R	
AP 122.00	Provide a listing of payments by division	R	
AP 123.00	Query employee travel history	R	
AP 2019.30	Ability to extract data of end to end transactions and output to various format (excel, pdf, csv, rtf etc.)	R	
AP 2019.40	Ability to specify the percentage/amount for retention and system automatically calculate for payment processing	R	
Employee Expenses			
AP 124.00	Issue payment vouchers for travel advances	R	
AP 125.00	Match advances with expenses claimed for reimbursement	R	
AP 126.00	Generate employee expense statements	R	
AP 127.00	Track advances and reimbursed expenses by trip and person	R	
AP 128.00	Associate regular purchases with an employee trip e.g. conference fee paid by check	R	
AP 129.00	Track travel expenses by type: airfare, meals, lodging, etc.	R	
AP 130.00	Handle imputed income from reimbursed expenses	N	
AP 131.00	Account for and report travel, conferences, etc. reimbursements	R	
AP 132.00	Allow authorized users to enter expense reports for other employees on their behalf	R	
AP 133.00	Load Visa (P-Card) Statement for I-Expense	R	
AP 134.00	Load Cit-MC Statement for I-Expense	R	
AP 135.00	Load Cit-Air Statement for I-Expense	R	
AP 136.00	Add Credit Card to Employee	R	
AP 137.00	Assign Card Number to Employee	R	
AP 138.00	Create Expense Report Credit Card Expense	R	
AP 139.00	Create invoice for P-Card Visa, Cit-Air, Cit-MC Statement and pay portion of reimbursement	R	
AP 140.00	Ability to load credit card transactions, generate system virtual number, and assign to employees/travelers	R	
AP 141.00	Apply Prepayment to Expense Report	R	
AP 142.00	Expense Report Approval and audit process	R	
AP 143.00	Ability to create VARIOUS EXPENSE REPORT templates (i.e. P-Card Expense - Air Travel, Credit Expense)	R	P-Card - US Bank Air Travel - Citibank for air tickets only Travelstore - reserve tickets Credit Expense - Citibank Mastercard
AP 144.00	Manage credit card historical transactions (activate or de-activate historical transactions)	R	
AP 145.00	Ability to reserve fund for encumbered credit card expenses	R	
AP 146.00	Process Inactive Employees Credit Card Transactions	R	
AP 147.00	Ability to set up threshold range for receipt matching	R	

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.2 Accounts Payable

Functional Category: Accounts Payable

Reference Number	Business Requirement	RC	Comments
<i>Proposed system must provide, at a minimum, the following capabilities:</i>			
AP 148.00	Ability to define expense types to charge against GL accounts	R	
AP 149.00	Ability to configure required or optional fields on lexpense screens	R	
AP 150.00	Ability to input grant award number on expense report screen	R	
AP 151.00	Validate imported credit card transactions	R	
Employee Expenses - Reporting/Inquiry			
AP 152.00	Outstanding Credit Card Charges Aging Report- P-Card Visa	R	
AP 153.00	Outstanding Credit Card Charges Aging Report-Citi Air	R	
AP 154.00	Outstanding Credit Card Charges Aging Report-Citi MC	R	
AP 155.00	O/S Credit Card Transaction Detail Report-P-Card Visa	R	
AP 156.00	O/S Credit Card Transaction Detail Report-Citi Air	R	
AP 157.00	O/S Credit Card Transaction Detail Report-Citi MC	R	
AP 158.00	O/S Credit Card Transaction Summary Report P-Card Visa	R	
AP 159.00	O/S Credit Card Transaction Summary Report Citi Air	R	
AP 160.00	O/S Credit Card Transaction Summary Report Citi MC	R	
AP 161.00	Payables Expense Report by Expense Type	R	
AP 162.00	TL Activity Report	R	
AP 163.00	Prepayment Status Report	R	
AP 164.00	Supplier Payment History by vendor	R	
AP 165.00	Retrieve or search for credit card transactions to reconcile with bank statement	R	
AP 166.00	Credit Memo Matching Report	R	
BTRC Interface			
AP 167.00	Interface with BTRC database at the Office of Finance for verifying and populating the required field	R	Currently done manually Requires interface with LATAx - Office of Finance Financial System

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.3 General Ledger

Functional Category: General Ledger

Requirement Code (RC)

R= Required N= Nice to Have F= Future

Functional Category: General Ledger

Reference Number	Business Requirement	RC	Comments
Proposed system must provide, at a minimum, the following capabilities:			
General Design			Comments
GL 1.00	Financial internal controls comply with public sector accounting and financial reporting standards (GAAP and GASB)	R	
GL 2.00	Support all required account groups utilizing full accrual, modified accrual or cash basis accounting.	R	
GL 3.00	Provide cash management to book cash.	R	
GL 4.00	Is integrated or interfaced with all appropriate internal and external financial and human resource system components.	R	
GL 5.00	Allow users access to all general ledger data on-line.	R	
GL 6.00	Maintain all elements of the transaction coding structure on user maintained system tables including specific definitions of accounts and transaction codes as well as documentation of what each transaction code does.	R	
GL 7.00	Provide basic fund accounting and during all processing, system edits transactions to ensure that each entry to a fund is balanced.	R	
GL 8.00	Support subsidiary ledgers that are automatically updated by source transactions.	R	
GL 9.00	Can handle variable allocations, i.e. inter-entity, tiered, percentage, statistical, etc.	R	
GL 10.00	Provide trend, ratio and variable analysis tools.	R	
GL 11.00	Track labor costs by facility for maintenance labor, construction labor.	R	
Chart of Accounts			
GL 12.00	Designate each general ledger account by the following user-defined "account types": asset, liability, fund equity, revenue and expense or expenditure.	R	
GL 13.00	Permits for authorized users to establish and maintain a standard chart of accounts to meet organization and user accounting and financial reporting needs, using tables which do not require programming knowledge to establish or modify.	R	
GL 13.00	Structure the chart of accounts hierarchically (program/project, account, sub-account); with up to five parent-child levels in each field.	R	
GL 14.00	Lookup, query and retrieve data based on the hierarchical (parent-child) structure of the chart of accounts.	R	
GL 15.00	Account design contains the following minimum components:	R	
GL 15.01	Fiscal Year	R	
GL 15.02	Organization	R	
GL 15.03	Fund	R	
GL 15.04	Revenue/Cost Center	R	
GL 15.05	Division	R	
GL 15.06	Function	R	
GL 15.07	Location Code	R	
GL 15.08	Account	R	
GL 15.09	Sub-account	R	
GL 15.10	Project	R	
GL 15.11	Program	R	
GL 15.12	Phase	F	
GL 15.13	Activity	R	
GL 15.14	Task	N	Task associated on facility/terminal, customer; Need implementer to recommend how best to facilitate financial reporting by line of business and by customer, and invested capital by line of business and by customer.
GL 15.15	Funding Source	R	
GL 15.16	User-defined Fields (e.g. facility/terminal, customer)	R	
GL 16.00	Group divisions and any other organization structure.	R	
GL 17.00	Allow users to record, maintain, view and query data at various user-defined levels of detail.	R	
GL 18.00	Allow for on-line maintenance and sorting of the chart of accounts.	R	
GL 19.00	Provide effective dating to add or delete all chart of account structures and to validate entries based upon the effective date.	R	
GL 20.00	Enter chart of accounts items with future effective dates and expiration dates.	R	
GL 21.00	Enter business rules for validating chart of accounts values (e.g. which expense categories can be charged to which projects).	R	
GL 22.00	Supports the reorganization process and can track chart-of-accounts organization structure changes and hierarchies from fiscal year to fiscal year.	R	
GL 23.00	Provides division expenditure and revenue account classification in a drop down list that reflects the hierarchical structure of all elements of the chart of accounts.	R	
GL 24.00	Create a visual representation of the structure of the chart of accounts.	R	
GL 25.00	Provide multiple levels of the organization structure as needed, and provide different levels and different views of that structure.	R	
GL 26.00	Allows users to have filtered views of the chart of accounts.	R	
GL 27.00	Create account roll-ups from detailed to high-level accounts.	R	
GL 28.00	Track in a subsidiary ledger, detail information for assets and liability management including data for loans, investments, enterprise funds, bonds, and debt service.	R	

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.3 General Ledger

Functional Category: General Ledger			
Reference Number	Business Requirement	RC	Comments
<i>Proposed system must provide, at a minimum, the following capabilities:</i>			
GL 29.00	Allow users to view the chart of accounts and business rules associated with acceptable/non acceptable uses of accounts.	R	
Accounting Periods			
GL 30.00	Maintain different charts of accounts for different accounting periods and allows posting to both.	R	
GL 31.00	Allow two fiscal years to be open simultaneously.	R	
GL 32.00	Close separate ledgers at different times.	R	
GL 33.00	Post in multiple periods (current and prior) until period is closed.	R	
GL 34.00	Reopen closed periods for posting with proper security.	R	
GL 35.00	Isolate and maintain period information for each valid account.	R	
General Processing			
GL 36.00	Track complete accounting processes for all input and machine generated transactions.	R	
GL 37.00	Provide detailed audit trails of transactions down to the source.	R	
GL 38.00	Record accounting transactions using self-balancing double entry bookkeeping.	R	
GL 39.00	Detect and reject transactions containing invalid chart of account combinations.	R	
GL 40.00	Support system edits to ensure that coding entered on transactions is valid and that the combination of codes (i.e., fund, object, etc.) is valid.	R	
Journal Entry			
GL 41.00	Accept both standard and recurring journal entries, both amount and account.	R	
GL 42.00	Support posting to the general ledger in summary or in detail based upon user-defined system configuration.	R	
GL 43.00	Identify and correct errors before actual posting occurs, including the rejection of out-of-balance batches and reports basic deficiencies in a transaction, such as invalid codes, invalid accounts, debit/credit not equal, etc. prior to posting.	R	
GL 44.00	Provide for convenient online maintenance of rejected batches of journal entries.	R	
GL 45.00	Can copy previously posted journal entries.	R	
GL 46.00	Validate field values within the journal entry screen.	R	
GL 47.00	Journal entries can be done manually or in batch transactions.	R	
GL 48.00	Allow users to enter journal entries for multiple divisions, functions or groupings under one journal header.	R	
GL 49.00	Automate the recording of standard journal entries at period-end (recurring entries).	R	
GL 50.00	Automatically reverses selected journal entries on a period basis (reversing entries).	R	
GL 51.00	Allow input of journal entries as a correction or adjustment to prior accounting periods.	R	
GL 52.00	Import and export journals from/to Excel spreadsheets.	R	
GL 53.00	Can default data within journal fields (e.g., year, fund).	R	
GL 54.00	Can attach or reference backup documents in various file formats (e.g., PDF, excel, word, etc.)	R	
GL 55.00	Allow users to highlight errors on the screen for immediate correction.	R	
GL 56.00	Provide descriptive error messages.	R	
GL 57.00	Accept corrections or adjustments to prior accounting periods.	R	
GL 58.00	Prevent users from using ineligible accounts such as balance sheet accounts.	R	
Transfers			
GL 59.00	Automate the reversal of any revenue and expenditure transfers as defined by user.	R	
Other Transactions			
GL 60.00	Record cash receipts into the General Ledger at time of deposit.	N	Need recommendation from implementer how this will be implemented
GL 61.00	Provide an interface of check data to be used in producing automated bank reconciliation's.	R	
General Processing			
GL 62.00	Provide appropriation control (fund availability check) at various levels of control.	R	
GL 63.00	Maintain multiple budget revision amounts including: Proposed, Recommended, Approved and Final Adopted.	R	
GL 64.00	Account for transactions on an accrual basis.	R	
GL 2019.10	Automatically distributes the annual budget by month based on user-specified percents.	R	
GL 65.00	Calculate cash balances to include pending warrants (checks) payable.	R	
GL 66.00	Report budget balances by dollar amount and percentage.	R	
GL 66.10	Provide daily transaction counts for the various transactions types, and provides daily reports for all transactions processed as well as for rejected transactions.	R	
GL 2019.20	Automatically calculate payroll accruals based on historical information.	N	Need recommendation from implementer how this will be implemented based on tools available in the cloud, allocation entries, etc.
Budget Control			
GL 67.00	Controls budget by: Division and Account.	R	
GL 68.00	Accommodate multi-year budget control.	R	
GL 69.00	Set up "uncontrolled" or tracked budgets (i.e., salary).	R	
GL 70.00	Provides separate budgeting rules for operating and capital budgets (Yearly, Expense category and Project Life).	R	
GL 71.00	Accommodate position budgeting.	R	

ATTACHMENT 6
FUNCTIONAL REQUIREMENTS

6.3 General Ledger

Functional Category: General Ledger			
Reference Number	Business Requirement	RC	Comments
Proposed system must provide, at a minimum, the following capabilities:			
GL 2019.30	Controls should work for all documents/entries (REQ/PQ, JV, IDO etc.)	R	
Commitments (Encumbrances)			
GL 72.00	Accommodate both commitment and pre-commitment control.	R	
GL 73.00	Encumber appropriations through requisitions, purchase orders and contracts.	R	
GL 74.00	Encumber payroll appropriations for multiple accounts (salary and benefits) and various periods.	N	Needs recommendation from vendor for feasibility and implementation.
GL 75.00	Adjust the appropriation remaining (uncommitted) balance by the amount of the commitment increase or cancellation.	R	
GL 76.00	Reject any pre-commitment or commitment transaction that would reduce the remaining balance of an appropriation below zero.	R	
GL 77.00	Automatically liquidates a commitment (partial or complete) by various means including payment, commitment adjustment, journal entry or transfer document.	R	
GL 78.00	Automatically provides an exception report on an commitment when an commitment is completed and has a non-zero remaining balance.	R	
GL 79.00	Allow for expenditures to exceed commitments (tolerances) based on a user-defined percentage or dollar amount.	R	
GL 80.00	Through proper security, the system allows tolerances for each transaction to be turned off.	R	
GL 81.00	Can delete an commitment and not re-use the commitment number during the same user-defined period.	R	
GL 82.00	Provides automated closing of commitments by system-defined rules.	R	
GL 83.00	Can allocate commitments to contracts and projects.	R	
GL 84.00	Can use the same commitment number in two different fiscal years while both years are open.	R	
GL 85.00	Change the accounting distribution of an commitment (with proper / approved security) after it has been entered into the system.	R	
GL 86.00	Provide user review capability for each commitment to determine whether funds (commitment and appropriations) are to carry forward to the new fiscal year.	R	
GL 2019.40	Provide beginning balance details for new fiscal year.	R	
Cost Allocations			
GL 87.00	Utilize the accounting classification elements to identify and establish unique cost objects (for the purpose of cost and revenue capture, accumulation and reporting). Cost objects might include: organizational units, programs, projects, activities, specific contracts, specific customers, work orders, etc.	R	
GL 88.00	Can allocate and distribute the full cost and revenue of cost objects. Full cost includes: support costs provided by other division, both internal and external; identifiable support costs provided by other general and administrative areas such as pension and other retirement benefits, unfunded costs such as accrued annual leave that accrue in the current reporting period; depreciation expense; and, amortization costs.	R	
GL 89.00	Can allocate function costs general and administrative (g&a) and overhead to projects, grants, business line or any COA component.	R	
GL 90.00	Ability to allocate and distribute the full cost of goods and services provided by division to another.	R	
GL 91.00	Track current cost information against prior month and prior-year-to date cost data for selected cost objects, and track progress against pre-determined plans.	R	
GL 92.00	Provide multiple allocation formulas from the same base costing data.	R	
GL 93.00	Accumulate non-financial data relating to cost objects such as output units to allow the calculation of both total and unit costs.	R	
GL 94.00	Calculate prices, leases, fees, and user charges for reimbursable agreements and other purposes using full cost.	R	
GL 95.00	Use the accrual basis of accounting when recognizing costs and revenue. Recognize costs in the period of time when the events occurred regardless of when ordered, received or paid for. Recognize revenue when earned.	R	
GL 96.00	Associate with the appropriate cost objects, the reductions of balances such as inventories, prepaid expenses and advance payments as the balances are used or liquidated.	R	
GL 97.00	Ability to identify and record costs incurred by each cost object, including input of costs from feeder systems, such as inventory, fleet, property management (depreciation), or payroll.	R	
GL 98.00	Assign indirect costs on a cause-and-effect basis, or allocate costs through any reasonable and consistent basis such as a percentage of total cost incurred, direct labor hours used, square footage, equipment usage or metered usage.	R	
GL 99.00	Ability to perform multi-layer overhead distributions that are user-defined (at least three levels of distribution) using multiple rates, fixed amount and other appropriate allocation methods.	R	
GL 100.00	Can use historical information to conduct variance and time-series analyses, and to demonstrate the fairness and appropriateness of rates and charges that are based on actual historical costs.	R	
GL 101.00	Distribute costs to other cost objects regardless of how they were originally assigned.	R	

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.3 General Ledger

Functional Category: General Ledger			
Reference Number	Business Requirement	RC	Comments
<i>Proposed system must provide, at a minimum, the following capabilities:</i>			
GL 102.00	Provide an audit trail that traces a transaction from its origin to the final cost object(s).	R	
Closings			
GL 103.00	Perform period end closings.	R	
GL 2019.50	Provide a dashboard monitoring period end closing progress	R	
GL 103.00	All closings are properly secured and posting to closed periods is prevented.	R	
GL 103.00	Calculate estimated interest earnings for initial closing based on a user estimated percentage.	R	
GL 103.00	Provide ability to update actual interest earnings for final closing.	R	
GL 103.00	Allow interim reports to be prepared for without external calculations and journal entries.	R	
GL 103.00	Hold a period open indefinitely before closing.	R	
GL 103.00	Hold more than one period open.	R	
GL 103.00	Initiate year-end processing at any point in time after the end of the fiscal year (i.e. doesn't have to occur on last day or on any particular day).	R	
GL 103.00	Post closing adjustments at any point during the closing period.	R	
GL 103.00	Keep fiscal year open for an indefinite time.	R	
GL 103.00	Allow new year inputs to be entered before the old year's preliminary closing, while the transactions are held in suspense until the new year is opened.	R	
GL 103.00	Handle open year-end commitments in the following ways:		
GL 103.01	Commitments are not carried forward	R	
GL 103.02	All commitments are carried forward	R	
GL 103.04	Selected commitments are carried forward.	R	
Reporting/Inquiry			
GL 105.00	Provide drilldown capabilities for all GL transactions from summary to detail.	R	
GL 106.00	Summarize individual line-item accounts into meaningful groups of accounts for use in financial reporting based on user-defined criteria.	R	
GL 107.00	Track total revenues and expenditures and provide for revenue and expenditure accruals based on user-defined criteria.	R	
GL 108.00	Group funds, divisions, or other user-defined groups and reports financial information based on those groups.	R	
GL 109.00	Generate a control report listing all reports that were produced for each budget unit or for other user specified category	R	
GL 110.00	Provides user-notifications that standard system reports are ready for access.	R	
GL 111.00	System reports can be color-coded and more extensively formatted for presentation purposes.	R	
GL 112.00	Summarize data by selected categories (i.e., primary or subsidiary accounts, transactions, assets, receivables, cash / non-cash expenditures) on a year-to-date basis or for any time period requested).	R	
GL 113.00	Generate management reports by organization (i.e., division, account) in various file format (e.g., excel)	R	
GL 114.00	Support on-line inquiry to account balances, available funds, and to detail posted transactions.	R	
GL 115.00	Maintain a history of all G/L entries and produces detail transaction reports to provide appropriate audit trail.	R	
GL 116.00	Provide an organizational or departmental report containing information for each expenditure account transaction, including:		
GL 116.01	Transaction date and type code	R	
GL 116.02	Document name and number	R	
GL 116.03	Vendor name and vendor number	R	
GL 116.04	Current month and YTD totals	R	
GL 116.05	Commitment authority numbers and date of receipt	R	
GL 117.00	Generate financial projections by user-defined COA component on a monthly basis projecting to end of current fiscal year	R	
GL 118.00	Generate financial statements in proper reporting formats.	R	
GL 119.00	Generate schedules on a comparative basis for budget and actual data.	R	
GL 120.00	Each system report shall include in the title the name of the report, date when the report is produced, and the date(s) for which the report is produced.	R	
GL 121.00	Transaction listings are printed in the order of input and include complete account coding, accounting period and fiscal year, transaction identifying number, vendor name, description of transaction, and budgetary information, along with actual dollar amount.	R	
GL 122.00	Print reports that serve as posting journals, providing an audit trail of all transactions being posted to the general ledger by source (cash receipts, cash disbursements, etc.). The reports are generated on user request and for variable and fixed period.	R	
GL 123.00	General ledger transaction listing is available for any period during the fiscal year	R	
GL 124.00	Provide the capability to produce financial reports summarized to any reporting level. For example, the expenditure report should have the capability of being selectively printed, summarized by division or function, etc.	R	

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.3 General Ledger

Functional Category: General Ledger			
Reference Number	Business Requirement	RC	Comments
<i>Proposed system must provide, at a minimum, the following capabilities:</i>			
GL 125.00	Print a revenue report by fund and account code, showing budgeted revenues, revenues for the period, revenues YTD, and budget variances with totals.	R	
GL 126.00	Print an expenditure report by fund, organization and expense object, showing budget, expenditures for the period, expenditures YTD, outstanding commitments and unobligated balance with totals.	R	
GL 127.00	Produce budget versus actual variance analysis reports by percent and dollar amounts.	R	
GL 128.00	Provide a trial balance report.	R	
GL 129.00	Print a listing of accrued accounts payable at year end.	R	
GL 130.00	Produce the following:		
GL 130.01	Chart of accounts listing with descriptions	R	
GL 130.02	Daily journal entry report showing all transactions from all applications	R	
GL 130.03	Journal entry edit list produced on demand for out-of-balance entries and for in-balance entries.	R	
GL 130.04	General journal update report by journal entry number, daily, weekly, monthly, and on-demand.	R	
GL 130.05	Detailed transaction register or audit report showing all batch summary and individual postings made to the ledger during the current day and/or current month	R	
GL 130.06	Adjustments journal	R	
GL 130.07	Produce a daily cash report from Lockbox and City FMS cash balances to Harbor Revenue Fund.	R	
GL 130.08	Department and division level budget variance reports for month and for year.	R	
GL 130.09	Department and division expense reports that compare current actual and year-to-date actual to current budget and year-to-date budget amounts. The comparison to budget should be to the amended budget, and both the original and amended (annual) budget should be shown.	R	
GL 130.10	Account analysis report showing all transactions for a given account by any user-defined period (e.g., month, year-to-date, quarter)	R	
GL 131.00	Generate financial reports on an as-needed basis with user-defined column headings and date elements. Data elements should include, at a minimum, the following:	R	
GL 131.01	Actual year-to-date amount	R	
GL 131.02	Actual year-to-date amount, including commitment	R	
GL 131.03	Commitments outstanding at the end of the period for the current year, at the end of the period from the prior year	R	
GL 131.04	Current year total budget	R	
GL 131.05	Current year year-to-date budget	R	
GL 131.06	Prior year year-to-date actual	R	
GL 131.07	Prior year actual	R	
GL 131.08	Prior year total budget	R	
GL 131.09	Prior year year-to-date budget	R	
GL 131.10	Current month total	R	
GL 131.11	Prior year month actual	R	
GL 132.00	Financial reports must be capable of being generated month-to-date, month-end, quarterly, year-to-date, or annually.	R	
GL 133.00	Select reports at the user's option by division, activity (operation), a user-defined range of accounts, or all accounts for a user-defined date or date range.	R	
GL 133.00	Expenditure detail from accounts payable should be invoice description detail and not just journal entry description.	R	
GL 134.00	All system reports, including the general ledger detail transaction journal and the balance sheet(s) have the capability of including amounts for outstanding commitments on the report.	R	
GL 134.00	User-defined system reports permit the user to combine a range of divisions, and/or general ledger account numbers, to be summarized into one amount per account in the user-defined report(s).	R	
GL 135.00	Allow user to inquire and print reports containing only information and data elements for one fiscal year at a time.	R	
GL 136.00	Allow users to print reports either on-screen inquiry, hard-copy printout, or a print-file for later printing.	R	
GL 137.00	Detailed Available Funds Report that includes line item detail for Actuals and Encumbrances. For Actuals/Invoices: Period, Vendor Name, Invoice, Invoice Date, Check # and Date, Receipt # & Date, & Associated PO and Req. For Requisitions: Period, Vendor, Req # and date. For PO: Period, Vendor, PO# and Date, and associated Req# and date. Report should include line item descriptions for all levels (req, PO, Invoice).	R	

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.4 Accounts Receivable

Functional Category: Accounts Receivable

Requirement Code (RC)			
<i>R= Required N= Nice to Have F= Future</i>			
Functional Category: Accounts Receivable			
Reference Number	Business Requirement	RC	Comments
Proposed system must provide, at a minimum, the following capabilities:			
	General Design		Comments
AR 1.00	Maintain a master customer file.	R	
AR 2.00	Maintain multiple names, federal employer identification numbers, contact names, e-mail and addresses for one customer.	R	
AR 3.00	Maintain multiple customer types and accounts.	R	
AR 4.00	Record a designated collections manager by account.	R	
AR 5.00	Establish default account distributions for each receivable.	R	
AR 6.00	Validate accounting distribution based on business rules.	R	
AR 7.00	Integrated with property management for the purpose of establishing customer leases and contractual obligations. (or replace with similar ERP functionality)	R	
AR 8.00	Recognize receipt of payments without creating a receivable.	R	
AR 9.00	Integrated with project management, grant management, purchasing, and contract management for the purpose of generating billable items.	R	We currently import invoices from grant project mgt. in ERP
AR 10.00	Integrated with budget to automatically update revenue, and personnel expense daily and with monthly consolidation.	R	
AR 11.00	Support sorting and displaying accounts receivable in a prescribed aging format.	R	
AR 12.00	Accommodate Electronic Fund Transfers.	R	
AR 13.00	Post revenue transactions to a revenue ledger and account for estimated revenue in the revenue ledger by month, division, fund, organization, project code, grant code, and revenue account.	N	
AR 14.00	Provide on-line re-establishment of billing data directly into the billing application module.	N	
AR 15.00	Handle accounts with extended payment terms during the aging process.	R	
AR 16.00	Re-establish an account, after zero balance, directly into the accounts receivable file.	R	
AR 17.00	Transfer an item incorrectly posted to accounts receivable to the correct account, with fully interfacing entries to the general ledger.	R	If the correction involves an invoice, prefer to make the correction in the source Klein billing system.
AR 18.00	Correct general ledger distribution entries without deleting and resubmitting the invoice.	R	Prefer to make the correction in the source invoice in Klein billing system.
AR 19.00	Maintain detailed transaction activity for each account.	R	
AR 20.00	Allow for collection of deferred revenue.	R	
AR 21.00	Allow refunds to be charged against revenue accounts. Send over to AP for payment processing.	R	
AR 22.00	Group by date, property type, individual tenant history and amount for searches and historical tracking by property type.	R	
AR 23.00	System provides the statistical tracking capabilities and can be interfaced with various third-party packages. i.e. Klein Billing system.	R	
AR 24.00	Intelligent remittance processing: match cash receipts to open items; apply payments to customers with multiple outstanding invoices according to business rules (e.g. LIF); process overpayments in ways determined by business rules (e.g. automatically generate a credit memo then route for approval).	R	Not currently use process overpayment
AR 25.00	Correct transactions.	R	
AR 26.00	Track receipts and refunds, and query balances for "faithful performance guarantee" deposits.	R	Currently not used
Customer Records			
AR 27.00	Record the following customer information: balance forward or open items, user-defined customer personal information, balance due, YTD payments, finance charges and relevant transaction dates.	R	
AR 28.00	Check for duplicate customers based on user-defined criteria (e.g., alphabetic similarity, phonetic similarity, phone number, postal code, etc.).	R	
AR 29.00	Restrict access to add, delete, or modify customer information by users.	R	
AR 31.00	Track additions, changes, and deletions to the customer files with an audit trail.	R	
AR 32.00	Purge inactive customer accounts based on user defined criteria.	R	Should be able to activate those that are inactive, if needed. (KLEIN)
AR 33.00	Use alphanumeric or system-generated characters for customer numbers.	R	
AR 34.00	Classify customers by user-defined classifications.	R	
AR 35.00	Generate tickler messages for automatic display on specific dates for follow-up with a customer.	R	
AR 36.00	Activate or deactivate customers.	R	Performed in KLEIN

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.4 Accounts Receivable

Functional Category: Accounts Receivable			
Reference Number	Business Requirement	RC	Comments
Proposed system must provide, at a minimum, the following capabilities:			
AR 37.00	Track customer balances and finance charge activity	R	
AR 38.00	Track customer status, priority ratings, and credit terms.	R	
AR 39.00	Identify/track customer accounts for settlement processing. (i.e. court actions/court case docket number/payment schedule) by establishing a link to the vendor file and the accounts payable module.	R	
AR 40.00	Classify customers billing requirements based on KLEIN Billing system	R	
AR 41.00	Identify customers with special payment terms (zero ability to pay/partial or no payment.)	R	
	Reporting/Inquiry		Respond as to how this functionality could be provided by the proposed solution in a future phase.
AR 42.00	Provide ad-hoc reporting capabilities.	R	
AR 43.00	Provide the ability to query all property lease system tables.	R	
AR 44.00	Provide an online listing of Department lease property	R	
AR 45.00	Provide a lease transaction history report.	R	
AR 46.00	Provide lease revenue report by property, division, account, etc.	R	
	Billing		Respond as to how this functionality could be provided by the proposed solution in a future phase. (May be provided through an interface with Klein Port Billing system.)
AR 47.00	Provide unlimited user-defined billing codes.	R	
AR 48.00	Provide unlimited user-defined billing frequencies.	F	
AR 49.00	Provide automatic recurring billing functionality that generates bills from applied master customer billing terms.	F	
AR 50.00	Allow entry of miscellaneous invoices in batch or on-line.	F	
AR 51.00	Enter or adjust bills.	F	
AR 52.00	Produce ready to mail or electronic bills.	F	
AR 53.00	Bill minimum or maximum charge amounts according to an agreed upon payment schedule and override if necessary.	F	
AR 54.00	Bill with predetermined rates.	F	
AR 55.00	Can exclude/include billing detail data elements, allowable charges and overhead on specific bills or all bills.	F	
AR 56.00	Define multiple billing calculation tables (i.e. percentages, rates, receipts, leases, contractual allowances, and write offs.)	F	
AR 57.00	Produce manual invoices for non-recurring types of billing.	F	
AR 58.00	Produce ready-to-mail invoices prepared in accordance with Department policies and in the format required by the reimbursing Department / Division.	F	
AR 59.00	Maintain detail of un-billed charges.	F	
AR 60.00	Provide user-defined frequency of billings and provide interim and final billings	F	
AR 61.00	Consolidate multiple line items into single invoices.	F	
AR 62.00	Provide on-line cancellation and one step automatic reversals of invoice entries.	F	
AR 63.00	Print a duplicate bill on request.	F	
AR 64.00	Print bills in a mailing envelope for immediate distribution.	F	
AR 65.00	Correct and reprint invoices.	F	
AR 66.00	View customer balances during billing process (drill-down).	F	
AR 67.00	Assess penalties for invoices over due (typically 2% of over 30 days).	R	
AR 68.00	Print penalty notices (typically 2% of over 30 days) Reference the original invoice #, invoice date, original due date, amount past due, penalty, total amount due.	R	Not currently set up
AR 69.00	Capture information from Klein Billing system to include: Wharfinger Assigned File Number, Vessel number, Billing Types, Amount due, verified container count, Client number, date of transaction, total due.	R	Interface with KLEIN
AR 70.00	Capture billing types by: tariff, storage, demurrage, cranes, pilotage, dockage, wharfage, land transportation (rail), water, electricity, fishboat dockage, flat-rate barges, space assignments, gross receipts and miscellaneous.	N	Structured by GL accounts
	Receivables		
AR 71.00	Capture cost on Accommodation work orders data for the set up of accounts receivable.	R	Captured through invoice KLEIN Billing interface
AR 72.00	Edit receivable items with proper security.	R	
AR 73.00	Construct and process periodic statements for every receivable.	R	
AR 74.00	Accommodate memo or text fields for invoices or credit memos.	R	
AR 75.00	Calculate and record finance, interest, and/or late charges.	R	
AR 76.00	Generate consolidated statements for customers with multiple accounts.	R	
AR 77.00	Accrue receivables based on a receiving schedule without generating a bill.	R	currently manual process
AR 78.00	Produce reconciliation statements showing beginning balance, charges, credits and payments, and a new balance.	R	
AR 79.00	Carry forward receivables with either current or new year account codes.	R	

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.4 Accounts Receivable

Functional Category: Accounts Receivable			
Reference Number	Business Requirement	RC	Comments
Proposed system must provide, at a minimum, the following capabilities:			
AR 80.00	Process checks returned for insufficient funds and re-establish the receivable.	R	
AR 81.00	System is delivered with aging capabilities.	R	
AR 82.00	Aging can be done on user-defined time schedules.	R	
AR 83.00	Allow credit memos in batches or on-line.	R	
AR 84.00	Apply specific credit memos to specific invoices and invoice line items.	R	
85.00	Partially apply a credit memo.		
AR 86.00	Set up standard dunning message codes.	R	might be not currently set up in ERP or not currently used.
AR 87.00	Print multiple user-defined dunning messages.	R	might be not currently set up in ERP or not currently used.
AR 88.00	Maintain customer balances on an open item and / or balance forward basis.	R	
AR 89.00	Generate unique installment repayment schedules for a customer.	R	not currently used
AR 90.00	Generate account statements for delinquent accounts.	R	
AR 91.00	Set dates and/or default time frames to produce final notices.	R	
AR 92.00	Receive notification of collection status (i.e. payment in full and satisfaction of judgment).	R	
AR 93.00	Flag a customer account with a follow-up date for continuing action.	R	
AR 94.00	Generate dunning notices to customers that reference the invoices due, invoice dates, invoice amounts, penalties, total assessed, and appropriate comments.	R	
Cash Receipts			
AR 95.00	Accommodate multiple payments for an invoice and single payments applied to multiple invoices.	R	
AR 96.00	Suspend partial payments and over payments as separate open items against the original bill amount until the bill is fully cleared.	R	
AR 97.00	Tracks receivables by invoice, customer, or by other user-defined criteria.	R	
AR 98.00	Can automatically update revenues and receivables based upon receipts.	N	Needs recommendation from vendor on streamlining process.
AR 99.00	Automatically adjusts A/R account and passes appropriate data to the financial system when accounts have been written off.	R	
AR 100.00	Process miscellaneous cash receipts without creating a billing record.	R	
AR 101.00	Establish default chart of account coding strings for each receivable.	R	
AR 102.00	Post all revenue regardless of source.	R	
AR 103.00	Post full or partial payments.	R	
AR 104.00	Post demand deposits and letter of credit receivables to appropriate accounts.	R	
AR 105.00	Accept cash receipts applied against multiple invoices.	R	
AR 106.00	Provide automated entries for partial payments on account and for payments in excess of or less than the bill rendered.	R	
AR 107.00	Enter customer name and address directly, permitting "one-time" customers.	R	
AR 108.00	Apply or allocate partial payments on a predetermined basis depending on the priority or the type of obligations outstanding.	R	
AR 109.00	Apply cash receipts to an "un-applied" account (to hold unspecified transaction until they are resolved).	R	
AR 110.00	Post receivables before or after depositing money in the bank, and automatically generate appropriate entries in the general ledger.	R	
AR 111.00	Identify and post non-revenue and revenue receipts.	R	
AR 112.00	Provide multiple receipt types.	R	
AR 113.00	Account for, monitor, and track all daily deposits generated from remote locations.	R	
AR 114.00	Apply unidentified cash receipts to a pending receipt account and reverse from pending upon resolution.	R	
AR 115.00	Automatically record deposits made to bank accounts via lock boxes.	R	
AR 116.00	Process payments received without an invoice.	R	
AR 117.00	Write off a small difference between invoice and payment.	R	
AR 118.00	Process returned checks.	R	
AR 119.00	Forecast future cash receipts based on current payment activity.	R	
Reporting/Inquiry			
AR 120.00	Maintain records of individual billings by customer with on-line inquiry capability (including past delinquencies).	R	
AR 121.00	Report un-billed charges being held in the billing application module by user-defined categories and parameters.	R	
AR 122.00	Provide both detail and summary audit trail.	R	
AR 123.00	Provide drilldown to the originating transaction and connected activity, e.g. payments.	R	

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.4 Accounts Receivable

Functional Category: Accounts Receivable			
Reference Number	Business Requirement	RC	Comments
<i>Proposed system must provide, at a minimum, the following capabilities:</i>			
AR 124.00	Provide access to open items on-line by invoice number, organizational unit, cost center, project code, grant and account code.	R	
AR 125.00	Flag payments received for which no match to an invoice has been determined (prepayments, duplicates).	R	
AR 126.00	Generate a variance report for	R	
AR 126.01	Lists of receipts for daily cash deposits	R	
AR 126.02	Cash receipts registers or journals	R	
AR 126.03	Daily bank deposits	R	
AR 127.00	List accounts written off.	R	
AR 128.00	Report the variance between prior year revenue accruals and actual collection on reported year-to-date revenue.	R	
AR 129.00	Provide the following reports monthly, yearly and by operating center or business line:		
AR 129.01	Billings by tenant by account code	R	
AR 129.02	Cash receipts by tenant by account code	R	
AR 129.00	Account and report for cash receipts revenue	R	
AR 130.00	Prepare an aging report and customer statements according to user defined categories. (i.e. 30, 60, 90 days)	R	
AR 131.00	Exclude disputed items from aging, finance charging, printing on statements and dunning	R	
AR 132.00	Provide an average of collections by user-defined period.	R	
AR 133.00	Project the cash flow of receipts based on historical data by accounts receivable type.	R	
AR 134.00	Sort and display accounts receivable in a prescribed aging format.	R	
AR 135.00	Track and report on revenue by facility, by tenant, or by lease	R	
AR 136.00	Track and report on revenue history by facility, tenant, or lease	R	
AR 137.00	Track the collection of deferred revenue	R	
AR 138.00	Provide reporting and queries by date, property type, individual tenant history, lease and amount	R	
AR 139.00	Provide reporting by customer/lease on billing, volumes, by month, year, by multiple years.	R	
AR 140.00	Provide graphical reporting to compare customer billing trends utilizing bar charts and graphics.	R	
AR 141.00	Prepare an aging report and customer statements according to user defined categories. (i.e. by status of the account groups such as company 1,2,5,6)	R	

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.5 Fixed Assets

Functional Category: Fixed Assets

Requirement Code (RC)			
R= Required N= Nice to Have F= Future			
Functional Category: Fixed Assets			
Reference Number	Business Requirement	RC	Comments
<i>Proposed system must provide, at a minimum, the following capabilities:</i>			
	General Design		Comments
FA 1.00	is integrated with purchasing, accounts payable and the general ledger for financial transaction detail tracking.	R	
FA 2.00	Is integrated with project and grant accounting.	R	
FA 3.00	Completed project can be automatically reclassified as a fixed asset.	R	
FA 4.00	Track an unlimited number of assets.	R	
FA 5.00	Archive disposed assets at the end of the year from master file, transfer to an inactive property file all deletions of property from the general fixed assets file by user-specified criteria, and archive off and on-line ten years of historical data.	R	
FA 6.00	Classify assets by the following categories: Land, Buildings, Equipment, Improvements to Assets, Construction in Progress, Furniture and Fixtures, Vehicles, Job, Facility	R	
FA 7.00	Create detailed rollups from sub-categories of asset classifications.	R	
FA 8.00	Ability to capture the following asset information:	R	
FA 8.01	Asset or tag number	R	
FA 8.02	Description	R	
FA 8.03	GPS Code (e.g. address, latitude/longitude) in order to link to GeoPola and Enterprise GIS.	R	Currently not set up in ERP
FA 8.04	Real property designation	R	
FA 8.05	Funding source	R	
FA 8.06	Project Number	R	
FA 8.07	Serial number	R	
FA 8.08	Budget code	R	
FA 8.09	Component items	R	
FA 8.10	Account number	R	
FA 8.11	Location	R	
FA 8.12	Job Facility Number	R	Currently using Task Number
FA 8.13	Assigned or responsible individual	R	
FA 8.14	Division	R	
FA 8.15	Function	R	
FA 8.16	Activity	R	
FA 8.17	Disposal Restriction(s)	R	
FA 8.18	Asset Maintenance/Service Information	R	
FA 8.19	Cross reference to drawings, contracts, manuals, operating documents	R	
FA 8.20	Picture/photo of asset	R	
FA 8.21	Asset Warranty Information	R	
FA 8.22	ID or VIN number	R	
FA 8.23	Serial numbers & component numbers	R	
FA 8.24	Acquisition date	R	
FA 8.25	In service date	R	
FA 8.26	Transfer Date(s)	R	
FA 8.27	Disposal Date	R	
FA 8.28	Cost	R	
FA 8.29	Requisition Number	R	
FA 8.30	Purchase order number	R	
FA 8.31	Cost of Improvements	R	
FA 8.32	Valuation	R	
FA 8.33	Depreciation	R	
FA 8.34	Useful life	R	
FA 8.35	Make or model of vehicle	R	
FA 8.36	Proceeds from Sale	R	
FA 8.37	Vendor and/or vendor number	R	
FA 9.00	Track assets by the same structure as the chart of accounts.	R	
FA 10.00	Cross-reference assets by various classifications.	R	
FA 11.00	Provide specific location information of an asset such as building and room number	R	Currently manually done by divisions
FA 12.00	Classify assets by user-designated groups, with subtotaling and totaling of an overall value	R	

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.5 Fixed Assets

Functional Category: Fixed Assets			
Reference Number	Business Requirement	RC	Comments
<i>Proposed system must provide, at a minimum, the following capabilities:</i>			
FA 13.00	Assign each asset to a cost pool general ledger account, allowing depreciation to be charged to the cost pool.	R	
FA 14.00	Maintain the net book value of each asset and record the net book value in the general ledger account established for each asset pool.	R	
FA 15.00	Adjust asset cost, automatically adjust the appropriate general ledger account, and accommodate improvements and betterments.	R	
FA 16.00	Maintain accounts for capital lease and leasehold improvements.	R	New requirement 2019
FA 17.00	Attach schematics, maintenance records and other documents to the asset file.	R	
FA 18.00	Provide multiple parent/child relationships.	R	
FA 19.00	Track assets by funding source.	R	
FA 20.00	Setup an asset prior to asset construction completion.	R	
FA 21.00	Track insurance coverage components as a single unit including computer equipments special identification number.	R	
FA 22.00	Locate an item by: fund, asset or tag number, description, serial number, cost, project number, budget code, location, VIN number, acquisition date, vendor or make/model.	R	
FA 23.00	Track and account for split, consolidated, partial retirement, and full retirement of assets.	R	
FA 24.00	System can record asset transfers between divisions, functions and funds as an acquisition and disposition.	R	
FA 25.00	Track modifications or alterations to an asset that affect the asset's life cycle.	R	
FA 26.00	Provide automatic computation of gain or loss on disposal of assets for proprietary funds and prepares journal entries to record gain / loss.	R	
FA 27.00	Provide a dollar total of fixed asset purchases by their funding source based on user defined attributes.	R	
FA 28.00	Provide standard public sector enterprise reporting.	R	
FA 29.00	Classify assets by divisions and total for the Department.	R	
FA 30.00	Record and accumulate multiple betterments for individual fixed assets.	R	
FA 31.00	Record and accumulate fleet maintenance information.	R	
FA 32.00	Support user-defined fields.	R	
FA 33.00	Support bar code labeling and remote asset entry.	R	
FA 34.00	Assign specific or multiple item/asset number.	R	
FA 35.00	Automatically create a record for each item purchased by requisition, purchase order, project, grant, etc.	R	
FA 36.00	Allow for online inquiry for each asset.	R	
FA 37.00	Track the detailed cost of each item.	R	
FA 38.00	Accommodate alphanumeric asset number and scannable numeric bar code.	R	
FA 39.00	Flag assets with disposal restrictions and display the restriction message for user handling (e.g. federal grant items that must be returned to the Federal government).	R	
FA 40.00	Identify assets by fund.	R	
FA 41.00	Prevent duplicate asset item identification numbers for the same organization unit.	R	
FA 42.00	Maintain information about the condition of the asset (e.g., good, idle, obsolete and broken).	R	
FA 43.00	Allow the useful life of an asset to change.	R	
FA 44.00	Allocate equipment costs to assets.	R	
FA 45.00	Track all transactions affecting the value of an asset by original source document number and date, and the module and application in which the transaction originated.	R	
FA 46.00	Record assets into various acquisition categories (e.g., purchases, donations, construction projects, receipts from exercising the right of eminent domain and capital leases.)	R	
FA 47.00	Interface with KLEIN - Real Estate Management System (or provide similar functionality).	R	
FA 48.00	Interface with Construction & Maintenance MaintStar work order management system. (or provide similar functionality).	R	Currently Not interfaced
FA 49.00	Process fixed asset distribution based on business rules.	R	
FA 50.00	Maintain records of improvements to assets, such as renovations and reference asset records back to original asset.	R	
Depreciation			
FA 51.00	Allow the use of straight line depreciation method.	R	
FA 52.00	Allocate depreciation based on user-defined percentages.	R	
FA 53.00	Allow depreciation methods to be changed for an asset or group of assets, to depreciate the assets for the balance of the asset's useful life.	R	
FA 54.00	Calculate accumulated depreciation and book value on a monthly, quarterly, semi-annually, yearly, or user-defined basis.	R	

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.5 Fixed Assets

Functional Category: Fixed Assets			
Reference Number	Business Requirement	RC	Comments
Proposed system must provide, at a minimum, the following capabilities:			
FA 55.00	Update depreciation schedule when a useful life is adjusted.	R	
FA 56.00	Adjust depreciation schedule retroactively for corrections or additional costs.	R	
FA 57.00	Reconcile a number of user defined general ledger depreciation expense accounts.	R	
FA 58.00	Record depreciation for external reporting.	R	
FA 59.00	Calculate projection of depreciation based on actual or simulated conditions by asset, or asset category, for a current year and future years, as specified by user.	R	
FA 60.00	Identify each item for which depreciation is to be taken including cost, life and depreciation schedule.	R	
FA 61.00	Change accounting code for subsequent depreciation runs when assets are transferred between units.	R	
FA 62.00	Calculate depreciation for an item at the time of transfer.	R	
FA 63.00	Allocate depreciation computed total for a particular asset (i.e., a building) to different accounting projects based on user-defined criteria such as square footage.	R	
FA 64.00	Provide depreciation by division by month.	R	
FA 65.00	Provide flexible depreciation capabilities that can depreciate by different periods.	R	
FA 66.00	Create a trial depreciation run.	R	
FA 67.00	Create a depreciation run for assets outside of the regular asset depreciation schedule.	R	
FA 68.00	Pro-rate initial depreciation calculation across user-defined panels.	R	
FA 69.00	Allow some assets to be designated as nondepreciable or appreciable (i.e., land).	R	
FA 70.00	Calculate depreciation expense for grant funded fixed assets, generate contra account and record transactions to "Contribution in aid of Construction" accounts.	R	
FA 2019.10	Ability to import mass assets into system	R	Currently using WebADI
Excess/Surplus Property, Scrap Property, Fixed Asset, and Minor Property			
FA 71.00	Allow transfer of equipment and supplies with or without fixed asset or minor property numbers to excess property inventory record.	R	
FA 72.00	Report transfers of property with fixed asset or minor property numbers proactively to Risk Management	R	
FA 73.00	Provide status and latest status date fields to record current property disposal status while held in excess property inventory (e.g., available for reuse, declared surplus, assigned to next sale, etc.).	R	
FA 74.00	Allow recording of disposal date and type of disposal action taken (reutilized, sold, scrapped, donated, etc.).	R	
FA 75.00	Provide proactive reporting of disposition of fixed asset	R	
Reporting/Inquiry			
FA 76.00	Display or print subsidiary ledgers of fixed asset balances.	R	
FA 77.00	Produce a transaction register audit trail of all acquisitions, transfers, changes, retirements, and disposals during a user-defined time period by asset type, division, or transaction date or purchase amount.	R	
FA 2019.20	Produce report of all activities over life cycle of assets	R	
FA 78.00	Provide a dollar total of fixed asset purchases by their funding source and division/organization.	R	
FA 79.00	Report assets due for disposition, based on the scheduled disposal date.	R	
FA 80.00	Provide a vendor/PO listing of assets by vendor or in purchase order number sequence.	R	
FA 81.00	Produce a deletion report showing items by asset type which have physically been disposed of but still remain on file for information purposes.	R	
FA 82.00	Produce a listing of all inactive/die or retired assets by location and asset category.	R	
FA 83.00	Produce a listing of all disposed assets showing any gains or losses and the associated account coding.	R	
FA 84.00	Produce a forecast of assets scheduled for replacement, based on user-specified criteria, such as useful life, scheduled disposition date, or odometer readings.	R	
FA 85.00	Allow reporting and inquiry of replacement cost by organization unit and by asset type.	R	
FA 86.00	Produce depreciation reports by organization structure.	R	
FA 87.00	Produce a depreciation report by balance sheet category, such as buildings and equipment.	R	
FA 88.00	Maintain monthly, annual and user-defined periods of depreciation expenses for each financial statement category.	R	
FA 89.00	Produce a report of assets by Asset Type, Fund, Division, Function, and Vendor or any asset classification field.	R	

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.5 Fixed Assets

Functional Category: Fixed Assets			
Reference Number	Business Requirement	RC	Comments
<i>Proposed system must provide, at a minimum, the following capabilities:</i>			
FA 90.00	Produce a physical inventory worksheet to be sorted by division, location, and/or person responsible to assist in conducting physical inventory.	R	
FA 91.00	Print reports to support taking of physical inventory by division and/or location.	R	
FA 92.00	Provide a schedule of assets grouped by GAAPFR function and/or division.	R	
FA 93.00	Report all fixed asset balances in the standard Comprehensive Annual Financial Report (CAFR) format.	R	
FA 94.00	Support GASB 34 reporting.	R	
FA 95.00	Track maintenance, repair and operation (MRO).	R	
FA 96.00	Query fixed asset property information to determine if property is part-owned, leased or subleased.	R	
FA 97.00	Query fixed asset property information to determine if there are outstanding permits on the property (firm permits, Temporary Use Permits, Revocable Permits, Space Assignments)	R	
FA 98.00	Output to different file formats (pdf, excel, xml, rtf etc.)	R	

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.6 Purchasing

Functional Category: Purchasing

Requirement Code (RC)
R= Required N= Nice to Have F= Future

Functional Category: Purchasing

Reference Number	Business Requirement	RC	Comments
Proposed system must provide, at a minimum, the following capabilities:			
	General Design		Comments
PU 1.00	Support both pre-commitment (encumbrance) and commitment control.	R	
PU 2.00	Support centralized, de-centralized purchasing processing or a combination of both.	R	
PU 3.00	Copy information from one process to another without rekeying, i.e. requisition to RFP/RFQ to purchase order	R	
PU 4.00	Provide a repository of templates and documents relating to a purchase (e.g. Approval Forms - Green Sheets, Quotes, Board Reports, Invoices, RFPs, etc.)	R	Currently not set up in ERP
PU 5.00	Store and retrieve documents relating to a specific purchase (commodity, professional services, etc.)	R	
PU 6.00	Drilldown to supporting documents within the purchasing system.	R	
PU 7.00	Support multiple workflow approval processes.	R	
PU 8.00	Ticklers automatically generate/regenerate when follow up is necessary from key system events within all purchasing processes.	R	
PU 9.00	Create tickler reminders (contract renewals)	R	
PU 10.00	Support two-way, three-way and four-way matching of documents	R	
PU 11.00	Provides aging capabilities for system processes.	R	
PU 12.00	Provide multiple commodity codes (NIGP/JUNSPSC stock number capabilities)	R	
PU 13.00	Capture and maintain buyer name and number and display activity with dates	R	
PU 14.00	Enter and update approval limits and other business rules	R	
PU 15.00	Temporarily reassign approval authority due to vacations, backlog, or urgency, based on business rules.	R	
PU 16.00	Process draws on purchasing contracts or blanket orders (commitment should occur at the time that the draw is made)	R	
PU 16.01	With pre-set unit pricing	R	
PU 16.02	Without preset unit pricing	R	
PU 17.00	Handle chargebacks (e.g. equipment purchased for by one division but charged to another division - such as Information Technology buying PCs for Divisions).	F	
PU 18.00	Provide user defined fields	R	
PU 19.00	Compatible with MS Outlook and Sharepoint for scheduling, alerts, messages	R	
PU 20.00	Compatible with MS Word, Excel, Project	R	
PU 21.00	Compatible with Primavera	R	
PU 22.00	Compatible with Acrobat	R	
PU 23.00	Provide multiple document upload	R	
PU 24.00	Support file compression	R	
Vendor Files			
PU 25.00	Create master vendor files which are integrated with Accounts Payable	R	
PU 26.00	Associate the vendor with any organizational level	F	
PU 27.00	Distinguish different types of vendors, and any relationships between them	R	
PU 28.00	Provide cross references such as a business doing business under another name or changing the business name	R	
PU 29.00	Provide vendor performance reports on actual delivery date and time versus promised delivery date and time, vendor average lead-times, and items rejected on inspection	F	
PU 30.00	Provide status flags for each vendor, which would, for example, denote them as inactive, on hold, reference only and may prevent purchase orders and payments to the vendor	R	
PU 31.00	Identify items by vendor to which discounts, rebates and warranties apply	F	
PU 32.00	Record and track vendor quotes.	R	
PU 33.00	Vendor file tracks by name, multiple addresses (bid, orders, and/or remit to), contact person(s) and phone number(s), minority / disadvantaged business information, last date vendor utilized	R	
PU 34.00	Support vendor 1099 tracking and creates 1099 vendor tape for tax purposes	R	
PU 35.00	Support disadvantaged vendor classifications from state certification	R	
PU 36.00	Maintain pricing information, quantity breaks, freight terms and shipping information for each vendor.	R	
PU 37.00	Track vendor by performance / history, date added / deleted or inactivated and reason	R	
PU 38.00	Delete or deactivate vendor from vendor listing by date with reason. Historical data would be retained.	R	
PU 39.00	Rate vendor at each event point based on user-defined criteria	F	
PU 40.00	Vendor numbers (numeric and alphanumeric) can be system generated or assigned manually	R	
PU 41.00	Search vendor files from within purchasing processes, i.e. requisition and purchase order	R	
PU 42.00	Create vendor groupings for specific commodities, locations, etc	R	
PU 43.00	Maintain an accumulated purchase history for each vendor in system.	R	
PU 44.00	Provide vendor self-service capabilities via the internet	F	
PU 45.00	Maintain an on-line audit trail for changes to the vendor master file	R	
PU 46.00	Allow multiple contracts per company	R	
Requisition Processing			
PU 47.00	System can electronically process stock, non-stock, multi-delivery, procurement card, direct ship and blanket requisitions	R	

ATTACHMENT 6
FUNCTIONAL REQUIREMENTS

5.6 Purchasing

Functional Category: Purchasing			
Reference Number	Business Requirement	RC	Comments
Proposed system must provide, at a minimum, the following capabilities:			
PU 48 00	Allow the use of electronic signatures.	R	
PU 49 00	Route purchase requisitions to the appropriate approval authority conditionally and automatically using workflow Notify the requestor automatically if the item is not approved for purchase	R	
PU 50 00	Enter multiple account and project codes at the line item level at the requisition or the order stage, with validation specific to the appropriate division, and the display of available budget and project funds	R	
PU 51 00	Assign a requisitioner's priority code and required date by line item.	F	
PU 52 00	Display the status of a requisition and/or order as it passes through approval, order, receiving and payment stages and notify the requester proactively when the delivery is not received by the required date or estimated delivery date, whichever is later	R	
PU 53 00	Display purchase history for the item and vendor concerned	R	
PU 54 00	Cross reference bids/quotes, requisitions, purchase orders, and receivers.	R	
PU 55 00	Create material requests for inventory and requisition lines for commodities and services	R	
PU 56 00	Perform the following requisition functions online: Inquiry, add, change and cancel	R	
PU 57 00	Provide for multiple lines of input per individual requisition.	R	
PU 58 00	Provide reports to users and management on requisition status.	R	
PU 59 00	Create and track all requisitions by date, by requester, by budget, by item, by action item, vendor etc	R	
PU 60 00	Pre-encumber requisition per line items and also assign project accounting data.	F	
PU 61 00	Order in fractional quantities, dollars, and can assign to multiple General Ledger account codings	R	
PU 62 00	Modify through change order (add) items ordered -- part, class, quantity, unit of measure, vendor, cost, project, fund	R	
PU 63 00	Prevent entering invalid account codes (division, object, and/or project, job, facility, work order, Mainstar#)	R	
PU 64 00	Enter default information based upon certain criteria	R	
PU 65 00	Allow users to look up vendors based upon commodity code	R	
PU 66 00	Copy requisition information from one already in the system.	R	
PU 67 00	Track requisitions and automatically date and time stamp (received, accepted, returned, re-received) with notes and comments	R	
PU 68 00	Track requisitions and log requisition number, MainTstar #, budget number, account number, division number, activity, project, buyer number or initials	F	Currently not set up in ERP. Requires interface with MainTstar system
PU 69 00	Reject duplicate requisition numbers.	R	
PU 70 00	Convert lines of requisitions to multiple purchase orders and different vendors.	R	
PU 71 00	Generate requisitions to replenish depleted inventory stock.	R	
PU 72 00	Flag requisitions for bid process by total amount or line item amount by a user defined dollar threshold	F	
Bid And Quote Processing			Currently done outside of the system
PU 73 00	System can support the following types of bids: advertised sealed bids, phone and fax quotes, internet quotes/m written requests for proposals and quotations, and pre-qualifications	R	
PU 74 00	Create multiple line item bid forms	R	
PU 75 00	Maintain a classified list of bidders that indicates, amongst other things		
PU 75 01	skills	F	
PU 75 02	commodity	R	
PU 75 03	capabilities	R	
PU 75 04	special status e.g. DBE, current vendor	R	
PU 75 05	contact data	R	
PU 75 06	prior responses to RFP/RFQ/RFI (x)	R	
PU 76 00	Provide for on-line vendor registration for bid opportunities, including:		
PU 76 01	NAICS Small Business Administration Code by vendor interest/business category	R	
PU 76 02	On-line self service	R	
PU 76 03	Small business reference	R	
PU 76 04	Prime contractor interest	R	
PU 76 05	Subcontractor interest	R	
PU 76 06	State of California License Requirement	R	
PU 76 07	License expiration	R	
PU 76 08	MBE/WBE/DBE/SBE category	R	
PU 76 09	Link to City www.lapsvm.org for City vendor registration	R	
PU 77 00	Provide for on-line application for pre-qualification (form access and status entry)	R	
PU 78 00	Provide for on-line bidding, and on line bid results results and award posting	R	
PU 79 00	Provide for automatic notification to vendors on opportunities they have registered for in the NAICS code category, or on RFPs/RFBS/RFQs that they have requested	R	
PU 80 00	Maintain requests for specific RFQ's/RFP's/Bids from potential bidders.	R	
PU 81 00	Add new bidders requesting RFQ's/RFP's/RFI's/Bids to classified bidders list. Either added via self service registration or added by staff	R	
PU 82 00	Send RFQ's/RFP's/RFI's/Bids to bidders selected from the classified list and the RFQ/RFP specific list by printing letters and labels for mailing, fax and e-mail.	R	
PU 83 00	Maintain a record of responses to each RFQ/RFP/RFI/Bid	R	
PU 84 00	Maintain a record of documents relating to a bid, and utilizing collaboration software, provide access to those documents.	R	

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.6 Purchasing

Functional Category: Purchasing			
Reference Number	Business Requirement	RC	Comments
Proposed system must provide, at a minimum, the following capabilities:			
PU 85.00	Utilizing collaboration software and email, maintain a record of all correspondence with vendors relative to a specific bid opportunity, and any documents attached to such correspondence.	R	
PU 86.00	Utilizing collaboration software and email, maintain a record and copies of all bid amendments or addendums. Provide bid document management.	R	
PU 87.00	Maintain a history on bid process modifications, addendum, etc, by bid opportunity.	R	
PU 88.00	Track contract compliance requirements and the satisfaction of these requirements.	R	
PU 89.00	Track email correspondence to vendors relative to a purchase process.	R	
PU 90.00	Support vendor outreach to identify prospective contractors and vendors (e.g. for primes to search for subcontractors by NAICS category or vendor type, or subcontractors to search for prime contractors).	R	
PU 91.00	Program alerts on key procurement event dates by type of event, date, and contract. (e.g. pre bid conference, bid due date, bid award date etc). Provide for automatic notification to interested parties registered on that contract opportunity.	R	
PU 92.00	Archive for analysis and retrieval: contractor history, bid history, bidders lists.	R	
PU 93.00	Maintain contract document repository.	R	
PU 94.00	Support Small Business determination.	R	
PU 95.00	Support State of California License Requirement and verification/linking.	R	
PU 96.00	Support vendor license or certification expiration/detection.	R	
PU 97.00	Assist the group evaluation process.	R	
PU 98.00	Maintain history of evaluations and awards of contracts to bidders.	R	
PU 99.00	Generate a RFQ / Bid or Notice of Expiration when quote is about to expire.	F	
PU 100.00	Allow inquiry into entire bid or bid item by vendor name or number, bid number, buyer or item number.	R	
PU 101.00	Provide online entry of vendor bid responses.	R	
PU 102.00	Support automated bid analysis, compare bids to historical values.	R	
PU 103.00	Retain pricing from prior bid results.	R	
PU 104.00	Provide bid analysis tools by price, quantity and availability by entire bid package or single line item.	R	
PU 105.00	Copy information from one bid transaction to another.	F	
PU 106.00	Provide a facility for standard and prototype bids with any number of associated vendors.	R	
PU 107.00	Track Bid / RFP by awards, dollar amounts, vendor responses, buyer, commodity.	R	
PU 108.00	Bid list / file tracks by commodity code.	R	
PU 109.00	Track vendor bid list by vendor history, past awards, bid responses and new vendors.	R	
PU 110.00	Produce documents for mailing or emailing to potential vendors/bidders (i.e., bid documents, addenda).	R	
PU 111.00	Advertise bid information via the Internet.	F	
PU 112.00	Download vendor catalog data from various formats including the internet.	F	
PU 113.00	Interface with collaboration software (such as Sharepoint) to provide a repository of templates and documents relating to a purchase (e.g. Approval Forms - Green Sheets, Quotes, Board Reports, Invoices, RFPs, etc).	R	
Contract Administration			
PU 114.00	Convert awarded bid to approved contract.	R	
PU 115.00	Create and track blanket order contracts.	R	
PU 116.00	Create user-defined contract releases.	R	
PU 117.00	Commit (encumber) contracts per line items and also assign project accounting data.	R	
PU 118.00	Track multiple commitments and payments against a single contract.	R	
PU 119.00	Track a contract dollars against multiple accounts, and by total contract value.	R	
PU 120.00	Allow multiple contracts per vendor, multiple items per contract and multiple dates.	R	
PU 121.00	Track service performance against a contract.	F	Currently not set up in ERP
PU 122.00	Attach large volume documents to a contract.	R	
PU 123.00	Evaluate vendor based on key user-weighted events with the system - delivery date, quantity return / defective items, billing problems.	F	Currently not set up in ERP
PU 124.00	Review and print contract text.	R	
PU 125.00	Provide contract tracking by vendor, date (starting, ending, etc), dollars, item, class, budget, account, cost center, renewals, cancellations, extensions, add/change, buying groups, commodity codes, contract number(s), alternates.	R	
PU 126.00	Provide a flag field indicating that an insurance certificate is on file, and flag expiration date of insurance.	R	
PU 127.00	Track certifications or documents required of the vendor.	R	Currently not set up in ERP
PU 128.00	Track several purchase orders or other reference documents within a single contract.	R	
PU 129.00	Close and reopen contracts.	F	
PU 130.00	Support various contract periods, including multiple year contracts (i.e., those that span fiscal and/or calendar years).	R	
PU 131.00	Track and report contract operations over several different periods including Federal, or other user defined fiscal year.	F	
PU 132.00	Record and track contract limits at user specified levels of detail over the life of the contract.	F	
PU 133.00	Maintain a transaction listing of all contract change orders including date and source. (To understand why change were made, what amount, who approved, etc.)	F	
Purchase Order Management			

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.6 Purchasing

Functional Category: Purchasing			
Reference Number	Business Requirement	RC	Comments
Proposed system must provide, at a minimum, the following capabilities:			
PU 134 00	System can have multiple line items per purchase order with capability for one / multiple delivery schedules per line printed on purchase order.	R	
PU 135 00	Convert electronic purchase requisitions to purchase orders easily, subject to approval, with the ability to create multiple purchase orders from one requisition, and to consolidate line items from multiple requisitions into one order.	R	
PU 136 00	Assign purchase order numbers automatically in a user defined format and allow purchase order numbers to be entered manually.	R	
PU 137 00	Notify the requestor proactively if the estimated delivery date is later than the required date for a line item, and again if the estimated delivery date is changed.	F	Currently done manually
PU 138 00	Designate line items as Minor Property or Fixed Assets, if appropriate.	R	
PU 139 00	Maintain a register of purchase order numbers.	R	
PU 140 00	Allow purchase orders issued previously to be changed and maintain a change history, including whether the change was initiated by the vendor or the Department and whether the wrong item was delivered.	R	
PU 141 00	Allow unlimited space for text descriptions of items, including automatic notes about shelf life that is taken from the data records.	R	
PU 142 00	Define a replenishment path for each item, for example, through a particular vendor, direct delivery, central stores.	R	
PU 143 00	Allow entry of already purchased items.	R	
PU 144 00	Record the type of pricing on the purchase order, for example, delivered price, prepaid, collect, FOB vendor.	R	
PU 145 00	Record and track vendor acknowledgements of orders.	F	
PU 146 00	Track releases against a contract order, e.g. gasoline.	R	
PU 147 00	Allow back ordered items to be cancelled and the vendor notified accordingly.	R	
PU 148 00	Transmit orders to vendors electronically, by fax, EDI, Internet, email, or hardcopy.	R	
PU 149 00	Provide pre-defined inquiries with drill down facilities as well as facilities for ad hoc user defined queries.	F	
PU 150 00	Notify the requestor of the status of a purchase order on demand, and proactively when the delivery is overdue by a user defined number of days.	R	
PU 151 00	Print bid labels with vendor names and addresses.	R	
PU 152 00	Buy by description, cross referencing stock number, vendor(s).	R	
PU 153 00	Open purchase order report lists all purchase orders by vendor name (alphabetical order), purchase order number, line item, description, quantity on order, quantity still open and interfaces with purchase order view screen.	R	
PU 154 00	Accommodate tolerances for commitment control on REQs.	F	
PU 155 00	Automatically encumbers final purchase order amount interfacing with the General Ledger component - tracks differences and totals and releases differences back to remaining budget.	R	
PU 156 00	Allow annual automatic processing or renewal of on-going blanket purchase orders.	R	
PU 157 00	Track freight by line item or lump sum and divides by total estimated / actual.	F	
PU 158 00	Account for multiple taxes (federal, state and local), sales tax, excise tax.	R	
PU 159 00	Tax by line item and can mix taxable and non-taxable line items on same Purchase Order.	R	
PU 160 00	Provide automatic or manual closing or adjustment of purchase order without receiving merchandise.	R	
PU 161 00	Change purchase order item ordered - part, class, quantity, unit of measure, dollars, vendor, account.	R	
PU 162 00	Allow purchase order to specify multiple divisions, delivery dates and locations.	R	
PU 163 00	Allow one purchase order to be charged to multiple divisions/accounts / budgets.	R	
PU 164 00	Allow confirming purchase order to be tracked and monitored by buyer, vendor, item, class budget, dollars.	F	
PU 165 00	Trigger fixed asset process by analyzing purchase and making decision based upon the purchase price.	R	
PU 166 00	Indicate and provide for manual or automatic purchase order or change order commitment.	R	
PU 167 00	Split purchase requisitions.	R	
PU 168 00	Convert a requisition to an inventory withdrawal.	F	
PU 169 00	Distribute a purchase order total and/or line item over multiple divisions, accounts, project numbers.	R	
PU 170 00	Adjust or correct purchase orders (with appropriate impact on encumbrances/commitments).	R	
PU 2019 10	Notify buyers when REQs in queue.	R	Deleted obsolete PU 171 & 172
Material Receipt, Inspection, Acceptance, and Returns			
PU 173 00	Provide for on-line receiving of entire purchase order or on an item-by-item basis.	R	
PU 174 00	System provides three-way or four-way matching capabilities.	R	
PU 175 00	Display and provide capability to print expected orders in receiving.	F	
PU 176 00	Record interim receipt without completion of receipt and payment process while waiting for certifications, MSDS sheets, etc.	R	Currently not set up in ERP
PU 177 00	Record interim receipt of damaged, defective, or unsatisfactory goods without completion of receipt and payment process while processing exchanges and returns to vendors.	F	Currently not set up in ERP
PU 178 00	Cross-reference replacement items to the original items ordered, and allow for easy substitution and unit of measure conversion.	F	
PU 179 00	Allow bar code scan receiving. Include recording of carrier's tracking or pro numbers for all shipments. Allow manual input of carrier identity and tracking numbers where bar codes are not provided.	R	Currently not using handheld devices for scanning

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.6 Purchasing

Functional Category: Purchasing			
Reference Number	Business Requirement	RC	Comments
Proposed system must provide, at a minimum, the following capabilities:			
PU 180.00	Allow query capability for tracking receipts based on bill of lading, carrier assigned tracking number, or invoice/packing slip number exclusive of purchase order number	R	
PU 181.00	Allow input and maintenance of receipt file for materials received not from purchase orders	R	
PU 182.00	Notify requestor and buyer of receipts proactively including interim receipts that are rejected due to damage, short dating, defects, etc. Report shortages and backorders on all receipt reports to requestor or buyer	R	
PU 183.00	Allow cancellation of backorders at Warehouse with proactive notification to buyer and requestor when cancellation is processed	F	
PU 184.00	Notify Warehouse proactively according to purchase order priority when orders are overdue. Allow customization of overdue report for use by Warehouse.	F	
PU 185.00	Allow on-line follow up via fax or inter-net on overdue orders	R	
PU 186.00	Provide for interactive follow up between Central Receiving and requestor to verify or report receipt of merchandise or services when delivery is not made to Central Receiving	F	
PU 187.00	Allow entry of delivery notes to purchase order file when partial receipts are processed to indicate the type of partial delivery (product without services, equipment without manuals, etc.)	F	
PU 188.00	Allow assignment of Fixed Asset or Minor Property numbers during receipt processing, and tie numbers to property management	R	
PU 189.00	Account for inventory separately at multiple locations (using FIFO, average cost, weighted average, standard costs), including a damaged/rejected goods area	R	
PU 190.00	Maintain FIFO (first in first out) inventory records	F	
PU 191.00	Cross-reference replacement items to the original items	F	
PU 192.00	Track lots and shelf life items and provide appropriate expiry date and other information	F	
PU 193.00	Display or print expected orders for receiving	R	
PU 194.00	Print receiving documentation, with expiry date, as well as the number of cases, line items and pieces, if appropriate	F	
PU 195.00	Record receipt of items even if they are rejected on inspection. Record the reason for rejection.	F	
PU 196.00	Print bar coded labels for individual items	R	
PU 197.00	Receive deliveries with bar code scanning to allow 'paperless' receiving	R	
PU 198.00	Notify the requestor and the buyer proactively if goods received are short, damaged, substituted or short-dated, outside tolerances	R	
PU 199.00	Notify Warehouse proactively according to the requestor's priority when orders are overdue.	R	Currently done manually
PU 200.00	Allow for easy substitution of items when receiving, for example, when receiving an updated model of an item ordered.	R	
PU 201.00	Receive in different units of measure from the purchase order	R	
PU 202.00	Print shipping documentation for returns to vendors, but allow recording of returns without documentation for items which are not returned through the central stores, with automatic debit of the appropriate projects and accounts	F	
PU 203.00	Record material safety data sheets	F	
PU 204.00	Receive partial deliveries.	R	
PU 205.00	Enter drop ship receipts where the items have been delivered directly to the desk and not to Central Receiving	R	
PU 206.00	Allow notes of unlimited length to be added to items received.	F	
PU 207.00	Allow adjustments to inventory with entry of reason subject to authorization.	R	
PU 208.00	Provide for cycle counting	R	
PU 209.00	Identify potentially obsolete items by date of last receipt and issue, and ABC analysis	R	
PU 210.00	Maintain status codes for each item, for example, surplus, inactive, hold, replaced.	R	
PU 211.00	Provide pre-defined reports as well as facilities for ad hoc user defined queries.	R	
PU 212.00	Provide automatic match of vendor invoice, purchase order and purchase order receipt.	R	
PU 213.00	Review vendors and outstanding purchase orders during the match process.	F	
PU 214.00	Accommodate partial receipts.	R	
PU 215.00	Trigger Accounts Payable process based upon receipt information.	R	
PU 216.00	Detect and measure early / late and over / under shipments	R	
PU 217.00	Maintain discrepancy file by vendor, stock number, item, dates, control number, purchase order number	F	
PU 218.00	Override unmatched status with the proper security status.	F	
PU 219.00	Flag purchases for fixed asset tables upon receipt of goods.	R	
PU 220.00	Track Fixed Asset status - what is budgeted (encumbered) and actual purchased costs of Fixed Assets	F	
PU 221.00	Provide credit / adjustment form and collects shipping data, costs and other budgetary data with the capability to print a credit / adjustment form. This form, when printed, should show quantity to pick up, cost of each unit, and extended cost	F	
Inventory Forecasting and Stock Control			
PU 222.00	Maintain First In/First Out and shelf life inventory records	R	Currently done manually
PU 223.00	Allow storage in multiple warehouses and multiple bin locations	R	
PU 224.00	Provide substitute and interchangeable item cross reference by stock number, manufacturer's number, product code, or industry codes (NDC, CFAS, or other)	R	
PU 225.00	Track shelf life item lots by expiration date, shelf life code, shelf life action codes, or other appropriate information	R	Currently tracked manually
PU 226.00	Print bar coded labels for stock items received without bar codes	R	Using Software interface
PU 227.00	Allow specialized physical inventories by cycle, commodity type, stock class or group, high value, or user defined variable	R	

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.6 Purchasing

Functional Category: Purchasing			
Reference Number	Business Requirement	RC	Comments
Proposed system must provide, at a minimum, the following capabilities:			
PU 228.00	Print inventory count sheets in user selected sequence (stock number, location, etc.) with current inventory cut-off tabs	R	
PU 229.00	Provide multi-count inventory and reconciliation process	R	
PU 230.00	Provide automated updating of stock high limit and reorder point based on user-defined calculation variables and stock categories. (economic reorder, past usage, other parameters)	R	
PU 231.00	Display stock usage history in detailed and summary formats based on user-defined periods	R	
PU 232.00	Provide proactive notification to stock control clerk when stock items reach reorder point quantity or less	R	Currently not set up
PU 233.00	Allow backorder tracking and commitment of due stock for unfilled or short filled orders	R	
PU 234.00	Allow stock reorder analysis by stock group or class to maximize reorders of like materials during reorder processing	R	Currently not set up
PU 235.00	Calculate averages and moving averages	R	Currently not set up
PU 236.00	Allow conversion from order unit to stock unit on receipt	R	Currently done manually
PU 237.00	Reserve on-hand stock prior to picking	R	Currently not set up
PU 238.00	Adjust inventory based on physical counts	R	
PU 2019.20	Ability to create a kit pulled from same inventory (pre-populated)	F	Currently not set up or system limitation
Reporting/Inquiry			
PU 239.00	Must be able to capture, maintain and report the necessary data elements involved in Purchasing	R	
PU 240.00	System's bids, purchase orders, receivers and pick ticket discrepancies can be printed immediately	F	
PU 241.00	Access on-line Administration Manuals -- policies, procedure, ordinances, maintained on system	R	
PU 242.00	Display and/or print any/all reports and screens	R	
PU 243.00	Track and report on requisition, purchase order and receiving information	R	
PU 244.00	Track and report on bid transaction data	R	
PU 245.00	Track or report on contract data	R	
PU 246.00	Allow users to query all transactions for progress within the purchasing system	R	
PU 247.00	Can create purchasing output in PDF format for import/export	R	
PU 248.00	Inquire into the status of open and closed orders	R	
PU 249.00	Query history of all draw orders, receipts and payments made against a purchasing contract or blanket order	R	
PU 250.00	Query the history of material receipts and usage	R	
PU 251.00	Search by vendor account #, Maintstar # to verify what is ordered, who ordered, and which vendor provided goods/services/materials	R	
PU 252.00	Provide user defined reports	R	
PU 253.00	Import/export data	R	
PU 254.00	Generate MBE/WBE/OBE/SBE participation reports	R	
PU 255.00	Review and sort open purchase orders by vendor name, PO number, or other data field	R	
PU 256.00	Encumbrance Detail Report	R	
PU 257.00	Aging report on REQs	R	
PU 258.00	PO Detail Agreement Report	F	
PU 259.00	Provide on-demand reporting ability	R	
PU 260.00	Ability to print out pick slip with user-defined attributes	R	
PU 261.00	Ability to print out requisition with all pertinent information in one page	R	
PU 262.00	Add a dedicated field to input Directive No. on Requisition Creation screen with validated format ability	R	
PU 263.00	Add a check box to flag accrual attribute in REQ receiving screen	R	REQ Receiving screen - Janie
PU 264.00	Flexibility on pagination of requisition list to access information faster	R	
Risk Management (Contract Admin)			
PU-RM 1.00	During contract setup in ERP, ability to enter whether or not insurance is required	R	See AP 88.00. A Yes or No option should be sufficient. If yes is selected, ERP would be triggered to request insurance status (expiration date) from Risk.
PU-RM 2.00	Ability to enter insurance status (expiration date) for each contract requiring insurance	R	Insurance status should only be entered by Risk
PU-RM 2.01	Ability to change insurance status (expiration date) at any time	R	Insurance status should only be entered by Risk.
PU-RM 2.02	Ability to delegate task items 2.00 and 2.01 to other Risk Management staff within ERP	R	
PU-RM 3.00	Ability for end users to search and view insurance status for each contractor	R	
PU-RM 4.00	Automatically approve/reject requisition (on behalf of Risk) by cross referencing service dates with insurance status (expiration date)	R	ERP user who have to be required to enter service dates. Approval = Service dates would have to be on or prior to insurance status (expiration date). Rejection = service dates take place after expiration date
PU-RM 5.00	Automatic notice to contract admins when insurance has expired. Trigger non-compliance notifications	R	See AJ 58.00
PU-RM 6.00	Track and flag insurance status (expiration dates)	R	
PU-RM 7.00	Reporting on insurance status	F	
PU-RM 8.00	Reporting on which contract requires insurance	R	

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.7 Debt Treasury

Functional Category: Debt & Treasury

Requirement Code (RC)
R= Required N= Nice to Have

Functional Category: Debt & Treasury

Reference Number	Business Requirement	RC	Comments
Proposed system must provide, at a minimum, the following capabilities:			
	General Design		Comments
DT 1.00	Provide revenue analysis database and tools:	R	Currently provided by KLEIN/ERP
DT 1.01	- Record revenue tonnage by cargo type, including general cargo, liquid bulk, dry bulk, etc.	R	Currently provided by KLEIN/ERP
DT 1.02	- Record shipping revenue per ton	R	Currently provided by KLEIN/ERP
DT 1.03	- Record data across multiple fiscal and calendar years	R	Currently provided by KLEIN/ERP
DT 1.04	- Record tonnage revenue by trade route (i.e. Far East, South America, Western Europe, etc.	R	Currently provided by KLEIN/ERP
DT 1.05	- Record tonnage revenue by tenant	R	Currently provided by KLEIN/ERP
	- Record revenue by tenant		Currently provided by KLEIN/ERP
DT 1.06	- Record inbound and outbound volume of imports/exports	R	Currently provided by KLEIN/ERP
DT 2.00	Provide the ability to calculate revenue totals, variances, to include:	R	Currently provided by KLEIN/ERP
DT 2.01	- Calculate the percentage of increase and/or decrease in total revenue, or revenue by cargo type, trade route, tenant, tonnage etc.	R	Currently provided by KLEIN/ERP
DT 2.02	- Calculate percentage difference between fiscal years, calendar years, or multiple fiscal/calendar years.	R	Currently provided by KLEIN/ERP
DT 2.03	- Calculate revenue breakdown across multiple fiscal and calendar years including total shipping revenue per fiscal year, container shipping revenue, TEU, container and non-container shipping revenue and tonnage. (TEU= Twenty Foot Equivalent Units.)	R	Currently provided by KLEIN/ERP
DT 3.00	Provide the ability to forecast revenue for future fiscal and/or calendar years, including tenant rental lease revenue.	R	Currently provided by KLEIN/ERP
DT 4.00	Provide the ability to generate TEU related reports, such as TEUs by country of origin on an export and import basis for a fiscal and/or calendar year.	R	Currently provided by KLEIN/ERP
DT 5.00	Provide tools to support forecasting of revenues, shipping volumes etc.	R	Currently provided by KLEIN/ERP
FINANCIAL STATEMENTS			
DT 6.00	Support the production of annual financial statements.	R	in ERP
DT 7.00	Capture and summarize current and historical revenue, expenses, debt service data such as:	R	Data in ERP
DT 7.01	- Cargo tariff amounts for multiple fiscal and/or calendar years.	R	Interface with KLEIN
DT 7.02	- Basic shipping services charges over multiple fiscal and/or calendar years.	R	Data in ERP
DT 7.03	- Total operating revenues including Income from Investments in Joint Powers Authorities, Interest and Investment Income, Grant Revenues, and other types of income and expenses.	R	Data in ERP
DT 7.04	- Calculate both gross and net income	R	Data in ERP
DT 8.00	Calculate and summarize data on total operating expenses including payroll, fringe benefits, payments to the City, with the ability to include and exclude other expenses such as an exclusion of depreciation expense.	R	Data in ERP
DT 9.00	Calculate and summarize data to include interest and principal payments during a fiscal year on all senior debt including commercial paper and/or revolving line of credit, with the ability to exclude interest and principal payments on subordinate debt	R	Emphasys SymPro Debt Manager
DT 10.00	Export data to Excel, Access	R	Emphasys SymPro Debt Manager
DT 11.00	Ability to calculate operating ratio = total operating expenses/total operating revenues	R	
DT 12.00	Provide the ability to track arbitrage	R	Emphasys SymPro Debt Manager/ & SymPro Investment Manager
DT 13.00	Ability to compute and prepare bond amortization using effective interest rate method as well as straight line.	R	Emphasys SymPro Debt Manager
DT 14.00	Ability to retire bonds prior to maturity date if refunded/ redeemed/or defeased	R	Emphasys SymPro Debt Manager
DT 15.00	Ability to make edits on original bond issuance entry down the line when error is discovered after import.	R	Emphasys SymPro Debt Manager
DT 16.00	Ability to delete/edit information on bond issues once entered and saved before import	R	Emphasys SymPro Debt Manager
DT 17.00	Ability to change/edit journal entry actions down the line	R	Emphasys SymPro Debt Manager / Emphasys SymPro Investment Manager
DT 18.00	Ability to calculate Days' Cash on Hand (DCOH)	R	

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.7 Debt Treasury

Functional Category: Debt & Treasury

Reference Number	Business Requirement	RC	Comments
<i>Proposed system must provide, at a minimum, the following capabilities:</i>			
DT 19.00	Ability to run report on outstanding bond series by maturity	R	Emphasys SymPro Debt Manager
DT 20.00	Ability to run report on Cash Position	R	
DT 21.00	Ability to run report on Principals Outstanding	R	Emphasys SymPro Debt Manager
DT 22.00	Ability to run report on Investments of Funds (Transaction Listing)	R	Emphasys Investment Management system
DT 23.00	Ability to have audit trails on transactions	R	Emphasys SymPro Debt Manager / Emphasys Investment Management system

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.8 Project Accounting

Functional Category: Project Accounting

Requirement Code (RC)
R= Required N= Nice to Have F= Future

Functional Category: Project Accounting

Reference Number	Business Requirement	RC	Comments
<i>Proposed system must provide, at a minimum, the following capabilities:</i>			
	General Design		Comments
PJ 1.00	Record and maintain data at the following levels of detail:		
PJ 1.01	Project (including name, number, building number, equipment number, bid number)	R	
PJ 1.02	Program	R	
PJ 1.03	Work Breakdown Structure	R	
PJ 1.04	Task	R	
PJ 1.05	Activity or Sub-task	R	
PJ 1.06	Organizational Unit	R	
PJ 1.07	Account	R	
PJ 1.08	Year/Month/Accounting Period	R	
PJ 1.09	Function	R	
PJ 1.10	Facility/Resource	R	
PJ 1.11	Funding Source	R	
PJ 1.12	Contract number	R	
PJ 1.13	Work order	R	
PJ 1.14	Job Series	R	
PJ 1.15	User-Defined Fields	R	
PJ 1.16	Location/Geographic area	R	New
PJ 2.00	Add /edit/sort the project work breakdown structure detailed above using the GUI interface for move and copy functions.	R	
PJ 3.00	Identify direct costs for each project by division, function and detailed account.	R	
PJ 4.00	Assign indirect cost codes.	R	
PJ 5.00	Generate indirect cost data based upon a cost allocation plan (i.e., communications billed, building services billed, and transportation billed)	R	
PJ 6.00	Is integrated with HR/Payroll to determine all payroll wages, labor distributions, benefits, and tax distributions.	R	
PJ 7.00	Can be interfaced with Synergen Maintenance Management to provide in-house job costing.	N	
PJ 8.00	Provide the ability to separate billable and non-billable labor hours by task.	R	
PJ 9.00	Provide the ability to restrict labor and material charges to specific tasks.	R	Currently not widely used in ERP
PJ 10.00	Track online work authorizations by employee, project, project manager, etc. to allow managerial scheduling.	R	
PJ 11.00	Track commodity and equipment usage to projects.	R	
PJ 12.00	Track both contracts and in-house spending to a project.	R	
PJ 13.00	Provide contract management tools to track multiple contractors and consultants.	R	
PJ 14.00	Process multiple contracts against a single project, multiple projects, or functions.	R	
PJ 15.00	Track retainage and release by user-defined percentages and parallel invoicing.	R	
PJ 16.00	Track and separate capitalized and non-capitalized costs.	R	
PJ 17.00	Accommodate workflow approvals.	R	Currently not set up in ERP
PJ 18.00	Setup authorized users by job title or name to charge labor time on a project.	R	
PJ 19.00	Provide the ability to determine and process reappropriations.	R	
PJ 20.00	Provide the ability to identify inactive projects.	R	
PJ 21.00	Track multiple fields for project status (i.e., proposed, completed, active, inactive).	R	
PJ 22.00	Can interface with MS Project, Prolog or Primavera to upload/download project data.	N	
PJ 23.00	Accommodate formal change order process for project contracts.	R	
PJ 24.00	Track project budget which cover multiple years by:		

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.8 Project Accounting

Functional Category: Project Accounting

Reference Number	Business Requirement	RC	Comments
Proposed system must provide, at a minimum, the following capabilities:			
PJ 24.01	Life to date	R	
PJ 24.02	Item	R	
PJ 24.03	Project	R	
PJ 24.04	Activity	R	
Project Ledgers			
PJ 25.00	Provide project costing and budget development.	R	
PJ 26.00	Identify expenditures by grant number, project number, sources of revenue, expenditures, and outstanding encumbrances for specific project number.	R	
PJ 27.00	Establish projects budgets (balanced) across funds.	R	
PJ 28.00	Associate project budgets with budgetary control appropriations in the general ledger ensuring consistency across applications.	R	
PJ 29.00	Associate multiple funding sources with projects and track the application of funding to actual expenditure.	R	
PJ 31.00	Establish project accounts to record project budgets, contracts, budget transfers, encumbrances and expenditures.	R	interface (to capture indirect and work order, equipment, material and labor costs.)
PJ 32.00	Clone project accounts established from previous projects, then modify for a newly created project.	R	
PJ 33.00	Code and track projects based on various criteria (environmental, etc.)	R	
PJ 34.00	Calculate capitalized interest by project.	R	
Funding Source			
PJ 35.00	Break out costs by funding source (i.e., Federal, Federal flow-through, State, and private funding source).	R	
PJ 36.00	Track all necessary information (i.e., grant number, Federal Catalog number, expenses, revenue, beginning and ending account receivables, Federal, State, Federal Flow-through, private matching funds) if project is funded with grant moneys.	R	
PJ 37.00	Identify and monitor matching funds.	R	
PJ 38.00	Assign different funding sources to different tasks within a single project.	R	
PJ 39.00	Utilize multiple funding or allocation percentages.	R	
PJ 40.00	Provide a user defined "low funding" limit indicator to denote when there is a need for funds to be transferred to the project fund account.	R	
Budget			
PJ 41.00	Accommodate project budgeting, modify the project budget, and print allocation schedules.	R	
PJ 42.00	Prevent overcharge of project budget by overall project, phase or task.	R	
PJ 43.00	Track project costs and commitments by equipment/asset categories.	R	
PJ 44.00	Allocate and track budget dollars by selected user-defined levels	R	
PJ 45.00	Support the development of a multi-year capital plan and the appropriation of a 1-year capital budget by project.	R	
PJ 46.00	Accumulate both equipment costs and equipment usage.	R	
PJ 47.00	Provide the ability to carry forward project budgets from current year.	R	
PJ 48.00	Can selectively carry forward project costs at year-end.	R	
PJ 49.00	Reconcile cost / project accounting and financial accounting records (these must balance).	R	
Contract Administration			
PJ 50.00	Convert awarded bid to approved contract.	R	
PJ 51.00	Create user-defined contract releases.	R	
PJ 52.00	Accommodate contract payments by direct vouchering or by contract purchase order.	R	
PJ 53.00	Budget and encumber contracts per line items and also assign project accounting data.	R	
PJ 54.00	Track multiple encumbrances and payments against a single contract.	R	
PJ 55.00	Allow multiple contracts per vendor, multiple items per contract and multiple dates.	R	
PJ 56.00	Track and query a performance-based rating of each vendor.	R	

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.8 Project Accounting

Functional Category: Project Accounting

Reference Number	Business Requirement	RC	Comments
<i>Proposed system must provide, at a minimum, the following capabilities:</i>			
PJ 57.00	Provide the ability to import and export to or from MSWord, PDF, Excel and put into a contract window without loss of formatting.	R	
PJ 58.00	Track contracts by vendor, date (starting, ending, etc.), dollars, item, class, DBE, budget, account, program, project/grant, renewals, cancellations, extensions, add/change, buying groups, commodity codes, or contract number(s).	R	
PJ 59.00	Track several purchase orders or other reference documents within a single contract.	R	
PJ 60.00	Close and reopen contracts including capital projects across fiscal years.	R	
PJ 61.00	Support various contract periods, including multiple year contracts (i.e., those that span fiscal and/or calendar years).	R	
PJ 62.00	Track and report contract operations over several different periods including District, federal, state, or other user defined fiscal year.	R	
PJ 63.00	Record and track contract limits at user specified levels of detail over the life of the contract.	R	
PJ 64.00	Maintain a real-time transaction listing of all contract change orders including date and source. (To understand why changes were made, what amount, who approved, etc.)	R	
PJ 65.00	Interface with Grants Management to create contractual grant obligations and commitment of funds.	R	
PJ 66.00	Encumber only a portion of a contract based on fiscal year.	R	
PJ 67.00	Provide contract management tools to track multiple contractors and consultants.	R	
PJ 68.00	Generate notifications to vendors, buyer, or project manager (in a user-defined format), when milestones or thresholds are met (e.g., tax exempt certification, insurance exp. date), and when not met, trigger exceptions and non-compliance notifications.	R	
PJ 69.00	Track and flag contract expiration/extension dates. The System provides the ability to set flag timing to build in lead time to extend or re-bid the contract.	R	
PJ 70.00	Automatically assign alphanumeric or numeric contract numbers to contracts, and provides for user-defined alphanumeric or numeric assignments.	R	
PJ 71.00	Link contract numbers to bid and Request For Proposal (RFP) numbers.	R	
PJ 72.00	Track and report, by account number, expenditures & revenue for each individual contract, including budget to actual comparisons by user-defined period (i.e., monthly, quarterly, daily, contract year, fiscal year, contract term, etc.).	R	
PJ 73.00	Track all contract information required by District legal authority, including, but not limited to: notice of award, lien waivers, and notice to proceed.	R	
PJ 74.00	Provide user defined contract periods that include contract year, fiscal year, and contract term for those contracts which span multiple fiscal years.	R	
PJ 75.00	Support detailed contract performance analysis and generate performance reports, based on the following criteria:	R	
PJ 75.01	Contract compliance (based on compliance criteria as defined by users).	R	
PJ 75.02	Work completed to date in absolute and in percentage terms.	R	
PJ 75.03	Payment schedules & payments made/received.	R	
PJ 75.04	Timelines/deadline dates.	R	
PJ 75.05	Contractor performance for vendor contracts.	R	
PJ 75.06	User-defined milestones & thresholds.	R	
PJ 76.00	Can track project activity by task or work breakdown structure.	R	
PJ 77.00	Provide access to contract information on-line and in real time to central and remote users with appropriate security.	R	
PJ 78.00	Attach comments and/or supporting files such as Word/Excel to each contract for users with proper security to view and update. Comments could be free-form or standard user-defined (selected from a menu or drop-down list).	R	
Transactions			
PJ 79.00	Allow input, adjustments, and transfer of costs at the lowest level of account coding.	R	

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.8 Project Accounting

Functional Category: Project Accounting

Reference Number	Business Requirement	RC	Comments
<i>Proposed system must provide, at a minimum, the following capabilities:</i>			
PJ 80.00	Generate on-line, user defined warning when project and phase expenditures nears or exceeds the original project estimates.	R	
PJ 81.00	Enter a variety of descriptive information about a project, such as a narrative.	R	
PJ 82.00	Provide an automated cross reference to all internal and external project numbers.	R	
PJ 83.00	Maintain multiple types of project completions/status. For example, project may be complete from a performance viewpoint but still open for accounting purposes.	R	
PJ 84.00	Prevent charges from being allocated to an inactive project, sub-project, or phase, (one which is either complete or that has not officially started.)	R	
PJ 85.00	Provide an automated procedure to purge and archive data for closed projects.	R	
PJ 86.00	Provide roll-up reporting structure based on the project numbering scheme for different managerial and phase levels.	R	
PJ 2019.10	Record/Track project activity over multiple years.	R	
PJ 2019.11	Allow internal requisition of items and supplies into projects.	R	
PJ 2019.12	Allow approval of internal requisition based on a user-defined approval workflow	R	
PJ 2019.13	Allow corrections or returns of items and supplies from projects.	R	
PJ 2019.14	Ability to apply or copy project, task, expenditure org and expenditure item down to next and succeeding lines (rather than keying them in on every line).	R	
PJ 2019.15	Enable fields to input Contact Name and Telephone, Payroll Division Number, MaintStar, and Shop Name.	R	
PJ 2019.16	Ability to copy the fields with information on Contact Name and Telephone, Payroll Division Number, MaintStar, and Shop Name to multiple line items instead of having to input them line by line.	R	
Project Management			Currently not set up nor used in ERP
PJ 87.00	Record project activity over multiple years.	R	
PJ 88.00	Record project activity over multiple divisions.	R	
PJ 89.00	Accommodate a variety of projects such as:	R	
PJ 89.01	Small capital expenses (e.g., remodeling)	R	
PJ 89.02	Large capital projects (e.g., buildings, infrastructure)	R	
PJ 89.03	Routine work order(s) for non-capital expenditures	R	
PJ 90.00	Classify the project by:		
PJ 90.01	Type of project (paving, building, etc.)	R	
PJ 90.02	Location (to include user-defined building numbers as assigned)	R	
PJ 90.03	Administering division	R	
PJ 90.04	Track the following dates:	R	
PJ 90.05	Planned start date	R	
PJ 90.06	Actual start date	R	
PJ 90.07	Planned completion date	R	
PJ 90.08	Project completion date	R	
PJ 91.00	Provide the ability to maintain a project address.	R	
PJ 92.00	Associate work orders with projects and building numbers.	R	
PJ 93.00	Associate freeform text with a project.	R	
PJ 94.00	Track approval levels.	R	
PJ 95.00	Provide a means for standard control and monitoring of projects.	R	
PJ 96.00	Associate projects with other projects and programs in a hierarchical structure.	R	
PJ 97.00	Classify project costs according to task (i.e., inspection, design).	R	
PJ 98.00	Track dedicated funds set aside for selected activities in projects (e.g., set aside funds for planned activities as they become known).	R	
PJ 99.00	Account for advance planning activities prior to the establishment of a project and transfer the costs to the project after it is established.	R	

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.8 Project Accounting

Functional Category: Project Accounting

Reference Number	Business Requirement	RC	Comments
Proposed system must provide, at a minimum, the following capabilities:			
PJ 100.00	Validate charges against project master files to determine if:	R	
PJ 100.01	Charges are to open projects	R	
PJ 100.02	Accounts charged are valid for specified projects (e.g., costs are valid or budgeted for the project).	R	
PJ 101.00	Prevent entry to closed projects.	R	
PJ 102.00	Obtain project titles online, primarily to assist in proper identification for data entry.	R	
PJ 103.00	Allow allocating an amount by entered percentages to various projects.	R	
PJ 104.00	Assign overhead/indirect cost allocations to projects, including the use of multiple overhead rates.	R	
PJ 105.00	Drawdown from projects by purchase order releases.	R	
PJ 106.00	Drawdown from Federal, State or other grant funding sources by percentage, schedule, etc.	R	
PJ 107.00	Support GANTT charts.	R	
PJ 108.00	Provide the ability to enter an amount or the current percent of completion and have the system estimate additional amounts for finishing the project based on that system percentage.	R	
PJ 109.00	Accrue project spending based on estimated costs.	R	
PJ 110.00	Automatically calculate estimates to complete as budget minus actual.	R	
PJ 111.00	Track multiple year expenditures.	R	
PJ 112.00	Support project budgets by associating budget appropriations from the general ledger to user defined project accounts.	R	
PJ 113.00	Accumulate projected or estimated balances for:	R	
PJ 113.01	Actuals	R	
PJ 113.02	Budgets	R	
PJ 113.03	Contracts	R	
PJ 114.00	Track change orders, budget transfers, budget supplementals, retainage, and inter-fund transfers.	R	
PJ 115.00	Track project and contract milestones and deliverables.	R	
PJ 116.00	Perform flexible budgeting for projects while adhering to level of budgetary controls established in the general ledger.	R	
PJ 117.00	Program the calculation of projected final costs using various methods of computation.	R	
PJ 118.00	Provide profit/loss ratio analysis tools for projects in development	R	
Project Close			
PJ 119.00	Allow the system administrator to specify and control the project closing process.	R	
PJ 120.00	Close projects at a user specified date.	R	
PJ 121.00	Allow the user to specify and control the project closing process through user tables and security.	R	
PJ 122.00	Support multiple closing of projects at the user's options.	R	
PJ 123.00	Close projects partially or completely.	R	
PJ 124.00	System provides an automated procedure to purge and archive data for closed projects.	R	
PJ 125.00	Identify inactive projects.	R	
PJ 126.00	Close project at user specified date.	R	
PJ 127.00	Close and capitalize or expense each project as completed and make required entries to the asset or expense accounts and work-in-progress accounts.	R	
PJ 128.00	Re-open a closed project with proper security.	R	
PJ 129.00	Support different closes for management and accounting purposes	R	
PJ 130.00	Transfer construction-in-progress accounts to fixed asset accounts at project close.	R	
Reporting/Inquiry			
PJ 131.00	Provide the ability to generate reports from specific or ranges of all project levels including:	R	
PJ 131.01	Project Numbers	R	
PJ 131.02	Facilities	R	
PJ 131.03	Divisions	R	

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.8 Project Accounting

Functional Category: Project Accounting

Reference Number	Business Requirement	RC	Comments
<i>Proposed system must provide, at a minimum, the following capabilities:</i>			
PJ 131.04	Year/Month/Accounting Period	R	
PJ 131.05	Funding Sources	R	
PJ 131.06	Contract numbers	R	
PJ 131.07	Output in various file format (pdf, excel, xml, rtf)	R	
PJ 132.00	Allow users to produce queries/reports on any field of a project.	R	
PJ 133.00	Produce variance reports according to the account ranges specified above.	R	
PJ 134.00	Provide current cost value analysis of project progress.	R	
PJ 135.00	Provide trend analysis reports based on project budgets.	R	
PJ 136.00	Produce status reports for current month, YTD, inception-to-date, and other user-defined periods.	R	
PJ 137.00	Provide the ability to generate statistical data reports.	R	
PJ 138.00	Record non-financial (statistical) data without affecting financial accounts.	R	
PJ 139.00	Provide a variable number of detail cost center reports within any organizational element.	R	
PJ 140.00	Produce direct costs for each cost center by object and sub-object of expenditure.	R	
PJ 141.00	Can "roll-up" or summarize expenditures to a higher budget level for managerial reporting.	R	
PJ 142.00	Perform on-line inquiry on all fields.	R	
PJ 143.00	Report a detailed audit trail of all entries.	R	
PJ 144.00	Generate reports from specific or ranges of:	R	
PJ 144.01	User-defined project/grant coding elements	R	
PJ 144.02	Organizational units	R	
PJ 144.03	Encumbrances (Commitments)	R	
PJ 145.00	Report project status for current month, YTD and inception-to-date.	R	
PJ 146.00	Report revenues and expenditures on the same report by program, lowest-level budget unit, division, or function areas.	R	
PJ 147.00	Export reports to spreadsheets and provide pivot table analysis.	R	
PJ 148.00	Generate statistical data in conjunction with financial reports.	R	

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.9 Grant Accounting

Functional Category: Grant Accounting

Requirement Code (RC)
R= Required N= Nice to Have F= Future

Functional Category: Grant Accounting

Reference Number	Business Requirement	RC	Comments
Proposed system must provide, at a minimum, the following capabilities:			
General Design			Comments
GR 1.00	Complete and accurate funds control at the expense object level.	R	
GR 2.00	Complete, accurate, and prompt recording of encumbrances and pre-encumbrances.	R	Currently not used in ERP. Apply only on the work order level, not grant level
GR 3.00	Complete, accurate, and prompt generation and maintenance of grant financial records and transactions.	R	
GR 4.00	Timely and efficient access to complete and accurate information, without extraneous material, to those internal and external to the agency who require the information.	R	
GR 5.00	Timely and proper interaction of the grant financial system with Core financial systems and other existing automated systems.	R	
GR 6.00	Adequate internal controls to ensure that the grant financial system is operating as intended.	R	
GR 7.00	Grant definition can mirror project structure or be used as funding source against a project.	R	
GR 2019.10	Support Gantt Charts	R	
GR 8.00	Provide the ability to track grant applications.	R	Currently not set up
GR 9.00	Provide the ability to track the following grant information:	R	Currently using some manual processes for data consolidation
GR 9.01	Grantor Name and Identifier	R	
GR 9.02	Amount Requested	R	
GR 9.03	Grantee Official Authorized to Submit Request	R	
GR 9.04	Amount of Funds Authorized	R	
GR 9.05	Amount Approved	R	
GR 9.06	Amount Disallowed	R	
GR 9.07	Program Funding Codes	R	
GR 9.08	Appropriation Code(s)	R	
GR 9.09	Project name (s)	R	
GR 9.10	Work Order #	R	
GR 9.11	Account codes	R	
GR 9.12	CIP or operating fund	R	
GR 10.00	Provide the ability to track grant expenditure activity.	R	
GR 11.00	Charge to grants by flexible G&A factors.	R	
GR 12.00	Track grant activity over multiple divisions and functions.	R	
GR 13.00	Track grant activity over multiple fiscal years.	R	
GR 14.00	Track grant activity over the grant fiscal year.	R	
GR 15.00	Assign indirect cost codes.	R	
GR 16.00	Allocate costs to multiple grants.	R	
GR 17.00	Provide statistical tracking capabilities for certain grants.	R	Need Statical
GR 18.00	Accommodate workflow approval processes.	R	
GR 19.00	Account for grant revenues and expenditures for the fiscal year, grant year and the perpetual life of the grant—with breakdowns by period and in total (inception to date) for all prior years.	R	
GR 20.00	Provide the ability to attach a document image of any grant related documentation (PDF, Excel, etc.)	R	
GR 21.00	Documentation is provided for all grant processes.	R	
GR 22.00	Flag grants with insufficient reappropriated revenues for reappropriated expenditures.	R	
Grant Ledgers			
GR 23.00	Define the program or budget year of the grant/project differently than the system established fiscal year.	R	
GR 24.00	Provide the ability to set up and report budget items based on multiple fiscal years and grant years.	R	
GR 25.00	Track grant obligations and accruals, and schedule/forecast payments on each grant at both fixed and variable amounts.	R	Schedule/Forecast - currently done outside of ERP
GR 26.00	Calculate on a user defined basis indirect costs associated with any grant and to provide system generated entries.	R	
GR 27.00	Calculate on a user defined basis matching fund requirements associated with any grant and to provide system generated entries.	R	
GR 28.00	Accommodate grant year accounting requirements and complies with both calendar year and fiscal year budgeting/reporting requirements.	R	
GR 29.00	Provide the ability to carry forward appropriations at year end, especially for grants with fiscal year ends.	R	
GR 30.00	Track contracts that span multiple years.	R	
Grant Applications			
GR 31.00	Provide the ability to track the following grant application information:	R	

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.9 Grant Accounting

Functional Category: Grant Accounting

Reference Number	Business Requirement	RC	Comments
Proposed system must provide, at a minimum, the following capabilities:			
GR 31.01	Grant (and sub-grant) number	R	
GR 31.02	Grant project number	R	
GR 31.03	Federal and state grant numbers	R	
GR 31.04	Grant name	R	
GR 31.05	Grant description	R	
GR 31.06	Grantor	R	
GR 31.07	Grantor's mailing address	R	
GR 31.08	Grantor's phone number	R	
GR 31.09	Date application submitted	R	
GR 31.10	Date application approved	R	
GR 31.11	Original grant approval amount	R	
GR 31.12	Grant budgeted	R	
GR 31.13	Cost Categories	R	
GR 31.14	Grant amendment detail (including amounts, dates, and other user-defined criteria) with audit trails for all changes.	R	
GR 31.15	Grant carryovers	R	
GR 31.16	Grant fiscal calendar	R	
GR 31.17	Grant beginning date	R	
GR 31.18	Grant expiration date	R	
GR 31.19	Key reporting/re-application dates	R	
GR 31.20	Letter of credit/draw-down	R	
GR 31.21	Amounts of Department matching funds	R	
GR 31.22	Responsible division	R	
GR 31.23	Responsible divisional contact	R	
GR 31.24	Reimbursement and disbursement schedules and contacts	R	
GR 31.25	User defined fields	R	
GR 31.26	Narrative fields for miscellaneous information (comments)	R	
Grant Activity			
GR 32.00	Capture all grant activity through the general ledger.	R	
GR 33.00	Define and track in-kind services.	R	
GR 34.00	Maintain record of employees who are working (or have worked) on a particular grant, identified by percentage of time or maximum time.	R	Currently details tracked by PICS & HDTIME. ERP - high level labor cost
GR 35.00	Provide the ability to request reimbursement drawdowns online.	R	
GR 36.00	Track and generate grant receivables through integration with AR.	R	
GR 37.00	Capture grant expenditures and revenues by:	R	
GR 37.01	General ledger account numbers (any segment of the account string)	R	
GR 37.02	Grantor-defined categories or accounts	R	
GR 37.03	Grant contracts, purchase orders and encumbrances, project/program number	R	
GR 37.04	Grants status codes	R	
GR 37.05	Grantor	R	
GR 37.06	User defined fields	R	
GR 37.07	Grant's conditions and restrictions	R	
GR 37.08	Narrative fields for miscellaneous information (comments)	R	
GR 37.09	Designation of "Federal" vs. "State" vs. "County" vs. "Local"	R	
GR 37.10	Designation of "Capital" vs. "Operating" vs. "Passthrough" vs. "3rd Party"	R	
GR 38.00	Provide the ability to interface with Payroll/HR System to capture all indirect labor costs for payroll taxes, benefits, vacations, etc.	R	
Processing Requirements			
GR 39.00	Provide the ability to establish and adjust budgets for each grant.	R	
GR 40.00	Assign multiple user defined categories for budget purposes.	R	
GR 41.00	Duplicate preexisting grants to establish templates for new grants.	R	
GR 42.00	Provide the ability to prioritize draw-downs (i.e., grant A first, grant B second, etc.).	R	
GR 43.00	Provide the ability to choose drawdowns during expenditure transactions.	R	
GR 44.00	Add, modify or delete grant information online with audit trail of all changes.	R	
GR 45.00	Provide grant summary history online (dashboard format)	R	
GR 46.00	Accept electronic wire transfers for draw-down/letters of credit.	R	
GR 47.00	Provide the ability to "suspend" grant transactions based on user defined criteria (i.e., expiration date or grant status).	R	
GR 48.00	Provides the ability to post the "suspended" grant transactions with supervisory control or post with supervisory override.	R	
GR 49.00	Archive closed grants with no activity beyond a user defined time interval.	R	

**ATTACHMENT 6
FUNCTIONAL REQUIREMENTS**

6.9 Grant Accounting

Functional Category: Grant Accounting

Reference Number	Business Requirement	RC	Comments
Proposed system must provide, at a minimum, the following capabilities:			
GR 50.00	Process data from purchasing system for contracts, purchase orders and encumbrances.	R	
GR 51.00	Provide complete accounting in conformity with all federal and state requirements.	R	
GR 52.00	Accommodate the following budget preparation capabilities:	R	
GR 52.01	Budget by total grant amount	R	
GR 52.02	Budget by year	R	
GR 52.03	Grant receipt projections by fiscal year	F	
GR 53.00	Make adjustments for any open accounting periods in any fiscal year (with appropriate security).	R	
GR 54.00	Roll-up grant to higher levels for internal and external reporting	R	
Reporting/Inquiry			
GR 55.00	Produce all reports using both grantor-defined categories or the Department's chart of accounts.	R	
GR 56.00	Produce all funding source reports using direct expenditures and G&A.	R	
GR 57.00	Provide GAAP income statements by organization or business line.	R	
GR 58.00	Provide Profit and Loss reporting and analysis by grant asset or group of assets	R	
GR 59.00	Provide the following reports:	R	
GR 59.01	Expenditures and revenues	R	Needs to be able to compare fiscal years against each other (see GR 19.00)
GR 59.02	Sources of revenues	R	
GR 59.03	Reimbursed costs	R	
GR 59.04	Budget vs. actual costs	R	
GR 59.05	Combined grant revenue and expenditure reports	R	
GR 59.06	Program Income	R	
GR 59.07	Grant Matches & In-kind contributions	R	
GR 59.08	Encumbrances and funds available for commitment	R	
GR 59.09	Grants trial balance report	R	
GR 59.10	Pending approval grant report	R	
GR 59.11	Pending expiration or expired grant report	R	
GR 59.12	Financial year end statements	R	
GR 59.13	User defined queries	R	
GR 60.00	Attach narrative information to reports	R	
GR 61.00	Display the following on-screen:	R	This should be in "dashboard" format
GR 61.01	Grant budget(s)	R	
GR 61.02	Current year-to-date fiscal budget, revenues and expenditures	R	
GR 61.03	Grant-to-date budget, revenues, expenditures	R	
GR 61.04	Unexpended balance	R	
GR 61.05	Special budget appropriations	R	
GR 61.06	Carryover amounts from previous years	R	
GR 61.07	Contracts	R	
GR 61.08	Encumbrances (commitments)	R	
GR 61.09	Appropriations	R	
GR 61.10	Grant transaction detail	R	
GR 61.11	Grant restrictions (i.e., overtime pay)	R	
GR 62.00	Generate Schedule of Federal Expenditure	R	
GR 63.00	Generate Schedule of State Expenditure	R	

**ATTACHMENT 7
TECHNICAL REQUIREMENTS**

7.1 Interfaces

Category: ERP INTERFACES		
Reference Number	Business Requirement	ERP
<i>Proposed system must provide, at a minimum, the following capabilities:</i>		
	INTERFACE	Concurrent Program Name
IN 1.00	CITI AIR TRAVEL EXPENSE CREDIT CARD INBOUND INTERFACE	(Request Set) POLA CITI AIR Interface
IN 2.00	CITI MC TRAVEL EXPENSE CREDIT CARD INBOUND INTERFACE	(Request Set) POLA CITI MC Interface
IN 3.00	FMS CASH MANAGEMENT INBOUND INTERFACE	(Request Set) POLACE Bank Statement Loader
IN 4.00	FMS PAYMENT OUTBOUND INTERFACE	(Request Set) POLA FMS OUTBOUND INTERFACE
IN 5.00	FMS WARRANT INBOUND INTERFACE	(Request Set) POLA FMS INBOUND INTERFACE
IN 6.00	HDTIME EMPLOYEE INFO INBOUND INTERFACE	(Request Set) POLAHR Employee Interface Set-HD
IN 7.00	HDTIME PROJECT COSTING INBOUND INTERFACE	(Request Set) POLAPA Project Costing Interface Set -HD
IN 8.00	HDTIME TASK DETAILS OUTBOUND INTERFACE	(Request Set) POLAPA P&G Task Details HD Time Outbound Interface set
IN 9.00	HDTIME TO GL INBOUND INTERFACE	(Request Set) POLAGL HD Time to GL Inbound Interface
IN 10.00	KLEIN AR CUSTOMER INBOUND INTERFACE	(Request Set) POLA AR Customer Inbound Interface
IN 11.00	KLEIN AR INVOICES INBOUND INTERFACE	(Request Set) POLA AR Customer Inbound Interface
IN 12.00	KLEIN-EBS OUTBOUND AR PENALTY INVOICE OUTBOUND INTERFACE	(Manual Export .csv to Klein) by EBS AR link 'Generate Late Charges'
IN 13.00	LOCKBOX INBOUND INTERFACE	(Request Set) POLA WELLS FARGO LOCKBOX INBOUND INTERFACE
IN 14.00	OPEN DATA OUTBOUND INTERFACE	(Concurrent Program) POLAAP_INVOICE_OPEN_DATA (report sent via email)
IN 15.00	PBCS DESKTOP INTERGRATION (INBOUND/OUTBOUND)	Inbound – intergrade ERP Budget with cloud-based PBCS platform using EBS Desktop Integrator Outbound – export budget data from ERP and load into PBCS
IN 16.00	PCARD INBOUND INTERFACE	(Request Set) POLA US BANK INBOUND INTERFACE
IN 17.00	PICS OUTBOUND INTERFACE	(Request Set) POLA PICS OUTBOUND INTERFACE
IN 18.00	MAINTSTAR INBOUND INTERFACE	Not currently interfaced.
IN 19.00	MAINTSTAR OUTBOUND INTERFACE	Not currently interfaced

Category: ERP SYSTEM SUPPORT		
Reference	Business Requirement	Category
<i>Proposed system must provide, at a minimum, the following capabilities:</i>		
	System Support	
SS 1.00	Support SSO connecting ADFS for authentication using delivered native tools	SEC Security
SS 2.00	View or obtain user authentication logs	
SS 3.00	Manage users responsibility with ease (e.g. View the list of responsibilities for a specific user) and enable/disable new system feature/functionality as needed	
SS 4.00	Support Identity and Access Management (IAM) at application level - manage access to application function and resource (including data) based on user responsibility and process permission streamlined by system	AC Access Control
SS 5.00	Support on-boarding and off-boarding process	
SS 6.00	Allow authorized users to view audit trail of all transactions, screen, record updated, data import history and method (e.g. supplier creation)	
SS 7.00	Provide data backup and recovery ability including: define and establish backup process/retention period onsite and remotely, establish restore plan for business continuity (RTO, RPO), perform data dump from the system, provide hourly transaction log data backup, daily replicate data to DR site, and roll back specific transactions.	DBR Data Backup and Recovery
SS 8.00	Support segregation of duties throughout the system and perform system administration tasks such as admin workbench, run commands via terminal access, etc.	
SS 9.00	Monitor system performance and health status including database, workflow, transaction, and scheduled jobs, and email failure/success notification for workflow, transaction and scheduled job with dedicated mailbox for workflow process	
SS 10.00	Monitor and manage system activities in real-time including dashboard and response to critical system downtime incidents according to SLA (out of maintenance windows)	SA ERP System Administration and Monitoring
SS 11.00	Provide logs including system logs, scheduled job logs and security logs on a granular level	
SS 12.00	Log transaction purging and provide documentation of purging procedure, and search history of a transaction from end to end within seconds	
SS 13.00	Selectively retrieve any electronic communication threads (by email, chat etc.) occurred within the system for California Public Record Act (CPRA) compliance	
SS 14.00	Support FTP, SFTP	
SS 15.00	Interface with systems such as FMS, KLEIN, HDTIME, MAINTSTAR, etc., and import/export data in the format such as csv, txt, xml etc. and perform system validation prior to data transaction and send notifications. Ensure data consistency and reliability between ERP system and interfaced system	DT Data Transaction
SS 16.00	Create and schedule jobs including running stored procedures, executing custom Java programs, and sending reports via email	JOB Workflow/Job
SS 17.00	Create, manage and monitor workflow and resolve approval issues with ease	ENV Environment
SS 18.00	Refresh development and test instances from production environment	
SS 19.00	Support electronic signature process and various web browsers including Firefox, Google Chrome, Safari, Microsoft Edge, and support	
SS 20.00	Create custom reports, dashboards and charts using delivered tools with the ability to view data set, table relationships to generate reports/query and to map table/column in database to the field on a form	
SS 21.00	Configure, customize and extend ERP for any non out-of-the-box features to add new functionality to system	
SS 22.00	Create API and consume native/delivered and third party API web services	DEV Development
SS 23.00	Support and integrate with third party Software Barcode printing label software for warehouse inventory	
SS 24.00	Support CC processing banks (Citi, Wells Fargo, US Bank etc.) industry standard file format for loading transactions	
SS 25.00	Load Citibank credit card transactions directly to system without preprocessing existing Java preformat program. Reuse existing Java preformat program to preprocess Citibank CDF3 interface file or provide similar capability/tool to retrieve virtual card number, employee names in Citibank credit card transaction import/loading	
SS 26.00	Monitor and manage the usage of application and responsibility license with ease	L License
SS 27.00	Provide minimum 1TB of storage for both database and application	STO Storage
SS 28.00	Design and implement solution for data archive and historical data access in order for end-users to run reports (Data archived from Mainframe stored in SQL Server database and current Oracle EBS data)	
SS 29.00	Design and implement Data Migration solution	

**ATTACHMENT 7
TECHNICAL REQUIREMENTS**

7.2 System Support

Category: ERP SYSTEM SUPPORT		
Reference	Business Requirement	
Proposed system must provide, at a minimum, the following capabilities:		
	System Support	Category
SS 1.00	Support SSO connecting ADFS for authentication using delivered native tools	SEC Security
SS 2.00	View or obtain user authentication logs	
SS 3.00	Manage users responsibility with ease (e.g. View the list of responsibilities for a specific user) and enable/disable new system feature/functionality as needed	AC Access Control
SS 4.00	Support Identity and Access Management (IAM) at application level - manage access to application function and resource (including data) based on user responsibility and process permission streamlined by system	
SS 5.00	Support on-boarding and off-boarding process	
SS 6.00	Allow authorized users to view audit trail of all transactions, screen, record updated, data import history and method (e.g. supplier creation)	DBR Data Backup and Recovery
SS 7.00	Provide data backup and recovery ability including: define and establish backup process/retention period onsite and remotely, establish restore plan for business continuity (RTO, RPO), perform data dump from the system, provide hourly transaction log data backup, daily replicate data to DR site, and roll back specific transactions	
SS 8.00	Support segregation of duties throughout the system and perform system administration tasks such as admin workbench, run commands via terminal access, etc.	SA ERP System Administration and Monitoring
SS 9.00	Monitor system performance and health status including database, workflow, transaction, and scheduled jobs, and email failure/success notification for workflow, transaction and scheduled job with dedicated mailbox for workflow process	
SS 10.00	Monitor and manage system activities in real-time including dashboard and response to critical system downtime incidents according to SLA (out of maintenance windows)	
SS 11.00	Provide logs including system logs, scheduled job logs and security logs on a granular level	
SS 12.00	Log transaction purging and provide documentation of purging procedure, and search history of a transaction from end to end within seconds	
SS 13.00	Selectively retrieve any electronic communication threads (by email, chat etc.) occurred within the system for California Public Record Act (CPRA) compliance	DT Data Transaction
SS 14.00	Support FTP, SFTP	
SS 15.00	Interface with systems such as FMS, KLEIN, HDTIME, MAINTSTAR, etc., and import/export data in the format such as csv, txt, xml etc. and perform system validation prior to data transaction and send notifications. Ensure data consistency and reliability between ERP system and interfaced system	JOB Workflow/Job
SS 16.00	Create and schedule jobs including running stored procedures, executing custom Java programs, and sending reports via email	
SS 17.00	Create, manage and monitor workflow and resolve approval issues with ease	ENV Environment
SS 18.00	Refresh development and test instances from production environment	DEV Development
SS 19.00	Support electronic signature process and various web browsers including Firefox, Google Chrome, Safari, Microsoft Edge, and support	
SS 20.00	Create custom reports, dashboards and charts using delivered tools with the ability to view data set, table relationships to generate reports/query and to map table/column in database to the field on a form	
SS 21.00	Configure, customize and extend ERP for any non out-of-the-box features to add new functionality to system	
SS 22.00	Create API and consume native/delivered and third party API web services	
SS 23.00	Support and integrate with third party Software Barcode printing label software for warehouse inventory	
SS 24.00	Support CC processing banks (Citi, Wells Fargo, US Bank etc.) industry standard file format for loading transactions	
SS 25.00	Load Citibank credit card transactions directly to system without preprocessing existing Java preformat program. Reuse existing Java preformat program to preprocess Citibank CDF3 interface file or provide similar capability/tool to retrieve virtual card number, employee names in Citibank credit card transaction import/loading	
SS 26.00	Monitor and manage the usage of application and responsibility license with ease	L License
SS 27.00	Provide minimum 1TB of storage for both database and application	STO Storage
SS 28.00	Design and implement solution for data archive and historical data access in order for end-users to run reports (Data archived from Mainframe stored in SQL Server database and current Oracle EBS data)	
SS 29.00	Design and implement Data Migration solution	

ATTACHMENT 7 TECHNICAL REQUIREMENTS

7.3 Network Security

Category: Network Security	
Reference Number	Business Requirement
<i>Proposed system must provide, at a minimum, the following capabilities:</i>	
	System Support
NS 1.00	Ability to view or obtain security logs
NS 2.00	Documentation of Network Diagram for POLA instance
NS 3.00	Security Controls for provisioning access into POLA resources
NS 4.00	Policy and process for data protection, retention and destruction
NS 5.00	Procedure and process for Incident management including data breach
NS 6.00	Provide access to certification marks ie. ISO27001, SOC1, SOC2, FedRamp
NS 7.00	Provide default SLA and/or enhanced SLA
NS 8.00	Provide location of data location
NS 9.00	Provide business continuity processes and recovery times
NS 10.00	Ability to utilize 2MFA
NS 11.00	SSL Encryption Enforced by Application
NS 12.00	Enfore MFA for Administrators and system administrators

ATTACHMENT 8

8.1 EBS Workflows

8.1 EBS WORKFLOWS

ITEM_TYPE	ACTIVITY
APCCARD	INFORM_INACT_EMP_MANAGER
APCCARD	OIE_PROCESS_INACTIVE_CARDS
APCCARD	PAYMENT_TO_EMP_BY_CHECK
APCCARD	UNSUBMITTED_CHARGES
APCCARD	VOID_PAYMENT_PROCESS
APEXP	AME_REQUEST_APPROVAL_PROCESS
APEXP	AP_EXPENSE_REPORT_PROCESS
APINVAPR	APPROVAL_MAIN
APWRECPT	ABORTED_PROCESS
APWRECPT	RECEIVED_PROCESS
AZNFO03	AZN_PR_EXGLBA
AZNM000	AZN_PR_PROC_PAY
GLBATCH	GL_JE_APPROVAL_PROCESS
GMSWF	GMS_WF_PROCESS
HRSSA	OTA_LNR_TRNG_APPROVAL_JSP_PRC
HRSSA	OTA_LNR_TRNG_CANCEL_JSP_PRC
OTWF	OTA_CERTIFICATION_NTF_JSP_PRC
OTWF	OTA_CLASS_CANCEL_JSP_PRC
POAPPRV	POLA_POAPPRV_TOP
POERROR	DOC_MGR_ERROR
POREQCHA	MAIN_CHANGE_APPROVAL
PORPOCHA	INFORM_BUYER_PO_CHANGE
POWFPOAG	DEFAULT_ACCOUNT_GENERATION
POWFRQAG	DEFAULT_ACCOUNT_GENERATION
REQAPPRV	AME_PARALLEL_APPROVAL
REQAPPRV	MAIN_REQAPPRV_PROCESS
REQAPPRV	NOTIFY_RETURN_REQ
UMXLHELP	LOGIN_HELP
WFERROR	DEFAULT_ERROR
WFERROR	DEFAULT_EVENT_ERROR
WFTSTS	MAILER_TEST1

Total distinct workflow item type:	20
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8.2 AME RULES

8.2 AME RULES

11010	POLA PR CR RULE (ONE TIME ANNUAL BALANCKET +RISK MANAGE MENT)	9/24/2012	12/31/4712	POLAPO_CR_REQ_RISK_FLAG in (Y)	approval-group chain of authority	Require approval from POLAPO_RISK_MANAGER	
11005	POLA PR RULE (SWI) RISK YES	4/24/2018	12/31/4712	POLA CHECK IF GL SEGS IS CAPITAL PROJ in (N)	approval-group chain of authority	Require approval from POLAPO_RISK_MANAGER	
11001	POLA PR INVALID DOC TYPE RISK YES	4/24/2018	12/31/4712	POLA CHECK IF GL SEGS IS CAPITAL PROJ in (N)	approval-group chain of authority	Require approval from POLAPO_RISK_MANAGER	
11003	POLA PR INVALID DOC TYPE RISK YES	4/24/2018	12/31/4712	POLA CHECK IF GL SEGS IS DIVISION 9000 in (N)	approval-group chain of authority	Require approval from POLAPO_RISK_MANAGER	
11000	POLA PR DUPLICATE DIVISION RISK YES	4/24/2018	12/31/4712	POLAPO_REQ_RISK_FLAG in (Y)	approval-group chain of authority	Require approval from POLAPO_ACCOUNTING_APPROVER	
10001	POLA PR FOR CAPITAL PROJECTS RISK NO	1/11/2015	12/31/4712	POLA CHECK IF GL SEGS IS CAPITAL PROJ in (Y)	approval-group chain of authority	Require approval from POLAPO_ACCOUNTING_APPROVER	
10000	POLA PR FOR CAPITAL PROJECTS RISK YES	1/11/2015	12/31/4712	POLA CHECK IF GL SEGS IS 200000 TO 299999 in (N)	approval-group chain of authority	Require approval from POLAPO_ACCOUNTING_APPROVER	
11012	POLA PR CR RULE(SVC,AG,CON,RES)	9/24/2012	12/31/4712	POLAPO_CR_REQ_TYPE in (AG, CON, RES, SVC)	approval-group chain of authority	Require approval from POLAPO_ACCOUNTING_APPROVER	
11010	POLA PR CR RULE (ONE TIME ANNUAL BALANCKET +RISK MANAGE MENT)	9/24/2012	12/31/4712	POLAPO_CR_REQ_RISK_FLAG in (Y)	approval-group chain of authority	Require approval from POLAPO_ACCOUNTING_APPROVER	
11006	POLA PR RULE (JDO,AM)	8/16/2012	12/31/4712	POLA EXEC DIR_CHECK in (N)	approval-group chain of authority	Require approval from POLAPO_ACCOUNTING_APPROVER	
11005	POLA PR RULE (SWI) RISK YES	4/24/2018	12/31/4712	POLAPO_MULTIPLE_DOC_TYPE is less than or equal to 1	approval-group chain of authority	Require approval from POLAPO_ACCOUNTING_APPROVER	
11004	POLA PR RULE (AG, ANNUAL, BLANCKET, CON, ONE TIME, RES) RISK YES	1/24/2018	12/31/4712	POLA CHECK IF GL SEGS IS 200000 TO 299999 in (N)	approval-group chain of authority	Require approval from POLAPO_ACCOUNTING_APPROVER	
11003	POLA PR RULE (AG, ANNUAL, BLANCKET, CON, ONE TIME, RES) RISK YES	1/24/2018	12/31/4712	POLAPO_DOC_TYPE in (AG, Annual Agreement, Bankers Agreement, COI, One time Purchase Order, BSM)	approval-group chain of authority	Require approval from POLAPO_ACCOUNTING_APPROVER	
11011	POLA PR CR RULE (ONE TIME ANNUAL BALANCKET and RISK MANAGEMENT)	9/24/2012	12/31/4712	POLAPO_CR_DOC_TYPE in (Annual Agreement, Bankers Agreement, One time Purchase Order)	approval-group chain of authority	Require approval from POLAPO_DIVISION_HEAD	
11005	POLA Expense (Cards limit, Const and Maint)	1/6/2015	12/31/4712	POLA CHECK FOR PCARD TRANSACTION in (Y)	approval-group chain of authority	Require approval from POLAAP_EXPENSE_DIV_HEAD	
11000	POLAAP Expense MAIN Rule	9/24/2012	12/31/4712	POLA CHECK FOR PCARD TRANSACTION in (N)	approval-group chain of authority	Require approval from POLAAP_EXPENSE_DIV_HEAD	
Total Distinct AME Rules:		33					

ATTACHMENT 9 LAHD ERP CLOUD INTERFACE REQUIREMENTS

The following pages contain descriptions of the interfaces that will be required as a part of the ERP cloud implementation. Record layouts or table layouts have been provided where available.

Required Interfaces

1. Existing Interfaces

Reference Number	Interface Name
IN-001	CITI AIR TRAVEL EXPENSE CREDIT CARD INBOUND INTERFACE
IN-002	CITI MC TRAVEL EXPENSE CREDIT CARD INBOUND INTERFACE
IN-003	FMS CASH MANAGEMENT INBOUND INTERFACE
IN-004	FMS PAYMENT OUTBOUND INTERFACE
IN-005	FMS WARRANT INBOUND INTERFACE
IN-006	HDTIME EMPLOYEE INFO INBOUND INTERFACE
IN-007	HDTIME PROJECT COSTING INBOUND INTERFACE
IN-008	HDTIME TASK DETAILS OUTBOUND INTERFACE
IN-009	HDTIME TO GL INBOUND INTERFACE
IN-010	KLEIN AR CUSTOMER INBOUND INTERFACE
IN-011	KLEIN AR INVOICES INBOUND INTERFACE
IN-012	KLEIN-EBS OUTBOUND AR PENALTY INVOICE OUTBOUND INTERFACE
IN-013	LOCKBOX INBOUND INTERFACE
IN-014	OPEN DATA OUTBOUND INTERFACE
IN-015	PBCS DESKTOP INTERGRATION (INBOUND/OUTBOUND)
IN-016	PCARD INBOUND INTERFACE
IN-017	PICS OUTBOUND INTERFACE

2. Future Enhancement

IN-018	MAINTSTAR INBOUND INTERFACE
IN-019	MAINTSTAR OUTBOUND INTERFACE

CITIBANK INTERFACES INCLUDING:

- IN-001 CITI AIR TRAVEL EXPENSE CREDIT CARD INBOUND INTERFACE
- IN-002 CITI MC TRAVEL EXPENSE CREDIT CARD INBOUND INTERFACE

CITIBANK INBOUND INTERFACES	
Receive charging information from Citibank (credit card service provider)	
Name of the System	Bank Data Transaction System
Vendor	Citibank Internal System
Name of Interface	CITI AIR TRAVEL EXPENSE CREDIT CARD INBOUND INTERFACE
Inbound	Loads the Airfare (AIR) transaction files received from Citibank into Oracle iExpense tables
Frequency of the inbound Interface	Two times, daily
Name of Interface	CITI MC TRAVEL EXPENSE CREDIT CARD INBOUND INTERFACE
Inbound	Loads the Corporate Card (MC) transaction files received from Citibank into Oracle iExpense tables
Frequency of the inbound Interface	Two times, daily

Detail:

- CITI AIR/MC TRAVEL EXPENSE CREDIT CARD INBOUND INTERFACE
 - The transaction files received from Citibank are in CDF 3.0 format (MasterCard Common Data Format version 3.0) with file name indicating the corresponding interface (MC / AIR).
 - Citibank CDF3 xml should be reformatted prior to ERP to consume.
 - For AIR transactions, passenger related information such as Virtual CC number, employee first name, and last name should be extracted and imported into ERP.

FMS INTERFACES INCLUDING:

- IN-003 FMS CASH MANAGEMENT INBOUND INTERFACE
- IN-004 FMS PAYMENT OUTBOUND INTERFACE
- IN-005 FMS WARRANT INBOUND INTERFACE

FMS INTERFACES	
City's Financial Management System (FMS) custom application	
Name of the System	City Financial Management System - FMS
Vendor	CGI AMS
Name of Interface	FMS CASH MANAGEMENT INBOUND INTERFACE
Inbound	Connect to FMS centralized repository database and extract the transactions for LAHD from City Controller's financial system (FMS) for reconciliation process.
Frequency of the inbound Interface	Daily
Name of Interface	FMS PAYMENT OUTBOUND INTERFACE
Outbound	Send approved AP invoices from AP tables to City Controller's financial system (FMS)
Frequency of the outbound interface	At transaction close or daily
Name of Interface	FMS WARRANT INBOUND INTERFACE
Inbound	Receive payment data from City Controller's financial system (FMS) and load into Oracle Accounts Payable tables for reconciliation process
Frequency of the inbound Interface	Daily

Detail:

- IN-003 FMS CASH MANAGEMENT INBOUND INTERFACE

This interface provides the ability to connect to FMS centralized repository database and extract the transactions for LAHD into .CSV file and load into Oracle Cash Management interface tables for reconciliation process. This extract will be the official bank statement for this reconciliation process.

- IN-004 FMS PAYMEN OUTBOUND INTERFACE

AP invoices and payments will be maintained in Oracle EBS. Although LAHD maintains its own financial records, it must interface payment information with the City Controller's financial system (FMS) as the City will generate warrants (checks) from the City of Los Angeles to its vendors or employees.

- IN-005 FMS WARRANT INBOUND INTERFACE

All disbursements are made by the City Controller's financial system (FMS) which issues checks that need to be subsequently created in Oracle for reconciliation purposes. Payments are made in FMS based on the Payment vouchers sent by Oracle EBS (via the FMS PAYMENT OUTBOUND INTERFACE). In order to reconcile payments in Oracle EBS, FMS sends an inbound "Warrants" file with the payment and check details. This inbound interface loads payment data from City FMS to Oracle tables.

HDTIME INTERFACES INCLUDING:

- IN-006 HDTIME EMPLOYEE INFO INBOUND INTERFACE
- IN-007 HDTIME PROJECT COSTING INBOUND INTERFACE
- IN-008 HDTIME TASK DETAILS OUTBOUND INTERFACE
- IN-009 HDTIME TO GL INBOUND INTERFACE

HDTIME INTERFACE	
LAHD HDTIME (Harbor Department Time Keeping System) is a third-party system developed and implemented specially for Harbor Department and is currently used by Harbor employees as the time keeping system.	
Name of the System	Harbor Department Time Keeping System – HDTIME
Vendor	Custom developed by Hess & Associates
Operation System	Virtual Window Server 2012 (on premise)
Database	Oracle 12c database
Data Format	.csv
Name of Interface	HDTIME EMPLOYEE INFO INBOUND INTERFACE
Inbound	Transfer new employee information from LAHD's current payroll system (HDTime) to Oracle Human Resources (HR) module
Frequency of the inbound Interface	Daily

Name of Interface	HDTIME PROJECT COSTING INBOUND INTERFACE
Inbound	Transfer projects/grants related labor cost from LAHD's current payroll system (HDTime) to Oracle Projects/Grants module
Frequency of the inbound Interface	Bi-weekly
Name of Interface	TASK DETAILS OUTBOUND INTERFACE
Outbound	Send project task details from Oracle EBS to LAHD's current payroll system (HDTime)
Frequency of the outbound interface	Daily
Name of Interface	HDTIME TO GL INBOUND INTERFACE
Inbound	Transfer labor costs from LAHD's current payroll system (HDTime) to Oracle General Ledge (GL) module
Frequency of the inbound Interface	Bi-weekly

Detail:

- N-006 HDTIME EMPLOYEE INFO INBOUND INTERFACE
This interface is to import new employee data from LAHD's current payroll system (HDTime) to Oracle Human Resources (HR). As part of this interface, only new employee data will be loaded from HDTime into Oracle HR using Oracle's available API's. Any updates to employee related data including employee terminations and employee assignments to Organizations, Locations, and Jobs etc. will be handled manually within Oracle by the LAHD ERP team.
- IN-007 HDTIME PROJECT COSTING INBOUND INTERFACE
This interface is to import projects/grants related labor costs from HD Time to Oracle projects/grants module using available open interface tables. This interface is to ensure that all the costs related to the project/grant are accurately reflected in the Oracle Projects/Grants module for reporting purposes.
- IN-008 HDTIME TASK DETAILS OUTBOUND INTERFACE
This interface transfers Oracle project related data from Oracle EBS into .CSV format and send data file to HDTime.

- IN-009 HDTIME TO GL INBOUND

Retrieves labor costs from HDTime to Oracle General Ledger module. Labor costs including project related costs will be summarized and loaded into the Oracle General Ledger using Oracle's available open interface tables.

- Notes: HRP Workday - City's new cloud-based system for services on payroll, HR, will replace original City Payroll System (PaySR) and HDTime system by December 2022. Hence, these interfaces will be updated accordingly to integrate with HRP Workday.

KLEIN INTERFACES INCLUDING:

- IN-010 KLEIN AR CUSTOMER INBOUND INTERFACE
- IN-011 KLEIN AR INVOICES INBOUND INTERFACE
- IN-012 KLEIN-EBS OUTBOUND AR PENALTY INVOICE OUTBOUND INTERFACE

KLEIN INTERFACE	
LAHD Klein Port Billing System V 6.9.5.12458	
Name of the System	Klein Port
Vendor	Saab Technologies Ltd.
Database	Microsoft SQL Server Version 2012
Name of Interface	KLEIN AR CUSTOMER INBOUND INTERFACE
Inbound	Receive customer information from Klein to Oracle Account Receivables (AR) module
Frequency of the outbound Interface	Daily, Weekdays Only
Name of Interface	KLEIN AR INVOICES INBOUND INTERFACE
Inbound	Receive billing invoices information from Klein to Oracle Account Receivables (AR) module
Frequency of the inbound Interface	Daily, Weekdays Only
Name of Interface	KLEIN-EBS OUTBOUND AR PENALTY INVOICE OUTBOUND INTERFACE
Outbound	Extract Oracle Account Receivable late payment data from Oracle EBS to be manually imported into Klein
Frequency of the outbound Interface	Monthly (process initiated by AR staff within ERP application)

Detail:

- **IN-010 KLEIN AR CUSTOMER INBOUND INTERFACE**

This interface transfers customer information from Klein to Oracle EBS Accounts Receivable (AR) module. Oracle EBS uses the interfaced data from Klein to create customer master data in Oracle.
- **IN-011 KLEIN AR INVOICES INBOUND**

This interface transfers all billing invoices data from Klein into Oracle Account Receivable. (AR). All the billing data received from Klein is needed for Oracle Receivables to successfully integrate invoicing transactions to Oracle General Ledger (GL) module.
- **IN-012 KLEIN-EBS OUTBOUND AR PENALTY INVOICE OUTBOUND INTERFACE**

This interface is initiated manually by running a concurrent program within Oracle EBS to calculate/generate the late payment data. Once this is done, the late payment data can be exported in .CSV format to the share drive within Oracle EBS. The data in the .CSV is imported manually into Klein by AR staff once the data has been reviewed and finalized.

3. IN-013 LOCKBOX INBOUND INTERFACE

Name of Interface	LOCKBOX INBOUND INTERFACE
	Interface with Wells Fargo Bank on A/R cash receipts via lockbox.
Name of the System	Lockbox
Vendor	Wells Fargo Bank
Inbound	Import "Lockbox" file into Oracle to create receipts and apply these receipts to open invoices in Account Receivable (AR) module
Frequency of the inbound Interface	Daily

Detail:

- Lockbox is a service offered by LAHD's bank in which LAHD receives payments from their customers by mail to a post office box and the bank picks up the payments and deposits it in LAHD's bank account. The bank informs LAHD of all the payments received by providing a flat file (text file) for LAHD to import into Oracle. This flat file is referred to as the Lockbox file. LAHD uses this Lockbox file in Oracle AR to create receipts and apply these receipts to the open invoices.
- Current bank service provider for this module is Wells Fargo and it is in the process of transition from Wells Fargo to JPMorgan Chase.

4. IN-014 OPEN DATA OUTBOUND INTERFACE

Name of Interface	OPEN DATA OUTBOUND INTERFACE
This report is submitted to Controller's Office in relation to their Open Data Policy-the objective of which is to promote transparency and accountability for the use of public.	
Name of the System	Controller's Office Email System
Vendor	
Outbound	Extract the AP Payment data and send report as an email attachment from ERP to Controller's Office
Frequency of the outbound Interface	On demand

Detail:

- ERP Open Data Interface is a custom concurrent program in EBS that extracts AP payment data into a CSV file and send as an email attachment to City's Controller's Office.

5. IN-015 PBCS DESKTOP INTERGRATION (INBOUND/OUTBOUND)

Name of Interface	PBCS DESKTOP INTERGRATION (INBOUND/OUTBOUND)
	PBCS is a subscription-based planning and budgeting solution built for and deployed on Oracle Public Cloud (non-govt cloud)
Name of the System	Oracle PBCS
Vendor	Oracle
Inbound	Receive adopted budget information
Frequency of the inbound Interface	Yearly
Outbound	Export budgeting related information
Frequency of the outbound Interface	Monthly or on demand

Detail:

- PBCS Inbound Interface – intergrade ERP Budget with cloud-based PBCS platform using EBS Desktop Integrator:
- PBCS Outbound Interface – export the following data from ERP then load / import into PBCS
 1. From EBS dimensions: Fund, Division, Account, Project, Program
 2. Actuals (monthly closed)
 3. Adjusted Budget (monthly closed)
 4. Adopted Adjusted (budget) (as needed: 2 dig and UB transfer)
 5. Encumbrance (monthly)
- Future enhancement: Implement direct interface with PBCS, as opposed to current flat file load. Interface will export chart of accounts, actuals, encumbrances, and adjusted budget info to PBCS, and import adopted budget info from PBCS.

6. IN-016 PCARD INBOUND INTERFACE

Name of Interface	PCARD INBOUND INTERFACE
	Receive PCARD information from US Bank (PCARD service provider)
Name of the System	Bank Data Transaction System
Vendor	US Bank
Inbound	Import PCARD information into Oracle EBS iExpense module
Frequency of the inbound Interface	Monthly

Detail:

- This interface is to load employee purchasing card (PCard) details into Oracle EBS iExpense module. The file from the Bank is in PREPOP format; this is the industry standard for the Bank transactions.

7. IN-017 PICS OUTBOUND INTERFACE

Name of Interface	PICS OUTBOUND INTERFACE
Project Information Control System.	
Name of the System	PICS – Project Information Control System
Vendor	Access Database, custom application
Outbound	Send labor cost and payment data to PICS for Capital Project Management.
Frequency of the outbound Interface	Daily

Detail:

- This interface is to transform AP payment information into .CSV format and send the data file to the PICS system.

❖ Future enhancement

8. MAINTSTAR INTERFACES INCLUDING:

- IN-018 MAINTSTAR INBOUND INTERFACE
- IN-019 MAINTSTAR OUTBOUND INTERFACE

MAINTSTAR INTERFACE	
LAHD Construction and Maintenance Work Order Management System – MaintStar (Not currently interfaced)	
Name of the System	Computerized Maintenance Management System (CMMS)
Vendor	Maintstar
Name of Interface	MAINTSTAR INBOUND INTERFACE
Inbound	Receive Work Order information with MaintStar work order numbers, labor, allocated to work orders, job facility numbers, etc.
Frequency of the inbound Interface	At Transaction Close
Name of Interface	MAINTSTAR OUTBOUND INTERFACE
Outbound	Send labor cost including supplies, equipment costs, invoices, authority numbers, payment info, and the hours and corresponding labor rates based on when the charge occurs from ERP to CMMS to maintain consistency
Frequency of the outbound Interface	Periodically

Detail:

- This interface provides the ability to import or export data from LAHD CMMS (Computerized Maintenance Management System) MaintStar system for work order tracking.
- Authority Numbers are purchase order or requisition numbers.
- Payment info includes the check number, check amount, and check date.

EXHIBIT B Compensation Rates and Fees

As compensation for the satisfactory performance of the services required by this Agreement, City agrees to pay and Consultant agrees to accept in full satisfaction thereof, the following:

The Fees for Services shall not exceed the fixed fee unless POLA requests a change in the scope of the project in connection with those phases and such change is agreed to by the parties in accordance with change control process.

Fixed Price Deliverables:

Shall be invoiced and payable upon successful completion of each item and/or deliverable as agreed upon by the Consultant and LAHD:

Phase 0 Deliverables

Deliverable Number	Deliverable Name	Description	Cost
	Program Management	Phase 0 begins the business transformation and set the project forward toward a successful implementation.	No Cost
	Business Transformation Scoping		
	Change Management		
	Technology and Data		

Vision Phase Deliverables

Deliverable Number	Deliverable Name	Description	Cost
Vi-1	Project Governance Plan	A Confluence page, which can be extracted into a PDF or Word document that describes the specific processes and procedures and resources necessary for the fulfilment of the project according to POLA's stated requirements. These procedures should be established when the project is set up and ready to be executed.	\$61,640
Vi-2	Kick off presentation	Presentation used for project kick off session	\$30,820
Vi-3	Integrated Project Plan (Vision – Validate)	Defines and outlines the project work schedule – including the task, task duration, task start/end dates, task dependencies (predecessor/successor), task owners, deliverables, and project milestones for the Vision and Validate phases of the project. This plan includes all project tasks and dependencies regardless of which party is responsible for completing the task.	\$29,587
Vi-4	Consolidated List of Potential Benefits	The potential benefits are collected during the stakeholder interviews. The benefits are then consolidated from the various interview results and compiled into a list that is confirmed with project leadership and the project sponsor(s). The list will be included as part of the Value Charter deliverable.	\$34,518
Vi-5	Value Charter/Value Case	The Value Charter is an addendum to the Case for Change document. In keeping with the integrated nature of the program delivery approach the Value Charter will be integrated with the view on change and how change will be executed.	\$29,587
Vi-6	Case for Change	Outlines the rationale for undertaking a transformation, with a summary of the current state, desired future state, benefits of the transformation, and POLA defined success criteria based on findings from the interviews and the Alignment/Visioning experiences. This document will be used as the foundation for future project communications.	\$61,640
Vi-7	Stakeholder Assessment	Documents key stakeholders' perspectives including definitions of program success, concerns, existing pain points, and expected impact. Provides an overview of the program's stakeholder landscape, anticipated impacts to certain demographics, and potential change or adoption risks by stakeholder group.	\$46,230
Vi-8	Communication Plan (Vision)	Identifies key program communications required to enable Vision activities (e.g. Visioning workshop invites and follow-up) and tentatively outlines the proposed communications for subsequent phases of the program (to be adjusted as needed). The plan includes proposed messages, vehicles/forums, senders, audiences, dates, dependencies, approvals, etc.	\$29,587

Deliverable Number	Deliverable Name	Description	Cost
Vi-9	High Level Future State Vision and Roadmap	Outlines the organizational Vision, business operations and supporting systems with a clearly stated organizational and functional strategy and outlines supporting rationalized initiatives in a roadmap to transform current state to future state, including quick-win area identification. Also identifies and quantifies key value drivers of the project to track value realization (e.g. key benchmarks for cycle times, # of team members supporting processes, performance metrics, etc.).	\$30,820
Vi-10	Finance Data Model & Enterprise Structure Strategy	Defines the data model strategy required by the foundational application setup. This deliverable includes the strategy and structure for the chart of accounts and related segments, which drives the specific legal, managerial, and functional reporting for the enterprise as well as the strategy for the enterprise structure.	\$80,131
Vi-11	Security & Controls Strategy	Define the project strategy for integrating Cloud application controls, designing application roles, and user access management processes.	\$46,230
Vi-12	Environment Strategy & Plan	Maps out the approach and plan for the required application environments needed for the validation, construct and deploy phases and how they are used and evolve through-out the engagement.	\$43,148
Vi-13	Report Inventory	Provides listing of all of POLA's current, active financial and operational reports and data sources.	\$92,459

Validate Phase Deliverables

Deliverable Number	Deliverable Name	Description	Cost
Va-1	Integrated Project Plan (Construct – Deploy)	Defines and outlines the project work schedule – including the task, task duration, task start/end dates, task dependencies (predecessor/successor), task owners, deliverables, and project milestones - for the Construct and Deploy phases. This plan includes all project tasks and dependencies regardless of which party is responsible for completing the task	\$69,512
Va-2	Value Management Governance Framework	This framework is intended to ensure that key business decisions that could affect the course and outcome of the project align with the agreed upon expected benefits in the Value Charter. The framework is part of the key business decision process and as each key decision goes through the process of completion it helps confirm how the key decisions align with the identified expected benefits measures.	\$48,658
Va-3	Change Management Strategy and Plan	Strategy and plan for addressing and executing change management (including Communications Strategy) throughout the program; establishes change activities, high-level timeline and techniques pertaining to stakeholder engagement, communications, and organization readiness. <i>Note: Strategy should be iteratively built throughout Validate phase.</i>	\$55,609
Va-4	Change Impact Assessment	Assesses the impact a change will have on departments and roles as a result of new and/or different processes, technology, policies, roles and responsibilities, decisions, or information.	\$48,658
Va-5	Communication Plan (Validation)	Identifies key program communications required to enable Validate activities and includes a refined set of proposed communications for subsequent phases of the program (to be adjusted as needed). The plan includes proposed messages, vehicles/forums, senders, audiences, dates, dependencies, approvals, etc.	\$48,658
Va-6	Target Operating Model (TOM)	An Operating Model is a conceptual representation of an organization's structures, capabilities, and processes. The Target Operating Model (TOM) deliverable describes the organization's desired future state across the six layers for each in-scope process (including the design requirements that will support the configuration of Oracle Fusion Applications): a new global solution design for an Operating Model that can achieve the desired business outcomes and strategic objectives.	\$139,023
Va-7	Global Finance Data Model & Enterprise Structure	Defines the global data model required for the foundational application setup. This deliverable includes the structure for the chart of accounts and related segments, which drives the specific legal, managerial, and functional reporting for the enterprise as well as the enterprise structure.	\$278,046

Deliverable Number	Deliverable Name	Description	Cost
Va-8	Deviation List	A prioritized list of POLA specific functional requirements that will be used to baseline requirements (freezing) and agreeing on the purpose and scope of the solution at a level that allows for detailed investigation of what the deviation/requirement imply. The MoSCoW (Must have, Should have, Could have or Won't have) technique will be used to indicate what is inside or outside scope.	\$139,023
Va-9	Development Object List	A prioritized list of POLA specific development requirements e.g. reports, integrations and conversions that will be used to baseline the development scope (freezing) and agreeing on the purpose of each object at a level that allows for detailed investigation of what the requirements imply. The MoSCoW technique is used to indicate what is inside or outside scope.	\$159,925
Va-10	Integration Strategy	Defines the high-level integration requirements that will provide a baseline upon which to build an effective integration approach. This deliverable outlines the differing integration platform scenarios and how the various data objects could be addressed through each platform scenario. Additionally, it documents key architectural principles and the initial catalog of integrations required and volumetric information to inform the design going forward.	\$83,414
Va-11	Data Migration Strategy	Defines the approach for performing the migration and conversion of data from the legacy system(s) to the Oracle Fusion Application system, including specific data objects, rationale, and sequence.	\$84,414
Va-12	Reporting Strategy	Outlines the structural foundation to be further refined by POLA and NITI, inclusive of key reporting elements for in-scope Oracle modules and processes as well as the framework for reporting from the people, process, organization, and systems perspective. NITI will consider multiple reporting options including BI Publisher, Oracle Transactional Business Intelligence (OTBI), Smart View, Financial Reporting Web Studio, and BI Cloud Connector (BICC). NITI will analyze the best tool to use for each report and will leverage the reports that are already part of the KPMG Powered Enterprise (KPE) methodology.	\$75,112
Va-13	Development Object List	A prioritized list of POLA specific development requirements e.g. reports, integrations and conversions that will be used to baseline the development scope (freezing) and agreeing on the purpose of each object at a level that allows for detailed investigation of what the requirements imply. The MoSCoW technique is used to indicate what is inside or outside scope.	\$104,267
Va-14	Roles List and Data Security Requirements	A list of all the powered applications roles and any custom roles including data security requirements identified during the Validate workshops	\$41,707
Va-15	Draft Risk and Controls Matrix	A spreadsheet containing list of risks and controls objectives mapped to the level 4 functional process including any gaps against powered risk and controls	\$76,463

Construct Phase Deliverables

Deliverable Number	Deliverable Name	Description	Cost
C-1	Integrated Project Work Plan (Deploy - Evolve)	Defines and outlines the project work schedule – including the task, task duration, task start/end dates, task dependencies (predecessor/successor), task owners, deliverables, and project milestones - for the Deploy and Evolve phases.	\$199,842
C-2	Test Plan	Outlines the details and logistics to execute the respective testing iteration in terms of theme, objectives, entry and exit criteria, structure, schedule, and required resources.	\$119,905
C-3	Communication Plan (Construct)	Identifies key program communications required to enable Construct activities and includes a refined set of proposed communications for subsequent phases of the program (to be adjusted as needed). The plan includes proposed messages, vehicles/forums, senders, audiences, dates, dependencies, approvals, etc.	\$199,842
C-4	Change Champion Network Launch Materials	Includes documentation related to the approach and stand-up of the Change Champion Network (e.g. Change Champion Network structure, resourcing, and meeting/activity plan).	\$79,937
C-5	Role Impact Summaries	The Role Impact Summary outlines changes by role to job tasks and processes between current and future state roles and enables users to start to understand the new ways of working.	\$79,937
C-6	Org Readiness Assessment	Includes a baseline Organizational Readiness dashboard for applicable functions / stakeholder groups. Assesses readiness and necessary mitigation tactics.	\$119,905
C-7	End-User Training Needs Analysis	Diagnostic framework used to identify process and technology capability gaps and determine how they can be addressed through training. Note: Skills/talent assessments are not in scope.	\$119,905
C-8	End-User Training Strategy & Plan	Based on the Training Need Analysis, identifies stakeholder groups that require training, the levels of training needed by each group, and the methods of training that should be utilized. Outlines accountability for developing, reviewing, and executing training.	\$119,905
C-9	End-User Training Curriculum	Outlines proposed training topics and structure by role in order for users to learn new policies, systems, and processes.	\$119,905
C-10	Test Strategy	Defines the approach to testing by examining the characteristics of the system to be built, approach, focus and entry/exit criteria for the testing iterations/events (e.g. CRP, SIT, UAT).	\$319,747

C-11	Functional Designs	Detailed designs for specific Oracle Fusion Application development objects (e.g. reports, interfaces, and enhancements) which include a functional essay, business objectives, business requirements, definition of terms, reference to business scenario that the design is covering, examples of the desired business behavior, business rules that drive the use case behavior, assumptions that form the basis for the solution, details descriptions of the data and interface behavior. It should also include a detailed report layout and description for reporting requirements.	\$607,525
C-12	Data Mapping Specifications	Source and target system data dictionary that shows how data from source system maps to data in target system in an Oracle required format.	\$199,842
C-13	Configuration Workbooks	Workbooks containing the initial POLA specific application configuration used to setup Oracle Fusion Application modules to meet the approved deviations. These Configuration Workbooks will be used to configure the Iteration 2 – SIT environment and transitioned to POLA for final ownership and updates/maintenance going forward (i.e. UAT to Production)	\$479,620
C-14	Functional Test Cases	Test Case that includes test objectives and test scripts for functional system testing.	\$199,905
C-15	Data Conversion Test Plan	Conversion testing guide per data load outlining the load and validation process.	\$199,842
C-16	Integration Architecture	A detailed description of components of Oracle Platform as a service, cloud integration framework, technical architecture, deployment architecture and operational aspects.	\$479,620
C-17	Technical Designs	Technical design for specific Oracle Fusion Application development objects (e.g. reports, interfaces, workflows and enhancements) which include all the technical components required to satisfy the functional design including the interface designs, navigation logic, reporting designs, subject area designs, validation logic, SQL pseudo code, performance considerations, business rules, system flow diagram and installation considerations.	\$327,747
C-18	Security Workbook	Security workbook will include all roles required to setup the production environment to meet the scope and requirements agreed to through the Validate and Construct phases. Design changes as a result of the SOD analysis will be incorporated in the security workbook deliverable.	\$119,905

Deploy Phase Deliverables

Deliverable Number	Deliverable Name	Description	Cost
D-1	HyperCare Plan	Post production support plan, procedures, resources identified and trained and ready for support	\$32,059
D-2	Cutover Plan	Detailed step-by-step cutover execution plan that outlines the sequences of all necessary steps, processes, cutoffs, communications, and data migration activities.	\$101,657
D-3	Knowledge Transfer Plan	Plan to document and communicate development knowledge to appropriate POLA stakeholders.	\$71,813
D-4	UAT Test Plan	UAT test plan, a schedule with test scripts, entry and exit criteria that indicate what has to be completed successfully to exit UAT.	\$194,920
D-5	Communication Plan (Deploy)	Identifies key program communications required to enable Deploy activities and includes a refined set of proposed communications for subsequent phases of the program (to be adjusted as needed). The plan includes proposed messages, vehicles/forums, senders, audiences, dates, dependencies, approvals, etc.	\$92,330
D-6	Org Readiness Assessment	Organizational Readiness pulse checks and aggregate dashboard for applicable functions / stakeholder groups to assess readiness and any necessary mitigation tactics.	\$17,568
D-7	Train the Trainer Sessions	Includes the materials and facilitation of (in partnership with functional leads) sessions to educate the designated trainers on how to deliver the system training to end users.	\$185,943
D-8	Executed & Accepted UAT (Exit)	The agreed upon User Acceptance Testing exit criteria has been met.	\$335,857
D-9	Configuration Workbooks	Application configuration workbooks will include all configurations required to setup the production environment to meet the scope and requirements agreed to through Validate and Construct	\$20,518
D-10	Development Objects	Final version of the in-scope production ready development objects (e.g. reports, integrations, enhancements) are deployed and live in the production environment.	\$239,673

Evolve Phase Deliverables

Deliverable Number	Deliverable Name	Description	Cost
E-1	Project Acceptance	Final acceptance and sign-off of the project	\$276,856
E-2	Organizational Adoption Assessment	Organizational Adoption pulse check assesses user adoption and identifies any necessary mitigation tactics.	\$101,362

Cloud Managed Basic Services Support

Service	Description		Fixed Cost
CBS-1	Cloud Managed Basic Services Support	<p>The coverage start date will be after post Go-Live Hyper Care period. Invoices will be billed to LAHD monthly after the service is rendered. Services will be provided up to two (2) years of L2/L3 support including:</p> <p>Base services: Case management, quarterly update support, patch management, knowledge management, service desk, operations management, and testing.</p> <p>Governance: Release planning and management, change management and reporting.</p>	<p>\$60,000 / month</p> <p>(Not-to-exceed \$1,440,000)</p>

As- Needed Services:

As-needed services for development, support, and related services shall be compensated solely on the hourly rates set for **Table - Hourly Rates** below and in accordance with the approved service order.

No.	Service	Description	Not-to-Exceed
AN-1	As-Needed Development	<p>Provide as-needed design, development, implementation and other related tasks during implementation.</p> <p>Documentation and knowledge transfer based on related tasks, including a tracking log of tasks and hours.</p>	\$650,000
AN-2	As-Needed Level 1 Helpdesk Cloud Support	Estimated 3000 hours at a blended hourly rate of \$180.	\$1,080,000
AN-3	EBS Support Services	Until end of stabilization period estimated Dec.31, 2023.	\$755,000
AN-4	Cloud Managed Enrichment Services	After post Go-Live Hyper Care, Cloud enrichment services including configuration changes, developments and enhancements, security and controls, data integration, interface services and report writing.	\$777,600

Table - Hourly Rates:

Role	Rate
Oracle Cloud Fusion Solution Architect	\$275
Oracle Cloud Fusion Implementation Project Manager	\$210
Oracle Cloud Fusion Technical Lead	\$208
Oracle Cloud Fusion Functional Lead	\$208
Oracle Cloud Fusion Configuration Specialist	\$180
Oracle Cloud Interface and Conversion Developer	\$150
Senior EBS Support Specialist	\$140
EBS Support Specialist	\$125

For any change to NITI's resources required during the project, approval from the City of Los Angeles Harbor Department's Project Manager is required.

LAHD Project Manager reserves the right to reallocate funding within as-needed items.

Travel Expenses

As a result of COVID-19, NITI would work with LAHD to determine an appropriate and safe travel schedule for NITI teams. NITI is committed to delivering the project as outlined and are prepared to deliver many aspects of the project remotely. Particularly, Phase 0 can be completed with a combination of local resources in Los Angeles and remote team members that will have minimal travel expenses. As the project ramps up, there will be situations where an on-site presence will benefit the project (e.g. Conference Room Pilots, OCM activities, etc.).

In addition to the fixed price deliverables as listed in the previous section, travel expense will be billed at the actual amounts incurred but are estimated not to exceed \$349,560. This assumes 12 core team members making 1 trip per month for the 12-month duration of the implementation phase and the 3 months of Hypercare.

Any necessary travel expenses shall be in accordance with the City of Los Angeles Travel Policy (Attachment 10) and shall be invoiced in accordance with Port of Los Angeles guidance.

TRAVEL POLICY

TABLE OF CONTENTS

1.8	TRAVEL	1
1.8.1	Overview	1
1.8.2	Purpose of Policy	1
1.8.3	IRS Taxable Income Reporting Requirements	2
1.8.4	Controller Responsibilities.....	2
1.8.5	Controller Compliance Review	3
1.8.6	Definition of Travel	3
1.8.7	Purpose of Travel and Required Authorizations	4
A.	Travel Authority	4
B.	Travel Blanket Authorities.....	5
C.	Travel to Sacramento or Washington D.C.	5
D.	Foreign Travel involving more than one City Commissioner.....	5
E.	Mayor’s Executive Directive No. 4 Intergovernmental Relations	6
F.	Travel to Arizona	6
1.8.8	Approval of Travel Documents	6
A.	Office of the Mayor Approval	6
B.	Department Approval.....	7
1.8.9	Required Receipts and Documentation.....	7
1.8.10	LAAC Reporting Requirements	8
1.8.11	Department Travel Coordinator	8
1.8.12	Transportation to Destination	9
A.	City Authorized Business Travel Service Provider.....	9
B.	Airline Travel.....	9
1)	Seating Upgrade Programs	11
2)	Checked Baggage Fees	11
3)	Promotional Materials and Frequent Traveler Programs	11
4)	Airport Parking.....	12
C.	Alternate Mode of Transportation (other than airline travel).....	12

TRAVEL POLICY TABLE OF CONTENTS

1.8.13	Per Diem (Lodging, Meals and Incidentals).....	13
A.	Lodging/Hotel	14
1)	Conference Travel.....	16
2)	Non-Conference Travel.....	17
3)	Shared Lodging	18
B.	Meals and Incidentals (M&IE).....	18
1)	Reimbursement Limits – Travel with Overnight Lodging	20
2)	Reimbursement Limits – Travel without Overnight Lodging (One-Day Travel).....	23
1.8.14	Hosting While Traveling	24
1.8.15	Ground Transportation	24
1.8.16	Automobile Rental.....	25
1.8.17	Laundry Service	26
1.8.18	Telephone Calls	26
1.8.19	Internet Connection Services	27
1.8.20	Gratuities.....	27
1.8.21	Registration, Seminar or Meeting Fees	27
1.8.22	Expenses Not Specifically Set Forth in the LAAC	27
1.8.23	Non-reimbursable Travel Costs.....	28
1.8.24	Interrupted and Indirect Travel	28
1.8.25	City Contractor Travel	29
1.8.26	Non-City Employee Travel	29
1.8.27	Personal Expense Statement and Documentation of Expenses	29
1.8.28	FMS Travel Expenditure (TEX) Document.....	32
1.8.29	Foreign Currency.....	32
1.8.30	Travel Advances.....	33
1.8.31	Related Resources.....	34

1.8 TRAVEL

1.8.1 Overview

City employees and elected officials may be required to travel on City business in the performance of their duties and responsibilities. Los Angeles Administrative Code (LAAC) Division 4, Chapter 5, Article 4 establishes City policy relative to allowable costs for travel and for non-travel related expenses for all City employees and elected officials. The LAAC defines travel costs as those incurred outside the geographic boundaries of Los Angeles County. The LAAC states that an employee or elected official will only incur expenses that a reasonable and prudent person would incur if traveling on personal business. The LAAC mandates that, before an employee or elected official incurs expenses, due consideration be given to such factors as suitability, convenience, and the nature of the business involved.

The City's Travel Policy discussed in the sections below provides guidelines and procedures to be followed by City employees traveling on City business. The Policy, to the extent possible, takes into consideration the range of travel costs and the unpredictable realities of travel. The Policy also applies to anyone whose travel expenses are paid by the City. Departments should use this Policy when developing their own internal policies and procedures for reimbursing travel expenses. Individual departments may, at their discretion, impose greater restrictions and/or controls beyond what is required by this Policy. Departments should provide the Controller's Office with their travel policies.

Departments should be mindful that documents related to City travel expenditures are public records and may be subject to disclosure under the California Public Records Act.

1.8.2 Purpose of Policy

The purpose of the City's Travel Policy is to:

- Provide guidance to Department Heads, City Travelers (herein referred to as Travelers), Departmental Travel Coordinators, and Authorized Approvers for managing travel expenses;
- Provide a uniform process to approve and control travel expenses that take into consideration the LAAC, the prudent use of public monies, and the Internal Revenue Service (IRS) rules on taxable income consequences for Travelers as well as reporting obligations on the part of the City;

- Provide guidance on reimbursable and non-reimbursable expenses; and,
- Streamline the encumbrance and reimbursement processes.

1.8.3 IRS Taxable Income Reporting Requirements

The City's Travel Policy and reimbursement procedures are designed to conform to the "Accountable Plan" rules of the IRS to avoid the administrative burden of reporting reimbursements as taxable income subject to withholding and payment of employment taxes. Therefore, the reimbursement guidelines for travel expenses are not meant to result in additional taxable income, except for meals reimbursements without overnight lodging, to the Traveler if the rules herein are followed. To comply with the Accountable Plan, the City and Travelers must meet all three of the following IRS rules:

- There is a business connection to the expenditures.
- There must be "adequate" accounting of the expenditures by Travelers within a reasonable period of time. Adequate accounting means that the Traveler must provide the date, time, place, amount, and business purpose of expenses along with documentary evidence such as receipts.
- Excess reimbursements or advances must be returned to the City within a reasonable period of time. Failure to return excess reimbursements or in the case of advances, amounts paid in excess of the substantiated expenses are required to be reported to the IRS as taxable income.

Note that there are other circumstances that would trigger taxable income reporting requirements, which are discussed in Sections 1.8.13 and 1.8.15 of this document.

Although being in travel status in excess of one year is uncommon for City travelers, Departments are advised that taxable income reporting is also required when reimbursements are for expenses incurred at a single location when the job assignment is expected to last in excess of one year, or does in fact exceed one year.

1.8.4 Controller Responsibilities

Charter Section 262 requires the Controller to, among other things, have adequate evidence that (1) the appropriation for the goods or services has been made; (2) the prices charged are reasonable; and, (3) any additional criteria established by ordinance have been satisfied before approving payment of demands drawn upon the City Treasury. In addition, the Charter authorizes the Controller to delegate payment functions to Departments and charges the Controller with the responsibility to regularly review the

accounting practices of Departments. To streamline the payment approval process, departments certified under the Certification and Fiscal Monitoring Program (CFMP) (Certified Departments) is not required to obtain Controller approval. Travel advances and City's travel credit card payments are processed by the Controller's Office.

1.8.5 Controller Compliance Review

The Controller's Office will review Departments' compliance with this Travel Policy. If findings from the reviews are not corrected, the delegated authority to the Department for travel may be rescinded and the Department will then have to obtain the Controller's Office approval of travel encumbrances and payments until the delegated authority is reinstated.

Review of Fire and Police Pensions and City Employees' Retirement System Departments will be in accordance with their Boards' adopted travel policies since under the City Charter, the Boards have control over their respective trust fund assets, including independent contracting authority for administrative expenditures such as travel.

1.8.6 Definition of Travel

The LAAC defines travel costs as those incurred outside the geographic boundaries of Los Angeles County. The Internal Revenue Service (IRS) considers an individual *traveling* if:

- The duties require the individual to be away from the general area of the individual's primary residence substantially longer than an ordinary day's work, and,
- The individual needs to sleep or rest to meet the demands of work while away from the primary residence.

"50-mile" Rule

In line with the best practice of other governmental entities, the City follows the "50-mile" rule. Under this rule, travel reimbursements will be made only if the destination is farther than 50 miles both from an individual's primary residence and work location, unless one of the circumstances below applies.

"50-mile" Rule Exceptions

Reimbursement may be allowed for lodging, and meal and incidental expenses when the travel destination does not meet the "50-mile" rule under any one of the circumstances listed below with documentation of the specific circumstance and pre-approval of the travel and estimated expenses by the Department Head. Also see Section 1.8.13 for lodging, and meals and incidental reimbursement amounts. *Use of this rule should be noted as an exception on the General Accounting Encumbrance Travel (GAETL) and Personal Expense Statement (PES) documents.*

- Conference/meeting start (not check-in) time is before 8 a.m. or end time is after 6 p.m.
- Traveler cannot drive to the destination and public transportation is not available to arrive in time for, or leave after conference/meeting.
- Traveler needs to arrive before 8 a.m. to host the event, or setup for the event (e.g., exhibit booth), or leave after 6 p.m. to pack up.

1.8.7 Purpose of Travel and Required Authorizations

The LAAC allows the reimbursement of travel costs when employees and elected officials travel on "official City business". To constitute "official City business", the activities of an employee or elected official must demonstrate:

- A valid City interest to be served or gained thereby; or
- Relevance to the City operations or the individual's role in such operations; or
- The promotion or development of City programs, methods or administration; or,
- Compliance with instructions or authorization from the Mayor or the Council.

A. Travel Authority

The Financial Management System (FMS) includes "*encumbrance processing for payment creation*" to ensure compliance with the Charter requirement for adequate evidence that appropriation for goods or services has been made prior to payment of demands upon the City Treasury. An encumbering document, the GAETL document, is required for all City travel. A completed travel authority document must be approved by the Department Head (or Authorized Approver) 10 business days prior to the commencement of travel. Also see Section 1.8.8.A on required approvals from the Office the Mayor.

The following are acceptable documentation to support the necessity and importance of the travel:

- Brief description of the purpose of the business meeting/trip; and,
- Brochures, flyers, pamphlets or agenda for professional conferences and/or training programs; or
- Correspondence between City employee/s and individual/s responsible for planning or scheduling business meeting/s (other than professional conferences or training programs).

B. Travel Blanket Authorities

In cases where Departments have recurring and same purpose travel needs, travel blanket authorities may be established. Recurring and same purpose travel is typically for large groups of employees that must travel throughout the year to perform functions or attend activities for the same purpose. For example, Tax and Permit Auditors regularly travel to various locations to perform auditing functions; City Attorneys may often travel to various locations to participate in depositions; and police officers frequently travel for investigation and extradition purposes.

Departments must submit a GAETL document for the total estimated dollar amount needed to cover the recurring and same purpose trips for the entire fiscal year. Departments must include a written justification explaining the recurring and same purpose nature of the requested trips.

C. Travel to Sacramento or Washington D.C.

The LAAC requires all non-elected City officials and all other City employees to notify the Mayor, the Chair of the Committee that oversees the Intergovernmental Relations function, and the Chief Legislative Analyst *prior to traveling on official City business* to Sacramento or to Washington, D.C. Effective March 25, 2013, employees of the City Council or Office of the Mayor are exempt from this requirement.

D. Foreign Travel involving more than one City Commissioner

The LAAC requires advance Council approval for foreign travel (except to Canada or Mexico) involving more than one City commissioner.

E. Mayor's Executive Directive No. 4 Intergovernmental Relations

The Mayor's Executive Directive No. 4 and its accompanying "Procedures Manual for the Development and Representation of the City of Los Angeles' Policy and Legislative Positions" require that "all travel to Sacramento and Washington, D.C. by City employees and non-elected officials for the purposes of advocacy on behalf of the City is subject to the approval of the Mayor. This also includes any travel by any City employee outside of the State of California for the purpose of conducting official City business with any other government entity, commission, agency or department." It is the responsibility of each City employee to adhere to the Mayor's procedures manual. Elected officials and their staff are exempt from this requirement.

F. Travel to Arizona

In May 2010, the Council suspended all City travel to the State of Arizona to conduct City business unless special circumstances can be demonstrated to the Council that the failure to authorize such travel would seriously harm City interests. The travel ban would be lifted upon the repeal of SB 1070 and HB 2162 in the State of Arizona. It is the responsibility of each City employee to obtain prior Council approval for travel on City business to the State of Arizona. The travel ban does not apply to proprietary departments, Fire and Police Pensions, and Los Angeles City Employees' Retirement System unless their respective Boards have adopted the same or a similar policy.

1.8.8 Approval of Travel Documents

A. Office of the Mayor Approval

Travel authority documents (i.e., GAETL) for all Department Heads and Commissioners, including proprietary departments require approval by the Mayor's Office. In addition, Department Heads' and Commissioners' PES that have exceptions to the City's Travel Policy require approval by the Mayor's Office. The Department Heads and Commissioners for Fire and Police Pensions and Los Angeles City Employees' Retirement System are exempt from the requirements since their Boards have sole and exclusive authority over their respective trust fund assets.

B. Department Approval

For the purpose of the City's Travel Policy, "approval by the Department Head" generally refers to the General Manager. Department Heads are responsible for approving their staff's travel authority and PES documents. Department Heads may designate other Authorized Approver(s) for travel. For the following departments with Board of Commissioners, approval authority for their staff's travel documents is the General Manager unless otherwise stated in the Board's adopted policy: Fire and Police Pensions, Los Angeles City Employees' Retirement System, Airports, Harbor, and Water and Power.

Department Heads' and Board members' travel authority documents require Mayor's Office approval. Furthermore, Department Heads and Board members should not approve their own PES documents. If there are no expenditure exceptions to the City's Travel Policy, the Department Head's PES documents can be approved by an Authorized Approver and in the case of a Board adopted policy, in accordance with the policy. If not specified in the Board adopted policy, the Board President's PES documents that do not include exceptions to the City's Travel Policy can be approved by the Board Vice President. Mayor's Office approval is required on Department Heads' and Board members' PES documents with exceptions.

1.8.9 Required Receipts and Documentation

Department Head approvals of GAETL, PES, Travel Expenditure (TEX) documents, and travel advance (if applicable) must be in the Financial Management System (FMS). In addition, all required receipts, exceptions and documentation supporting exceptions, and approvals of exceptions to the Travel Policy must be scanned and posted in the FMS for audit purposes. Departments should also retain original receipts and documents for at least five years. Also see Section 1.8.27 for further guidance on documentation of expenses.

The City's Travel Policy includes exception provisions. The following are required to be noted as "exceptions" on the GAETL and/or PES documents and Traveler must provide justification:

- Travel under "50-mile" Rule Exceptions
- Airfare other than for coach class

- Additional costs for extra leg-room coach class
- Fees for more than one checked bag
- Airport parking rate more than 25 percent of the applicable airport lot rate
- Non-conference lodging rate that is more than federal per diem rate for destination
- Shared lodging for Authorized Travelers
- Full reimbursement for meals on travel day(s)
- Full reimbursement for meals when meal is provided by conference
- Transportation to procure meal (Note: limit is \$5 per day)
- Rental car other than mid-size or smaller
- Laundry service when travel is for less than four consecutive nights
- Reimbursement for fueling City vehicles if unable to obtain a temporary Voyager Card from Department of General Services.

1.8.10 LAAC Reporting Requirements

The LAAC requires a report that summarizes the nature and purpose of the travel or convention and describes the significant information gained and/or benefits accruing to the City. This report is due 30 days from the completion of the travel or convention from the City employee to his or her appointing authority. Elected officials are exempted from this reporting requirement.

1.8.11 Department Travel Coordinator

Department Head shall designate a Department Travel Coordinator (DTC) who will:

- Serve as the primary contact for travel coordination and processing;
- Ensure that Travelers have read and understood the Travel Policy;
- Review GAETL and PES documents and identify exceptions to the Travel Policy, obtain written justification and the supporting documentation for the exceptions, and provide the exceptions and documentation with the GAETL and/or PES to the Department Head for approval;
- Ensure that unallowable and/or unapproved expenses are not on final PES documents;
- Track credits from canceled airline reservations; and,
- Provide on-time response to Controller's Demand Audit Section regarding charges on City's travel credit card.

1.8.12 Transportation to Destination

A. City Authorized Business Travel Service Provider

To the extent possible, all Travelers should utilize the City authorized business travel service provider for all City business-related travel. Currently, the City is using the State of California Department of General Services (State) travel agency contract with TravelStore to maximize savings on air travel. **The State, in conjunction with TravelStore, has established a website dedicated for government travel, www.caltravelstore.nst. Dedicated TravelStore agents can also be reached at 1-877-454-TRVL (8785).** Travelers should use the self-service online system to make travel reservations whenever possible since the transaction fee is less than agent-assisted reservations. Agents are available for more complex travel arrangements.

Air travels booked through TravelStore are charged to the City's credit card. The Controller's Office will provide departments with monthly reports of their airfare expenditures with TravelStore for verification and approval of their charges.

Travelers may use other travel service providers under the following conditions:

- The Traveler is willing to use his or her personal credit card to book the flight or other mode of transportation; and,
- Premier economy seating which are justified and approved by Department Head but not available at TravelStore; and
- Sufficient proof is provided that the airfare is equal to or lower than airfare or fare available at TravelStore, at the time of GAETL approval.

Travelers are responsible for canceling airline reservations if the trip is canceled or postponed and obtaining a copy of their non-transferable credit for future use with TravelStore. Similar steps should be taken when flights are not booked with TravelStore.

B. Airline Travel

LAAC Section 2.242.3(a) states that, except in case of official necessity, air travel expenses are allowable only for the lowest regular fare available for regularly scheduled airlines for the date and time selected. It further states that claims for reimbursement of higher fare or extra charges for transportation by scheduled airlines

are allowable only if certified by the Department Head that he or she has reviewed and concurs with the facts constituting the official necessity.

Coach or economy class fare is presumed to be the lowest regular fare available for regularly scheduled airlines. Travelers are required to only incur expenses that a reasonable and prudent person would incur if traveling on personal business and, therefore should consider the least expensive class of travel that meets their needs. Travelers are expected to make reservations as far in advance as possible to avoid paying higher fares. Purchase of a refundable ticket, which is usually more expensive than a nonrefundable ticket, should be pre-approved by Department Head. The benefit of booking a non-refundable ticket should be weighed against the risk of changes in travel plans before purchasing the ticket.

While the determination of "official necessity" falls under the purview of Department Heads, below are guidelines in determining whether the cost of business-class or premier economy seating accommodations is "reasonable". The guidelines are consistent with federal guidelines and best practices of other government entities. *Use of any of the reasons below should be documented and noted as exceptions to the Travel Policy on the GAETL and PES documents.*

- When use of other than coach-class is necessary to accommodate a medical necessity. A written certification of the medical necessity and a recommended suitable class of transportation from a competent medical authority must be submitted.
- When exceptional security circumstances require other than coach-class accommodations.
- Where the origin and/or destination are outside the Continental United States and the scheduled flight time, including non-overnight stopovers (e.g., layovers) and change of planes, is in excess of 14 hours, and the Traveler is required to report to duty the following day or sooner. Scheduled flight time is the flight time between the originating departure point and the ultimate arrival point including scheduled non-overnight time spent at airports during plane changes. Scheduled flight time does not include time spent at the originating or ultimate arrival airports. Direct flights must be selected except when flights with stopovers are more economical.
- When no coach-class accommodations are available on any airline that is scheduled to leave within 24 hours of the proposed departure time, or scheduled to arrive within 24 hours of the proposed arrival time.
- When the use of other than coach-class accommodations results in overall cost savings to the City. Sufficient proof of cost savings must be provided.

Travelers should select an arrival/departure airport that is closest to the destination unless flights are not available or airfare is more expensive than the additional ground

transportation costs to reach the destination. Travelers should document why the closest airport to the destination was not selected. Traveling within and between foreign countries should also be by the most economical and direct transportation mode unless savings can be achieved otherwise.

Exceptions to the Policy (including Reasons 1 to 5 above) must be justified in writing and approved in advance by Department Head. Receipt is required to be reimbursed for actual cost of airfare (note: flight insurance is not reimbursable).

1) Seating Upgrade Programs

Some airlines have seating upgrade programs for coach-class. These programs are sometimes called "Coach Elite", "Coach Plus", "Preferred Coach" or "Economy Plus". Under these airline programs, a passenger may obtain for a fee a more desirable seat choice within the coach-class cabin. Although these coach upgrade options are not considered a new or higher class of accommodation since the seating is still in the coach cabin, the use of these upgraded/preferred coach seating options is generally a Traveler's personal choice and therefore is at the Traveler's personal expense.

Exception:

When use of extra leg-room coach class is necessary to accommodate for a medical necessity, exception must be justified in writing and approved in advanced by Department Head. The additional cost for use of extra leg-room coach class should be noted as exceptions to the Travel Policy on the GAETL and PES documents.

2) Checked Baggage Fees

Some airlines charge fees for checked baggage. In cases where the Traveler is charged for the first checked bag, the City will reimburse for the fee. Fees for additional checked bags will not be reimbursed unless justification is provided for a business need, such as when the Traveler needs to carry special equipment or the length of travel justifies additional bags. *Fees for additional checked bags should be noted as exception on GAETL and PES documents.*

3) Promotional Materials and Frequent Traveler Programs

Consistent with current federal practice, the City will only reimburse for actual out-of-pocket expenses incurred. Therefore, the City will not reimburse for any

promotional benefits used in connection with City travel. Travelers may use frequent Traveler benefits, earned on official or personal travel, for a subsequent City travel but will not receive reimbursement for City-related use of such benefits.

4) *Airport Parking*

Travelers should use the most economical self-parking option at or near the airport and obtain pre-approval for airport parking. Receipt is required for reimbursement. Parking at the airport lots listed below or in other locations that do not exceed 25 percent of the applicable airport's rate (which includes tax) does not require justification. Departments should verify the airport rate since the parking rates noted below are subject to change. For airports not listed below, Traveler should use the lowest airport parking lot rate for that airport.

- Burbank Bob Hope Airport – Lots A (\$10 per day)
- John Wayne International Airport – Main Street Lot (\$14 per day)
- Long Beach Airport – Lot B (\$17 per day)
- Los Angeles International Airport (LAX) – Lot C (\$12 per day)
- Ontario International Airport – Lot 5 (\$9 per day)

If the Traveler knows prior to the travel that an exception is necessary, provide written justification to the Department Head for approval. If the Traveler does not use the most economical self-parking option and did not obtain approval in advance, Department Head approval of the justification is required for reimbursement. *Parking that exceeds the applicable airport rate by more 25 percent should be noted as exception on the GAETL and PES documents.*

C. **Alternate Mode of Transportation (other than airline travel)**

In accordance with the LAAC, in all instances where a mode of transportation other than regularly scheduled airline is chosen, the Department Head shall authorize such alternate mode of transportation in advance and the allowable cost shall be the actual cost of the alternate mode of transportation (including incidental costs such as parking fees) or the cost allowable under a regularly scheduled airline, whichever is less.

Cost comparison is not necessary between air travel and driving a private or rental automobile when the destination is in an adjacent county to Los Angeles since air travel is generally not the most economical or convenient. Adjacent counties include Orange, Riverside, San Diego, San Bernardino, Ventura, Kern, Santa Barbara, and San Luis Obispo.

The use of private automobile must be authorized in advance by the Department Head. The reimbursement for the use of private automobile shall be in accordance with the mileage provisions under the LAAC Division 4, Chapter 5, Article 2 Use of Privately Owned Automobiles on City Business and Reimbursement Therefor. It should be noted that Article 2 prohibits the reimbursement of mileage traveled between the employee's home and headquarters. Mileage reimbursement for City employees will be for the distance in excess of home to headquarters during scheduled work days and for non-scheduled work days, reimbursement will be for miles from home to destination and back (map print-out with the number of miles is required).

Additionally, the LAAC requires the Traveler to obtain a satisfactory policy of public liability insurance covering the full use and operation of the private automobile. A memorandum authorizing the use of private automobile signed by the Department Head must be included with the GAETL. The memorandum must certify that the Traveler has complied with LAAC Section 4.232 and has a valid driver's license. For complete insurance requirements, see LAAC Section 4.232 or the Risk Management Procedure Manual at <http://caodocs.ci.la.ca.us/riskmgmt/CAORiskMgmtManual.pdf>.

Reimbursement for use of a personal automobile will be payable to only one employee when traveling together with other employees on the same trip and in the same vehicle.

The use of a personal automobile for travel may not be reimbursable in cases where the Traveler receives a car allowance or any type of vehicle subsidy from the City on a regular basis through payroll. Travelers on mileage reimbursement should claim mileage associated with travel on the travel expense statement and not on the mileage reimbursement form.

For automobile rental, see Section 1.8.16.

1.8.13 Per Diem (Lodging, Meals and Incidentals)

Under the LAAC, it is expected that, in the selection of restaurants and hotel rooms, Travelers will seek moderately-priced establishments of acceptable quality. The LAAC requires Travelers to consider transportation costs, time and other relevant factors in selecting the most economical and practical accommodations.

In accordance with Council policy (C.F. 82-0944), advances and reimbursements for per diem (lodging, and meals and incidental expenses), shall not exceed the per diem limits detailed in the "Travel Allowances – Air Fare and Per Diem Rates" of the City Budget Manual. The City Administrative Officer (CAO) publishes the annual City Budget Manual, which can be accessed at <http://caodocs.ci.la.ca.us>.

The City is using the federal destination per diem rates (for the month of travel) as the maximum rates for reimbursements on lodging and meals and incidentals (M&IE) for departments to follow, with noted exceptions. The destination per diem rates Travelers should use are as follows:

- U.S. General Services Administration (GSA) for travel within the Continental U.S. (taxes are not included in the lodging rates). Rates are available on www.gsa.gov. Select "Per Diem Rates" and enter destination to find the daily rate.
- Department of Defense (DOD) for travel outside the Continental U.S., non-foreign such as Hawaii and Alaska (taxes are not included in the lodging rates) – see www.defensetravel.dod.mil/site/perdiemCalc.cfm or go to www.gsa.gov and there is a link below the map to the site. Use the amounts under "Maximum Lodging" and "Local Meals" columns. "Local Meals" is for three meals and incidentals.
- State Department for travel to foreign countries (taxes are included in the lodging rates). Rates are available on www.aoprals.state or go to www.gsa.gov and there is a link below the map to the site. Select "Foreign Per Diem Rates by Location" and enter destination to find the rates. Use "Maximum Lodging Rate" and "M&IE Rate" columns.

A. Lodging/Hotel

Lodging is for single occupancy standard rooms and generally, stay should be limited to the actual dates of the meeting/conference – arrive on the day the official business starts and return on the day the official business concludes. For out-of-state travel, Travelers may arrive the night before, regardless of the time the meeting starts. In addition, Department Heads may authorize extending the stay for any of the reasons discussed below with documentation of the reason. The following are guidelines for Department Heads to follow and therefore are not considered to be exceptions:

- In-state travel that meets the "50-mile" rule, Traveler may arrive the evening prior to the event/conference morning if the Traveler would otherwise have to depart so early in the morning to arrive in time that it would be impossible or constitute a hardship for the Traveler.

- In-state travel that meets the "50-mile" rule, Traveler may stay an additional night and return the following morning if the Traveler would otherwise arrive home so late in the evening that it would be impossible or constitute a hardship for the Traveler.
- Out-of-state travel, Traveler may stay an additional night and return the following morning if the meeting ends too late for the Traveler to make the last available flight or if the Department Head determines the stay to be necessary or in the best interests of the City. For example, conference ends at 2:00 p.m. but conference attendees plan on getting together afterwards to discuss business-related matters.
- Staying an additional night, either before and/or after the meeting, if it results in a net savings to the City when all costs are considered (provide a detailed accounting of the savings).

Travelers should inquire if government rate is available at time of hotel reservation and request that rate if it is less than the federal per diem rate.

Reimbursement will be for actual hotel expenses but not to exceed the total of the applicable federal per diem rate (plus fees and taxes, if applicable) for the destination and length of stay for the individual Traveler. Exceptions to reimbursing at higher than the federal per diem rate for the destination are discussed below. Department Heads should not approve lodging costs that exceed the limits in this policy. Under IRS rules, Travelers can be reimbursed for actual costs but the costs cannot be "lavish and extravagant", otherwise, the reimbursement becomes taxable income. An itemized original lodging receipt (listing all expenses such as meals, phone calls, services charged to the room) must be provided for reimbursement to be made in all instances. Credit card receipts alone do not satisfy this requirement. Note: reimbursement of meal charges, including room service delivery, on hotel invoices should be in accordance with the M&IE guidelines and within the limits.

IRS Rule – Reimbursement without Receipt

The IRS requires reporting of lodgings that are in excess of the destination per diem rates, which are not supported by receipts, as taxable income on employees' Form W-2. However, Departments should not reimburse for lodging without a receipt since the City is not using the federal per diem rate as an allowance. If a reimbursement was inadvertently provided in excess of the per diem rates without receipt and the Department was unable to get the Traveler to return the excess amount, Departments are responsible for notifying the Controller's Payroll Administration and providing the necessary information for reporting to the IRS.

Travelers can be reimbursed for lodging if any of the exceptions to the "50-mile" rule discussed in Section 1.8.6 is applicable and pre-approved by the Department Head. Reimbursement will be for actual expenses but not to exceed the applicable federal destination per diem rate (200 percent allowance is not applicable) or conference hotel rate. Lodging receipt is required. Traveler should select alternative lodging if conference hotel rate exceeds federal per diem rate by 200 percent (i.e. hotel rate should not be more than double the federal rate).

Travelers are responsible for canceling hotel room when a trip is canceled or postponed, and documenting the cancelation in case of billing disputes.

Exceptions to Federal Per Diem Rate

1) *Conference Travel*

a) Conference Hotel

When a conference or event is held in a particular hotel, the Traveler is not precluded from staying at that conference or event hotel if such expenses would exceed the federal destination per diem limit under the LAAC. In addition, Federal Travel Regulations Section 301-11.300 provides for circumstances when actual expenses are warranted, including when "lodging and/or meals are procured at a prearranged place, such as a hotel where a meeting, conference or training session is held" Proper documentation such as brochure or literature indicating the event is being held in a particular hotel must be submitted and approved since the Department Head can require the Traveler to stay at a hotel with a lower rate. In addition, if the conference hotel rate exceeds the federal rate by 200 percent (i.e. hotel rate is more than double the federal rate) the Traveler should select alternative lodging.

b) "Authorized" or "Sponsor" Hotels

The LAAC does not specifically address instances where the conference or convention is held at a convention center or location other than a hotel. However, a reasonable conclusion is that the intent is to allow for staying at "authorized" or "sponsor" hotels of conference or convention. *To the extent feasible, Travelers should try to select the most economical among the "authorized" or "sponsor" hotels. However, it is not necessary to demonstrate that the selected hotel's rate is the most economical rate of all*

the hotels. Reimbursements for actual costs that do not exceed 200 percent of the federal destination per diem rate will be allowed if:

- i) The sponsor hotel rate does not exceed the conference hotel rate, which is within the 200 percent cap, with documentation of the conference hotel rate; or,
- ii) There is not a designated hotel or the Traveler does not have documentation of the conference hotel rate. Traveler must obtain two quotes from hotels within a reasonable walking distance (i.e., ½ mile or less) and one quote from a hotel farther away with free shuttle service to the conference, and select the most economical hotel. If none of the hotels have free shuttle service, the Traveler must obtain three quotes from hotels within a reasonable walking distance and select the most economical.

c) Other Hotels

If a room is not available at the conference hotel or one of the "authorized/sponsor" hotels, the reimbursement for a hotel near the conference site can be based on:

- i) Actual expenses up to the total of the federal per diem (plus fees and taxes, if applicable) for the length of stay. For example, different rates for three nights stay but the total for the three nights does not exceed the total of the federal per diem rate for three nights; or,
- ii) Actual expenses but not to exceed the conference hotel rate (which is within the 200 percent cap) with documentation of the conference hotel rate (Note: cannot use sponsor hotel rates for this exception).

Reimbursements for hotel rates in accordance with the above guidelines for conference lodgings are not considered to be exceptions to the Travel Policy; therefore, exception notation on the GAETL and PES documents is not required.

2) *Non-Conference Travel*

If lodging is not available at the federal destination per diem rate or lodging options at the per diem rate are not practical and travel is not for a conference, the Traveler must provide justification to the Department Head and obtain approval to be reimbursed for a higher rate but not to exceed 200 percent of the federal per diem

rate for the destination. If the Department Head approves the higher hotel rate, this exception should be noted on the GAETL and PES documents. Traveler will be reimbursed at the federal destination per diem rate if the Department Head does not approve the higher rate.

The cap at 200 percent is not meant to condone selection of a more expensive room or hotel when a less costly practical option is available. The cap is meant to mitigate the Traveler from having to personally cover ordinary, reasonable and/or necessary costs as a result of travel for City business.

Department Heads should not approve a rate higher than the 200 percent cap since a higher percentage may be deemed by the IRS as "lavish and extravagant" and not ordinary, necessary and reasonable. "Lavish and extravagant" expenses are subject to taxable income reporting and are treated as paid under a non-accountable plan. In addition, the public may perceive the expenses as not a prudent use of public funds.

If the purpose of travel is to assist an agency/municipality in a federal, state or local emergency incident and with no alternative lodging, Department Heads can approve actual hotel expenses. *Lodging that exceeds 200 percent of the federal per diem rate should be noted as an exception on the GAETL and PES documents and Traveler should provide sufficient justification and documentation.*

3) Shared Lodging

If there are situations when two City Authorized Travelers choose to share a room, the cost of a double occupancy room cannot exceed 300 percent of the federal per diem rate for the destination. *Department Head approval is required and this exception should be noted on the GAETL and PES documents.*

The Traveler that paid the bill would claim the total paid for the room on his/her PES and list the name of the other Traveler. The other Traveler's PES should also note the name of the person that he/she shared lodging with.

B. Meals and Incidentals (M&IE)

The LAAC allows the reimbursement of a maximum of three meals a day. M&IE will be reimbursed at claimed amount but not to exceed the applicable federal per diem rate for the destination with noted exceptions. Note: reimbursement for M&IE should

reflect adjustments for meal charges on a hotel invoice, including room service delivery charges that are within the per diem limit.

Applicable federal per diems are as follow:

- First day of the trip (i.e., Traveler departs for the trip), use the per diem rate for the destination city.
- Last day of the trip (i.e., Traveler returns from the trip), use the per diem rate for the last location where the Traveler stayed overnight.
- If Traveler is in more than one city/location per day, use the per diem for the city/location in which the Traveler spends the night.

Example of M&IE rates to use for a trip with multiple destinations

4-Day Trip from Los Angeles to London, London to Paris, and Paris to Los Angeles

- Day 1: Departure flight from Los Angeles to London (destination city is London and overnight stay is in London)
M&IE reimbursement is not to exceed 75% of the per diem rate for London
- Day 2: Remain in London (overnight stay is in London)
M&IE reimbursement is not to exceed 100% of the per diem rate for London.
- Day 3: Flight/train from London to Paris (overnight stay is in Paris)
M&IE reimbursement is not to exceed 100% of the per diem rate for Paris
- Day 4: Return flight from Paris to Los Angeles (last location of overnight stay is Paris)
M&IE reimbursement is not to exceed 75% of the per diem rate for Paris

Expense Substantiation Methods

Reimbursements may be for actual costs with receipts (Actual Costs Method) not exceeding the federal per diem limit, or for the federal per diem rate without receipts (Per Diem Substantiation Method) but only one method of reimbursement may be used for the entire trip. The Per Diem Substantiation Method is an acceptable

alternative to the Actual Costs Method and satisfies the IRS requirements of an accountable reimbursement plan. Both methods require that the date, time, place, amount and business purpose of the expense be noted.

1) *Reimbursement Limits – Travel with Overnight Lodging*

Meal expenses in excess of the federal per diem rate may be perceived as “lavish and extravagant”. Therefore to avoid any issue, reimbursement is capped at the federal destination per diem rate except for destinations with rates less than \$60 per day as discussed below. Meal allowance will not be provided when meals are provided by the host throughout the day. Complimentary breakfast provided by hotel does not constitute a meal. Alcoholic drinks are NOT reimbursable expenses.


Exception to the cap at the federal destination per diem rate is when the rate is less than \$60 per day in which case, the Traveler may request reimbursement for actual costs, not to exceed \$60 per day, with receipts. This provision does not allow the use of the per diem substantiation method and receipts are required. This is not considered to be an exception to the policy.

The meal allowance, which is for a full 24-hour day, will be prorated at 75 percent:

- On travel days regardless of departure and/or arrival times. For the purposes of the City Travel Policy, travel days refer to those days spent en route between the home/office and a destination city (i.e., the first and last day of a trip). M&IE is not prorated for days spend en route between destination cities.
- When a meal is provided as part of the conference (i.e., included in the registration fee).
- For travel under the “50-mile” rule exceptions with overnight lodging and pre-approval.

Certain exceptions to the proration can be requested by the Traveler such as:

- Unable to consume the furnished meals due to medical reasons (doctor’s note is not required) or religious beliefs. Whenever possible, Travelers with special meal requirements are encouraged to contact the host to obtain reasonable meal accommodation.
- Full M&IE rate is necessary because of long travel day(s). Traveler must provide receipts for all the days (i.e., the entire trip) for actual costs reimbursement up to the federal per diem rate for the destination, or up to \$60 per day for destinations with rates less than \$60. Reimbursement will be for the actual costs for each day but not to exceed the daily per diem rate (i.e., no cost in excess of the daily per



diem rate can be offset by another day claimed at less than the daily per diem rate). Traveler cannot use the per diem substantiation method for the entire trip.

Reason for the exception must be documented and approved by the Department Head for reimbursement and the exception should be noted on the GAETL and PES documents.

Traveler that stayed with a friend or family member overnight can be reimbursed for meals provided that the Traveler provides a signed statement as proof of overnight stay to be exempted from taxable income reporting to the IRS. Reimbursement for meals is subject to taxable income reporting without the signed statement.

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Summary of M&IE Reimbursements with Overnight Lodging

Selected Reimbursement Option (1, 2 or 3) must be used for the entire trip ⁽¹⁾

Methodology	Receipts Required	Reimbursement Cap at Destination	Prorated Reimbursement Cap for Travel Day/Conference Provided Meal/"50-mile" Rule Exceptions	Exception: Full Reimbursement Cap for Travel Day/Conference Provided Meal ⁽²⁾
Option 1: Federal Per Diem	No	Reimburse at federal per diem amount for destination	75% proration of federal per diem amount	No exceptions allowed
Option 2: Actual costs capped at federal per diem	Yes	Reimburse actual costs <i>up to</i> federal per diem amount for destination	Reimburse actual costs <i>up to</i> 75% of federal per diem amount for destination	Reimburse actual costs <i>up to</i> full federal per diem amount for destination
Option 3: Actual costs capped at \$60/day	Yes	Reimburse actual costs <i>up to</i> \$60 per day	Reimburse actual costs <i>up to</i> \$45 per day	Reimburse actual costs <i>up to</i> \$60 per day

(1) Traveler must use actual costs reimbursement methodology if the trip's funding source requires actual receipts. Submittal of receipt for any single meal that costs more than \$25 in accordance with the LAAC does not preclude the Traveler from using the federal per diem reimbursement methodology.

(2) Exceptions for prorated travel days will be made for full days spent at destination and in transit. Exceptions for prorated meals will be made for conference meals that cannot accommodate medical or religious restrictions.

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2) Reimbursement Limits – Travel without Overnight Lodging (One-Day Travel)

Meals reimbursements for travel that is performed within one day and does not involve an overnight stay must be reported as taxable income in accordance with IRS regulations. Accordingly, reimbursements will be processed from FMS but Departments will also be required to report one day meal reimbursements to the Controller's Office at calendar year end for adjustment to W-2 in the Payroll System (e.g., PaySR). Instructions will be issued every December of the year on reporting One-Day Travel meals as taxable income.

The following apply for reimbursement:

- Travel destination has to meet the "50-mile" rule (see 1.8.6). If destination does not meet the "50-mile" rule, Traveler must justify the reason for meals reimbursement and obtain Department Head approval. *Reimbursements for destinations that do not meet the "50-mile" rule should be noted as exceptions on the GAETL and PES documents.*
- Reimbursement cannot exceed 75 percent of the federal per diem for the destination even if the destination per diem is less than \$60 per day.
- Meals will not be reimbursed when all meals are provided by the host throughout the day. Meal reimbursement cannot exceed 75 percent if one or two meals are provided as part of the conference/meeting.
- Receipts are not required unless any single meal exceeds \$25.
- Traveler must sign the "One-Day Travel Meals Reimbursement – Taxable Income Acknowledgement" form acknowledging that he/she has been informed that the reimbursement is taxable income, which will be reported to the IRS. The Acknowledgement form should be attached to FMS TEX document together with the PES.

Note: This provision cannot be used to reimburse meal expenses for off-site department, committee, board or commission meetings.

Gratuities for restaurant service (e.g., waiters) are included in the per diem rates (also see Section 1.8.20 for gratuity limits). The per diem rates also include incidental expenses as defined by the IRS such as fees and tips to porters, baggage carriers, hotel staff and staff on ships.

Transportation between places of lodging and places where meals are taken are no longer included in the definition of incidental expenses (IRS Bulletin 2013-44). If transportation is necessary to procure meals, transportation reimbursement will not

exceed \$5 per day with receipts and Department Head approval is required. *This should be noted as an exception on the GAETL and PES documents.*

Receipts are not required except when the cost for any single meal exceeds \$25 in accordance with LAAC or when Traveler is requesting reimbursement by the Actual Costs Method. Receipt requirement is also contingent on the funding source for the travel. If the funding source requires receipts, Traveler must submit receipts and will be reimbursed for actual costs but not to exceed the applicable federal per diem rate unless the funding source/grantor specifically authorizes in writing that a different policy shall apply.

1.8.14 Hosting While Traveling

In addition to the lodging and meals requirements, the LAAC requires that food and beverage expenses for persons other than City employees or elected officials be certified by the Department Head as expenditures for a public purpose and necessary for the conduct of City business. The LAAC also requires all City employees and elected officials to specify the name(s) and organization(s) of the person(s) hosted and the nature of the City business discussed.

The provisions for lodging and M&IE reimbursements also apply to persons hosted by City officials or employees. Alcoholic drinks are NOT reimbursable expenses. Consistent with federal guidelines, the LAAC provision on food and beverage is interpreted to exclude alcoholic drinks. Further, it is the responsibility of City employees to comply with the Personnel Department policy regarding consumption of alcoholic beverages while on duty.

1.8.15 Ground Transportation

The LAAC mandates that the least expensive and most practical form of public transportation shall be used, taking into consideration such factors as time, availability and personal safety or health. Whenever possible, Travelers should take advantage of free or courtesy shuttle services offered by airports and hotels to keep costs to a minimum. Receipt is required for reimbursement of ground transportation costs. Traveler may provide credit card receipt or statement but must specify the fare and tip amounts of the total charge for reimbursement. If a receipt is not available for **public transportation**, provide documentation of the fare (e.g., print the fare from the official website). Tips for driver of taxi and shuttle are reimbursed for up to 15 percent of the fare if reflected on the receipt. Tips in excess of 15 percent will not be reimbursed.

IRS Rule – Reimbursement without Receipt

If the ground transportation receipt does not include the tip amount, the Traveler will not be reimbursed for the tip since a reimbursement that exceeds the receipt amount may be deemed as taxable income, which creates an administrative burden for the City to track and report to the IRS.

See Section 1.8.13.B for guidance on transportation to and from restaurants.

1.8.16 Automobile Rental

Automobile rental expenses are allowable if traveling by car is less expensive or more appropriate for the efficient conduct of City business than by taxi, bus, or plane. A cost comparison, unless the destination is to a county adjacent to Los Angeles (see Section 1.8.12.C), should be provided as proof that automobile rental expenses (including incidental costs such as parking fees) are less expensive than train, bus, taxi or plane. If proof cannot be provided, the Traveler must provide a written justification pre-approved by the Department Head that clearly demonstrates the need for an automobile rental for the efficient conduct of City business. Travelers must fill the gas tank before returning a rental vehicle to avoid fuel surcharges. Receipts are required for reimbursement of rental car, gasoline, parking and toll expenses. If receipts for toll and/or parking meter expenses are not available, provide printouts from official websites. Fees for GPS are not reimbursable expenses. Parking tickets, traffic violations or other penalties for infractions of any law are also not reimbursable.

When traveling alone, mid-size or smaller car is the car type within policy. Travelers may upgrade to a car type other than mid-size or smaller under any of the conditions discussed below or for other reasons. *An upgrade is considered to be an exception to the policy; therefore, Travelers should document the specific reason for the upgrade and obtain approval.*

- Insufficient space for the number of City employees traveling together;
- Insufficient space to accommodate work-related equipment;
- Terrain of destination requires a type of vehicle;
- Medical necessity (i.e., driver with disability); or,
- Upgrade is at no extra cost.

Travelers are responsible for canceling rental car reservations if no longer necessary and documenting the cancelation in case of billing disputes.

Automobile Rental Insurance

In accordance with the City of Los Angeles Risk Management Procedure Manual, the City self-insures property losses and will neither authorize nor reimburse the cost of the Collision Damage Waiver. As a result, if an employee were to have an accident while traveling on City business, the car rental companies could demand immediate payment and could charge the amount of the loss to the employee's personal credit card to ensure payment. The employee would be reimbursed for the expense by the City upon his/her return. In addition, an employee's personal auto coverage would provide primary coverage if a rental vehicle is rented in the employee's own name and if the policy provides full coverage (including comprehensive and collision) that is specifically extended to rental cars. Therefore, employees will not be reimbursed for rental vehicle insurance for travel to a non-foreign country.

For foreign travel, employees should purchase that country's liability insurance (e.g., for Mexico, it is sold at the border) from a reliable source if the employee's own policy does not provide coverage. An employee should check with his or her insurance beforehand to determine if the employee has appropriate coverage. If coverage is not applicable, the employee should also ask their carrier to provide appropriate coverage and limits to purchase while on foreign travel. If the employee does not have such coverage, the employee will be reimbursed for the expense. Employees should document the advice provided by their carrier on the appropriate coverage and limits to purchase in case of questions regarding the expense amount.

1.8.17 Laundry Service

Under the LAAC, expenses for laundry service are allowable if the duration of the trip, traveling conditions or some other special circumstances dictate. As a reference, the federal guidelines require a minimum of four consecutive nights lodging on official travel to qualify for laundry service reimbursement. *Otherwise, explanation should be provided on the special circumstances requiring laundry service and reimbursement requires Department Head approval of the exception.*

1.8.18 Telephone Calls

Under the LAAC, the costs of City business telephone calls are fully reimbursable. One personal telephone call to the employee's immediate family in the locale of the residence of the employee is allowed if travel is in excess of three days. One such call is permitted

for each successive three days thereafter. For reference, a ten-minute telephone call is considered reasonable.

1.8.19 Internet Connection Services

If free internet connection service is not available to conduct City business, the cost is reimbursable with Department Head approval.

1.8.20 Gratuities

Under the LAAC, gratuities not exceeding 15 percent are allowable where reasonable and customary. Fees and tips given to waiters (up to 15 percent of the restaurant bill exclusive of taxes), porters (\$2 per bag), bell hops (\$1 to \$2 per bag), housekeeping (\$1 to \$2 per day), taxicab drivers (up to 15 percent of the fare) and other service personnel are considered customary. Note: Gratuities to porters, bell hops and housekeeping are included in the IRS definition of "incidental expenses" and are therefore included in the M&IE limit and not reimbursed separately.

Exception to exceeding the 15 percent is when there is a required gratuity and the amount is added on the bill by the service provider (e.g., gratuity added by a restaurant for a large party). In 2012, the IRS clarified the difference between a tip and service charge for tax purposes and ruled that automatic gratuities are service charges, rather than tips. However, a Traveler that chose to tip more than 15 percent of the restaurant bill will be reimbursed only for 15 percent.

1.8.21 Registration, Seminar or Meeting Fees

The LAAC allows the reimbursement of registration, seminar or meeting fees where required. Whenever time permits, registration fees should be paid directly to the conference sponsor.

1.8.22 Expenses Not Specifically Set Forth in the LAAC

Other expenses not specifically set forth in the LAAC that are incurred by an employee or an elected official are allowable where deemed necessary in the conduct of City business, provided that the reasons for such expenses have been reviewed and certified by the Department Head as reasonable and proper and incurred in pursuit of City

business. For example, costs of visa and/or passport are reimbursable when directly related to City travel and approved by Department Head. All reimbursements require receipts.

1.8.23 Non-reimbursable Travel Costs

Travel expenses that are not in compliance with City policy are the personal responsibility of the Traveler.

Under the LAAC, the City will also not reimburse expenses of a purely personal nature. The following are examples (not an all-inclusive list) of travel costs NOT reimbursable:

- Auto repairs, replacement or towage to personal vehicle when such use has been authorized
- Parking ticket
- Traffic ticket
- Travel insurance
- Personal telephone calls (unless in accordance with Section 1.8.18)
- Expenses for persons other than the employee, elected official or City approved Travelers who accompanies the Traveler (e.g., companion's transportation, lodging, and/or meals)
- Entertainment costs such as in-room movies or games
- Spa and personal grooming services
- Fuel expenses for personal and City vehicles.

Exception: Traveler can be reimbursed for fueling City vehicle if unable to obtain a temporary Voyager Card from the Department of General Services before the trip departure date and provides receipts. However, the Departments will have to provide justification and documentation of efforts to obtain the card before the trip date. This should be noted as exceptions to the Travel Policy on the GAETL and PES documents.

1.8.24 Interrupted and Indirect Travel

Where there is an interruption or deviation from the direct travel route, whether for the Traveler's personal leave or convenience, expenses allowable will not exceed those that would have been incurred for uninterrupted travel utilizing the usual route. Travelers who combine personal travel with business travel must identify and pay for the personal segment of the trip. The City will not reimburse a Traveler for expenses incurred when the Traveler chooses to extend time at the destination for personal reasons (e.g., the Traveler takes vacation or stays through the weekend). Traveler must provide a quote from the air travel service provider showing the cost of the roundtrip ticket for the most

economical and direct travel to/from the business destination for the dates of official business. This quote will be used for comparison and reimbursement purposes. Traveler must pay for the personal portion of the airfare expense. Hotel, car rental and parking expenses must also be prorated, and only the portion related to City travel will be reimbursed.

If a City employee becomes sick or injured during travel, his or her first responsibility is to seek competent medical attention. Even if the injury is not serious and treatment can wait until the completion of the trip, the employee, when able, must notify his or her Department Personnel Officer, who will then notify the City Workers' Compensation Section.

1.8.25 City Contractor Travel

Travel by a City contractor shall be governed by the provisions of the contract between the City and the contractor. In the absence of specific provisions in the contract, the City travel policies and procedures shall apply.

1.8.26 Non-City Employee Travel

Under certain circumstances, an individual who is not a City employee nor otherwise compensated by the City may need to travel on behalf of the City. For example, the City may request individuals from non-profit organizations to sit on interview panels to review request for proposals. All City policies and procedures on travel will apply to the non-City employee.

1.8.27 Personal Expense Statement and Documentation of Expenses

The LAAC requires that completed travel expense forms be forwarded to the Controller within 30 days of the conclusion of the trip. To adhere to the LAAC requirement, Departments should post the Personal Expense Statement (PES) in the FMS within 30 days. Form Gen. 16, Personal Expense Statement (PES) may be accessed and filled out interactively at <http://ctr.ci.la.ca.us/forms.htm>. All expenses claimed for reimbursement should be itemized on the PES. Note: payment transaction fees charged by Traveler's personal credit card providers and/or payment service providers are not reimbursable except for foreign transaction fees for City business related expenses (e.g., lodging, meals, transportation).

The Department Head shall certify that all expenditures were incurred in pursuit of City business. Falsification of such certification shall be grounds for appropriate disciplinary action and such other sanctions provided by law.

The LAAC further requires that receipts be provided for transportation costs, lodging, and for any single item of expenditure in excess of \$25. Internal Revenue Code 274 requires adequate records or sufficient evidence corroborating the Traveler's own statement to substantiate traveling expenses and in order to determine tax liability. Sufficient evidence must be presented as to the amount of travel expense, the time and place of the travel and the business purpose of the expense. Departments should certify expenses, and maintain copies of receipts for expenses regardless of amount when deemed necessary in these guidelines. For grant-funded and special-funded travel, it is the Traveler's responsibility to comply with the grant/special fund requirements relative to receipt documentation.

Note: Completed PES and receipts submitted, electronically or otherwise, become part of the City official travel records and the official property of the City. Therefore, Travelers are advised to black out/redact any personal information contained in any documents submitted. Departments are required to maintain original support documentation for five years.

Below are examples of acceptable documentation to be submitted with the completed PES.

Description of Expense and Acceptable Documentation

Airfare

Airfare receipt such as passenger ticket, invoice, itinerary, "e-ticket", confirmation notice or other documentation reflecting the dates of travel.

Proof of payment such as credit card receipt or statement. For "e-ticket", a screen print of the confirmation notice indicating payment by credit card is acceptable.

Ground Transportation

Proof of fare and tip amounts is required either in the form of a receipt, credit card receipt or credit card statement. If a receipt is not available for **public transportation**, provide a printout from the official website on the fare amount.

Laundry

Itemized on hotel bill or provide separate receipt from serviced provider.

Lodging

Hotel/motel invoice reflecting zero balance, or that the balance is subject to credit card payment. The invoice must provide a breakdown of daily expenses.

When lodging rates for persons other than the Traveler are charged, single occupancy rate documented on hotel/motel letterhead must be provided.

Meals & Incidentals

In accordance with the LAAC Section 4.242.7, receipts for any single meal in excess of \$25 must be provided.

Receipts are required for reimbursements under Actual Costs Method.

Traveler must submit receipts if required by the trip's funding source (e.g., grant funds).

Receipts for meals for other than the Traveler must include the guest(s) names and affiliated organizations and a statement of the event attended or sponsored and business discussed.

Personal Automobile

When used in-lieu of airfare, the number of miles at the current mileage rate is reflected under the PES Miscellaneous Expense column. The total costs may *not* exceed the lowest regular fare available for regularly scheduled airlines for the date and time of travel.

The use of a personal automobile for travel may not be reimbursable in cases where the Traveler receives a car allowance or any type of vehicle subsidy from the City on a regular basis.

Registration

Original or copy of the registration form, reflecting form of payment.

Telephone

Hotel invoice and on a separate attachment, *detailing* the name(s) of persons called, title(s), the affiliated department or business, and subjects discussed. Travelers are encouraged to consider the most economical option for telephone calls. In some cases, the use of pre-paid phone cards may be more economical than hotel or cellular phones.

Miscellaneous

Other miscellaneous expenses are reimbursable when they are actual and necessary in the conduct of City business. The expenses require *review* and *certification* by the Department Head as reasonable and proper and incurred in pursuit of City business. Details of the charges must be included in the completed PES and receipts attached.

1.8.28 FMS Travel Expenditure (TEX) Document

To process the reimbursement of travel expenditures under FMS, a TEX document is required. The TEX document must be submitted together with the completed PES.

1.8.29 Foreign Currency

The PES must indicate values in US dollars (USD). It is the Traveler's responsibility to convert any foreign currency charges to USD. Supporting documentation for the foreign currency conversion should be attached to the PES. The conversion date must coincide with the date of the original receipt. Acceptable documentation includes:

- Credit card statement showing conversion of foreign-denominated expenses to USD
- Internet conversion of charges
- Foreign exchange receipts from money exchanges or banks showing foreign currency conversion rates

1.8.30 Travel Advances

The LAAC authorizes the Controller to advance the amount of funds for travel purposes upon certification by the Department Head that they will be incurred for City business. Because processing travel advances is labor intensive and may result in overpayments, departments can reduce the need for an advance by booking flights with TravelStore when feasible, paying registration fee directly, and processing reimbursements in a timely manner.

Employees may request a travel advance for approved travel when the estimated expenses, excluding airfare costs and other expenses are at least \$500. Department Heads may approve travel advances for lesser amounts, if necessary. Travel advance requests must be forwarded to the Controller's Office for processing. Travel advances are generally for lodging, meals and incidentals and the advanced amount is 90 percent of the estimate. Travel advances will not be issued if request is only for the cost of One-Day Travel meals. Advances at 90 percent minimize instances of overpayment to Travelers. Collection of overpayments creates additional work for the City and when overpayments are not returned by the Traveler, the City must report to the IRS as taxable income to the Traveler.

Requests for travel advance must be submitted at least ten (10) business days in advance of the beginning of the planned expenditure of funds and such request shall include the following information:

- GAETL number
- name of Traveler
- traveling period covered
- destination
- purpose of the trip
- nature of the City business to be conducted on the trip
- proposed total estimated expenditure
- a statement certifying that the Traveler has no outstanding cash advance.

As a matter of policy, the Controller will not accept travel advance requests more than thirty (30) calendar days prior to commencement of travel. The travel advance will be released to the Traveler no more than one week prior to travel except where advance deposits and registration fees are required. Advance travel checks are released by the Controller Paymaster Section on "Will-Call" basis only.

Travel advances must be resolved through the submission of a completed PES within 30 days after the conclusion of the trip. *A travel advance is considered delinquent if not resolved within 30 days after the conclusion of travel.* Travelers with a delinquent travel advance cannot receive another travel advance until the prior travel advance is resolved. Departments should notify and remind Travelers in writing to resolve outstanding advances until the advance is over 120 days old. However, ultimately, it is the Traveler's responsibility to remember to resolve travel advances regardless if he/she received reminders.

The Controller's Office will report all delinquent travel advances over 120 calendar days old as employee income as required by the IRS. Outstanding travel advances not accounted for within 120 calendar days will be included as part of the employee's wages on the first payroll period of the subsequent calendar quarter following the end of 120 calendar days. This amount will be subject to income and employment taxes for the period per IRS Publication 463. When the unresolved travel advance amount is reported in an employee's Wage and Tax Statement will depend on when the 120 days expires:

- Before last pay day of the calendar year – on Form W-2
- Between last pay day of the calendar year to March 31 of the following year – on Corrected Form W-2
- After March 31 of the following year – on Form W-2c


For non-City employees, IRS Form 1099-Misc will be issued per IRS Federal, State, Local Government Taxable Fringe Benefit Guide.

Refund of Travel Advances

Travelers may need to return money to the City after completion of travel due to excess travel advance or disallowed travel expenses. Refund checks or money orders must be made payable to the City of Los Angeles. Departments are responsible for depositing any refund check immediately upon receipt by submitting a cash receipt (CR) together with the refund check to the Office of Finance. The Traveler should attach a copy of the CR with the Office of Finance stamp (or other receipt verification) to the completed PES. Questions regarding the preparation and submission of CR documents should be directed to the Office of the Finance.

1.8.31 Related Resources

Travel forms and additional information and materials regarding travel are available on the Controller website under Guides to Departments at



<http://ctr.ci.la.ca.us/guidestodepts.htm>. Questions regarding "Will-Call policies and procedures should be directed to the Paymaster Section (see Controller Directory in Cityfone). Questions regarding this Policy should be directed to the Controller's Demand Audit Section.

MONTHLY SUBCONSULTANT MONITORING REPORT

Instructions: Please indicate the SBE/VSBE/MBE/WBE/OBE/DBE participation levels achieved for the month of _____ covered by the referenced contract number.

Contract No. _____ Division _____ Contractor Administrator _____

Contractor _____ *Group _____ Contract Title/Project _____

Contract Amount _____ Start Date _____ End Date _____

Total Amount Invoiced to Date _____

SBE Mandated Participation Percentage _____ SBE _____ VSBE _____

Proposed Subcontractor Percentage _____ MBE _____ WBE _____ OBE _____ DVBE _____

	Name of Subcontractor	Type of Work Performed	Group SBE/VSBE/MBE/WBE/OBE/DBE	PROPOSED			ACTUALS		
				Original Proposed Amount	Original Proposed Percentage	Amount Paid to Date	Amount Paid to Date Percentage	Contract Amount Percentage	
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									

Directions:
 Original Proposed Percentage: Original Proposed Percentage of Total Contract Amount
 Amount Paid to Date Percentage: Percentage of Total Amount Invoiced to Date
 Contract Amount Percentage: Percentage Paid to Date of Total Contract Amount

* Group = (SBE/VSBE/MBE/WBE/OBE/DVBE/DBE)

EXHIBIT - AFFIRMATIVE ACTION PROGRAM PROVISIONS

Sec. 10.8.4 Affirmative Action Program Provisions.

Every non-construction and construction Contract with, or on behalf of, the City of Los Angeles for which the consideration is \$25,000 or more shall contain the following provisions which shall be designated as the AFFIRMATIVE ACTION PROGRAM provisions of such Contract:

A. During the performance of a City Contract, the Contractor certifies and represents that the Contractor and each Subcontractor hereunder will adhere to an Affirmative Action Program to ensure that in its employment practices, persons are employed and employees are treated equally and without regard to or because of race, color, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status, domestic partner status or medical condition.

1. This section applies to work or services performed or materials manufactured or assembled in the United States.

2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.

3. The Contractor shall post a copy of Paragraph A., hereof, in conspicuous places at its place of business available to employees and applicants for employment.

B. The Contractor shall, in all solicitations or advertisements for employees placed, by or on behalf of, the Contractor, state that all qualified applicants will receive consideration for employment without regard to their race, color, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status, domestic partner status or medical condition.

C. At the request of the Awarding Authority or the DAA, the Contractor shall certify on an electronic or hard copy form to be supplied, that the Contractor has not discriminated in the performance of City Contracts against any employee or applicant for employment on the basis or because of race, color, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status, domestic partner status or medical condition.

D. The Contractor shall permit access to, and may be required to provide certified copies of, all of its records pertaining to employment and to its employment practices by the Awarding Authority or the DAA for the purpose of investigation to ascertain compliance with the Affirmative Action Program provisions of City Contracts and, upon request, to provide evidence that it has or will comply therewith.

E. The failure of any Contractor to comply with the Affirmative Action Program provisions of City Contracts may be deemed to be a material breach of a City Contract. The failure shall only be established upon a finding to that effect by the Awarding

Authority, on the basis of its own investigation or that of the DAA. No finding shall be made except upon a full and fair hearing after notice and an opportunity to be heard has been given to the Contractor.

F. Upon a finding duly made that the Contractor has breached the Affirmative Action Program provisions of a City Contract, the Contract may be forthwith cancelled, terminated or suspended, in whole or in part, by the Awarding Authority, and all monies due or to become due hereunder may be forwarded to and retained by the City of Los Angeles. In addition thereto, the breach may be the basis for a determination by the Awarding Authority or the Board of Public Works that the Contractor is a non-responsible bidder or proposer pursuant to the provisions of Section 10.40 of this Code. In the event of such determination, the Contractor shall be disqualified from being awarded a contract with the City of Los Angeles for a period of two years, or until he or she shall establish and carry out a program in conformance with the provisions hereof.

G. In the event of a finding by the Fair Employment and Housing Commission of the State of California, or the Board of Public Works of the City of Los Angeles, or any court of competent jurisdiction, that the Contractor has been guilty of a willful violation of the California Fair Employment and Housing Act, or the Affirmative Action Program provisions of a City Contract, there may be deducted from the amount payable to the Contractor by the City of Los Angeles under the contract, a penalty of ten dollars for each person for each calendar day on which the person was discriminated against in violation of the provisions of a City Contract.

H. Notwithstanding any other provisions of a City Contract, the City of Los Angeles shall have any and all other remedies at law or in equity for any breach hereof.

I. The Public Works Board of Commissioners shall promulgate rules and regulations through the DAA and provide to the Awarding Authorities electronic and hard copy forms for the implementation of the Affirmative Action Program provisions of City contracts, and rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive Orders. No other rules, regulations or forms may be used by an Awarding Authority of the City to accomplish this contract compliance program.

J. Nothing contained in City Contracts shall be construed in any manner so as to require or permit any act which is prohibited by law.

K. By affixing its signature to a Contract that is subject to this article, the Contractor shall agree to adhere to the provisions in this article for the duration of the Contract. The Awarding Authority may also require Contractors and suppliers to take part in a pre-registration, pre-bid, pre-proposal, or pre-award conference in order to develop, improve or implement a qualifying Affirmative Action Program.

1. The Contractor certifies and agrees to immediately implement good faith effort measures to recruit and employ minority, women and other potential employees in

a non-discriminatory manner including, but not limited to, the following actions as appropriate and available to the Contractor's field of work. The Contractor shall:

- (a) Recruit and make efforts to obtain employees through:
 - (i) Advertising employment opportunities in minority and other community news media or other publications.
 - (ii) Notifying minority, women and other community organizations of employment opportunities.
 - (iii) Maintaining contact with schools with diverse populations of students to notify them of employment opportunities.
 - (iv) Encouraging existing employees, including minorities and women, to refer their friends and relatives.
 - (v) Promoting after school and vacation employment opportunities for minority, women and other youth.
 - (vi) Validating all job specifications, selection requirements, tests, etc.
 - (vii) Maintaining a file of the names and addresses of each worker referred to the Contractor and what action was taken concerning the worker.
 - (viii) Notifying the appropriate Awarding Authority and the DAA in writing when a union, with whom the Contractor has a collective bargaining agreement, has failed to refer a minority, woman or other worker.
- (b) Continually evaluate personnel practices to assure that hiring, upgrading, promotions, transfers, demotions and layoffs are made in a non-discriminatory manner so as to achieve and maintain a diverse work force.
- (c) Utilize training programs and assist minority, women and other employees in locating, qualifying for and engaging in the training programs to enhance their skills and advancement.
- (d) Secure cooperation or compliance from the labor referral agency to the Contractor's contractual Affirmative Action Program obligations.
- (e) Establish a person at the management level of the Contractor to be the Equal Employment Practices officer. Such individual shall have the authority to disseminate and enforce the Contractor's Equal Employment and Affirmative Action Program policies.
- (f) Maintain records as are necessary to determine compliance with Equal Employment Practices and Affirmative Action Program obligations and make the records available to City, State and Federal authorities upon request.

(g) Establish written company policies, rules and procedures which shall be encompassed in a company-wide Affirmative Action Program for all its operations and Contracts. The policies shall be provided to all employees, Subcontractors, vendors, unions and all others with whom the Contractor may become involved in fulfilling any of its Contracts.

(h) Document its good faith efforts to correct any deficiencies when problems are experienced by the Contractor in complying with its obligations pursuant to this article. The Contractor shall state:

- (i) What steps were taken, how and on what date.
- (ii) To whom those efforts were directed.
- (iii) The responses received, from whom and when.
- (iv) What other steps were taken or will be taken to comply and when.
- (v) Why the Contractor has been or will be unable to comply.

2. Every contract of \$25,000 or more which may provide construction, demolition, renovation, conservation or major maintenance of any kind shall also comply with the requirements of Section 10.13 of the Los Angeles Administrative Code.

L. The Affirmative Action Program required to be submitted hereunder and the pre-registration, pre-bid, pre-proposal or pre-award conference which may be required by the Awarding Authority shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:

1. Apprenticeship where approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
2. Classroom preparation for the job when not apprenticeable;
3. Pre-apprenticeship education and preparation;
4. Upgrading training and opportunities;
5. Encouraging the use of Contractors, Subcontractors and suppliers of all racial and ethnic groups; provided, however, that any contract subject to this ordinance shall require the Contractor, Subcontractor or supplier to provide not less than the prevailing wage, working conditions and practices generally observed in private industries in the Contractor's, Subcontractor's or supplier's geographical area for such work;
6. The entry of qualified women, minority and all other journeymen into the industry; and

7. The provision of needed supplies or job conditions to permit persons with disabilities to be employed, and minimize the impact of any disability.

M. Any adjustments which may be made in the Contractor's work force to achieve the requirements of the City's Affirmative Action Program in purchasing and construction shall be accomplished by either an increase in the size of the work force or replacement of those employees who leave the work force by reason of resignation, retirement or death and not by termination, layoff, demotion or change in grade.

N. This ordinance shall not confer upon the City of Los Angeles or any Agency, Board or Commission thereof any power not otherwise provided by law to determine the legality of any existing collective bargaining agreement and shall have application only to discriminatory employment practices by Contractors engaged in the performance of City Contracts.

O. All Contractors subject to the provisions of this article shall include a similar provision in all subcontracts awarded for work to be performed under the Contract with the City and shall impose the same obligations including, but not limited to, filing and reporting obligations, on the Subcontractors as are applicable to the Contractor. Failure of the Contractor to comply with this requirement or to obtain the compliance of its Subcontractors with all such obligations shall subject the Contractor to the imposition of any and all sanctions allowed by law, including, but not limited to, termination of the Contractor's Contract with the City.

EXHIBIT

SMALL/VERY SMALL BUSINESS ENTERPRISE PROGRAM LOCAL BUSINESS PREFERENCE PROGRAM

(1) SMALL/VERY SMALL BUSINESS ENTERPRISE PROGRAM:

The Harbor Department is committed to creating an environment that provides all individuals and businesses open access to the business opportunities available at the Harbor Department in a manner that reflects the diversity of the City of Los Angeles. The Harbor Department's Small Business Enterprise (SBE) Program was created to provide additional opportunities for small businesses to participate in professional service and construction contracts. An overall Department goal of 25% SBE participation, including 5% Very Small Business Enterprise (VSBE) participation, has been established for the Program. The specific goal or requirement for each contract opportunity may be higher or lower based on the scope of work.

It is the policy of the Harbor Department to solicit participation in the performance of all service contracts by all individuals and businesses, including, but not limited to, SBEs, VSBEs, women-owned business enterprises (WBEs), minority-owned business enterprises (MBEs), and disabled veteran business enterprises (DVBES). The SBE Program allows the Harbor Department to target small business participation, including MBEs, WBEs, and DVBES, more effectively. It is the intent of the Harbor Department to make it easier for small businesses to participate in contracts by providing education and assistance on how to do business with the City, and ensuring that payments to small businesses are processed in a timely manner. **In order to ensure the highest participation of SBE/VSBE/MBE/WBE/DVBES, all proposers shall utilize the City's contracts management and opportunities database, the Los Angeles Business Assistance Virtual Network (LABAVN), at <http://www.labavn.org>, to outreach to potential subconsultants.**

The Harbor Department defines a SBE as an independently owned and operated business that is not dominant in its field and meets criteria set forth by the Small Business Administration in Title 13, Code of Federal Regulations, Part 121. Go to www.sba.gov for more information. The Harbor Department defines a VSBE based on the State of California's Micro-business definition which is 1) a small business that has average annual gross receipts of \$3,500,000 or less within the previous three years, or (2) a small business manufacturer with 25 or fewer employees.

The SBE Program is a results-oriented program, requiring consultants who receive contracts from the Harbor Department to perform outreach and utilize certified small businesses. **Based on the work to be performed, it has been determined that the percentage of small business participation will be 25%, including 5% VSBE participation.** The North American Industry Classification System (NAICS) Code for the scope of services is 541511. This NAICS Code is the industry code that corresponds to at least 51% of the scope of services and will be used to determine the size standard for SBE participation of the Prime Consultant. The maximum SBE size standard for this NAICS Code is \$30 million.

Consultant shall be responsible for determining the SBE status of its subconsultants for purposes of meeting the small business requirement. Subconsultants must qualify as an SBE based on the type of services that they will be performing under the Agreement. All business participation will be determined by the percentage of the total amount of compensation under the agreement paid to SBEs. The Consultant shall not substitute an SBE firm without obtaining prior approval of the City. A request for substitution must be based upon demonstrated good

cause. If substitution is permitted, Consultant shall endeavor to make an in-kind substitution for the substituted SBE.

Consultant shall complete, sign, and submit as part of the executed agreement the attached Affidavit and Consultant Description Form. The Affidavit and Consultant Description Form, when signed, will signify the Consultant's intent to comply with the SBE requirement. All SBE/VSBE firms must be certified by the time proposals are due to receive credit. In addition all consultants and subconsultants must be registered on the LABAVN by the time proposals are due.

(2) LOCAL BUSINESS PREFERENCE PROGRAM:

The Harbor Department is committed to maximizing opportunities for local and regional businesses, as well as encouraging local and regional businesses to locate and operate within the Southern California region. It is the policy of the Harbor Department to support an increase in local and regional jobs. The Harbor Department's Local Business Preference Program (LBPP) aims to benefit the Southern California region by increasing jobs and expenditures within the local and regional private sector.

Consultants who qualify as a Local Business Enterprise (LBE) will receive an 8% preference on any proposal for services valued in excess of \$150,000. The preference will be applied by adding 8% of the total possible evaluation points to the Consultant's score. Consultants who do not qualify as a LBE may receive a maximum 5% preference for identifying and utilizing LBE subconsultants. Consultants may receive 1% preference, up to a maximum of 5%, for every 10% of or portion thereof, of work that is subcontracted to a LBE. LBE subconsultant preferences will be determined by the percentage of the total amount of compensation proposed under the Agreement.

The Harbor Department defines a LBE as:

- (a) A business headquartered within Los Angeles, Orange, Riverside, San Bernardino, or Ventura Counties. Headquartered shall mean that the business physically conducts and manages all of its operations from a location in the above-named counties; or
- (b) A business that has at least 50 full-time employees, or 25 full-time employees for specialty marine contracting firms, working in Los Angeles, Orange, Riverside, San Bernardino, or Ventura Counties.

In order for Harbor Department staff to determine the appropriate LBE preference, Consultant shall complete, sign, notarize (where applicable) and submit the attached Affidavit and Consultant Description Form. The Affidavit and Consultant Description Form will signify the LBE status of the Consultant and subconsultants.

In the event of Consultant's noncompliance during the performance of the Agreement, Consultant shall be considered in material breach of contract. In addition to any other remedy available to City under this Agreement or by operation of law, the City may withhold invoice payments to Consultant until noncompliance is corrected, and assess the costs of City's audit of books and records of Consultant and its subconsultants. In the event the Consultant falsifies or misrepresents information contained in any form or other willful noncompliance as determined by City, City may disqualify the Consultant from participation in City contracts for a period of up to five (5) years.

AFFIDAVIT OF COMPANY STATUS

"The undersigned declares under penalty of perjury pursuant to the laws of the State of California that the following information and information contained on **the attached Consultant Description Form** is true and correct and includes all material information necessary to identify and explain the operations of

Niti Systems Consultants, Inc.

Name of Firm

as well as the ownership and location thereof. Further, the undersigned agrees to provide complete and accurate information regarding ownership in the named firm, and all of its domestic and foreign affiliates, any proposed changes of the ownership and to permit the audit and examination of firm ownership documents, and the ownership documents of all of its domestic and foreign affiliates, in association with this agreement."

(1) **Small/Very Small Business Enterprise Program:** Please indicate the ownership of your company. Please check all that apply. At least one box must be checked:

SBE VSBE MBE WBE DVBE OBE

A Small Business Enterprise (SBE) is an independently owned and operated business that is not dominant in its field and meets criteria set forth by the Small Business Administration in Title 13, Code of Federal Regulations, Part 121.

A Very Small Business Enterprise (VSBE) is 1) a small business that has average annual gross receipts of \$3,500,000 or less within the previous three years, or (2) a small business manufacturer with 25 or fewer employees.

A Minority Business Enterprise (MBE) is defined as a business in which a minority owns and controls at least 51% of the business. A Woman Business (WBE) is defined as a business in which a woman owns and controls at least 51% of the business. For the purpose of this project, a minority includes:

- (1) Black (all persons having origins in any of the Black African racial groups not of Hispanic origin);
 - (2) Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish Culture or origin, regardless of race);
 - (3) Asian and Pacific Islander (all persons having origins in any of the original peoples of the Far East, Southeast Asia, The Indian Subcontinent, or the Pacific Islands); and
 - (4) American Indian or Alaskan Native (all persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification).
- A Disabled Veteran Business Enterprise (DVBE) is defined as a business in which a disabled veteran owns at least 51% of the business, and the daily business operations are managed and controlled by one or more disabled veterans.

An OBE (Other Business Enterprise) is any enterprise that is neither an SBE, VSBE, MBE, WBE, or DVBE.


(2) **Local Business Preference Program:** Please indicate the Local Business Enterprise status of your company.

Only one box must be checked:

LBE Non-LBE

A Local Business Enterprise (LBE) is: (a) a business headquartered within Los Angeles, Orange, Riverside, San Bernardino, or Ventura Counties; or (b) a business that has at least 50 full-time employees, or 25 full-time employees for specialty marine contracting firms, working in Los Angeles, Orange, Riverside, San Bernardino, or Ventura Counties. "Headquartered" shall mean that the business physically conducts and manages all of its operations from a location in the above-named counties.

A Non-LBE is any business that does not meet the definition of a LBE.

Signature: 
Printed Name: Jignesh Patel

Title: CEO
Date Signed: 03/12/2021

Consultant Description Form

PRIME CONSULTANT:

Contract Title: Oracle ERP Cloud Implementation Services

Business Name: Niti Systems Consultants Inc. LABAVN ID#: 112762

Award Total: \$ 25%

Owner's Ethnicity: ^{Subcontinental} Asian Gender Male Group: SBE VSBE MBE WBE DVBE OBE (Circle all that apply)

Local Business Enterprise: YES NO X (Check only one)

Primary NAICS Code: 54151

Address: 4521 Bastion Drive,

City/State/Zip: Roswell GA, 30075

County: Cobb

Telephone: (404) 509-3055 FAX: () N/A

Contact Person/Title: Jignesh Patel CEO

E-mail Address: JPatel@NitiSys.com

SUBCONSULTANT:

Business Name: KPMG LLP LABAVN ID#: 38926

Award Total: (% or \$): 75%

Services to be provided: Consulting/Implementation support

Owner's Ethnicity: N/A Gender N/A Group: SBE VSBE MBE WBE DVBE OBE (Circle all that apply)

Local Business Enterprise: YES NO X (Check only one)

Primary NAICS Code: 541211

Address: 550 S. Hope Street, Suite 2100

City/State/Zip: Los Angeles, CA 90071

County: Los Angeles

Telephone: (909) 362-6093 FAX: ()

Contact Person/Title: Bindiya Khurana

E-mail Address: bkhurana1@kpmg.com

SUBCONSULTANT:

Business Name: Aslan Consulting LLC LABAVN ID#: 66470

Award Total: (% or \$): 5%

Services to be provided: Support On-Premise Oracle EBS

Owner's Ethnicity: Black Gender F Group: SBE VSBE MBE WBE DVBE OBE (Circle all that apply)

Local Business Enterprise: YES X NO (Check only one)

Primary NAICS Code: 541512, 541644

Address: 205 Quincy Ave.

City/State/Zip: Long Beach, CA 90803

County: Los Angeles

Telephone: (909) 239 4300 FAX: ()

Contact Person/Title: Renee Young

E-mail address: Renee@MyAslanLLC.com

EXHIBIT

Sec. 10.8.2.1. Equal Benefits Ordinance.

Discrimination in the provision of employee benefits between employees with domestic partners and employees with spouses results in unequal pay for equal work. Los Angeles law prohibits entities doing business with the City from discriminating in employment practices based on marital status and/or sexual orientation. The City's departments and contracting agents are required to place in all City contracts a provision that the company choosing to do business with the City agrees to comply with the City's nondiscrimination laws.

It is the City's intent, through the contracting practices outlined in this Ordinance, to assure that those companies wanting to do business with the City will equalize the total compensation between similarly situated employees with spouses and with domestic partners. The provisions of this Ordinance are designed to ensure that the City's contractors will maintain a competitive advantage in recruiting and retaining capable employees, thereby improving the quality of the goods and services the City and its people receive, and ensuring protection of the City's property.

(c) Equal Benefits Requirements.

(1) No Awarding Authority of the City shall execute or amend any Contract with any Contractor that discriminates in the provision of Benefits between employees with spouses and employees with Domestic Partners, between spouses of employees and Domestic Partners of employees, and between dependents and family members of spouses and dependents and family members of Domestic Partners.

(2) A Contractor must permit access to, and upon request, must provide certified copies of all of its records pertaining to its Benefits policies and its employment policies and practices to the DAA, for the purpose of investigation or to ascertain compliance with the Equal Benefits Ordinance.

(3) A Contractor must post a copy of the following statement in conspicuous places at its place of business available to employees and applicants for employment: "During the performance of a Contract with the City of Los Angeles, the Contractor will provide equal benefits to its employees with spouses and its employees with domestic partners." The posted statement must also include a City contact telephone number which will be provided each Contractor when the Contract is executed.

(4) A Contractor must not set up or use its contracting entity for the purpose of evading the requirements imposed by the Equal Benefits Ordinance.

(d) Other Options for Compliance. Provided that the Contractor does not discriminate in the provision of Benefits, a Contractor may also comply with the Equal Benefits Ordinance in the following ways:

(1) A Contractor may provide an employee with the Cash Equivalent only if the DAA determines that either:

a. The Contractor has made a reasonable, yet unsuccessful effort to provide Equal Benefits; or

b. Under the circumstances, it would be unreasonable to require the Contractor to provide Benefits to the Domestic Partner (or spouse, if applicable).

(2) Allow each employee to designate a legally domiciled member of the employee's household as being eligible for spousal equivalent Benefits.

(3) Provide Benefits neither to employees' spouses nor to employees' Domestic Partners.

(e) Applicability.

(1) Unless otherwise exempt, a Contractor is subject to and shall comply with all applicable provisions of the Equal Benefits Ordinance.

(2) The requirements of the Equal Benefits Ordinance shall apply to a Contractor's operations as follows:

a. A Contractor's operations located within the City limits, regardless of whether there are employees at those locations performing work on the Contract.

b. A Contractor's operations on real property located outside of the City limits if the property is owned by the City or the City has a right to occupy the property, and if the Contractor's presence at or on that property is connected to a Contract with the City.

c. The Contractor's employees located elsewhere in the United States but outside of the City limits if those employees are performing work on the City Contract.

(3) The requirements of the Equal Benefits Ordinance do not apply to collective bargaining agreements ("CBA") in effect prior to January 1, 2000. The Contractor must agree to propose to its union that the requirements of the Equal Benefits Ordinance be incorporated into its CBA upon amendment, extension, or other modification of a CBA occurring after January 1, 2000.

(f) Mandatory Contract Provisions Pertaining to Equal Benefits. Unless otherwise exempted, every Contract shall contain language that obligates the Contractor to comply with the applicable provisions of the Equal Benefits Ordinance. The language shall include provisions for the following:

(1) During the performance of the Contract, the Contractor certifies and represents that the Contractor will comply with the Equal Benefits Ordinance.

(2) The failure of the Contractor to comply with the Equal Benefits Ordinance will be deemed to be a material breach of the Contract by the Awarding Authority.

(3) If the Contractor fails to comply with the Equal Benefits Ordinance the Awarding Authority may cancel, terminate or suspend the Contract, in whole or in part, and all monies due or to become due under the Contract may be retained by the City. The City may also pursue any and all other remedies at law or in equity for any breach.

(4) Failure to comply with the Equal Benefits Ordinance may be used as evidence against the Contractor in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40, et seq., Contractor Responsibility Ordinance.

(5) If the DAA determines that a Contractor has set up or used its Contracting entity for the purpose of evading the intent of the Equal Benefits Ordinance, the Awarding Authority may terminate the Contract on behalf of the City. Violation of this provision may be used as evidence against the Contractor in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40, et seq., Contractor Responsibility Ordinance.