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LEADING FROM THE FRONTIER TO THE FUTURE

July 18, 2023

To: Kenton County Fiscal Court

Re: RFP for Financial System

Dear Members of the Fiscal Court,

Currently, the County's financial system, eFinancePlus (Pentamation), works and is secure. The release that we are currently on operates on Microsoft Windows Server 2012, which will reach end of life in October 2023 meaning it will no longer be getting security updates. To go to a new server software, we must upgrade to the next version of eFinancePlus and \$50,000 was budgeted for this.

Kurt, Jessica and I have been talking and would like to take this opportunity to go out to bid for a new financial system. Last bid in 2017, it was dropped because the lowest bid was \$1.6 million. Since that time, many major players have entered into the smaller local government arena with reasonably priced solutions. We have discussed our needs with Oracle and believe we could implement the software for approximately \$200,000 while keeping annual system maintenance costs close to current levels.

The benefits of a new system include:

- Adding workflow to purchasing. Currently all PO's above 2,000 must be written down on a piece of paper, handed to Kurt to type into the system to approve. Workflow would send a message and link to all PO's needing approval.
- Elimination of duplicate work. Currently any time a new account is added, it must be done twice, once for the budget column and once for the actual column. Also, each employee is currently entered into HR and again into payroll. In both instances, the opportunity for error exists.
- Centralized Invoicing. Currently invoices are produced by various people in various systems, not in eFinancePlus, making monitoring for collections more difficult.
- Grant Accounting. Currently grant accounting is maintained by Excel spreadsheets. The DOJ does not like this way of doing the grants and much additional paperwork is needed as a result.
- Budget Development. Currently, budgeting is done in Excel and manually uploaded into the system. Modern software has multiple budget iteration ability built in and security so each department can build the budget in the system.
- Electronic Approvals. Invoices, PO's and journal entries are currently printed and manually signed and submitted.
- Reporting Capabilities. Most reports are currently generated in Excel and require extensive modification to meet our needs. Newer systems offer dynamic reporting that offers more flexibility.

- Use of Kentucky Mandated Chart of Accounts. The current chart of accounts is not the accounts mandated by DLG. Any reporting to them must have the information downloaded into Excel, manipulated to the acceptable chart of accounts and then submitted.
- Data Inquiry. Modern systems have the ability to drill down into numbers to instantly trace back to original documents. This would eliminate searching through paper files.
- Cloud Based. Offsite, the current system is only available through VPN in order to maintain appropriate security. This is terribly slow. Cloud based would have better, third party managed security, and have the same speed in house or offsite.

The plan would be to convert payroll over to UKG. We currently use UKG for HR and timekeeping and adding the payroll piece should be relatively smooth. In talking to Oracle, UKG is a known provider and interfaces well into their financial system. Our bid for the financial system would include the need for that interface as well as one for Lucity for Public Works invoicing. This interface would greatly reduce time spent by Fleet, trying to create invoices within Lucity (which is not designed for this purpose), and track receivables.

UKG Payroll would be implemented and tested with a go live date of January 1, 2024. The financial system would not be ready to go live until March at the earliest, May at the latest. eFinancePlus could be used until then, just not be open to VPN offsite access for security purposes.

If this meets with your approval, we will move forward and place the RFP notice on the consent agenda of the July 25, 2023 Fiscal Court meeting.

Respectfully,



Roy D. Cox  
Kenton County Treasurer