



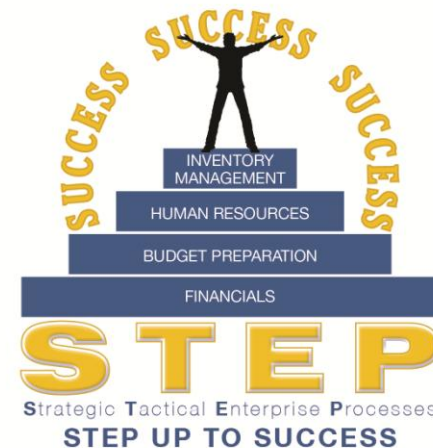
Cook County STEP (ERP) Town Hall

Ivan Samstein

Simona Rollinson

Douglas Elwell

June 13, 2016





- Introduction
- What Is The STEP Project?
- Why Is The County Doing The Project?
- When Will We Doing STEP?
- How Will STEP Impact Me?
- What's In It For Me?
- How Will I Be Prepared For The Change?
- How Can I Learn More?



- Introduction of Project Sponsors:
 - Ivan Samstein, CFO
 - Simona Rollinson, CIO
 - Douglas Elwell, CCHHS Deputy CEO of Finance and Strategy

IBM Why Are We Doing STEP?

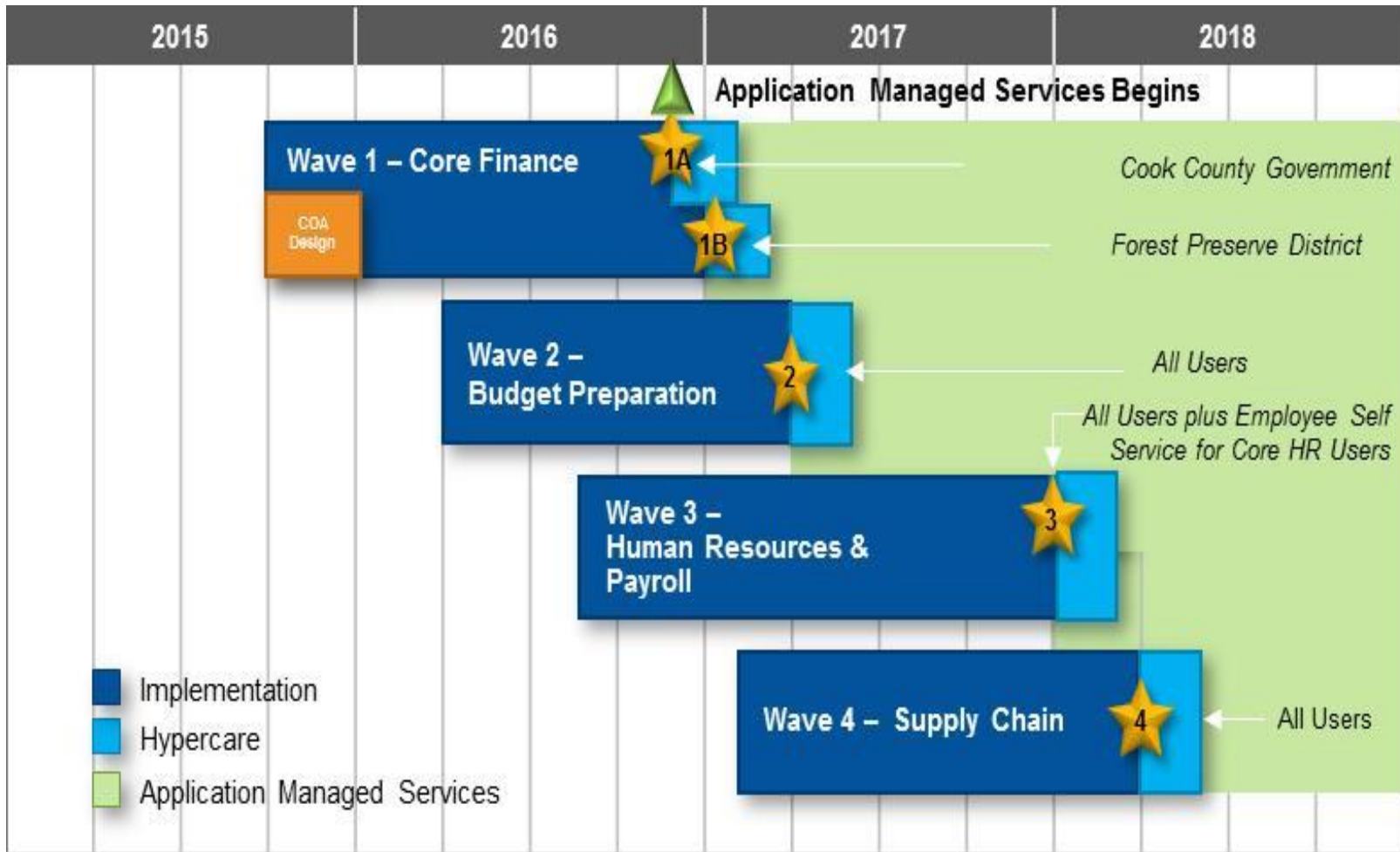


- Multiple ERP Systems
- Difficult to assemble reports
- Myriad of business processes
- Need to improve controls
- Slow and cumbersome processes
- Difficulty in tracking status of purchases
- Need to leverage County Spend most effectively
- Enhance operating efficiency & reduce costs
- Advance the County's procurement leverage



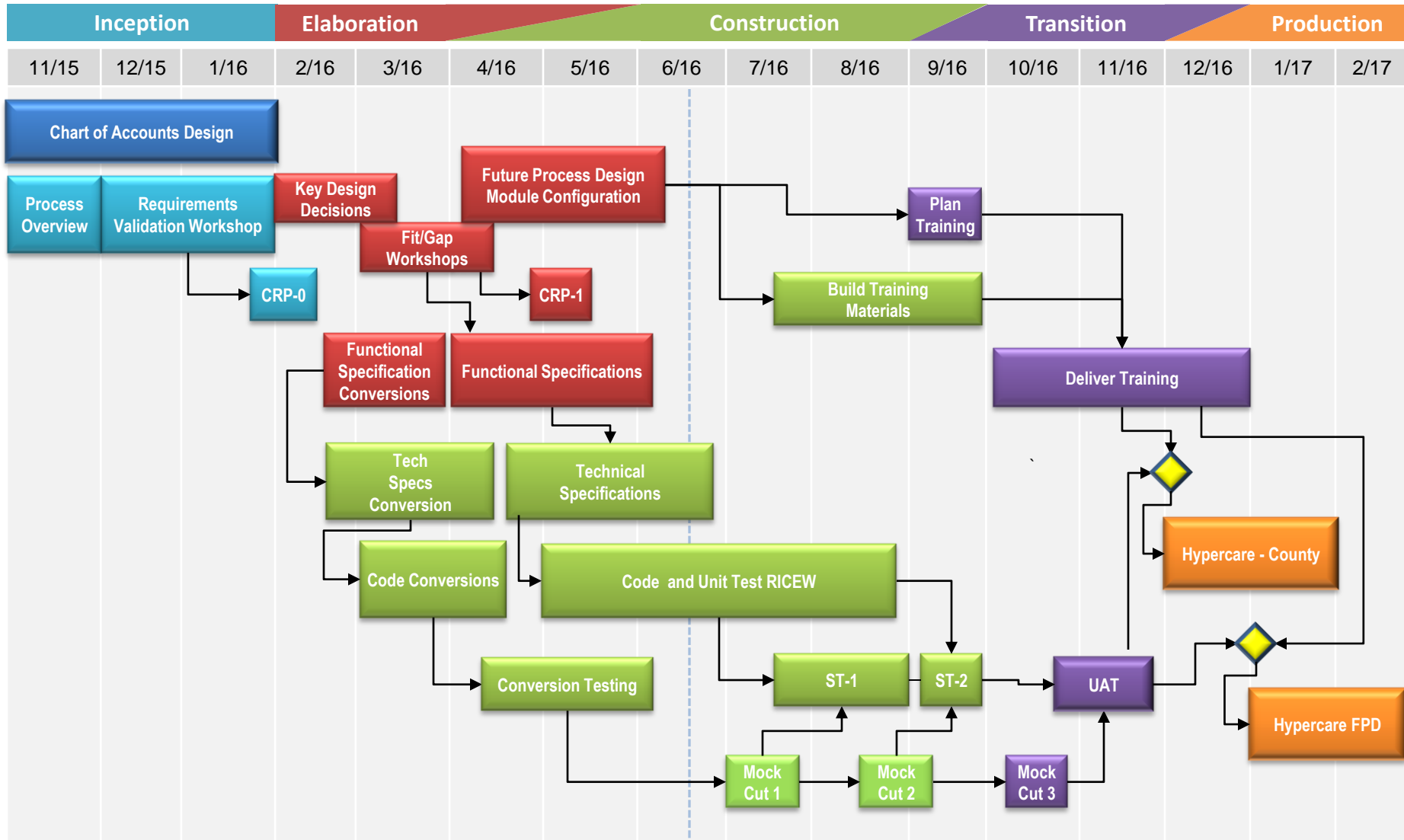
- Strategic Tactical Enterprise Processes:
 - Integrated Business Process
 - Shared Accounting Definitions
 - Electronic vs manual processes
 - Budgetary Controls
 - Analytics & Dashboards

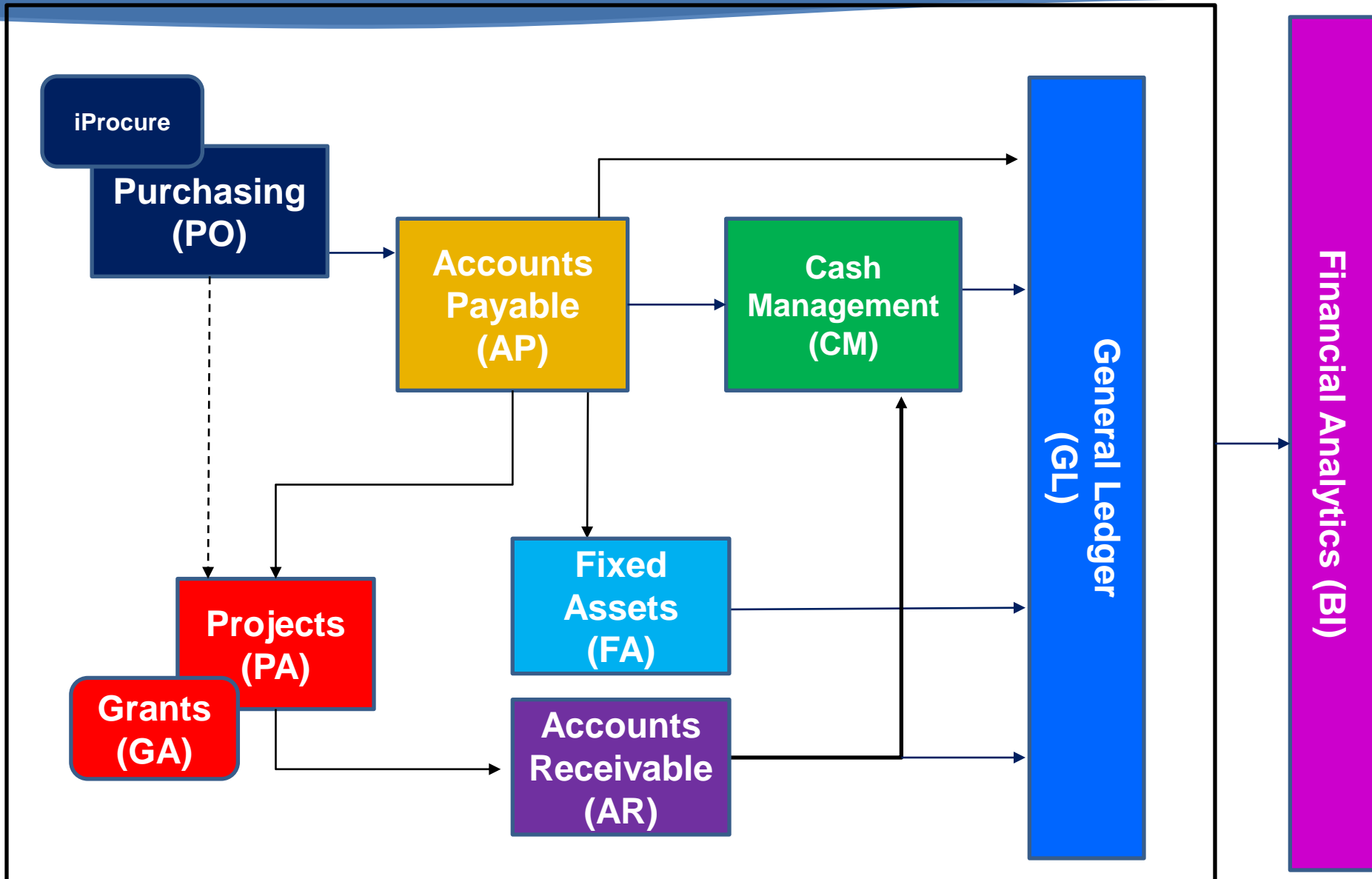
IBM When Are We Doing STEP?



When Are We Doing STEP?

Wave 1







The Procure to Pay Process will bring the most change to the most number of County employees in Wave 1:

- Procure to Pay (Business Function)
 - Requisitions
 - Purchase Order
 - Receiving
 - Invoice / Payment
- Workflow for approvals
- Master Data Management
 - Items
 - Suppliers
- Chart of Accounts
- Encumbrances

IBM What's In It For Me?



Process	Pain Point	Solution
Procure to Pay: <ul style="list-style-type: none">- Requisition & PO- Approvals- Receiving Items	<ol style="list-style-type: none">1) Paper Process for Requisition & PO (29A).2) Manual approval process.3) Unknown \$\$ commitment for Budget tracking.	<ol style="list-style-type: none">1) User (Department) generated PO2) Enable Oracle workflow for approval.3) Enable encumbrance in Oracle to reduce budget hold times.
Record to Report: <ul style="list-style-type: none">- Analysts- Budgeting	Manually consolidate data from multiple systems, projects & grant sources.	Reports in Oracle and the BI Tool for specific analytical needs.

IBM What's In It For Me?



Process	Pain Point	Solution
Acquire to Retire: - Asset Management - Projects	1) Managed by spreadsheet & JDE and without GAAP standards applied. 2) Manual spreadsheet process.	1) System generated Asset accounting in single system. 2) Use Oracle Projects & Grants capability.
Bill to Cash: - Accounts Receivable	Tracking AR in spreadsheets.	Use Oracle AR capability in single system.

- Interactive Analysis and drill down
- Dashboards and ad-hoc reporting capabilities
- Predictive Analytics
- Executive Visibility

Profitability Returns
Monitor Values for ROE, ROA and ROCE

	Jul 08	Aug 08	Sep 08	Average
ROE	22.7%	19.4%	22.7%	21.5%
ROE (Pre Interest)	22.0%	20.0%	21.0%	21.1%
ROA (EBIT Ratio)	16.8%	14.7%	17.6%	16.4%
ROA (Pre Interest)	11.0%	10.7%	12.5%	11.4%
ROCE (EBIT Ratio)	34.0%	30.2%	34.9%	33.2%
ROCE (Pre Interest)	23.8%	20.8%	24.8%	23.1%

Profit & Loss - Quarterly
Quarterly Values for Profit and Loss Statement

	2008 Q 1	2008 Q 2	2008 Q 3	2008 Q 4	Grand Total
Revenue	\$5,419,000	\$7,225,000	\$6,301,000	\$5,667,000	\$24,612,000
Gross Profit	\$3,823,000	\$4,372,000	\$2,911,000	\$3,265,000	\$14,371,000
Gross Margin %	57%	60%	46%	58%	58%
Operating Profit	\$1,875,000	\$2,973,000	\$1,321,000	\$1,975,000	\$8,144,000
Operating Margin %	35%	41%	21%	35%	35%
Net Income	\$1,280,000	\$1,973,000	\$1,017,000	\$1,285,000	\$5,555,000
Net Income Margin %	24%	27%	16%	23%	24%

Product Gross Margin
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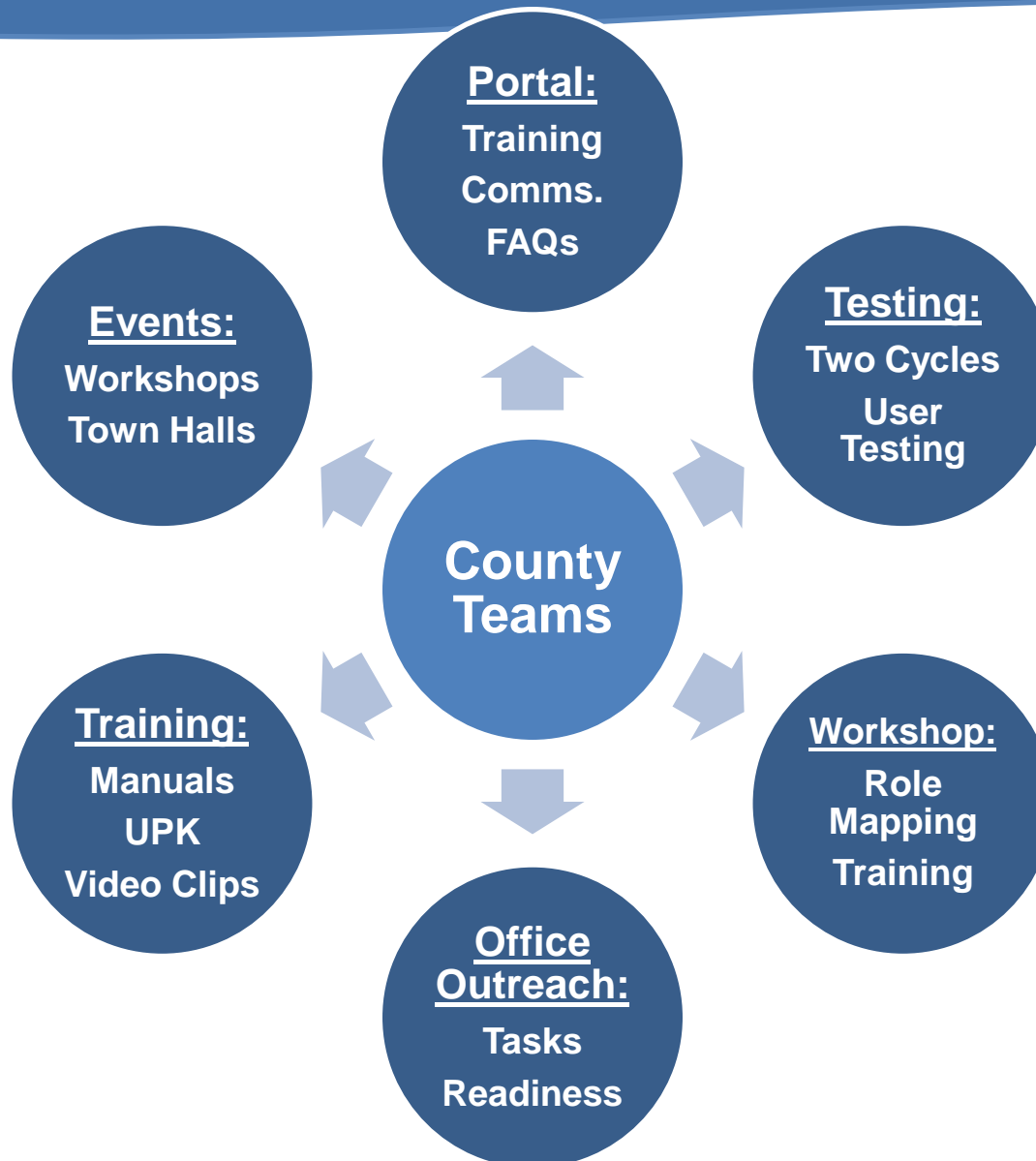
Product Type Description	Revenue Amount	% Revenue to Total	Product Gross Margin %	Overall Product Gross Margin %	Difference
Unspecified	\$77,954,925	91.3%	95.0%	97%	2%
Prepack good	\$1,799,006	2.0%	90.0%	97%	(7.0%)
Purchased Item	\$10,669,504	12.7%	86.0%	97%	(10.8%)
Reference Item	\$751,822	0.9%	61.1%	97%	(35.9%)
ATO Item	\$281,200	0.3%	80.8%	97%	(16.2%)
Product Family	\$247,259	0.3%	75.0%	97%	(22.0%)
ATO Model	\$469,411	0.5%	85.1%	97%	(11.9%)
Inventory Type	\$1,381,421	1.6%	56.8%	97%	(40.2%)
ATO Order Class	\$673,065	0.8%	56.0%	97%	(41.0%)
PTO Option Class	\$148,343	0.2%	88.4%	97%	(8.6%)

Customer Gross Margin
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Customer Category	Revenue Amount	COGS	Customer Gross Profit	Customer Gross Margin %
ADM	\$4,399,042	\$1,649,817	\$2,749,225	62.5%
2008 Q 1	\$2,852,561			
Jan-08	\$1,427,393			
Feb-08	\$1,424,991			
2008 Q 3	\$1,152,611	\$513,275	\$639,336	55.5%
Jul-08	\$25,257	\$18,286	\$6,971	27.6%
Aug-08	\$79,014	\$70,550	\$8,464	10.7%
Sep-08	\$93,862	\$42,353	\$51,509	54.9%
2008 Q 4	\$93,812	\$45,201	\$48,611	51.9%
Oct-08	\$80,006	\$10,007	\$69,999	87.5%



IBM How Will I Be Prepared?





- Steering Committee – the Project Leadership Team is the outlet for conversation and to answer questions. They will be cascading project communications in upcoming Division and Bureau meetings.
- Office Outreach – Office Change Agents will support offices with the change impacts and messages as well as training and other readiness needs.
- Project Portal – will supply distributed communications, FAQs, training clips, and other project materials.
- Project Email Address – we encourage all questions and suggestions to come to us at: ERP.STEPProject@CookCountyIL.gov
- Printed Materials – you will receive a hand-out which is the Elevator Speech which outlines the project benefits to the County.
 - More Printed Materials will follow

Please see the Project Portal for Project and Communication Details



How Can I Learn More? Your Sponsors



Ivan Samstein, CFO

Simona Rollinson, CIO

Douglas Elwell,
CCHHS Deputy CEO of
Finance and Strategy



How Can I Learn More? Your Steering Committee



Alexis Herrera CFO, Sheriff's Office	Samuel Steinberg CFO, Treasurer's Office
Ammar Rizki Deputy CFO, Bureau of Finance	Simona Rollinson CIO
Barbara Pryor Dep. Chief of HR, CCHHS	Stephen Hughes CFO, FPD
Donna Hart CIO for CCHHS	Tom Lynch ERP Director
Douglas Elwell Dep. CEO of Finance & Strategy, CCHHS	Velisha Haddox Chief of HR
Ekerete Akpan CFO, CCHHS	Zelda Whittler Under Sheriff
Ivan Samstein CFO	



How Can I Learn More? Executive Stakeholders



Arnold Randall General Superintendent, FPD	Joseph Fratto Chief Deputy Treasurer
Bill Kouruklis Chief Dep. Treasurer	Keith Formell Acting CIO, Sheriff's Office
Deanna Zalas Director of Risk Management	Lawrence Wilson County Comptroller
Debra Rice ERP Project Manager	Martha Martinez Chief Admin. Officer at Cook County HR
Derrick Thomas Director of MIS	Shannon Andrews Chief Procurement Officer
Dorothy Loving Director of Financial Controls, CCHHS	Tanya Anthony Director of Budget Mgmt. Systems
Ebonie Taylor OCM	Zahra Ali Director of Revenue



How Can I Learn More?

Your Change Readiness Leaders & Change Agents



***Please see the Project Portal [www. STEP.cookcountyil.gov](http://www.STEP.cookcountyil.gov)
for the Change Readiness Leader & Change Agent(s) assigned to your office.***



Thank you to everyone here who has participated in the project by:

- Participating in design sessions
- Contributing to Key Design Decisions
- Attending Conference Room Pilots¹ (CRP1) where you helped Identify Over 125 Change Impacts
- Providing Data Extracts to the Technical Team

We are building the system based on your invaluable contributions and we thank all of you for your time, energy and enthusiasm for the project.