



Financial Services Staff Report

Report Number: F19-2024
Report Title: Award for Financial Software
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Meeting Type: Council Meeting
Meeting Date: December 17, 2024
eDocs or File ID: eDocs #128520
Consent Item: No
Final Version: Yes
Reviewed By: Colm Lynn, Director of Finance & Treasurer
Final Review: Senior Management Team

Recommendation:

That the Council of the Township of Woolwich, considering Report F19-2024 respecting Award for Financial Software:

1. Award the purchase and implementation for a new financial software to MNP Digital.
2. Direct staff to include the software purchase and implementation cost of \$226,394.63 after HST in the 2025 budget for Council review and approval.
3. Direct staff to include the costs for two additional contract staff to assist in the implementation of the new financial software (Project Coordinator/Business Analyst and Financial Specialist) \$406,230.00 in the 2025 budget for Council review and approval.

Background:

The Township is currently using Asyst by USTI for its financial software needs, which was implemented in 2010. This system is an on-site solution which is currently being run in a Microsoft Windows environment using the Microsoft SQL Server RDMS. While the system has been sufficient for the Township's needs, due to growth (both taxation and utility) and the complexity of the Township's operations the Township has outgrown the current software solution. This has led to data integrity errors and lack of functionality to perform regular reporting.

With growth and complexity issues the Township has been looking to transition our current legacy financial system to a newer solution. The shift to more modern technologies offers several benefits, including:

- Efficiency through enhanced workflow and automation
- Improved database integrity
- Greater security and resiliency
- Elevated reporting capabilities
- Better ability to meet the needs of citizens

Comments:

Request for Proposal (RFP) – Evaluation Process and Criteria

On October 16, 2023, the Township issued a Request for Proposal for Financial Software. The RFP allowed Proponents to submit up to two proposals, an on premise solution and a hosted/cloud based solution. Upon closing of the RFP on November 10, 2023, the following five (5) firms had submitted detailed proposals:

1. Catalis Technologies Canada, Ltd.
2. CentralSquare Canada Software Inc. (Diamond - On Premise)
3. CentralSquare Canada Software Inc. (Diamond - Hosted)
4. MNP Digital Inc. (SylogistGov)
5. Procom Data Services (Town Suite)
6. Vigilant Consulting Services Inc.

Due to staffing and resource challenges the RFP was not evaluated until May 23, 2024. The proposals received were reviewed by a team consisting of the Manager of Accounting, Manager of Revenue and the Manager of IT Services.

The review team evaluated the proposal and used an evaluation model, which awarded points based on the following criteria and weighting:

- Proposed Software 30 points
- Ease of Use/Integration 20 points
- Experience & references 20 points
- Cost 30 points

Based on the above evaluation model, the Township invited the three top solutions, being CentralSquare (both on premise & hosted) and MNP Digital, to conduct a demonstration of their software offering.

Through the evaluation and demonstration process, the platform as presented in CentralSquare's Diamond solution, Microsoft Dynamics GP, an end-of-life was announced for this platform. This means that this product will no longer be available for purchase. The review team conducted discussions with CentralSquare on this development and did review an alternative solution proposed by them. However, after reviewing this alternative, and in consultation with the Director of Finance, the review team has selected MND Digital and their SylogistGov solution as the preferred vendor.

SylogistGov Solution

SylogistGov is a comprehensive cloud-based ERP solution, built upon the foundation of Microsoft Dynamics 365 Business Central (D365 BC) and is designed for use by municipalities, local governments, and public utilities. The SylogistGov solution meets the Township's requirements for modules such as General Ledger, Accounts Payable, Purchase Orders, Property Taxation, Utilities, etc. It has the ability through data imports, open APIs, and PowerApps, and the Extension Marketplace, to extend to any of the Township's current solutions (e.g. CityWide, Esri, etc.).

SylogistGov also has a suite of features that allow for sophisticated, or simple, workflow approvals. In SylogistGov, the Township can create approval and routing codes, document approval rules (purchase orders, expense reports, etc.), transaction approval rules, and validation rules. Users can add approval tiles to their home screen or landing page in the system or they can approve requests via email through their mobile devices.

The SylogistGov solution has a Citizen Portal where Woolwich residents and customers will have the ability to signup and view Property Tax and Utility eBills. The Citizen Portal also allows the ability to see a history of both bills and payments for each property or account that a customer may own. Through the Citizen Portal the Township will have the ability to engage with residents and businesses by posting important information and promoting upcoming community events.

In addition, SylogistGov offers direct integration with PowerBI, budget management tools, grant management, payroll and human resources. Through the purchase of the solution the Township will be granted a licensee for PowerBI, which will assist in the analysis and presentation of financial information

Additional Staff Resources

As Council may appreciate to ensure an effective and efficient implementation of a new financial software, additional staffing resources are required. Financial services currently do not have the bench strength and capacity to dedicate the time required to implement a software of this scale and complexity. It is anticipated that this project will take two-years to implement, which will involve planning, implementation, and post-implementation activities. Critical to the successful implementation of this project will be ensuring sufficient staff resources are available. Staff are recommending two contract positions: Project Coordinator/Business Analyst and Financial Specialist.

Project Coordinator/Business Analyst

One of the key positions that would be required in the implementation is a Project Coordinator/Business Analyst. This position would be a liaison between the software provider and the Township and would be the lead through the implementation process. This will involve identifying and monitoring business goals and milestones as the implementation progresses and identifies and resolves any roadblocks that may arise.

While all municipal financial software will have the standard modules the software that is being recommended is based on a different platform and is more modernized in its workflow. With this the position will need to create/amend and document new work processes to ensure that effective efficient procedures are implemented. This position would meet with all user departments to gain a greater understanding of workflows and identify and implement efficiencies where possible.

This position would also monitor the budget for this project and perform variance analyses. This will ensure that the project stays within the approved budget.

The person in this position will need to have good project management skills as well as analytical, facilitation and interpersonal skills.

Financial Specialist

Another role that will be critical for a successful implementation is to ensure there is sufficient support for the finance team that will be seconded to work on this project. As finance operates with very limited resources, an additional Financial Specialist would be required to backfill various existing staff in Financial Services staff who will need to dedicate time during the configuration and testing. This position will assist with all functions within Financial Services, including but not limited to accounts payable, property taxation, utility billing, and financial reporting.

This position will also assist the Project Coordinator in gathering, disseminating and communicating information that will be critical for a successful implementation.

Interdepartmental Impacts:

While financial software is mainly used by Financial Services, the information contained in it is utilized by every department in the Township.

Financial Impacts:

Capital Budget (2024) \$200,000.00

MNP Digital - SylogistGov

Implementation and Annual Licensing (Year 1)	\$222,479.00
Plus H.S.T.	\$28,922.27

Sub total	\$251,401.27
Less H.S.T. rebate	(\$25,006.64)
Total	\$226,394.63

\$226,394.63

Additional Staff Resources – 2 Years Total (All-in)

Project Coordinator/Business Analyst	\$209,880.00
Financial Specialist	\$192,850.00
Staff Equipment (Computer & Accessories)	\$3,500.00
Total	\$406,230.00

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Grand Total

\$632,624.63

Additional Funding Required

(\$432,624.63)

As mentioned earlier, it is anticipated that this project will be implemented over a two-year period. The 2024 Budget has \$200,000, however based on year-one licencing and implementation costs as well as additional staff support required additional funding of \$435,624.63 will need to be included and phased in over the 2025 and 2026 IT Capital Budgets.

Community Strategic Plan Impacts:

The purchase and implementation of a new financial software solution supports the direction to “Maintain an innovative customer service focus” by ensuring the Township has a reliable and robust system for financial integrity which also has the capability to provide citizens with access to their property and utility account information.

Conclusion:

Based on the review and evaluation process noted above, Staff recommends the purchase and implementation of MNP Digital’s SylogistGov financial software solution and to hire two full-time contract staff to assist with the implementation.

Attachments:

None.