



CITY OF DETROIT
OFFICE OF THE CHIEF FINANCIAL OFFICER

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CFO DIRECTIVE No. 2018-101-19

SUBJECT: Enterprise Resource Planning Governance Policy
ISSUANCE DATE: October 10, 2018
EFFECTIVE DATE: October 10, 2018

1. AUTHORITY

- 1.1. State of Michigan Public Act 279 of 1909, Section 117.4s(2), as amended by Public Act 182 of 2014, states the chief financial officer shall supervise all financial and budget activities of the city and coordinate the city's activities relating to budgets, financial plans, financial management, financial reporting, financial analysis, and compliance with the budget and financial plan of the City of Detroit ("City").

2. OBJECTIVES

- 2.1. To establish the governance and administrative policy for utilization of an enterprise resource planning (ERP) system at the City of Detroit.

3. PURPOSE

- 3.1. To ensure optimal identification, implementation and utilization of an ERP system which is designed to enhance the efficiency of City financial, technical and operational activities.

4. SCOPE

- 4.1. This CFO Directive applies to all users of the City of Detroit ERP system.
- 4.2. This CFO Directive applies to all users of 3rd-party software with financial functionality in active or potential use.
- 4.3. This CFO Directive governs all other Office of the Chief Financial Officer policies which involve an ERP system in active—or being evaluated for potential—use by the City of Detroit.

5. POLICY

- 5.1. Governance of an ERP system in active—or being evaluated for potential—use by the City of Detroit is provided by the ERP Executive Team.
- 5.2. The Executive Team has final authority on all ERP matters.
- 5.3. All current and future functionality provided by an ERP system in active—or being evaluated for potential—use by the City of Detroit must be reviewed by the ERP Executive Team and/or its designee.
 - 5.3.1. The ERP Executive Team must expressly authorize any decision to not utilize available ERP functionality via written and/or electronic communication.
- 5.4. All software platforms in active—or being evaluated for potential—use by City departments/divisions/component units that are not core to the ERP system (3rd-party

software) must be evaluated for replacement by and/or integration with the City's active and/or potential ERP system.

5.4.1. All effort should be made to utilize existing or anticipated ERP functionality in lieu of using 3rd-party software.

5.4.2. Any 3rd-party software in which financial functionality (e.g. billing, collecting, customer financial data, etc.) is—or is anticipated to be—used must be reviewed and decided on by the ERP Executive Team and/or its designee(s).

5.4.3. The ERP Executive Team must expressly authorize any decision regarding replacing and/or integrating 3rd-party software and the City's ERP via written and/or electronic communication.

5.5. Access to the ERP shall be granted through a role assignment process which is optimized for automation and based on:

5.5.1. The functional job title of the requesting party;

5.5.2. The ERP functionality required to successfully perform the duties of the title as prescribed in its job description and/or applicable standard operating procedures; and

5.5.3. Successful completion of prerequisite tasks authorized by the ERP Executive Team.

6. RESPONSIBILITIES

6.1. The ERP Executive team provides oversight and guidance on all ERP matters.

6.2. The ERP Project Management Office:

6.2.1. Serves as an extension of the ERP Executive Team.

6.2.2. Manages ongoing technical and functional ERP activities.

6.2.3. Advises the ERP Executive Team of status on all ERP activities and recommends ERP Executive Team decisions on strategic, administrative and operational matters pertaining to the active and/or potential ERP system.

6.2.4. Provides oversight to any vendor providing administrative, technical and/or functional services to the active and/or potential ERP system.

6.3. City Module Process Owners:

6.3.1. Manage ongoing activities for the particular ERP module(s) to which they are assigned.

6.3.2. Provide oversight and guidance to Summary Process Owners and Subject Matter Experts (SMEs).

6.3.3. Work with the PMO team, Summary Process Owners, SMEs and/or other relevant parties to ensure the optimal utilization of the module(s) to which they are assigned.

6.3.4. Shall be a Deputy Chief Financial Officer—or functional equivalent—unless otherwise approved by the CFO.

6.3.4.1. The CIO—and any other authorized ERP Executive Team member—is responsible for designating individuals to fulfill this role for non-financial aspects of an ERP system.

6.4. Summary Process Owners:

6.4.1. May be designated by the City Module Process Owner responsibility to perform certain tasks related to the ongoing activities for the particular ERP module(s) to which they are assigned.

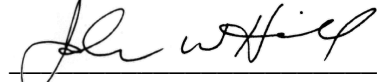
6.4.2. Provide oversight and guidance to Subject Matter Experts.

7. DEFINITIONS

7.1. ERP Executive Team: The ERP Executive Team consists of the Chief Financial Officer (CFO) and the Chief Information Officer (CIO)—or their functional equivalents—as well as any member(s) authorized to the ERP Executive Team by the CFO and CIO.

7.2. Module: A self-contained application within a ERP system that accomplishes a specific financial or operational function (e.g. Fixed Assets).

APPROVED



John W. Hill
Chief Financial Officer, City of Detroit