3. Current State

3.1. Overview

This section evaluates SRTA's current ERP configuration environment related to the following functional areas:

- General Ledger
- Budget
- Procurement
- Project Management
- Contract/ Grant Management

The analysis is based on the results of interviews with SRTA stakeholders, vendor demonstrations and analysis of industry research by an independent organization.

3.2. Current ERP System Environment

SRTA implemented Microsoft Dynamics Great Plains (GP) ERP system in 2006. SRTA's system is operating on version 10.0, a version behind the most recent release, version 11.0 (commonly referred to as version 2010). GP is a midmarket Tier Two business accounting/ERP software package that was originally developed by Great Plains Software, an independent company located in Fargo, North Dakota, that was acquired by Microsoft in 2001. GP is one of four ERP's that now share the Microsoft Dynamics Business Solutions brand.

In April 2008, House Bill 1019 was signed into law establishing the Georgia Transportation Infrastructure Bank (GTIB) within the State Road and Tollway Authority. The GTIB is a revolving infrastructure investment fund which operates similar to a bank tasking SRTA with the responsibility of administering loans and grants to eligible state, regional, and local government entities to fund eligible transportation projects including administering grant money for specific programs related to transportation. When the current Microsoft Dynamics (GP) configuration was initially implemented, SRTA did not hold the responsibilities of administering loans and grants. As a result, the initial implementation did not contain the complete Microsoft Dynamics GP module set that would provide some, but not all of the functionality required to administer grants and loans through the ERP system.

In addition to the new responsibilities created with GTIB, SRTA incurred additional growth and workload through the following recent projects:

- **I-85 Express Lanes –** The project converted approximately 16 miles of the existing High Occupancy Vehicle (HOV) Lanes to High Occupancy Toll (HOT) Lanes on I-85 Old Peachtree Road to Chamblee Tucker Road. The Express Lanes project is part of an $110,000,000 Congestion Reduction Demonstration Program grant awarded to the Atlanta region by the United States Department of Transportation. As of June 30, 2012, $22,680,166 has been invested in capital assets relating to this project by SRTA. This investment was primarily funded with contributions provided by GDOT from State of Georgia general obligation bond proceeds.

- **I-75 Northwest Corridor –** The project will involve the addition of reversible Express Lanes along I-75 and I-575 in Cobb and Cherokee Counties. The Project will include two lanes on the outside of the existing General Purpose Lanes along I-75, between I-285 and I-575. The two reversible tolled Express Lanes will consist of a mix of roadway at-grade, on walls, and elevated highway. In addition, one reversible tolled Express Lane will be added along I-75 between I-575 and Hickory Grove Road, as well as along I-575 to Sixes Road. These lanes will be at-grade and located in the median along the inside of the existing General Purpose lanes. Access to the Express Lanes will be provided by Express Lanes interchanges on I-75 and slip ramps on I-575. Express Lanes interchange access points are proposed along I-75 at I-285, Terrell Mill Road, SR 3 Connector/Roswell Road, I-575 at Barrett Parkway, and Hickory Grove Road. Three pairs of slip ramps are proposed on I-575 at Barrett Parkway, Shallowford Road, and Sixes Road. The exact location of the slip ramp locations differ for southbound and northbound access. The southbound slip ramps only allow vehicles to enter the reversible-lane system and northbound slip ramps only allow vehicles to exit the reversible-lane system. Reversible ramps providing connection to and from I-285 general purpose lanes are also part of the proposed improvements.

- **I-75 South Express Lanes** –The project will include reversible barrier-separated Express Lanes along southbound I-75 and I-675 in Henry and Clayton Counties. The Project's Express Lanes system will begin at the I-75 Bridge over SR 155/McDonough Road and will consist of one reversible Express lane. Approximately 1-mile south of Mt. Carmel Road, the reversible Express Lane will transition from one to two reversible Express Lanes. Two reversible Express Lanes continue along I-75, ending just south of the I-75 southbound ramp from SR 138/Stockbridge Highway. From the I-75/I-675 Interchange, the Express Lanes continue along I-675 and end at SR 138/Stockbridge Highway. The Express lanes will be variably/dynamically tolled. Primary direction flow will be northbound in the am, and southbound in the pm. The weekends will be northbound. The I-85 Express Lanes, I-75 Northwest Corridor, and I-75 South Express Lanes projects require SRTA to manage and track the allocation of multiple fund sources for the individual tasks within each project. Additionally, SRTA's various federal awards and bond agreements require the appropriate segregation of revenues and expenses within specific projects. The increased growth and workload incurred by the I-85 Express Lanes, I-75 Northwest Corridor, and I-75 South Express Lane projects have heightened the need for increased automation through workflows and additional unique public sector functionality for SRTA's ERP system to meet the increased demand.

At the time of implementation of the current configuration of Microsoft Dynamics (GP), SRTA did not have the current workload and did not require the unique public sector functionality of managing and tracking multiple fund sources by project. As a result, available workflow modules provided by Microsoft Dynamics (GP) were not acquired and implemented resulting in increased manual processes to meet the demands of the increased workload. Additionally, the functionality needed to manage and track multiple fund sources for projects was not needed at the time and therefore was not included in the evaluation and selection of the current ERP system resulting in a system that does not provide this functionality.

SRTA staff have increasingly developed shadow systems (Excel spreadsheets) to perform financial and accounting functions resulting in time-consuming and duplicative manual processes that decrease productivity within the organization. These workaround alternatives address immediate needs, but create increasingly disparate data repositories that ultimately decrease reporting capabilities, create opportunities for errors during duplicate manual data entry, and decrease productivity. Limited automation reduces access to real-time data that could be used to make real-time enterprise-wide decisions on operations or strategic initiatives. As a result, the ability to generate financial or operational reports is often dependent on a few select accounting or IT staff within SRTA resulting in the loss of resources that would otherwise be spent focusing on other work.

3.3. Summary of SRTA Business Requirements

The organization independently interviewed key SRTA stakeholders across multiple functions and identified key business requirements for the following functional areas:

- General Ledger
- Budget
- Procurement
- Project Management
- Contract/ Grant Management

The following exhibit identifies SRTA's Business Requirements; items are not listed in any particular order.

Exhibit 3.1

SRTA ERP Business Requirements
Ability for users to enter requisitions; ability for budget to be encumbered when the requisition is entered
Ability to provide automated workflows for PO Process
Ability to rollover past year POs (encumbrance)
Ability to track and log audit trails
Ability to perform grant management functions: including initiation, tracking, budget, etc.
Ability to track grant allocations from SRTA to agencies and grant allocations received
Ability to receive 24/7 help desk support
Ability to provide digital document imaging, library and document repository
Ability to track multiple budgets and provide entire SRTA staff the ability to view real time budgets
Ability to set controls at the account (user) and field level
Ability to automate procurement solicitation process
Ability to perform automated bank reconciliation
Ability to perform cash flow Management
Ability to create and provide FRX reports to SRTA Staff
Ability to roll up multiple general ledgers into one master GL
Ability to perform standard general ledger actions
Ability to perform contract management (track project budget, timing, milestones)
Ability to perform project time and expense reporting/tracking
Ability to set key performance indicators and provide benchmarking reporting
Ability to perform receivables management
Ability to perform project accounting
Ability to provide budget vs. actual reports on a monthly and year-to-date basis, by fund and in summary
Ability to produce query reports by transaction type, date, user ID, account, fund or other appropriate selection criteria
Ability to run year to date G/L audit trails by account, fund or in summary
Ability to run budget vs. actual income statement that includes YTD expenses and YTD encumbrances (which includes all items requisitioned)
Ability to have fields in the vendor master file that are used to identify types of vendors (i.e., state contract vendors or DBEs etc.)
Ability to identify vendor as LLC, S Corp, etc.
Ability to run current and to-date audit trail by project
Ability to appropriately segregate duties with user roles
Ability to manage approval of "draw down" on PO/task orders electronically
Ability to manage approval process to increase and decease task orders electronically
Ability to track short pays and retainage by vendor
Ability to source cradle to grave: i.e., automated requisition, encumbrance, solicitation, evaluation, notice of intent to award and notice of award, then contract management process

3.4. Summary of Current State

The independent organization conducted interviews with project decision makers and staff, performed analysis and conducted system walk-throughs with appropriate SRTA staff to understand SRTA's current ERP configuration environment and SRTA's current business needs.

Organizational Observations

Below are organization-wide findings identified during the Needs Assessment.

Multiple modules of Microsoft Dynamics GP were not purchased nor implemented in 2006

The independent organization identified areas where GP functionality exists (in the marketplace), but was not purchased by SRTA when GP was implemented in 2006. The modules not purchased that would assist in automating some of the desired business requirements include:

- Electronic Bank Reconcile with Cash Management
- Audit Trails
- Encumbrance Management
- Business Portal
- B.I.: Analysis Cubes and Smart List Builder
- FRx Forecaster
- Extender
- Project Accounting with Time and Expense

SRTA currently performs many workarounds and multiple work steps to achieve similar results as some of the automated modules listed above.

Inefficiencies due to redundant data entry and manual processes

SRTA's current ERP configuration does not provide all of the current functionality desired. Many SRTA staff have created a reliance on desktop applications like Excel. This inevitably results in inefficient business processes with redundant data entry efforts because information is taken out of one application (e.g., Excel) and entered into the ERP system. The organization and formatting of data thus becomes time and labor intensive.

Lack of an effective method of tracking key information has led to the implementation of manually intensive stand-alone "shadow" systems and processes

The independent organization identified different areas of limited automation within SRTA's current ERP configuration that restrict access to critical enterprise information for decision-making. SRTA currently utilizes many stand-alone methods consisting of spreadsheets, which frequently require manual effort to maintain. Because these shadow systems lack access to key reference data within the ERP system and do not contain user-level controls or key business rules, they increase the potential for input and processing errors.

Lack of user-friendly interface and reporting

SRTA's current ERP configuration does not provide end-users with an intuitive and integrated experience across common transactions. End-users across business areas stated that SRTA's current ERP system configuration environment is cumbersome and not user friendly. SRTA staff also expressed challenges creating customized ad hoc reporting and the need to rely on individual staff experts and the IT department to develop customized reports. Customized reports are currently being fulfilled outside of the current ERP system with stand-alone systems (e.g., Excel) mainly by SRTA's comptroller, budget manager and project manager, requiring a significant manual effort.

Key public sector functionality not met by current system

A common theme the independent organization identified during interviews, observations, and functionality analysis is Microsoft Dynamics GP does not meet all of the complexities that are unique to the public sector including grant management, tracking of multiple fund sources for projects, contract management, and public sector accounting reporting. Microsoft indicated that there are specific ERP systems specifically designed for the public sector, which does not include Microsoft Dynamics GP as the system designed to meet public sector functionality.

Key Functional Areas Observations

SRTA's current configuration of Microsoft Dynamics GP system enables SRTA to perform basic financial functions, but does not meet all of SRTA's desired business requirements for the following functional areas:

- General Ledger
- Budget
- Procurement
- Project Management
- Contract/Grant Management

The exhibit below describes current state observations and opportunities for each of the functional areas.

Exhibit 3.2

Functional Area	Current State Observations	Opportunities
General Ledger	• ERP modules are not fully integrated with a lack of automated workflows to connect other processes (e.g., budgeting, procurement) to the GL • Strong reliance on manual shadow tracking applications (Excel) resulting in dual entry and validation for all transactions • Limited properly configured internal controls including access rights (by role)	• Full integration among ERP modules • Single data entry and reduction in manual processes • Employee self-service • User-friendly, user-driven and flexible reporting tools with distributed, securitized access to all users • Real-time updated financial data • Elimination of paper based processes and replacement with automated online workflows and approvals

Functional Area	Current State Observations	Opportunities
Budget	• Manual process (lack of automated workflow) for setting, maintaining, and tracking budget • Reliance on shadow applications to track in parallel with existing ERP and manual processes • Lack of integration with financial modules • Properly configured internal controls including access rights (by role) • Unable to track budget changes by user type, account, or actions • Budget reporting is not setup in the ERP • Encumbrances are not carried over from fiscal year to fiscal year	• Improved and streamlined decision making • Clearer alignment with SRTA strategic plan • Enable audit tracking to show administrator user changes • Ability to have encumbrances carry over to a new fiscal year while only moving over the remaining budgeted funds available
Procurement	• Manual entry and validation of vendor information resulting in inconsistent and non uniform vendor information • Manual process (lack of automated workflow) for solicitation requisition, encumbrance, evaluation, notice of intent to award and notice of award, and contract management • Limited properly configured internal controls including access rights (by role)	• Streamlined procurement processes • Improved vendor management • Integrated tracking system and status updates • Ability to automate procurement process • Ability to align encumbering of funds to business rules
Project Management	• Limited visibility of real-time project budgets causing repeat manual verification with accounting staff • Limited ability to utilize the ERP to track projects resulting in an inability to produce reports indicating the different funding sources including amounts for each project • Limited time reporting at the project level (unable to track staff hours spent on particular projects) • Lacks automated change order tracking creating a cumbersome error prone manual process • Limited audit trail tracking by project capability	• Support for project management and budgeting throughout the project life cycle: WBS, milestone tracking, task assignments, budget control, deliverable specification • Accurate tracking of time reporting and audit trials at the project level • Increased controls over project status
Contract/Grant Management	• Manual processes (lack of automated workflow) for tracking compliance and grant reporting resulting in manual spreadsheet tracking	• Streamlined contract and grant management processes • Improved contract lifecycle management • Improved transparency and accountability for grant management and grant reporting