



CITY OF HOUSTON

Finance Department

Interoffice

Correspondence

To: Budget and Fiscal Affairs
Committee

From: Kelly Dowe, Director ^{KD}
Finance Department

Date: November 7, 2011

Subject: **SAP Project Systems Enhancement
(Capital Improvement Plan Module)**

The purpose of this memorandum is to summarize an upcoming project to support the City's Capital Improvement Program (CIP). A specific Request for Council Action is expected to be brought before Council in mid-November.

The SAP Project Systems Module being configured by the City's Enterprise Resources Planning (ERP) team, with technical support from outside contractors, will allow us to improve project management processes and practices, while centralizing capital program budgeting, planning, reporting and asset information. In addition, we will have the ability to create custom forms that will help us build the Capital Budget Book more efficiently and allow us to expand the budget book to encompass all capital spending within the City, including equipment, technology, and TIRZ. We will also be able to develop custom reports to help better manage projects and spending.

The SAP Project Systems Module will allow us to use SAP to develop useful reporting and allow for more accurate forecasting. The system will improve asset condition reporting and advance citywide planning capabilities. This process change will affect all departments involved in capital programs. The project cost is estimated to be \$130,000 and the expected completion date is in late July of 2012.