

General Questions

Q: Why are the existing JDE and CIS Infinity software systems being replaced?

A: Over the past several years, members have increasingly expressed frustration with JDE's HR module and the need to utilize a number of third-party add-ons to make the software operationally viable. There was a strong desire to bring in a modern application that can meet members' everyday needs and position ourselves better for the future.

Similarly, the CIS Infinity application is two major versions behind its latest software version which require a significant change to all participating members. In addition, the entry price point for this application was cost-prohibitive for most local governments and we haven't been able to secure a new member participant in ten years.

Q: Is there a sunset (end-of-life) date for the existing JDE or Advanced Utility System software?

A: No, neither solution has not announced an end-of-life date. However, these systems no longer reflect the vendor's preferred solution which means they're unlikely to get any significant upgrades or enhancements moving forward, other than those that are required to meet federal or state-mandated requirements and to address data security concerns.

Q: Why is a 10-year commitment necessary?

A: LOGIS Staff negotiated a 10-year price commitment to provide the membership with greater certainty over the expected minimum life of the new systems. This not only resulted in a lower overall cost to the membership, but it allows a lower entry price point for prospective members to join LOGIS and reduce overall costs moving forward.

In the absence of a 10-year commitment, vendors will re-price (i.e. increase) their offering and reduce the price guarantees. This will significantly reduce our ability to control long-term costs.

Q: How long will we continue to pay the 'old' pricing for the legacy systems compared to the 'new' pricing for Oracle and Sprypoint?

A: You will continue to pay for the existing legacy systems and their price points (*see the 2023 budget amounts depicted in the ERP Member Letter dated August 17, 2022*) until you fully migrate to the new applications. At that time, you will begin paying the costs for the new systems. Keep in mind that if you decide to continue storing and accessing your financial, payroll, and HR data in Hubble (JDE add-on); we will need to continue charging you for that.

2022 ERP and Utility Billing Software FAQ's

Q: What cash reserves does LOGIS have for system development charges?

A: We currently have approximately \$1.7 million in system development charges for the ERP and utility billing software systems, and they are available to help offset some of the costs of migrating to the new systems.

LOGIS Staff recommend that the funds be used to pay for limited-term employees to help with supporting legacy software systems which will allow on-going employees to focus on member implementations and supporting the new systems. Further discussions with the members will be needed to determine if other uses of the funds would be appropriate at this time.

Pricing & Cost Questions

Q: How will the existing costs change as members migrate to the new system or away altogether?

A: Each year, LOGIS will recalculate the costs depending who remains on the legacy systems and who has migrated to the new system. If we experience a net loss of members, those members' costs will be redistributed proportionally to the remaining members. Alternatively, the members could request a reduction in support to keep their costs unchanged.

Q: What happens to the pricing if some members choose to leave LOGIS?

A: The pricing is based on all existing members migrating to the new systems. If some choose not to migrate, the pricing could be negatively impacted as the vendor would no longer have the same financial certainty. However, we do not know how many could leave before the pricing is impacted. This is why each member organization is asked to commit by November 15 in order for us to lock in the prices.

It is our hope that if a few existing members do choose to leave, that we can bring new members in to replace them. We currently have about a half-dozen agencies that have expressed an interest in potentially joining LOGIS when the new systems are available.

Q: What happens if new members join after we implement the new system?

A: Once the new system is fully implemented a new pricing model will be in effect. Each new member would be asked to pay their proportionate share and the costs could drop for all other participants holding all other factors constant.

Q: What is included in the LOGIS costs?

A: LOGIS costs include all software support and training. This includes all personnel and a proportionate amount of overhead costs for the ERP application. These costs are expected to rise at an inflationary amount each year, unless members request a different level of service.

Q: What are the support costs per call/ticket?

A: LOGIS support costs are based on each member's proportional amount of utilization (i.e. transactions and FTE's) as defined in current cost allocation method. You are not charged per call/ticket.

Q: How does the vendor pricing compare to their open market price?

A: The pricing we received are based on negotiated volume-discounted pricing based on our existing members. There is no way to determine what the 'market' price will be for an individual member agency, because the individual circumstances would be different.

Software-as-a-Service (SaaS) Questions

Q: What is included in the vendor's SaaS costs?

A: The annual SaaS costs includes software licensing, enhancements & upgrades, and data hosting. The vendors have not provided a breakdown between these cost categories.

Q: When do we start paying SaaS costs?

A: Your annual SaaS costs will begin during the year you go live.

Q: What access does LOGIS have to vendor's SaaS environment?

A: None. Unlike our current arrangement with JDE where the software was acquired, the proposed vendor solutions are proprietary and subscription based; and LOGIS does not have access to the source code. LOGIS' access in the new systems will be for data management purposes only.

Q: How often and who is responsible for version upgrades & enhancements?

A: The vendors typically provide quarterly upgrades or enhancements, which will be announced in advanced. Those upgrades and enhancements will be made based on customer input and feedback, federal and state mandated requirements, and data security needs.

Implementation Questions

Q: What is included in the implementation costs?

A: This includes the costs associated with the vendors creating the software templates that will be used to convert your data from the legacy systems into the new ones. It also includes the actual data migration. They represent one-time costs that are separate from the SaaS costs.

Q: When do we start paying implementation costs?

A: Implementation costs are payable at various milestones once the implementation is initiated. The membership has not discussed alternative terms, but LOGIS could borrow money to pay for the implementation in lieu of a direct payment by each member. However, this will require some sort of assessment being levied back against that member which would increase your overall cost.

Keep in mind, that LOGIS does not have the legal ability to issue a debt instrument on its own. A member organization will need to pledge its bond authority for this purpose.

Q: Do implementation costs decrease as LOGIS takes over?

A: No, the implementation costs already factor in the expected labor sharing distribution between the vendors and LOGIS. The vendors will be taking the lead on the first cohort of installs with LOGIS assuming a greater role in subsequent installs.