



# CITY OF HOUSTON

Finance Department

Annise D. Parker

Mayor

**To:** Council Members

**From:** Kelly Dowe, Director <sup>KD</sup>  
Finance Department

**Cc:** Mayor Annise D. Parker

**Date:** January 9, 2012

**Subject:** SAP Accounts Receivable (AR) Rapid  
Marts and SAP AR Project Interfaces

The purpose of this memorandum is to inform Council of an upcoming Request for Council Action (RCA) for an ordinance authorizing the appropriation of funds for software licenses and implementation services. The funds will be used to purchase and implement the SAP Business Objects Accounts Receivable and Sales & Distribution Rapid Marts and SAP AR Project Interfaces. The requested appropriation amount is \$186,050.00 out of the Miscellaneous Capital Projects/Acquisitions Commercial Paper Series E Fund (Fund 4039).

The citywide Accounts Receivable and Collections (ARC) project provides updates monthly to the Council Budget and Fiscal Affairs Committee including updates on the SAP AR Implementation Project (Phase 1 Pilot implementation of the SAP AR and Sales modules in HDHHS is now live). This appropriation is to fund Phase 2 of the SAP AR Project, which includes the technological infrastructure (data warehouse, reporting services, and system interfaces) needed to support the citywide ARC project and SAP implementation.

The total funding requested for appropriation is \$186,050.00, broken down into three parts:

- The licenses and support for both Rapid Marts is offered to the City at a 50% discount for a total of \$106,750.00
- The consulting services for a turn-key Rapid Marts implementation (installation, customization, and knowledge transfer) are \$64,300.00
- The system interfaces for the SAP AR Project at the Health Department are \$15,000.00.

The Rapid Marts software provides the City a data warehouse for storing, reporting, and analyzing information that the City owns, but currently is not able to access without significant cost and manual intervention.

For revenue streams with information currently stored in SAP, the Rapid Marts provide out-of-the-box reporting and the ability to easily customize and create new reports. Accounts receivable, sales, and revenue systems that are later interfaced to SAP will automatically flow into this data warehouse and reporting umbrella.

Finally, the data warehouse is also structured so we can transfer or interface data in from other systems that are not in SAP to be analyzed from a Citywide perspective, including data from third party collections vendors.