



Atlanta Public Schools

Lawson ERP Post Implementation Audit

Background

- APS has used the Infor Lawson software to manage Human Resource and finance activities since 2002.
- The Lawson Implementation/Upgrade project was started (2015) because the existing system's hardware and software was outdated, obsolete, no longer supported by the vendor or security updates could no longer be applied.
- The project moved the on-premises version 9 of Lawson S3 ERP system (GHR and Finance modules) to the Cloud version 10 Infor/Lawson S3 ERP System.
- Project timeline indicated all project activities would take 28 weeks and be completed by July 2017.
- The initial expectation for the S3 implementation was a "lift-and-shift" (migrating the application and associated data to the Cloud with minimal or no changes). The APS Project Team learned there were over 700 customizations that had to be addressed prior to moving to the new application version. APS evaluated these customizations and coded approximately 600 of these into the new environment.
- Subsequent to the start of the project, Infor introduced new environments: Cloud and CloudSuite. Within the CloudSuite environment there are two options: single and multi-tenant. The APS implementation was to the single tenant cloud version, version 10.
- The next available version (version 11) is a multi-tenant cloud environment where no customizations are permitted. It is expected that APS will be required to move to the multi-tenant environment within the next 2-3 years. APS customizations will need to be removed prior to this change.

"The current version, 9.0.1.12.204 is substantially outdated and an upgrade would be required for APS to take advantage of the functionality required to support the strategic business need of the District."

- Project Charter



Roll-Out Phases

Phase I	Global Human Resources (GHR) Implementation in the Infor Cloud*
Phase II	Strategic Sourcing, Contract Management, Punch-out & Supplier Order Management Implementation in the Infor Cloud
Phase III	S3 Upgrade & Migration to the Infor Cloud
Phase IV	Lawson Talent Management, Goal Management, Learning and Development and Performance Management, Teacher Contract Pay Administration & Infor Dynamic Enterprise Performance Management (D/EPM) Implementation in the Cloud

* After the GHR implementation, many functions were not operating as expected and some interfaces were not working. In July 2017, APS IT engaged a third-party, RPI, to evaluate the implementation and propose a roadmap for future activities including addressing the issues experienced in the GHR implementation. RPI recommended a GHR stabilization activity and the implementation of the FinPRO V10 Upgrade and Talent Management. RPI recommended the d/EPM & Strategic Sourcing implementation to be put on hold.



Audit Objective

Provide APS with a high level of assurance that APS had effectively managed the activities to implement and upgrade the organization's enterprise resource planning ("ERP") solution. The objectives:

- Determine if the project goals as stated by the Client/Project Sponsor or Owner and the Project Team were achieved.
- Determine if the stated Return on Investment was achieved.
- Determine if the system was implemented with the appropriate security considerations.
- Determine if the PMO process was effective. Was the project completed on time, on budget, and according to specifications and business needs.



Conclusion

Only one of the four audit objectives was confirmed without issue. Audit did not identify any issues regarding the security technologies or the management of these technologies. The Software-As-A-Service (SaaS) provider, Infor, is responsible for many of the security activities and technologies that support the ERP environment. During the audit, APS IT Security was conducting a review of Infor's SOC2 audit report to confirm the necessary security controls were in place and were operating effectively.

Not all project goals were met. Audit procedures were unable to determine if a Return on Investment was achieved as we noted the lack of clearly defined project cost tracking in Issue #2.

The project exceeded the initial implementation schedule and not all intended modules were implemented. In some cases, solutions were not implemented, in other cases alternate solutions were implemented or are currently being pursued.

Number	Observation	Risk Level
1.	Business Processes to select Information Systems to support key business functions and activities were not effective	High
2.	Inadequate Project Budget and Cost Tracking	High
3.	The Disaster Recovery Plan has not been updated to reflect the new implementations	Medium



Observation 1

BUSINESS PROCESSES TO SELECT INFORMATION SYSTEMS TO SUPPORT KEY BUSINESS FUNCTIONS AND ACTIVITIES WERE NOT EFFECTIVE

- A process that defined business requirements and evaluated one or more systems to determine if the selected system provided the functionality to support the business needs and activities was not identified for the Lawson implementation.
- Furthermore, evidence suggests the solution purchased does not adequately meet business needs.
- Evidence of strategic information system planning was not found.



INADEQUATE PROJECT BUDGET AND COST TRACKING

- A program was not established to budget and track the total cost of ownership for the Lawson ERP implementation. As no program was established, project, support, and general IT costs are intermingled with implementation costs.
- The Global Human Resources (GHR) implementation and Financial (S3) Lawson upgrade was funded with SPLOST and general funds, with the most recent implementation activities funded from the overall IT budget.
- In addition, funding for planned future activities, including rolling back customizations needed to move to the required upgrade, has not been approved.



Observation 3

THE DISASTER RECOVERY PLAN HAS NOT BEEN UPDATED TO REFLECT THE NEW IMPLEMENTATIONS

APS has a Disaster Recovery Plan (DRP) that addresses the Lawson system: however, the current version of this plan does not appear to include instructions appropriate for an application in the cloud.

Prior to the completion of the Audit, IT started the process to update the DR and BIA documents.

