Board of Governors Special Meeting
Meeting Materials

January 17, 2020
WSBA Conference Center
Seattle, Washington
FRIDAY, JANUARY 17, 2020

4:00 PM – CALL TO ORDER

PUBLIC SESSION

☐ FY20 BUDGET REQUEST: BUDGETING SOFTWARE

4:15 PM - ADJOURN
TO: WSBA Board of Governors
FROM: Dan Clark, Treasurer
DATE: January 16, 2002
RE: Budget and Planning System

ACTION: Approve the attached project as proposed by the Budget & Audit Committee.

Attached is a project proposal for implementing a Bar wide budgeting and planning system. This system developed by the company Adaptive Insights is an off the shelf system that will allow WSBA to streamline its current budget process, develop forecasting capabilities and enhance our reporting to both the BOG, the B&A Committee and most importantly to the operators of the business. The project includes a payback of under 12 months with both hard savings obtained through the more rigorous budgeting and planning practices as well as soft savings in productivity across WSBA.
BUDGET AND FORECAST TOOL

Adaptive Insights
EXECUTIVE SUMMARY

Elevate the role of finance to be more strategic:

• Free up finance capacity to focus on analysis vs. data prep
• Improve engagement of end users in planning
• Accelerate planning & reporting cycle times by at least 50-70%
• Makes performance data more trusted, granular, and accessible for end-users

Accelerate decision making:

• Enhance visibility into performance
• Strengthen continuous planning motions and forecast accuracy

Deliver on-demand what-if analytics to support operational and strategic decision making
TOP BUSINESS ISSUES

• Increased Focus On
  • Forecast Accuracy
  • Improved Guidance
  • Validate Controls

• Organization Wide Initiative to Reduce Costs/Improve Profitability

• Board and CXO Driven Initiative to Improve Business Agility, Efficiency, and Governance Across Finance and the Organization
TOP CHALLENGES

• Finance Capacity is Stuck in Data Aggregation and Validation

• Current Budget Process Takes too Long Forecasting is Non Existent

• Excel Based Planning is No Longer Scalable

• Legacy Planning Process Never Documented and Can’t be Replicated

• Challenges with Data Accuracy, Multiple Versions of the Truth and Inconsistent Data

• Collaboration and Accountability of the Plan with Finance Is Less Than Optimal
PROPOSED SOLUTION

• Easy to Use Tool That can Drive Adoption for Finance and Non-Finance Users
• Integrated to Import Data From Our Source Systems (G/L, ERP, CRM, HR)
• Flexible and Scalable Solution Adaptable to the Changing Needs of the Business
SELECTION PROCESS

• We Evaluated 3 Systems
  • Centage
  • Jedox
  • Adaptive Insights

• Criteria
  • Viability for Successful Implementation
    • 8 to 12 Weeks – Cost – Ongoing Support
  • Complete Suite of Services
    • Budgeting, Forecasting, Planning, Reporting
  • Ease of Use for Both Finance and Non Finance Personnel
  • Cost/Value Proposition
### PRODUCT COMPARISON

<table>
<thead>
<tr>
<th>CRITERIA</th>
<th>Centage</th>
<th>Jedox</th>
<th>Adaptive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price</td>
<td>$84,000</td>
<td>$96,000</td>
<td>$93,000</td>
</tr>
<tr>
<td>Functionality</td>
<td>4.0</td>
<td>4.5</td>
<td>4.5</td>
</tr>
<tr>
<td>Ease of Use</td>
<td>4.0</td>
<td>4.0</td>
<td>4.5</td>
</tr>
<tr>
<td>Customer Support</td>
<td>4.5</td>
<td>4.5</td>
<td>4.5</td>
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<tr>
<td>Features and Functionality</td>
<td>4.0</td>
<td>4.4</td>
<td>4.5</td>
</tr>
<tr>
<td>Value for Investment</td>
<td>4.2</td>
<td>4.4</td>
<td>4.6</td>
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</tbody>
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All values represent 3 year commitments plus 1st year fixed cost for implementation and 17 total seats.
Scores represent both internal evaluation and industry benchmark from current users.
## ROI ANALYSIS

<table>
<thead>
<tr>
<th></th>
<th>Conservative</th>
<th>Pragmatic</th>
<th>Aggressive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance Productivity</td>
<td>$ 101,250</td>
<td>$ 151,875</td>
<td>$ 202,500</td>
</tr>
<tr>
<td>Business User Productivity</td>
<td>$ 27,417</td>
<td>$ 36,556</td>
<td>$ 45,695</td>
</tr>
<tr>
<td>Cost Control/Margin Improvement</td>
<td>$ 137,200</td>
<td>$ 274,400</td>
<td>$ 411,600</td>
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<tr>
<td>Future Cost Avoidance</td>
<td>$ 84,620</td>
<td>$ 84,620</td>
<td>$ 84,620</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$ 350,487</strong></td>
<td><strong>$ 547,451</strong></td>
<td><strong>$ 744,415</strong></td>
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Productivity improvements are “soft savings”, Cost Control/Margin Improvements are potential “Hard Savings” Cost Avoidance is based on adding one additional head to the finance team.
Our Informed recommendation is to enter into a 3 year commitment with Adaptive Insights.

We are requesting an addition to the 2020 budget of $47,848 ($50,000) for the first year of the 3 year commitment. This amount includes $25K for implementation.