

Packaged Software Selection Kit

Cost/Benefit Analysis

<u>[1]</u> Business Objective	<u>[2]</u> Function	<u>[3]</u> Benefit	<u>[4]</u> Package Contribution	<u>[5]</u> Current Cost	<u>[6]</u> Cost Reduction Factor	<u>[7]</u> Annual Cost Savings
Reduce Data and Application Redundancy	Journal Processing	Decrease manual and clerical functions	Provide on-line access to users and system will automatically derive many values	\$2,000	0.5	\$1,000
		Increase data integrity	Data is entered and maintained in fewer places	\$0	0.5	\$0
		Decreased data duplication	An integrated system allows common information to be stored in common tables that are accessed by multiple systems.	\$0	0.6	\$0
Promote the long-term health of the enterprise	Cost/Financial Reporting	More efficient and productive operations. More timely and accurate reporting.	Information is updated in a real-time fashion thus providing a more accurate view of the business at any point in time. A flexible code block allows for multiple views of information to be collected.	\$0	0.6	\$0
		Improved control	Provide accurate cost data to management to determine the financial position of the company.	\$0	0.3	\$0
		Improved cost management	On-line access to historical cost and commitment information	\$0	0.3	\$0
		Improved ability to forecast and do trend analysis	Decision support integration and PC link provides tools needed to access and analyze information.	\$0	0.3	\$0

Packaged Software Selection Kit Cost/Benefit Analysis

<u>[1]</u> Business Objective	<u>[2]</u> Function	<u>[3]</u> Benefit	<u>[4]</u> Package Contribution	<u>[5]</u> Current Cost	<u>[6]</u> Cost Reduction Factor	<u>[7]</u> Annual Cost Savings
Enhanced comparability and integration of information across business functions and units	Budget planning and forecasting	Increased timeliness and accuracy of budget development	Provide accurate historical information to the budget department for multi-year budgeting. Unlimited budgeting versions support	\$0	0.6	\$0
Automate manual processes	Matching	Reduce manual effort in matching effort	Automatic matching of invoice to statements		0.5	
		10% of inexact matches will be automatically routed	Automate routing of report for inexact matches			
	Adjustments	On-line adjustment				
	Reporting	Increased usage of the systems by all users	A flexible code block allows information to be stored in manner that satisfies many more users (accounting, operations, management)	\$0	0.6	\$0
[8] TOTAL ANNUAL SAVINGS						\$1,000
[9] TOTAL LIFETIME SAVINGS						\$7,000
(Assume 7 year useful life)						

