



August 28, 2009

Imperial Irrigation District

Protecting the flow of progress.

Earlier this week, we began the on-site preparations for the SAP upgrade project. The project will move the IID business system environment from the current use of SAP R/3 4.6c to SAP ERP 6.0.

As most of you are aware, SAP is the information system that is the backbone of almost all of IID's business programs, including budget, materials tracking, purchasing, human capital management, employee payroll, customer service, payment processing and electric rate programs, to name a few.

The overarching goal of the upgrade is to improve business system functionality, expand the technological infrastructure and prepare IID for the future.

Some benefits include a number of business enhancements:

- *improving service to our customers by providing new features to our customer service operations call center;*
- *streamlining the employment recruiting process using web-based technologies provided by the E-Recruitment web application;*
- *improving compensation management functions with E-Compensation management by eliminating manual processes and leveraging web-based technology;*
- *continuing to build and expand the technology base by leveraging the latest web technology available within the SAP environment.*

IID began the upgrade project following a review of the existing IID SAP installation. From there, staff released a request for proposal that was awarded to ACS System Integrators. IID, in partnership with ACS, plans to work through the fall building, testing the system, training and preparing our employees for the new system arrival in December.

Your continued support and assistance with the team in completing this critical project will be greatly appreciated.

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael Campbell".

Michael Campbell
Chief Administrative Officer



Q & A



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What is SAP?

SAP was started in 1972 by five former IBM employees in Mannheim, Germany. SAP states that it is the world's largest inter-enterprise software company and the world's fourth-largest independent software supplier, overall.

The original name for SAP was German: Systeme, Anwendungen, Produkte, German for "Systems Applications and Products." The original SAP idea was to provide customers with the ability to interact with a common corporate database for a comprehensive range of applications. Gradually, the applications have been assembled and today many corporations, including IBM and Microsoft, are using SAP products to run their own businesses.



How does IID use SAP?

Since 1999, IID has used SAP as its primary business support system. SAP maintains a single database that is then used by a variety of business functions via modular software design. Almost all of IID's business programs, including budget, materials tracking, purchases, human capital management, employee payroll, customer service, payment processing and electric rate programs utilize SAP.

Why is IID upgrading SAP?

The upgrade is part of a long-term investment in SAP's business solutions software to optimize IID's business strategies and operational efficiencies. The overall goal of the upgrade is to help improve and expand the technological infrastructure of IID's business system and incorporate new functions not currently existing within the organization.

What are some of the new features IID will gain with the upgrade?

The upgrade will enable new functions within the organization, including:

- *improving service to customers by providing new features to our customer service operations call center;*
- *streamlining the employment recruiting process using web-based technologies provided by the E-Recruitment web application;*
- *improving compensation management functions with E-Compensation management by eliminating manual processes and leveraging web-based technology;*
- *continuing to build and expand the technology base by leveraging the latest web technology available within the SAP environment.*

What are some of the upcoming milestones for the project?

On-site Launch	August 2009
Testing	September – October 2009
Final Preparations	November – December 2009
New System Ready	Mid-December 2009