2024 Capital Improvement Budget
Information Technology Department

(in thousands)

Projects	Bonds	State	Federal	Other	Total
Application Service Life Cycle	-	-	-	100	100
Desktop Lifecycle Management	-	-	-	60	60
Infrastructural Life Cycle Replacement	-	-	-	600	600
SAP Migration to S/4 HANA	-	-	-	3,000	3,000
Total	**-**	**-**	**-**	**3,760**	**3,760**

2024 - 2029 Capital Improvement Program
Information Technology Department

(in thousands)

Projects	Year	Bonds	State	Federal	Other	Total
Management Information Systems						
Application Service Life Cycle	2024	-	-	-	100	100
	2025	-	-	-	100	100
	2026	-	-	-	100	100
	2027	-	-	-	100	100
	2028	-	-	-	100	100
	2029	-	-	-	100	100
		-	-	-	600	600
Desktop Lifecycle Management	2024	-	-	-	60	60
	2025	-	-	-	60	60
	2026	-	-	-	60	60
	2027	-	-	-	60	60
	2028	-	-	-	60	60
	2029	-	-	-	60	60
		-	-	-	360	360
Infrastructural Life Cycle Replacement	2024	-	-	-	600	600
	2025	-	-	-	600	600
	2026	-	-	-	500	500
	2027	-	-	-	300	300
	2028	-	-	-	600	600
	2029	-	-	-	300	300
		-	-	-	2,900	2,900
SAP Migration to S/4 HANA	2024	-	-	-	3,000	3,000
	2025	-	-	-	1,000	1,000
	2026	-	-	-	1,000	1,000
		-	-	-	5,000	5,000
	Total	**-**	**-**	**-**	**8,860**	**8,860**

Application Service Life Cycle

Project ID	IT2024002	**Department**	Information Technology
Project Type	Upgrade	**Start Date**	February 2024
District		**End Date**	December 2029

Community Council

Description

The Information Technology (IT) department is developing an enterprise-wide Application Lifecycle Management Road Map that will help better manage the use of multiple tools by different teams from different locations, enhance real-time collaboration and access to centralized data repository, cross-tool and cross-project visibility, as well as better project monitoring and reporting. The IT department aims to improve our current practices by unifying software development and operation.

The Municipality of Anchorage (MOA) IT department maintains in excess of 100 separate software application on the behalf of MOA departments. Some such as muni.org require a complete architecture rehosting and content migration. The majority of the software requires version upgrades. Others will require consolidation to an enterprise standard and licensing upgrades. Example: Improved Public Access and Constituent self-service portal with a Muni.org rewrite, standardize payment gateways, and document management technologies.

Version 2024 Approved

		2024	2025	2026	2027	2028	2029	Total
Revenue Sources	**Fund**							
Internal Charges to Others	607800 - Information Technology	100	100	100	100	100	100	600
Total (in thousands)		**100**	**100**	**100**	**100**	**100**	**100**	**600**

Desktop Lifecycle Management

Project ID	IT2024001	**Department**	Information Technology
Project Type	Replacement	**Start Date**	February 2024
District	Assembly: Areawide	**End Date**	December 2029

Community Council

Description

Desktop Life Cycle Management - The purchase of new desktop/laptop computers to replace existing Information Technology department computers that have reached end of life.

Desktops and laptops have a 5-year lifespan, according to the Finance Policy & Procedure 24-13, and are depreciated accordingly.

Comments

The operations and maintenance (O&M) costs identified for this project includes the interest for the loans used to fund this project, and the depreciation of the assets once they are placed in service. The depreciation is not appropriated but it will serve as the mechanism for cost recovery via intragovernmental charges.

Version 2024 Approved

		2024	2025	2026	2027	2028	2029	Total
Revenue Sources	**Fund**							
Internal Charges to Others	607800 - Information Technology	60	60	60	60	60	60	360
Total (in thousands)		**60**	**60**	**60**	**60**	**60**	**60**	**360**
O & M Costs								
Depreciation		6	12	12	12	12	6	60
LT Contracts Payable Int		1	3	3	2	1	1	11
Total (in thousands)		**7**	**15**	**15**	**14**	**13**	**7**	**71**

Infrastructural Life Cycle Replacement

Project ID	IT2024003	**Department**	Information Technology
Project Type	Replacement	**Start Date**	January 2024
District	Assembly: Areawide	**End Date**	December 2029

Community Council

Description

Infrastructural Life Cycle Replacement includes 120 buildings and 5 data centers within the Municipality of Anchorage (MOA) that require replacement of outdated enterprise infrastructure that is no longer supported by the manufacturer. Supporting MOA's growing dependency, a proactive approach to lifecycle information technology hardware will include network, server, and storage for enterprise applications. This will provide a foundation to ensure system stability and quality service.

Comments

The operations and maintenance (O&M) costs identified for this project includes computer hardware maintenance costs, the interest for the loans used to fund this project, and the depreciation of the assets once they are placed in service. The depreciation is not appropriated but it will serve as the mechanism for cost recovery via intragovernmental charges.

Version 2024 Approved

		2024	2025	2026	2027	2028	2029	Total
Revenue Sources	**Fund**							
Internal Charges to Others	607800 - Information Technology	600	600	500	300	600	300	2,900
Total (in thousands)		**600**	**600**	**500**	**300**	**600**	**300**	**2,900**
O & M Costs								
Computer HW Maint(MOA/AWWU)		-	60	60	60	60	60	300
Depreciation		-	120	120	120	120	120	600
LT Contracts Payable Int		2	35	30	22	14	8	111
Total (in thousands)		**2**	**215**	**210**	**202**	**194**	**188**	**1,011**

SAP Migration to S/4 HANA

Project ID	IT2024004	**Department**	Information Technology
Project Type	Upgrade	**Start Date**	March 2024
District	Assembly: Areawide	**End Date**	October 2027

Community Council

Description

SAP announced that beginning in 2027, they will no longer support Enterprise Resource Planning (ERP) Central Component (ECC) systems, nor will they support the purchasing / Supplier Relationship Management (SRM) or the human resources / Human Capital Management (HCM) modules; they also made it clear that their business model is to phase out ECC and promote the move for SAP ECC users to SAP suite for High-performance Analytic Appliance (S/4HANA).   S/4HANA is an in-memory, column-oriented, relational database management system developed by SAP.

This project proposes: conversion of our current SAP ECC to S/4HANA, adopt the core functionalities of S/4HANA Self Services Procurement as well as H4S4 to replace HCM or embrace SuccessFactors, develop solutions for missing functionalities such as ROS/SUS, and adapt our current business processes while reducing our customization footprint to facilitate the conversion. The scope of the migration will be extensive and will highlight areas that might need extra attention including but not limited to:
- Study of our current licensing model and financial impact to convert to the S/4HANA licensing model
- Complete a comprehensive readiness assessment/study of our SAP ECC systems
- Data cleansing and archiving
- Rethink, reengineer, and simplify business processes
- Custom codes clean-up and reduction
- Business enhancement requests freeze

Comments

The operations and maintenance (O&M) costs identified for this project includes computer software maintenance and license costs, the interest for the loans used to fund this project, and the depreciation of the assets once they are placed in service. The depreciation is not appropriated but it will serve as the mechanism for cost recovery via intragovernmental charges.

Version 2024 Approved

		2024	2025	2026	2027	2028	2029	Total
Revenue Sources	**Fund**							
Internal Charges to Others	607800 - Information Technology	3,000	1,000	1,000	-	-	-	5,000
Total (in thousands)		**3,000**	**1,000**	**1,000**	**-**	**-**	**-**	**5,000**
O & M Costs								
Computer SW Maint(MOA/AWWU)		-	-	-	750	750	750	2,250
Depreciation		-	-	-	600	600	600	1,800
LT Contracts Payable Int		10	190	150	115	73	20	558
Total (in thousands)		**10**	**190**	**150**	**1,465**	**1,423**	**1,370**	**4,608**