

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL

FROM: DEBORAH LAUCHNER, CHIEF FINANCIAL OFFICER
FINANCE DEPARTMENT
BRIAN TICKER, I.T. SECTION MANAGER, I.T. DEPARTMENT,
BRANDALYN TRAMEL, PURCHASING AGENT, FINANCE
DEPARTMENT

SUBJECT: CONTRACT SECOND AMENDMENT – SUNGARD PUBLIC
SECTOR, LLC

AGENDA ACTION: MOTION

RECOMMENDATION

It is recommended by the Finance and IT Departments that the Council, by motion, approve the Second Amendment to Contract 08-8901 with SunGard Public Sector, LLC, Lake Mary, Florida, that includes an upgrade to existing software in the amount of \$149,050, along with an extension of the term for the maintenance and support of that software for an additional seven (7) years in the amount of \$922,497, which will increase the total compensation payable by the City under the Original Agreement for maintenance fees to a total cumulative amount not to exceed One Million Six Hundred Three Thousand Three Hundred Sixty Five Dollars and Forty Cents (\$1,603,365.40), for a total contract amount not to exceed Three Million Eight Hundred Nineteen Thousand One Hundred Ninety One Dollars and Forty Cents (\$3,819,191.40).

EXECUTIVE SUMMARY

Since August 2010, the City has utilized SunGard Public Sector's Integrated Financial and Administrative Solution ("IFAS") software system to manage the data associated with the City's Payroll / Human Resources / Finance Operations. The IFAS system continues to have widespread use in the City across all departments. IFAS has not been upgraded since 2012 and the software is now operating on a version for which the vendor will no longer provide development support. Upgrading to SunGard's latest version, ONESolution 16.3, will provide the City with current functionality in order to manage core HR, Payroll, and Finance processes, running on a SunGard development-supported version of the software, while also incorporating over 1,280 bug fixes and feature enhancements.

BACKGROUND

On November 18, 2008, the City Council authorized the award of a contract to SunGard Public Sector, Inc., in the amount of \$2,066,776 plus \$649,484 in support and maintenance costs for 7 years, with an additional \$300,000 contingency. This system replaced the existing ADMINS system that had been in use for nearly 30 years, was written in outdated programming language and ran on hardware that was no longer available. On August 31, 2012, Amendment 1 was executed which modified the agreement to include additional software support services in the amount of \$31,384.11.

The City began live use of the IFAS system in August 2010 and performed minor upgrades to the base software in September 2011 and May 2012. Since that time, City staff has made configuration changes, developed dozens of automated interfaces, established new workflows, and developed over one hundred reports, but have not performed any new upgrades to the base software itself. In December 2015, SunGard ended development support of the current version of IFAS the City is running and will only provide bug fixes and enhancements to their more current versions. The latest version of the software, now branded as “ONESolution” (version 16.3), contains over 1,280 bug fixes and feature enhancements since the version of IFAS the City is currently running (version 7.9.9).

The IFAS system continues to have wide use in the City across all departments. Over 250 internal users sign into IFAS each day, on average, with over 900 staff members signing in at least once per month. In addition to providing the core functionality to manage the City’s Human Resources and Payroll processes, IFAS also provides the City with modules for Purchasing, Accounts Payable, Accounts Receivable, Budget Management, Bank Reconciliation, Contract Management, Fixed Assets, Vendor Management, Stores Inventory, General Ledger, and Financial Reporting.

The following phases are included as part of the Statement of Work for this contract amendment:

Phase I – ONESolution Migration

- Installation and Configuration of the latest version of ONESolution software on City servers; including existing IFAS modules, plus Cash Receipts and Click2Gov3
- Migration of data from IFAS platform (version 7.9.9) to ONESolution platform (version 16.3)
- Interface development
- Testing and addressing setup and configuration issues
- Training

Phase II – Cognos / Data Analytics Implementation

- Installation and Configuration of Cognos / Analytics on City servers
- Testing and addressing setup and configuration issues

- Training

PRIOR CITY COUNCIL REVIEW

On November 18, 2008, the City Council authorized the award of a contract to SunGard Public Sector, Inc., in the amount of \$2,066,776 plus \$649,484 in support and maintenance costs for 7 years, with an additional \$300,000 contingency.

ANALYSIS

IFAS is the current Finance / HR / Payroll system in use at the City, but is running on a version for which the vendor will no longer provide development support. Upgrading to SunGard's latest version, ONESolution 16.3 will provide the City with the functionality in use today to manage our core HR, Payroll, and Finance processes, running on a SunGard development-supported version of the software, while also incorporating over 1,280 bug fixes and feature enhancements. Additional process improvements and efficiencies will also include:

- New inquiry screens to quickly obtain and consolidate information from the system
- Streamlined user interface using more current and reliable technology
- New data analytics functionality to enable staff to more easily extract, compile, visualize, and assess data for analysis and decision making
- Improved performance to run jobs in less time
- Improved performance when navigating between records in the system
- Click2Gov portal allowing vendors to log in to see the processing status of their invoices and to update their contact information
- Ability to configure multiple processes to handle workflow tasks (currently, all tasks are handled by one workflow process, sometimes creating a "bottleneck", resulting in delays)
- Payroll Year-end Split functionality – to more easily allocate payrolls spanning over two fiscal years
- Stores Inventory returns via web services – to allow for returning of stores items via mobile handheld units
- Improved functionality for cash receipts and integration with Accounts Receivable
- More tightly integrated Personnel Action Forms (PAF)
- Enhanced security structure to streamline management of user permissions
- Better integration with Microsoft Excel for exporting and analyzing data

Due to the critical nature of the IFAS system, as well as the financial and staff-related investments allocated to this system to date, it must continue to be maintained by staff and run on vendor development-supported software versions.

FISCAL IMPACT

The initial upgrade and implementation of software in the amount of \$149,050 is a one-time expenditure; \$80,000 of which is included in the Fiscal Year ("FY") 2015-16

adopted IT Department budget, and the remaining amount is from unexpended funds that were previously approved for the original IFAS implementation. The ongoing expenditure amount for software maintenance and support is paid annually for seven additional years. The first payment for maintenance and support is included in the FY 2015-16 adopted IT Department budget, and as a regular expenditure, funds to pay the future years' maintenance and support will be included in subsequent fiscal year budget proposals, as it is currently for the IFAS software.

ENVIRONMENTAL IMPACT

Not Applicable. This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not Applicable.

NOTIFICATION

Not Applicable

ATTACHMENTS

- Attachment 1 – Draft Second Amendment

CONTACT

Deborah Lauchner, Chief Financial Officer – Finance, ext. 3089
Brian Tickner, I.T. Section Manager – I.T. Department, ext. 4370
Brandalyn Tramel, Purchasing Agent – Finance, ext. 3706