COUNCIL COMMUNICATION
City Manager's Office

GENERAL INFORMATION

Agenda Date: 6-07-04   Communication No.: 04-253

Agenda Item Type: Resolution   Roll Call No.:

Submitted by: Merrill Stanley, Finance Director
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SUBJECT—
Authorize a contract amendment with Emerging Solutions to provide PeopleSoft support.

SYNOPSIS—
Authorizing the Finance and Information Technology departments to negotiate a contract amendment with Emerging Solutions for ongoing maintenance and support of the City's accounting/financial software system (PeopleSoft). The contract scope includes adding advanced functionality to the Budget Status Report, providing training for the nVision reporting tool, and support for year-end processing. These improvements are necessary in order to keep the PeopleSoft system functioning at a level that will provide maximum benefits to end users.

FISCAL IMPACT—
The cost of the contract, for the Financials (General Ledger, Accounts Payable, Accounts Receivable, Asset Management, Project Costing, Purchasing) applications is $34,000. This amount is a fixed fee bid and is available in the approved CIP budget and Training budget.

RECOMMENDATION—
Approval

BACKGROUND—
On January 27, 2003, Council, following a competitive RFP process, approved a contract with Emerging Solutions to perform the upgrade of the City's PeopleSoft Financials system. This upgrade to the latest version of the software occurred between April 2003 and September 2003. The upgrade took the City from a client/server to a web-based system so that all users can now access the PeopleSoft system from the Internet. On March 8, 2004, Council approved a contract with Emerging Solutions for the continued maintenance of the City's PeopleSoft Financials system.

Since "going live" on the new system in September 2003, Staff has identified additional enhancements that are needed to make PeopleSoft Financials more useful for the casual user. The need for PeopleSoft access to city employees that do not have extensive training in the system is critical as budget accountability is pushed out to various cost centers in the organization. This contract amendment would provide assistance from consultants to further develop a budget status report that will be made available to all employees with budget responsibility. It will also provide for training to more advanced users in the PeopleSoft report writing tool, nVision, and assist with the first year's year-end processes under the upgraded system.

PeopleSoft is an extremely complex application, requiring many years of training and experience to acquire the levels of expertise needed to maintain the City's system. Overtime, two things have influenced Staff's ability to maintain the system. First, the level of technical expertise required to maintain the system continues to grow with the complexity of the system and second, internal staff have had to be reassigned to other enterprise software maintenance to meet critical demands, thereby reducing the internal resources available to support PeopleSoft. As a result, staff is being forced to rely on "PeopleSoft experts" more than in the past.

Emerging Solutions is intimately familiar with the city's current configuration of PeopleSoft and is clearly the best choice to continue to provide the expertise needed to accomplish the desired tasks. The introduction of a new vendor would require a steep learning curve to become familiar with the current system set-up and would not have the knowledge of issues encountered and addressed during the recent upgrade.