



# Request for City Council Committee Action from the Department of Information Technology

**Date:** May 5, 2015

**To:** The Honorable John Quincy, Chair, Ways and Means Committee

**Referral to:** Committee of the Whole

**Subject:** Execute Contract for Financial System (COMPASS) Upgrade

**Recommendation:** Authorize proper City officials to execute all necessary contract documents with Sierra Systems Group, Inc. to provide financial system upgrade services as part of the Enterprise Resource Planning (ERP) Program with:

- a. A term through 2015 and a not-to-exceed amount of \$4,455,000
- b. Customized indemnification terms

**Previous Directives:**

1. November 1, 2013 – Authorization to issue a Request for Proposal for a vendor to provide human resource system (HRIS) upgrade services.
2. December 13, 2013 – Authorization to execute contract documents for the human resource system upgrade.
3. February 6, 2014 – Presentation to the Committee of the Whole to provide general information and background on the ERP Program.
4. February 21, 2014 – Authorization to issue a Request for Proposal for a vendor to provide financial system upgrade services.

### Department Information:

Prepared by: Robert Arko, Contract Administrator, x3984  
 Submitted by: Otto Doll, Chief Information Officer, x3633  
                   Kevin Carpenter, Chief Financial Officer, x3554  
                   Patience Ferguson, Director of Human Resources, x2139  
 Approved by: Paul Aasen, City Coordinator  
 Presenter(s) in Committee: Otto Doll

Reviews	Approval	Date	Not Applicable
• Permanent Review Committee (PRC):	<input checked="" type="checkbox"/>	February 20, 2014	<input type="checkbox"/>
• Civil Rights Approval:	<input checked="" type="checkbox"/>	April 25, 2014	<input type="checkbox"/>
• Policy Review Group (PRG):	<input type="checkbox"/>	_____	<input checked="" type="checkbox"/>

**Financial Impact:** No additional appropriation is required.

### **Background/Supporting Information**

The financial system upgrade project is a component of the larger Enterprise Resource Planning (ERP) Program. The ERP Program consists of upgrades to the human resources system (HRIS), the financial system (COMPASS) and implementation of an enhanced reporting and analytics tool (Cognos).

HRIS and COMPASS are utilized to process and track every City of Minneapolis personnel, payroll, procurement, contracting and financial transaction, and interface with many other City information systems. The overall goals of the ERP Program are to bring the human resources and financial systems up to the most current supported software version (PeopleSoft v9.2), provide more functionality to support the above business processes, increase user ability to work in these systems, and provide more comprehensive access to data for generating reports, supporting analysis and making decisions.

The human resources system upgrade effort began in November 2013 and is currently underway. Through the financial system upgrade project, Sierra Systems Group, Inc. will be engaged to provide work products broken into two primary projects. Project I will focus on installation of the most current version of the PeopleSoft Financial and Supply Chain Management software and examine ways to take fuller advantage of functionality that currently exists within the system while at the same time exploring other functionality the City has not yet implemented to determine value of bringing on-line. Project II will build upon the information gathered in the previous project component and involve all the work necessary to document system architectural plans and functional maps; build out and refine a system proto-type; test, finalize design and implement the system; train end-users; and finally go-live with the final financial system product. The timeline for these activities is May 2014 through June 2015.

### **Request for Approval**

1. Sierra Systems Group Inc. will serve as the system integrator for the financial system upgrade project and provide the professional services for this work effort. The sponsoring departments request authorization for proper City officials to:
  - a) Execute necessary contract documents for the financial system upgrade project to establish a contract with Sierra Systems Group, Inc. through 2015, with a not-to-exceed amount of \$4,455,000.
  - b) Customize indemnification terms: The limitation of liability is the actual fees paid to Sierra Systems during the 12 month period preceding the event giving rise to the claim.

Funding for these services is included in the ERP Program budget and as articulated to the City Council at the 2/6/14 presentation to the Committee of the Whole. Since this is an existing system, on-going maintenance and support is currently funded through General Fund cost recovery allocation model charges.