



Request for City Council Committee Action from the Department of BIS

Date March 21, 2008

To: The Honorable Paul Ostrow, Chair, Ways and Means Committee

Subject: Increase Cognos contract to cover maintenance and support costs over the life of the software and issue amendments for product purchases.

Recommendation Authorize proper city officials to increase Cognos contract C-24267 annually not to exceed \$110,000 per year for the life of the software and amend contract for product purchases.

Prepared by Nancy Larkey, Contract Administrator, 612-673-5494

Submitted by Lynn Willenbring _____, 673-2927
Chief Information Officer

Approved by Steven Bosacker _____
City Coordinator

Presenter in Committee Lynn Willenbring

Policy Review Group Not Applicable

Permanent Review Committee (PRC) Approval – Not Applicable

Financial Impact: BIS will use existing appropriations.

<p>Financial Impact (Check those that apply)</p> <p><input type="checkbox"/> No financial impact (If checked, go directly to Background/Supporting Information)</p> <p><input type="checkbox"/> Action requires an appropriation increase to the Capital Budget</p> <p><input type="checkbox"/> Action requires an appropriation increase to the Operating Budget</p> <p><input type="checkbox"/> Action provides increased revenue for appropriation increase</p> <p><input type="checkbox"/> Action requires use of contingency or reserves</p> <p><input checked="" type="checkbox"/> Other financial impact (Explain): Purchase of budgeting software was approved with other Oracle implementation and product purchases and credit by Oracle allows for purchase of the Cognos products by the Finance department.</p>

Background/Supporting Information

BIS was authorized on June 16, 2006 to execute a contract with Cognos Corporation for Business Intelligence application, training and services up to \$662,805 plus annual support and maintenance over five years which may be purchased on an as-needed basis.

One of Cognos products has been determined to be a better solution for the COMPASS budgeting system than the Oracle application originally considered. The Cognos application is robust and provides a stronger budgeting capability for the City at a lower cost. The financial system team recommends using the Cognos product for budgeting functions. The Cognos authorized contract amount is sufficient to sustain the purchase of \$213,000 except for on-going support and maintenance which costs about 20% of the software application.

Recognizing the evolving nature of Cognos software, newer products may be needed as expanded use of Business Intelligence occurs.

Therefore, BIS recommends that the Cognos contract amount be increased annually for software support, maintenance costs, and minor product purchase not to exceed \$110,000 annually. BIS also requests authorization to execute amendments for the budgeting system application and other products over the next three years that stay within the contract limit.