



## Request for City Council Committee Action from the Department of BIS

Date April 11, 2011

To: The Honorable Betsy Hodges, Chair, Ways and Means Committee

Subject: Oracle Contract Extension for Professional Services for Time & Labor Software Implementation

Recommendation Authorize proper City officials to amend Oracle USA Inc. contract C-24470A to a) increase contract term through September 30, 2011 and b) increase contract amount by \$125,000.

Prepared by Elise Ebhardt, BIS Interagency Coordinator, 673-2026

Submitted by Otto Doll \_\_\_\_\_, 673-3633  
Chief Information Officer

Approved by Steven Bosacker \_\_\_\_\_  
City Coordinator

Presenter in Committee Otto Doll

Policy Review Group  X  Not Applicable

Permanent Review Committee (PRC)  X  Approved 3/31/11

### Prior Related Directives:

- March 30, 2007 City Council authorized to execute a contract with Oracle to furnish related implementation services for financial applications.
- March 6, 2009 City Council authorized extension of Oracle contact for an additional two years and negotiate new pricing.
- April 1, 2011 City Council approved amendment to funding plan for the time and Labor software implementation, to allow for a one month delay to the roll-out of self service to City staff at a cost of approximately \$170,000.

**Financial Impact:** No financial impact to BIS. Human Resources, the Park Board, and MPHA have agreed to fund the additional expenses.

**Financial Impact** (Check those that apply)

- No financial impact (If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Other financial impact (Explain):
- Request provided to department's finance contact prior to the Committee Coordinator

**Background/Supporting Information**

The City currently has a contract with Oracle USA to provide software implementation services for Oracle's suite of products. The contract is set to expire in April 2011 and has a total contract value of \$10,907,492 over five years.

The PeopleSoft Time & Labor module was installed in the Human Resources Information System (HRIS) as part of the City's Financial system Project (COMPASS). The Phase One implementation of the Time & Labor module is nearly complete. The new system, which includes employee self-service and supervisor/manager on-line approval, will eliminate or reduce data entry redundancy and greatly improve consistency of the time entry process, resulting in efficiencies in timekeeping and the associated payroll processes. The departments and agencies included in Phase One are BIS, Human Resources, Finance, Public Works, Convention Center, Minneapolis Park & Recreation Board, and Minneapolis Public Housing Authority.

**Action Requested**

BIS, in partnership with the Finance Department, is requesting to amend Oracle contract C-24470A to a) increase the contract term through September 30, 2011 and b) increase the contract amount by \$125,000 for professional services needed for the Time & Labor project.

The extension will allow the City's project team to continue its work with the Oracle consultants for the Time & Labor software implementation, including work needed during the roll-out ("go live") of Phase One in May, and post-production support services over the next 6 months. In March, the Time & Labor Steering Committee decided to delay the go-live schedule from April to May to ensure a successful implementation.

There is no financial impact to BIS. Human Resources, the Park Board, and MPHA have agreed to fund the additional expenses. The amendment to the Time & Labor project funding plan was approved by the City Council on April 1, 2011, and the contract extension was approved by the Permanent Review Committee on 3/31/11.