



## CITY OF HOUSTON

Office of Business Opportunity

# Interoffice Memorandum

**To:** Marsha E. Murray, OBO Director

**From:** Jamie L. Childress, Procurement Specialist

**Date:** October 5, 2023

**Subject:** Contract # 4600012882  
SAP Public Services, Inc.  
For: Contract with SAP Public Services, Inc. for  
Software Maintenance and Services related to an  
Enterprise Resource Planning (ERP) System  
MWBE Goal Amendment

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On April 27, 2005, City Council approved a contract with SAP Public Services, Inc. (Contract # 4600006180) to purchase software licenses and services to implement the Financial, Procurement, HR, and Payroll modules in a two-phase process. This solicitation originally included a MWBE goal of at least 26.69% of the value of the services portion of the contract. SAP identified three (3) MBE subcontractors for MWBE goal credit participation: Access Data Supply, Inc., GT Global Times, Inc. and Precision Task Group, Inc., who's participation collectively amounted to 18.21%.

Once Phase I was successfully executed, City Council approved a contract with SAP Public Services, Inc. on August 6, 2014 (Ordinance No. 2014-756) to proceed with the implementation of Phase II. The scope of this contract included software maintenance and related professional services for the ongoing implementation of the Enterprise Resource Planning System. Although unsupported, this contract was assigned an MWBE goal of 35.00% at the time of Phase II pursuance. SAP originally identified Sierra Infosys (N/K/A Sierra Digital, Inc.), a certified MBE firm to fulfill their good-faith effort goal participation obligation, but because this phase of the project is primarily concentrated on software maintenance, the scope of work is considered non-divisible in nature and does not lend itself to any subcontracting opportunities. As a result, SAP Public Services, Inc. was obliged to formally remove Sierra Infosys from the project by way of OBO's deviation process on December 21, 2020.

After consideration, the Office of Business Opportunity Department Services has determined that a 35.00% MWBE goal is not applicable for this phase of the contract. The Department may move forward with a 0.00% MWBE goal, as there are no divisible work elements that can be performed collaboratively with the Prime.

X A handwritten signature in black ink, appearing to read "Marsha E. Murray".

Reviewed and Accepted