



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 9/27/2016

ALL

Item Creation Date: 8/25/2016

H25975 - SAP Enhancements, Professional Services, Consulting Services & Support-MOTION

Agenda Item#: 14.

Summary:

OBJECTWIN TECHNOLOGY, INC for approval of spending authority in an amount not to exceed \$162,000.00 for SAP Enhancements, Professional Services, Consulting Services and Support through the Texas Department of Information Resources for the Houston Information Technology Services - Equipment Acquisition Consolidated Fund

This item should only be considered after passage of Item 13 above

Background:

S17-H25975 - Approve Spending Authority for the purchase of SAP Enhancements, various professional services, consulting services and support in an amount not to exceed \$162,000.00 for the Houston Information Technology Services.

Specific Explanation:

The Interim Chief Information Officer and the Chief Procurement Officer recommend that City Council approve spending authority to purchase various professional services, consulting services and support in an amount not to exceed **\$162,000.00** through the Texas Department of Information Resources (DIR) for the Houston Information Technology Services. Additionally, it's also recommended that authorization be given to issue purchase orders, as necessary, to the **DIR Go Direct vendor, Objectwin Technology, Inc.**

The funds will be used towards professional services, products and consulting services to conduct additional testing, develop, train and support the implementation of the SAP Cost Allocation Model. This project is expected to be implemented by the end of the calendar year, December 31, 2016, to be in compliance with federal regulations and is anticipated to take 6 months to complete.

In March 2013, the SAP First Program Charter was approved by the Directors of Finance, Human Resources, Administration and Regulatory Affairs and Houston Information Technology Services to successfully implement New SAP business functionalities and to promote the review and use of current SAP modules owned by the City. The enhancements and services will create operational efficiencies and allow the City to utilize a system that it already owns.

Automation of City Allocation Plan (SAP) – Funding will be utilized to configure SAP to prepare cost allocation plans needed to fulfill federal OMB requirements established in 2 CFR 200 of the Federal Code. The City of Houston Finance Department has been contracting with outside consultants for a number of years to assist in pulling data from the financial system and department data systems to generate the City's Cost Allocation Plans in compliance with federal regulations. As the City moves into a more cost effective time the SAP Cost Allocation Model will allow the Finance Department to generate the Plans without having to contract with outside consultants. The purpose of this project is to expand and update SAP to add the City of Houston (COH) maintained departmental data elements and create and/or update Cost Centers and Cost Center Groups to generate all 6 Cost Allocation Plan (CAP) schedules.

Hire Houston First:

This procurement is exempt from the City's Hire Houston First Ordinance. Bids/proposals were not solicited because the department is utilizing an Interlocal or Cooperative Purchasing Agreement for this purchase.

Fiscal Note:

Funding for this item is included in the FY2017 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policy Ord. 2014-1078.

MWBE Participation

The contracts between the Texas Department of Information Resources and its vendors do not require an M/WBE goal; however, Objectwin Technology, Inc. has designated the below-named company as its certified M/WBE subcontractor.

| <u>Name</u> | <u>Type of Work</u> | <u>Dollar Amount</u> | <u>Percentage</u> |
|---------------------|--|----------------------|-------------------|
| Sierra Infosys, Inc | Cost Allocation Plan - Professional Services | \$38,880,00 | 24% |

John J. Gillespie, Chief Procurement Officer
Finance/Strategic Procurement Division

Department Approval Authority Signature

Amount of Funding:

\$83,000.00- FY16 Equipment Acquisition Consolidated Fund (1800)

\$79,000.00- FY17 Equipment Acquisition Consolidated Fund (1800)

\$162,000.00 - Total**Contact Information:**

| <u>NAME:</u> | <u>DEPARTMENT/DIVISION</u> | <u>PHONE</u> |
|---|----------------------------|----------------|
| Somayya Scott, Deputy Assistant Director | PWE | (832) 395-0082 |
| Martin King, Division Manager | FIN/SPD | (832) 393-8705 |
| Murdock Smith, Sr. Procurement Specialist | FIN/SPD | (832) 393-8725 |

ATTACHMENTS:**Description**OBO DocumentFiscal NoteRCA Funding Request-Ordinance**Type**

Backup Material

Backup Material

Financial Information

Ordinance/Resolution/Motion