



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
248.656.4630
www.rochesterhills.org

Legislative File No: 2017-0230

TO: Mayor and City Council Members
FROM: Joe Snyder, Chief Financial Officer
DATE: May 15, 2017
SUBJECT: Increase to Blanket Purchase Order for JDE Consulting Services

REQUEST:

City Council is requested to authorize an increase to the blanket purchase order for JDE Consulting Services in the amount of \$3,500.00 for a new not-to-exceed amount of \$28,500.00 to JDEvolution, LLC, Flower Mound, Texas.

REASON FOR PURCHASE:

The City solicited quotations for JDE Consulting Services in 2015. JDEvolution, LLC was selected and awarded the contract as the lowest, responsive, responsible bidder and ability to perform services. The contract called for a one-year contract term with options to renew. The intent of the blanket is to have in place a firm who can be utilized on an as needed basis when issues come up with the City's Financial System, JDEdwards. This can include items such as reports needing to be created based on new requirements, an issue that may be occurring with the system in which additional programming may be needed, adjustments to the system based on changes made in City processes, etc...

The request for the increase to the blanket is needed due to assistance the Human Resources Department needed in order to meet the Federal Government Affordable Care Act (ACA) Reporting Requirements. The reports the City had were no longer compliant with this year's reporting requirements and therefore required programming changes.

Typically there would have been enough funding left on the blanket in order to accommodate this need; however, with the City's transition to a new banking service provider in late 2016 there were several new interfaces that needed to be created/updated as well as changes to check formatting in order to meet the new banking service provider's needs, as well as the City's needs. When the existing blanket was established, it was not anticipated that the City would transition to a new banking services provider and need that level of one-time programming to make the transition. After the transition there was not adequate blanket funding available to make the needed programming updates for the new ACA requirements.

PROCESS:

Vendor Name and Address:

JDEvolution, LLC.
3205 Beth Drive
Flower Mound, TX 75022

Reason for Selection:

Lowest, responsive, responsible bidder

Method of Purchase:

Blanket Purchase Order

BUDGET:

If approved by City Council, the Human Resources (HR) Department will look to offset this increase with a decrease to another item within their existing 2017 Adopted Budget. Most likely the offsetting decrease will come from within the same account (233.801000) from another professional service utilized less than budgeted. Also, there are currently savings in HR personnel services due to salary lapse created from a vacant position than could be utilized so there are no additional funds requested beyond the appropriated budget amounts.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
General Fund	171.801000	Mayor – Professional Services	\$7,000	\$7,000	\$0
General Fund	201.801000	Accounting – Professional Services	\$5,000	\$5,000	\$0
General Fund	233.801000	HR – Professional Services	\$13,000	\$16,500	(\$3,500)
		TOTAL	\$25,000	(\$28,500)	(\$3,500)

RECOMMENDATION:

It is recommended that City Council authorize an increase to the blanket purchase order for JDE Consulting Services in the amount of \$3,500.00 for a new not-to-exceed amount of \$28,500.00 to JDEvolution, LLC, Flower Mound, Texas.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Chief Financial Officer		
Purchasing Process: Supervisor of Procurement		
Mayor		
Deputy Clerk		