



**City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS**

**1000 Rochester Hills Dr.
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Legislative File No: 2005-0679

TO: Mayor and City Council Members
FROM: Bob Grace, Director MIS
DATE: October 11, 2005
SUBJECT: Financial System Upgrade

REQUEST:

City Council is requested to authorize the project budget for the upgrade of the City's financial software system in the amount not-to-exceed \$330,000, utilizing the services of AMX International, Idaho Falls, Idaho, and various other vendors.

REASON FOR PURCHASE:

After careful review and discussion, the Financial Software Vision Committee decided to move forward with a software upgrade from JDEdwards XE to 8.11.

Although the upgrade was scheduled earlier in 2005, a Request for Information (RFI) was solicited to enable the Vision Committee the opportunity to examine current financial software available in the market and to assist in formulating a decision in the best interest of the City. With eleven responses, including the major public sector systems, Vision Committee members extensively reviewed, compared and discussed the potential software from the perspective of both functionality and cost. The result was a consensus to remain with the current system and upgrade to the latest release level.

The reasons cited to stay with the current software system are:

- Size of investment in current financial system.
- Current system is providing required functionality.
- None of the new products offered more functionality than the existing system.
- Several of the systems did not meet minimal MIS specifications.
- Significant soft costs to convert to another system, such as employee time for installation and training, workarounds, moving from automated process to manual.

Utilizing a Request for Proposals process, AMX International (AMX) was selected as the upgrade project consultant. AMX assisted the City with the initial implementation, possess extensive experience in the industry and proposed the overall best pricing.

Periodic upgrades for financial software is typical of the industry. The upgrade will provide the ability to maintain the current level of support, as well as provide solutions to issues within the system and added functionality. The vision committee identified the benefits of the upgrade as follows:

- Stable environment for financial processes
- Role based security – once setup and conversion completed will save systems administrator many hours of time
- Web-based system.
 - Again saving MIS time in maintaining two separate systems (web and thick)
 - Ease burden on system – we currently have to push updates out to thick users
- Full package builds - All software issues related to full package builds, will be alleviated, speeding up the package build process and pushing updates to the users faster.
- Application issues corrections – elimination of many workarounds affecting functionality
 - Multiple account distributions
 - Identification of duplicates in Address Book
 - Ability to effectively fax purchase orders
 - Efficiencies in budget checking
 - Ability to view more than 10 lines items per screen
 - Cancellation of purchase orders at header screen
 - Full commodity code processing
 - Receiving by item ordered
 - Tracking position employee competencies
 - Implement portions of employee self-service
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- Positions us to move forward with the new Oracle Fusion product if we chose to.
 - Part of which are scheduled for release beginning in 2008
- Full product support maintained.
- Easier to use screens – assisting department end users.

The AMX International proposal in the amount of \$291,984 encompasses the upgrade assessment, planning, conversion, migration, technical and module support. This does not allow for unknown issues that may be encountered to maintain current functionality of the overall system. Additionally the City uses interfaces to several different platforms, which will require professional assistance from programmers to address. These programs include such vital areas as bank reconciliation, positive pay, cash receipting system, mail merge, procurement cards, payroll and payables checks for the City, OPC and RARA, purchase orders, benefits statements, W2's and 1099's. To provide AMX and other professional support and to maintain the continuity of the upgrade process, a project budget in the amount of \$330,000 is requested.

The anticipated completion date for the project is October, 2006.

A subsequent Request for Proposals will be solicited for the required hardware upgrade.

PROCESS:

Vendor Name and Address:

AMX International
 1664 First Street
 Idaho Falls, Idaho 83401

Reason for Selection:

Most qualified; best value

Method of Purchase:

Contract/Blanket Purchase Order

BUDGET:

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
MIS	636	980000	2006 - \$330,000	\$330,000	0

RECOMMENDATION:

It is recommended that City Council authorize the project budget for the upgrade of the City's financial software system in the amount not-to-exceed \$330,000, utilizing the services of AMX International, Idaho Falls, Idaho, and various other vendors.

RESOLUTION

NEXT AGENDA ITEM

RETURN TO AGENDA

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Finance Director		
Purchasing Process: Supervisor of Procurement		
Mayor		
City Council Liaison		