

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2004-93

Amend EnterpriseOne On-Call Consulting Contract

Meeting:	Date:	Type of Action:	Staff Contact	Phone:
Finance Committee	9/16/04	Discussion/Possible Action	Hugh Simpson, Chief Financial Officer Susan Feigenheimer, Acting Controller	(206) 398-5440 (206) 398-5233

Contract/Agreement Type:	✓	Requested Action:	✓
Competitive Procurement		Execute New Contract/Agreement	
Sole Source		Amend Existing Contract/Agreement	✓
Interlocal Agreement		Contingency Funds (Budget) Required	
Purchase/Sale Agreement	✓	Budget Amendment Required	

✓ *Applicable to proposed transaction.*

ACTION

Authorizes the Chief Executive Officer to execute a contract amendment with Kraght Snell, PS in the amount of \$150,000 to continue to provide on-call consulting services for EnterpriseOne software, for a new total authorized contract amount not to exceed \$300,000.

KEY FEATURES

- Scope includes general application support of EnterpriseOne software and special projects as needed.
- Provides expertise in the areas of chart of account set up and maintenance; report design, one on one training; troubleshooting; investigation and testing of additional functionality; and implementation of new and enhanced functionality for all of the EnterpriseOne users.
- Given the complex nature of the agency's accounting and financial information systems, Kraght Snell is particularly qualified having been involved with the original implementation. In addition, the contractor is a practicing CPA and provides assurance that internal controls are maintained.
- The amount of the original contract, \$150,000, was thought to be sufficient to supplement a planned FTE. This FTE position has since been reallocated.
- The contractor has been necessary to provide specialized support for on-call issues related to the financial aspects of the enterprise system. Additionally, the contractor has been used by other departments for EnterpriseOne projects, including providing support to Project Control coding for HQ Reports, which are used to generate the Agency Progress Reports. Demand for the contractor's services is expected to continue at similar levels as the EnterpriseOne upgrade approaches, and new functionality is brought to the system.

BUDGET IMPACT SUMMARY

There is no action outside of the Board-adopted budget; there are no contingency funds required, no subarea impacts, or funding required from other parties other than what is already assumed in the financial plan.

BUDGET DISCUSSION

These costs will be charged to the Finance and Information Technology department. The department has sufficient budget to cover these costs in the Adopted 2004 and Proposed 2005 Budget.

REVENUE, SUBAREA, AND FINANCIAL PLAN IMPACTS

The proposed action is consistent with the current Board-adopted budget and is affordable within Sound Transit's current long-term financial plan and the subarea financial capacity.

BUDGET TABLE

Summary for Board Action

Action Item: Kraght Snell Consulting for One World financial system

	(A) Current Approved Contract Value	(B) Spent to Date	Balance	(C) Proposed Action	(D) Proposed Total Contract Value
Contract Budget:					
Kraght Snell	150,000	117,000	33,000	150,000	300,000
Contingency					-
Total	150,000	117,000	33,000	150,000	300,000
Percent Contingency	0%			0.00%	0.00%

Accounts to be charged:	2004 Staff Budget	2005 and 2006 Staff Budgets	Direct Charges to Projects	Total
Financial Accounting - Consulting Services	200,000	200,000		400,000
				-
				-
TOTAL CONTRACT CHARGES:	200,000	200,000	-	400,000

Budget Shortfall

Level	\$	Potential Revenues	Funding Source
NA	-	-	NA

Notes

M/W/DBE – SMALL BUSINESS PARTICIPATION

Kraght Snell, PS is a woman-owned, small business enterprise.

HISTORY OF PROJECT

In May 1998, the Finance Committee passed Motion No. M98-35 for Financial Systems Development and Support that authorized executing a contract with Moss Adams for training and implementation consulting services. Kraght Snell was a sub-contractor to Moss Adams on this project. After the completion of the original implementation in 2000, Kraght Snell continued to provide these services on an on call basis, as part of the Moss Adams contract.

In March 2003, the Moss Adams contract was completed and an open procurement to replace the on call services was initiated. Kraght Snell won the bid for the contract by having the most relevant experience and the lowest rate. The contract extends through February, 2006.

The amount of the original contract, \$150,000, was thought to be sufficient to supplement a planned FTE. This FTE position has since been reallocated. The contractor has been necessary to provide specialized support for on-call issues related to the financial aspects of the enterprise system. Additionally, contractor has been used by other departments for EnterpriseOne projects, including providing support to Project Control coding for HQ Reports, which are used to generate the Agency Progress Reports. Demand for the contractor's services is expected to continue at similar levels as the EnterpriseOne upgrade approaches, and new functionality is brought to the system.

In the past year, Kim Snell has worked with the Lines of Business to create the Work Breakdown Schedule interface with EnterpriseOne and helped staff create the Grant Reporting systems in EnterpriseOne, which was required by the Federal Transit Administration.

CONSEQUENCES OF DELAY

A delay in approving this action would require existing staff to provide the EnterpriseOne support. The results of this would be delays in providing support to users, causing inefficiencies in the use of the software, user dissatisfaction and potential errors or findings in reported information. A delay would also result in reduces accounting and treasury division's ability to meet the agency's required reporting needs.

REGIONAL PARTNERSHIP AND COOPERATION

Not applicable to this action.

PUBLIC INVOLVEMENT

Not applicable to this action.

LEGAL REVIEW

JW 9/2/04

SOUND TRANSIT

MOTION NO. M2004-93

A motion of the Finance Committee of the Central Puget Sound Regional Transit Authority authorizing the Chief Executive Officer execute a contract amendment with Kraght Snell, PS in the amount of \$150,000 to continue to provide on-call consulting services for EnterpriseOne software, for a new total authorized contract amount not to exceed \$300,000.

Background:

In May 1998, the Finance Committee passed Motion No. M98-35 for Financial Systems Development and Support that authorized executing a contract with Moss Adams for training and implementation consulting services. Kraght Snell was a sub-contractor to Moss Adams on this project. After the completion of the original implementation in 2000, Kraght Snell continued to provide these services on an on call basis, as part of the Moss Adams contract.

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In the past year, Kim Snell has worked with the Lines of Business to create the Work Breakdown Schedule interface with EnterpriseOne and helped staff create the Grant Reporting systems in EnterpriseOne, which was required by the Federal Transit Administration.

Motion:

It is hereby moved by the Finance Committee of the Central Puget Sound Regional Transit Authority that the Chief Executive Officer is authorized to execute a contract amendment with Kraght Snell, PS in the amount of \$150,000 to continue to provide on-call consulting services for EnterpriseOne software, for a new total authorized contract amount not to exceed \$300,000.

APPROVED by the Finance Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on September 16, 2004.

ATTEST:



Matt Stoutenburg
Board Coordinator



Kevin R. Phelps
Finance Committee Chair