

MOTION NO. M2014-95

Contract Amendment for Agency Budgeting System

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Operations and Administration Committee	12/04/2014	Final Action	Brian McCartan, Executive Director, Finance & Information Technology Curtis Small, IT Manager, Agency Applications

PROPOSED ACTION

Authorizes the chief executive officer to execute a contract amendment with Questica, Inc. to provide on-going professional services to upgrade and customize the budget system in the amount of \$296,000 for a new total authorized contract amount not to exceed \$1,213,627.

KEY FEATURES SUMMARY

- Questica’s budgeting software was installed in 2013 and used to develop the 2014 and 2015 annual budgets and transit improvement plans. Tables in the documents are generated from custom reports built for Sound Transit by Questica professional services staff.
- Use of the software has reduced time spent on budget development and enhanced the agency’s ability to analyze budget and actual expense data.
- Questica has enabled automation of the agency long-term staffing plan provided annually to the Federal Transit Administration through development of custom functionality and reporting. This opportunity to leverage the Questica application was not anticipated when the contract was established, but provides the agency with a significant value for a lower cost than purchasing another software tool to develop the staffing plan.
- The scope of work for which the contract amendment is being requested includes:
 - Annual updates, which require vendor support, that include a number of valuable added features and improvements.
 - The creation of new custom reports driven by future changes to the budget presentation.
 - Custom functional changes to the application to support changes to agency processes that are likely to occur in the future.
 - Upgrades and custom changes require training support from the vendor.
- The term of this contract amendment will match the term of the original contract with an expiration date of October 7, 2017.
- After the original contract term expires, additional licenses and annual software maintenance agreements may be awarded on a proprietary basis, if acceptable terms and conditions are agreed upon, because the software application is proprietary and available only through Questica, Inc.

BACKGROUND

The Agency Budgeting System Project improves budgeting efficiency by automating data collection and standardizing the budget processes. It allows Sound Transit to centralize budget data to improve data access and analysis, and allows users to quickly create consistent accurate reports using a common level of detail. Daily integration with the agency’s financial system, ensures that the Budgeting System reflects any additions/changes in accounts, positions and employees, and

actual expenditures. The budgeting system leverages all of the financial system's metadata to generate reports to communicate financial information internally and externally.

The change to the contract will enable development of new custom reports, customization of functionality, annual application upgrades, and the provision of training on new functionality.

FISCAL INFORMATION

The proposed action seeks to add \$296,000 in additional contract authority with Questica, Inc. for updates and customizations to the agency's budget system. This action is budgeted within the Information Technology Program and budget authority exists to fund this action. It is anticipated that \$150,000 will be spent in 2015.

- The Information Technology Program provides budget for the costs of agency wide computer, software and other information technology capital projects.
- The contract amendment will cover professional services work over a three-year period. Of the \$296,000, the budget for 2015 is \$150,000 and is included in the 2015 Proposed Budget. Future years' budget for expenditures from this contract will be requested in future budgets.

This action is within the adopted budget and after approval of action, adequate budget will remain to fund the remaining work in this phase as contained in the current cost estimates

Capital & Department Budgets	2015 Proposed		This Action	Spent to Date Plus Action	Uncommitted / (Shortfall)
	TIP	Spent to Date			
IT Capital	32,235	9,499	148	9,647	22,589
FIT - Information Technology	13,780		148	148	13,632
FIT - Budget & Financial Planning	1,700			-	1,700
DECM - Architecture and Art	1,605			-	1,605
TOTAL IT BUDGET	49,320	9,499	296	9,795	39,525

SUB BUDGET DETAIL					
IT Capital - Budgeting System	800	639	148	787	13
FIT - Information Technology - Software Maintenance	2,280			-	2,280
FIT - Information Technology - Consulting Services	255		148	148	107
FIT - Budget & Financial Planning - Tech Consulting	-			-	-
DECM - Architecture and Art - Consulting	5			-	5
Total Sub Budget Budget	3,340	639	296	935	2,406

CONTRACT DETAIL Questica Inc.	Current Approved	Proposed	Proposed Total
	Contract Status	Action	for Board Approval
Contract Amount	877	296	1,173
Contingency Amount	13		13
Total Not to Exceed Value	890	296	1,186
Percent Contingency	2%	0%	1%
IT Capital - Budgeting System	571	148	719
FIT - Information Technology - Software Maintenance	220		220
FIT - Information Technology - Consulting Services		148	148
FIT - Budget & Financial Planning - Tech Consulting	49		49
DECM - Architecture and Art	50		50

Notes:

Amounts are expressed in Year of Expenditure \$000s.

Board Approvals = Expenditures up to Oct 2014

2014 TIP - IT Capital budget located on page 152 of 198 of the Adopted 2014 Transit Improvement Plan (TIP)

2014 TIP - FIT (Finance and Information Technology) budget is located on page 86 of 178 of the Adopted 2014 Budget Book

2014 TIP - DECM (Design, Engineering and Construction Management) budget is located on page 82 of 178 of the Adopted 2014 Budget Book

Current contract signed of \$890,333 was lower than the Board approved amount via M2012-59 of \$917,627.

SMALL BUSINESS/DBE PARTICIPATION

Sound Transit promotes and encourages small business participation, which also includes Disadvantaged Business Enterprises (DBEs). Small Business and DBE goals are based upon an examination of subcontracting opportunities contained in the work of this contract and the number of Small Businesses/DBEs available to perform such subcontracting work.

Sound Transit determined that Small Business and DBE subcontracting opportunities are infeasible or improbable based upon the work described in this contract, so Small Business/DBE goals were not established or required.

TIME CONSTRAINTS

A one month delay would not create a significant impact to the project schedule.

PRIOR BOARD/COMMITTEE ACTIONS

Motion No. M2012-59: Authorized the chief executive officer to execute a contract with Questica, Inc., to procure, implement, and provide five year licensing for a budgeting system in the amount of \$834,206, with a 10% contingency of \$83,421, for a total authorized contract amount not to exceed \$917,627.

ENVIRONMENTAL REVIEW

JI 11/14/2014

LEGAL REVIEW

LA 25 November 2014

MOTION NO. M2014-95

A motion of the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract amendment with Questica, Inc. to provide on-going professional services to upgrade and customize the budget system in the amount of \$296,000 for a new total authorized contract amount not to exceed \$1,213,627.

BACKGROUND:

The Agency Budgeting System Project improves budgeting efficiency by automating data collection and standardizing the budget processes. It allows Sound Transit to centralize budget data to improve data access and analysis, and allows users to quickly create consistent accurate reports using a common level of detail. Daily integration with the agency's financial system, ensures that the Budgeting System reflects any additions/changes in accounts, positions and employees, and actual expenditures. The budgeting system leverages all of the financial system's metadata to generate reports to communicate financial information internally and externally.

Questica's budgeting software was installed in 2013 and used to develop the 2014 and 2015 annual budgets and transit improvement plans. Tables in the documents are generated from custom reports built for Sound Transit by Questica professional services staff. Use of the software has reduced time spent on budget development and enhanced the agency's ability to analyze budget and actual expense data.

The change to the contract will enable development of new custom reports, customization of functionality, annual application upgrades, and the provision of training on new functionality.

Questica has enabled automation of the agency long-term staffing plan provided annually to the Federal Transit Administration through development of custom functionality and reporting. This opportunity to leverage the Questica application was not anticipated when the contract was established, but provides the agency with a significant value for a lower cost than purchasing another software tool to develop the staffing plan.

The scope of work for which the contract amendment is being requested includes:

- Annual updates, which require vendor support, that include a number of valuable added features and improvements.
- The creation of new custom reports driven by future changes to the budget presentation.
- Custom functional changes to the application to support changes to agency processes that are likely to occur in the future.
- Upgrades and custom changes require training support from the vendor.

The term of this contract amendment will match the term of the original contract with an expiration date of October 7, 2017.

After the original contract term expires, additional licenses and annual software maintenance agreements may be awarded on a proprietary basis, if acceptable terms and conditions are agreed upon, because the software application is proprietary and available only through Questica, Inc.

MOTION:

It is hereby moved by the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a contract amendment with Questica, Inc. to provide on-going professional services to upgrade and customize the budget system in the amount of \$296,000 for a new total authorized contract amount not to exceed \$1,213,627.

APPROVED by the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on December 4, 2014.



Paul Roberts
Operations and Administration Committee Chair

ATTEST:



Marcia Walker
Board Administrator