

MOTION NO. M2017-110

Contract Amendment for Agency Budgeting System

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Operations and Administration Committee	09/07/2017	Final Action	Brian McCartan, Executive Director of Finance and Information Technology Jason Weiss, Chief Information Officer

PROPOSED ACTION

Authorizes the chief executive officer to execute a contract amendment with Questica, Inc. to provide on-going professional services and annual software maintenance for the agency budget system in the amount of \$329,251, for a new total authorized contract amount not to exceed \$1,542,878 plus applicable taxes.

KEY FEATURES SUMMARY

- The initial term of the contract with Questica, Inc. (Questica) will expire October 7, 2017. This action will authorize the execution of an option for an additional five years on the contract through October 7, 2022.
- Funding in the amount of \$329,251 plus applicable taxes, which are currently estimated at \$27,068, will add funds to cover five additional years of software maintenance and additional optional consulting services.
- Questica’s budgeting software was installed in 2013 and used to develop the 2014, 2015, 2016, 2017, and 2018 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 budgeting software has also enabled automation of the agency long-term staffing plan provided annually to the Federal Transit Administration through development of custom functionality and reporting.
- The scope of work for which optional consulting services would be used 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.

BACKGROUND

The Agency Budgeting Software 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 data updates via integrations with the agency’s financial system ensure that the budgeting software reflects any additions/changes in accounts, positions and employees, and actual expenditures. The budgeting software leverages all of the financial system’s metadata to generate reports to communicate financial information internally and externally.

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

PROCUREMENT INFORMATION

This contract resulted from a competitive RFP process. The RFP stated an initial contract term of five years, plus ten one-year options to extend. Pricing for the option years is specified in the contract. With the initial five-year term coming to its end, this motion approves the funds for option years six through ten.

FISCAL INFORMATION

The proposed action will amend the current contract by \$356,319 for a new total authorized contract amount not to exceed \$1,569,946 and will be funded from the services category within the Finance and Information Technology Department’s annual operating budget. The 2017 services category budget is \$17,281,428 of which \$5,559,053 has been spent July year-to-date. A total of \$43,500 is estimated to be spent for this contract in 2017 and is within the agency’s budget authority. With approval of this action, the remaining annual budget amount is sufficient to fund other department expenditures anticipated in the 2017 annual budget.

Funding for the additional years of the contract will be included in future annual budget requests.

Finance and Information Technology
(in thousands)

Cost Category	2017 Annual Operating Budget	Actuals to Date	This Action - Current Year Impact	Actuals to Date Plus Action	Remaining Annual Operating Budget
Salaries and Benefits	\$20,981	\$11,051	\$	\$11,051	\$9,930
Services	17,281	5,559	44	5,603	11,678
Materials and Supplies	1,582	991		991	591
Utilities	953	513		513	440
Insurance	7,482	3,319		3,319	4,163
Miscellaneous	491	302		302	189
Interest Expense	18	3		3	15
Leases and Rentals	415	236		236	180
Total Annual Operating Budget	\$49,203	\$21,974	\$44	\$22,018	\$27,185

Contract Spending Plan	Prior Year Spending	Forecast 2017 Spending	Future Expenditures	Total
Questica, Inc.	\$933	\$44	\$593	\$1,570

Questica, Inc.	Board Approved Contract Value	Proposed Action	Proposed Revised Board Approved Contract Value
Services	\$1,214	\$329	\$1,543
Current Tax Estimate		\$27	\$27
Contingency	-	-	-
Contract Amount - Total	\$1,214	\$356	\$1,570
Percent Contingency	0%	0%	0%

Notes:

Actuals to date are through July 31, 2017.
Budget detail for this action is located on page 29 of the Adopted 2017 Budget book.

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.

PUBLIC INVOLVEMENT

Not applicable to this action

TIME CONSTRAINTS

A one-month delay would impact support services from the vendor.

PRIOR BOARD/COMMITTEE ACTIONS

Motion No. M2014-95: Authorized 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.

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

KH 8/18/2017

LEGAL REVIEW

AJP 8/31/2017

MOTION NO. M2017-110

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 and annual software maintenance for the agency budget system in the amount of \$329,251, for a new total authorized contract amount not to exceed \$1,542,878 plus applicable taxes.

BACKGROUND:

The Agency Budgeting Software 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 data updates via integrations with the agency's financial system ensure that the budgeting software reflects any additions/changes in accounts, positions and employees, and actual expenditures. The budgeting software leverages all of the financial system's metadata to generate reports to communicate financial information internally and externally.

The initial term of the contract with Questica, Inc. (Questica) will expire October 7, 2017. This action will authorize the execution of an option for an additional five years on the contract through October 7, 2022. The contract extension will enable development of new custom reports, customization of functionality, annual application upgrades, and the provision of training on new functionality.

Questica's budgeting software was installed in 2013 and used to develop the 2014 through 2018 annual budgets and transit improvement plans. Tables in the documents are generated from custom reports built for Sound Transit by Questica professional services staff.

MOTION:

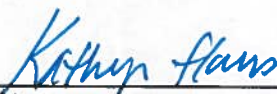
It is hereby moved by the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a contract amendment with Questica, Inc. to provide on-going professional services and annual software maintenance for the agency budget system in the amount of \$329,251, for a new total authorized contract amount not to exceed \$1,542,878 plus applicable taxes.

APPROVED by the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on September 7, 2017.



Paul Roberts
Operations and Administration Committee Chair

ATTEST:



Kathryn Flores
Board Administrator