



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** March 20, 2012

**TO:** Mayor and Councilmembers

**FROM:** Accounting Division, Finance Department

**SUBJECT:** Approval Of Change Order Authority For Consulting Services Related To The Financial Management System (FMS) Project

### RECOMMENDATION:

That Council approve a Change Order of \$5,117 for Purchase Order No. 022669 to AEF System Consulting, Inc., increasing the total contract from \$103,500 to \$108,617 for continued consulting work on the FMS project.

### DISCUSSION:

After eighteen years in operation, the City determined to move forward with the replacement of its FMS in February 2008. The FMS is used by all departments in one form or another to perform their daily functions; including preparing claims for payments, creating purchasing requisitions, and processing personnel action forms. It is also used specifically by the Finance Department to process payroll, issue checks to vendors for payment of goods and services, develop the City's annual budget, and to account for all of the City's assets and financial transactions. To assist in the process of selecting a new FMS, funds were appropriated to hire a consultant; the contract was awarded to AEF System Consulting, Inc. However, in December 2008, the project was suspended due to the economic recession and its significant impact to City finances.

The City has now resumed work on the FMS project. Staff has reviewed the original plan and the work completed, and determined there is a need for additional work by the City's consultant to complete the project. Additional hours are needed to revalidate and update previously completed work on functional requirements, assist in the request for proposal (RFP) process, participate in evaluation of proposals, etc.

AEF System Consulting, Inc. will maintain the same hourly rate as in the original proposal. Based on estimated hours, the contract amount will increase from \$103,500 to \$108,617 (including a \$2,500 contingency).

There are adequate funds in the existing budget for the FMS project to cover the change order.

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**SUBMITTED BY:** Robert Samario, Finance Director

**APPROVED BY:** City Administrator's Office