

FINANCIAL IMPACT STATEMENT For Council Action Items

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator Liz Mitchell		2. Telephone No. 823-7385	3. Bureau/Office/Dept. OMF/Enterprise Business Solution Division
4a. To be filed (date) 2/4/10	4b. Calendar (Check One) Regular Consent 4/5ths <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>		5. Date Submitted to FPD Budget Analyst:

1) Legislation Title:

* Amend contract with SAP Public Services, Inc. to provide additional post go-live stabilization consulting services for \$200,000 for City SAP Enterprise Resource Planning system implementation (Ordinance; amend Contract No. 37969)

2) Purpose of the Proposed Legislation:

The City requires additional post go-live stabilization consulting services from SAP Public Services, Inc. for City SAP Enterprise Resource Planning system, with particular resources in 1) Time Management and Payroll consulting to support continuing HCM stabilization efforts, planned calendar year-end activities, W-2 and 1099 production; 2) Security consulting to support the stabilization of HCM security model, required SAP system updates/patching, the roll out of Employee Self-Service (ESS) and as needed break/fix support and knowledge transfer to the City's new SAP Security lead position (hire date 11/16/2009); and 3) general on demand remote consulting services. The majority of the consulting services were anticipated and funding in place, however, the extent of the HCM stabilization effort necessary, delays in the roll out of the Employee Self Serve module (ESS), and a prolonged recruitment process to hire a qualified City SAP Security lead, resulted in an additional \$200,000 expense to cover work through early 2010. Execution of Amendment No. 7 to Contract No. 37969 will provide the additional funds necessary for this continuing post go-live stabilization support.

3) Revenue:

Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If new revenue is generated please identify the source.

No.

4) Expense:

What are the costs to the City as a result of this legislation? What is the source of funding for the expense? (Please include costs in the current fiscal year as well as costs in future years) (If the action is related to a grant or contract please include the local contribution or match required)

FY 2009-10 costs are \$200,000. Funding source is appropriation carried over from FY 2008-09 from EBS implementation project budget. No costs in future fiscal years, contract expires 6/30/10 with no plans to extend.

Staffing Requirements:

5) Will any positions be created, eliminated or re-classified in the current year as a result of this legislation? (If new positions are created please include whether they will be part-time, full-time, limited term or permanent positions. If the position is limited term please indicate the end of the term.)

No.

6) Will positions be created or eliminated in future years as a result of this legislation?

No.

Complete the following section only if an amendment to the budget is proposed.

7) Change in Appropriations (If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Center Code column if new center needs to be created. Use additional space if needed.)

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Amount

Bruce Theurer

APPROPRIATION UNIT HEAD (Typed name and signature)



CITY OF PORTLAND
OFFICE OF MANAGEMENT AND FINANCE

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183533

DATE: January 25, 2010

TO: Mayor Sam Adams

VIA: Bruce Theurer

**FOR MAYOR'S OFFICE USE
ONLY**

Reviewed by Bureau Liaison

FROM: Ken Rust

RE: * Amend contract with SAP Public Services, Inc. to provide additional post go-live stabilization consulting services for \$200,000 for City SAP Enterprise Resource Planning system implementation (Ordinance; amend Contract No. 37969)

1. INTENDED THURSDAY FILING DATE: February 4, 2010
2. REQUESTED COUNCIL AGENDA DATE: February 10, 2010
3. CONTACT NAME & NUMBER: Bruce Theurer 3-7385
4. PLACE ON: X CONSENT REGULAR
5. BUDGET IMPACT STATEMENT ATTACHED: X Y N N/A
6. (3) ORIGINAL COPIES OF CONTRACTS APPROVED AS TO FORM BY CITY ATTORNEY
ATTACHED: X Yes No N/A

7. **BACKGROUND/ANALYSIS**

The City requires additional post go-live stabilization consulting services from SAP Public Services, Inc. for City SAP Enterprise Resource Planning system, with particular resources in 1) Time Management and Payroll consulting to support continuing HCM stabilization efforts, planned calendar year-end activities, W-2 and 1099 production; 2) Security consulting to support the stabilization of HCM security model, required SAP system updates/patching, the roll out of Employee Self-Service (ESS) and as needed break/fix support and knowledge transfer to the City's new SAP Security lead position (hire date 11/16/2009); and 3) general on demand remote consulting services. The majority of the consulting services were anticipated and funding in place, however, the extent of the HCM stabilization effort necessary, delays in the roll out of the Employee Self Serve module (ESS), and a prolonged recruitment process to hire a qualified City SAP Security lead, resulted in an additional \$200,000 expense to cover work through early 2010. Execution of Amendment No. 7 to Contract No. 37969 will provide the additional funds necessary for this continuing post go-live stabilization support.

8. **FINANCIAL IMPACT**

\$200,000 from existing EBS funds for FY09-10 EBS. Funding source is appropriation carried over from FY 2008-09 from EBS implementation project budget.

9. **RECOMMENDATION/ACTION REQUESTED**

Adopt and execute Amendment No. 7 to Contract No. 37969 to provide the additional funds necessary for continuing post go-live stabilization support.

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To help ensure equal access to programs, services and activities, the Office of Management & Finance will reasonably modify policies/procedures and provide auxiliary aids/services to persons with disabilities upon request.