

REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www. CityofSacramento.org

Consent
October 27, 2009

Honorable Mayor and
Members of the City Council

Title: Agreement: Enterprise Performance Management (EPM)

Location/Council District: Citywide

Recommendation: Adopt a **Resolution** authorizing the City Manager or his designee to execute an agreement with RCW Services Inc. to assist in the implementation and development of the City's EPM system, for a total not-to-exceed amount of \$123,600 and a term limit through November 2, 2010.

Contact: Dawn Holm, Principal Management Analyst, 808-5574; Leyne Milstein, Finance Director, 808-8491

Presenters: Not applicable

Department: Finance

Division: Budget, Policy and Strategic Planning Division

Organization No: 06001411

Description/Analysis

Issue: In Fiscal Year (FY) 2008/09 the City implemented EPM, a new PeopleSoft budget preparation system as part of the larger Electronic Citywide Accounting and Personnel System (eCAPS) project. This tool was used for the development of the FY2009/10 Budget. Ultimately, EPM will improve the automation and standardization of the budget process, increase efficiencies, and provide more accurate and timely budget related information. However, while the Department of Finance was able to produce the FY2009/10 Budget in a timely manner, there are a number of critical areas including training, budget reporting and finalization of model design that must be addressed relative to the EPM tool in order to ensure the system is available to prepare the FY2010/11 Budget.

The City does not currently have the expertise to address these current EPM challenges. The president of RCW Services, Inc. was the lead consultant during the EPM implementation and this vast PeopleSoft experience makes this company the

best choice to provide the required services for the City. Therefore, the Finance Department recommends that the City enter into an agreement with RCW Services Inc. to provide the system improvements and training necessary for FY2010/11 Budget preparation and subsequent budgets.

Policy Considerations: The Mayor and City Council have adopted a policy of fiscal sustainability. The final implementation of EPM and related training and development is critical to preparing the annual budget.

Environmental Considerations:

California Environmental Quality Act (CEQA): This recommendation does not constitute a "project" and therefore is exempt from the California Environmental Quality Act (CEQA) according to Section 15061 (b)(1) and 15378(b)(3) of the CEQA guidelines.

Sustainability: Not applicable.

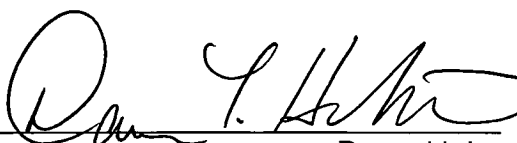
Other: Not applicable.

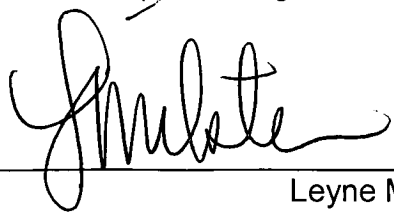
Commission/Committee Action: Not applicable

Rationale for Recommendation: The EPM tool is essential for the preparation of the annual budget. The City does not currently have the expertise to complete the necessary improvements and training related to the EPM tool. To address these critical needs the Department of Finance recommends the City Council approve an agreement with RCW Services Inc. for a not-to-exceed amount of \$123,600.

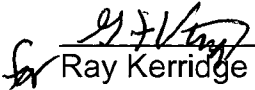
Financial Considerations: There are adequate resources within the Department of Finance's FY2009/10 operating budget for the recommended agreement with RCW Services Inc. for a not-to-exceed amount of \$123,600.

Emerging Small Business Development (ESBD): Not applicable.

Respectfully Submitted by: 
Dawn Holm
Principal Management Analyst

Approved by: 
Leyne Milstein
Director of Finance

Recommendation Approved:



Ray Kerridge
City Manager

Table of Contents:

Report	Pg. 1-3
Attachments	
1 Resolution	Pg. 4
Exhibit A	Pg. 5

Attachment 1

RESOLUTION NO.

Adopted by the Sacramento City Council

**Approving the Enterprise Performance Management (EPM) Agreement
With RCW Services, Inc.**

October 27, 2009

BACKGROUND

- A. The Department of Finance implemented a new Budget preparation system in FY2008/09. The system was successfully implemented but there are still some critical technical improvements and training that need to be made to the EPM tool.
- B. The City does not currently have the expertise to fully implement EPM. RCW Services, Inc. vast PeopleSoft experience makes this company the best choice to provide the required services for the City in a timeframe necessary to produce the FY2010/11 budget. Therefore, the Finance Department recommends that the City enter into an agreement with RCW Services Inc. to make the needed system improvements and to provide related staff training.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

- Section 1. The City Manager or his designee is hereby authorized to execute an agreement with RCW Services Inc., attached hereto as Exhibit A, to assist in the implementation and development of the City's EPM system, for a total not-to-exceed amount of \$123,600 and a term limit through November 2, 2010.
- Section 2. Exhibit A is part of this resolution.

Table of Contents:

Exhibit A – Agreement with RCW Services, Inc.