



Travis County Commissioners Court Agenda Request

Meeting Date: June 11, 2013

Prepared By/Phone Number: Lori Clyde 854-4205

Elected/Appointed Official/Dept. Head: Cyd Grimes

Commissioners Court Sponsor: Judge Biscoe

Agenda Language: Approve Modification No. 12 to Contract No. 4400000762 (H.T.E. Contract No. PS090255LC), Labyrinth Solutions, Inc. (LSI), for BEFIT Implementation Services.

➤ **Purchasing Recommendation and Comments:**



This modification provides additional consulting services on an hourly basis up to a maximum number of hours and an amount of \$226,915 to assure the success of financial system upgrades and the implementation of new functionality.

There are two main reasons for needing additional expert resources readily available for consulting services. Assistance with a complete upgrade of the nine different systems that make up our new financial and human resources system known as SAP (Systems Applications and Programs) represents the first reason. The second reason is the implementation of new functionality for the three specific areas Manager Self-Service (MSS), invoice management using a product called OpenText, and procurement also known as SRM (Supplier Relationship Management).

During the two-year implementation of SAP, the County was not able to upgrade to newer versions of SAP in order to stay on schedule with the implementation. The County is, therefore, upgrading the SAP systems in two phases during the next nine months. The first phase is going on right now and will be completed by the end of July in order to be ready for benefits open enrollment and year-end activities starting in August. The second upgrade phase will begin after fiscal year-end and will be completed in February 2014. Since the County is performing an SAP upgrade for the very first time and on a tight schedule, this contract modification includes a set of remote consulting hours in the case we run into issues we can't resolve on our own that jeopardize the upgrade schedule.

After a period of post go-live stabilization, we have now entered into the ongoing continuous improvement phase of our new system and this contract modification includes a combination of onsite and remote consulting hours to address the three areas with the most urgent need of improvement as described below.

A. Procurement (SRM) – after the upgrade this summer, the procurement module

AGENDA REQUEST DEADLINE: All agenda requests and supporting materials must be submitted as a pdf to agenda@co.travis.tx.us by Tuesdays at 5:00 p.m. for the next week's meeting.

will have several new functions available, which will make the procurement process more efficient for both the user departments and the Purchasing Office. The consulting hours in this modification will be used to implement this new functionality as well as take a look at other possible procurement process improvements.

B. OpenText Vendor Invoice Management (VIM) - automatic data validation of scanned invoice information and automation of indigent attorney invoice processing are the two high priority improvements in scope for vendor invoice processing.

C. Manager self-service (MSS) - MSS provides the County's 800-900 managers personnel and time management functionality. Needed improvements for managers include maintenance of employee work schedules, consistent detailed timesheet view for current and previous time periods, and easy access to employee's available leave balance.

The basis for the consulting hours included in this modification is described in the table below.

	Location	Maximum Hours	Maximum Rate	Available Funding
Upgrades				
NetWeaver Consultant	Remote	160	\$160.00	\$25,600.00
SRM Developer	Remote	60	\$124.75	\$7,485.00
Senior Consultant	Remote	140	\$170.00	\$23,800.00
Developer	Remote	40	\$145.00	\$5,800.00
Total Upgrades:				\$62,685.00
Procurement - SRM				
SRM Lead	Onsite	240	\$192.25	\$46,140.00
SRM Developer	Remote	40	\$124.75	\$4,990.00
Total SRM:				\$51,130.00
OpenText				
Senior Consultant	Onsite	40	\$200.00	\$8,000.00
Senior Consultant	Remote	50	\$170.00	\$8,500.00
Developer	Onsite	120	\$175.00	\$21,000.00
Developer	Remote	40	\$145.00	\$5,800.00
Total OpenText:				\$43,300.00
MSS				
Senior Consultant	Onsite	320	\$200.00	\$64,000.00
Developer	Remote	40	\$145.00	\$5,800.00
Total MSS:				\$69,800.00
OVERALL TOTAL:				\$226,915.00

The cost for this modification is \$226,915 funded by the existing BEFIT CO

AGENDA REQUEST DEADLINE: All agenda requests and supporting materials must be submitted as a pdf to agenda@co.travis.tx.us by Tuesdays at 5:00 p.m. for the next week's meeting.

(Certificates of Obligation) project budget set aside as contingency for Phase 1 (Financials and Procurement) and Phase 2 (Human Resources and Payroll).

Procuring these additional consulting services represents a good value to the County considering that these services will minimize the risk of disruptions to County operations and improve the usability of the system.

- **Contract Expenditures:** Within the last ____ months \$0.00 has been spent against this contract/requirement.

- **Contract Modification Information:**
 - Modification Amount: \$226,915
 - Modification Type: Additional Services
 - Modification Period: June 17, 2013

- **Funding Information:**
 - Funds Reservation Document #: 300000597
 - Funding Account(s): Fund 4063-Cert of Obligation Series 2010 Fund Center 1060024063 - Co Auditor BEFIT-CO 2010
 - Comments:

TRAVIS COUNTY
AUDITOR'S OFFICE

NICKI RILEY, CPA
COUNTY AUDITOR



TRAVIS COUNTY
ADMINISTRATION BUILDING
P.O. BOX 1748
AUSTIN, TX 78767
(512) 854-9125
FAX: (512) 854-9164

TO: Cyd Grimes, Purchasing Agent

DATE: June 2, 2013

FROM: Christina Adair, County Auditor's Office

SUBJECT: Approve Modification No. 12 to Contract No. 4400000762, BEFIT
Implementation Services with Labyrinth Solutions, Inc.

Proposed Motion: Approve contract modification No. 12 to Contract No. 4400000762 in the amount of \$226,915

Purpose: This modification provides additional consulting services on an hourly basis up to a maximum number of hours and an amount of \$226,915 to assure the success of financial system upgrades and the implementation of new functionality.

Details: There are two main reasons for needing additional expert resources readily available for consulting services. Assistance with a complete upgrade of the nine different systems that make up our new financial and human resources system known as SAP (Systems Applications and Programs) represents the first reason. The second reason is the implementation of new functionality for the three specific areas Manager Self-Service (MSS), invoice management using a product called OpenText, and procurement also known as SRM (Supplier Relationship Management).

Upgrades: During the two-year implementation of SAP, we were not able to upgrade to newer versions of SAP in order to stay on schedule with the implementation. The County is, therefore, upgrading the SAP systems in two phases during the next nine months. The first phase is going on right now and will be completed by the end of July in order to be ready for benefits open enrollment and year-end activities starting in August. The second upgrade phase will begin after fiscal year-end and will be completed in February 2014. Since the County is performing an SAP upgrade for the very first time and on a tight schedule, this contract modification includes a set of remote consulting hours in the case we run into issues we can't resolve on our own that jeopardize the upgrade schedule.

New Functionality: After a period of post go-live stabilization, we have now entered into the ongoing continuous improvement phase of our new system and this contract modification includes a combination of onsite and remote consulting hours to address the three areas with the most urgent need of improvement as described below.

- A. Procurement (SRM) – after the upgrade this summer, the procurement module will have several new functions available, which will make the procurement process more efficient for both the user departments and the Purchasing Office. The consulting hours in this modification will be used to implement this new functionality as well as take a look at other possible procurement process improvements.
- B. OpenText Vendor Invoice Management (VIM) - automatic data validation of scanned invoice information and automation of indigent attorney invoice processing are the two high priority improvements in scope for vendor invoice processing.
- C. Manager self-service (MSS) - MSS provides the County’s 800-900 managers personnel and time management functionality. Needed improvements for managers include maintenance of employee work schedules, consistent detailed timesheet view for current and previous time periods, and easy access to employee’s available leave balance.

The basis for the consulting hours included in this modification is described in the table below.

	Location	Maximum Hours	Maximum Rate	Available Funding
Upgrades				
NetWeaver Consultant	Remote	160	\$160.00	\$25,600.00
SRM Developer	Remote	60	\$124.75	\$7,485.00
Senior Consultant	Remote	140	\$170.00	\$23,800.00
Developer	Remote	40	\$145.00	\$5,800.00
Total Upgrades:				\$62,685.00
Procurement - SRM				
SRM Lead	Onsite	240	\$192.25	\$46,140.00
SRM Developer	Remote	40	\$124.75	\$4,990.00
Total SRM:				\$51,130.00
OpenText				
Senior Consultant	Onsite	40	\$200.00	\$8,000.00
Senior Consultant	Remote	50	\$170.00	\$8,500.00
Developer	Onsite	120	\$175.00	\$21,000.00
Developer	Remote	40	\$145.00	\$5,800.00
Total OpenText:				\$43,300.00
MSS				
Senior Consultant	Onsite	320	\$200.00	\$64,000.00
Developer	Remote	40	\$145.00	\$5,800.00
Total MSS:				\$69,800.00
OVERALL TOTAL:				\$226,915.00

Budgetary and Fiscal Impact: the cost for this modification is \$226,915 funded by the existing BEFIT CO (Certificates of Obligation) project budget set aside as contingency for Phase 1 (Financials and Procurement) and Phase 2 (Human Resources and Payroll).

We believe that procuring these additional consulting services represent a good value to the County considering that these services will minimize the risk of disruptions to County operations and improve the usability of the system.

The FY13 funding source is:

Fund	Fund Center	Amount
4063-Cert of Obligation Series 2010	1060024063 - Co Auditor BEFIT-CO 2010	\$226,915

Funds reservation document 300000597 has been created in the amount of \$226,915 to reserve the funds required for this modification.

cc: Nicki Riley, County Auditor
Patti Smith, County Auditor's Office
Barbara Wilson, County Attorney's Office
Tenley Aldredge, County Attorney's Office
Leslie Browder, County Executive PBO
Jessica Rio, PBO
Diana Ramirez, PBO
Lori Clyde, Purchasing Office

MODIFICATION OF CONTRACT NUMBER: 4400000762 (PS090255LC) BEFIT Implementation Services PAGE 1 OF 4 PAGES

ISSUED BY: PURCHASING OFFICE 700 LAVACA, SUITE 800 AUSTIN, TX 78701	PURCHASING AGENT ASST: Lori Clyde TEL. NO: (512) 854-9700 FAX NO: (512) 854-9185	DATE PREPARED: June 3, 2013
ISSUED TO: Labyrinth Solutions, Inc. d/b/a LSI Consulting 144 North Road, Suite 1000 Sudbury, MA 01776	MODIFICATION NO.: 12	EXECUTED DATE OF ORIGINAL CONTRACT: December 7, 2010
ORIGINAL CONTRACT TERM DATES: <u>December 7, 2010 through completions of warranty period</u>		CURRENT CONTRACT TERM DATES: <u>December 7, 2010 through completions of warranty period</u>

FOR TRAVIS COUNTY INTERNAL USE ONLY:
Original Contract Amount: \$18,887,811.00 Current Modified Amount \$19,968,653.00

DESCRIPTION OF CHANGES: Except as provided herein, all terms, conditions, and provisions of the document referenced above as heretofore modified, remain unchanged and in full force and effect.

RECITALS

County and Contractor entered into a contract for implementation services for the ERP-Financial System, that began January 1, 2011.

Section 30 ("Changes") of the Implementation Services Agreement (the "Agreement") allows County and Contractor to modify the agreement in writing signed by both of us.

County has elected to expand the services to be provided under the Agreement and provide additional funding for these new services. Accordingly, the Agreement is amended as follows.

AGREEMENT TO MODIFY CONTRACT

Now therefore, County and Contractor agree as follows:

1. Amendment of Resources Available to Provide Additional Services. Pursuant to section 30 of the Implementation Services Agreement,

1.1 Contractor shall provide the following personnel resources to County on the basis described in this section 1:

Note to Vendor:

- [X] Complete and execute (sign) your portion of the signature block section below for all copies and return all signed copies to Travis County.
[] DO NOT execute and return to Travis County. Retain for your records.

LEGAL BUSINESS NAME: <u>Labyrinth Solutions, Inc. d/b/a LSI Consulting</u>	<input type="checkbox"/> DBA
BY: _____ SIGNATURE	<input type="checkbox"/> CORPORATION
BY: <u>Mark J. Schexnaildre</u> PRINT NAME	<input type="checkbox"/> OTHER
TITLE: _____ ITS DULY AUTHORIZED AGENT	DATE: _____

TRAVIS COUNTY, TEXAS	DATE: _____
BY: _____ CYD V. GRIMES, C.P.M., CPPO, TRAVIS COUNTY PURCHASING AGENT	

TRAVIS COUNTY, TEXAS	DATE: _____
BY: _____ SAMUEL T. BISCOE, TRAVIS COUNTY JUDGE	

Role	Location	Maximum Hours	Maximum Hourly Rate	Available Funding
Developer	Onsite	120	175.00	21,000.00
Developer	Remote	120	145.00	17,400.00
NetWeaver Consultant	Remote	160	160.00	25,600.00
Senior Consultant or SRM Lead	Onsite	360	200.00	72,000.00
Senior Consultant or SRM Lead	Remote	190	170.00	32,300.00
SRM Developer	Remote	100	124.75	12,475.00
SRM Lead	Onsite	240	192.25	46,140.00
TOTAL Available Funding:				226,915.00

These hourly rates include all expenses, including travel. For onsite resources, Contractor must provide the hours in 40-hour increments each week unless County has designated one or more holidays in that week, in which case the increment must be equal to 40 hours less the number of holiday hours in the week. Contractor shall ensure that onsite resources perform their work during normal County working hours, which are Monday through Friday between 8 a.m. and 6 p.m., unless other times are approved in advance by one of the following County personnel: Christina Adair, Robyn Wright, Eduardo Gonzalez, or Murtuza Khan.

- 1.2 Contractor shall be compensated only for the hours actually worked by these resources for support with SAP system upgrades or the implementation of new functionality or processes related to the County's SAP system during this time at the hourly rate applicable to the resource that worked the hours during this time.
- 1.3 Contractor shall not invoice for services related to repairs or programming to be provided under the warranties in the Agreement using these hours.
- 1.4 Before commencing any work under this section, Contractor must receive a purchase order approved by the County Purchasing Agent that set out in detail the following information:
 - 1.4.1 the services to be provided,
 - 1.4.2 the resources to be employed,
 - 1.4.3 the time needed to provide the described services,
 - 1.4.4 the cost of these services, and
 - 1.4.5 the maximum sum payable for the service
- 1.5 Contractor shall not work hours in excess of the time stated in the purchase order. Contractor must perform all work under this Modification to respond to internal County staff change requests that have been approved, or for an item listed in the upgrade issue log that has been approved. Both approved change requests and the upgrade issue log are located on the County's SAP project server. Contractor shall ensure that every person performing work under the Agreement as amended in this Modification knows how both the change request and upgrade issue resolution processes work. Contractor shall ensure that resources working from a remote location do not work hours in excess of the estimated time stated in the purchase order

or an approved change request or as an item listed in the upgrade issue log unless, before beginning the additional hours, the resources have notified and obtained approval of any additional hours that are needed to complete the described services from one of the following County personnel: Christina Adair, Robyn Wright, Eduardo Gonzalez, or Murtuza Khan.

- 1.6 Before performing any specific work, Contractor must obtain written approval of that work, which approval may be given in an email by one of the following County personnel: Christina Adair, Robyn Wright, Eduardo Gonzalez, or Murtuza Khan.
 - 1.7 Contractor must provide persons who have qualifications and education similar to the persons proposed to serve in similar resource capacities in the Response to Proposals to serve as resources to provide services under this Modification. Before any person begins to perform services onsite under the Agreement, Contractor must obtain the approval of the person from County.
 - 1.8 Contractor shall ensure that all resources provided to work under this Modification comply with the project standards developed jointly by Contractor and the County prior to commencement of the project services on January 1, 2011 and in effect since that date.
 - 1.9 The start and finish dates for the use of these resources is June 17, 2012 and May 31, 2014, unless sooner terminated.
2. Payment and Invoicing. Pursuant to section 30 of the Implementation Services Agreement,
- 2.1 County is not responsible for payment for goods or services provided without an authorized purchase order.
 - 2.2 County pays by check or warrant upon satisfactory delivery and acceptance of the goods and services after Contractor submits an invoice to the address below:

County Auditor
P.O. Box 1748
Austin, Texas 78767
 - 2.3 Contractor shall invoice for hours worked in any month by the 10th business day of the next month.
 - 2.4 Contractor shall include at least the following information in invoices:
 - 2.4.1 Your name, address, and telephone number and if payment is not made to you, name, address, and telephone number of person to be paid,
 - 2.4.2 Our Contract or Purchase Order number,
 - 2.4.3 Description of goods and services provided as outlined in the purchase order and in particular clearly identify the following for every billed hour:
 - 2.4.3.1 resource role,
 - 2.4.3.2 location (on-site or remote),
 - 2.4.3.3 name of resource,

- 2.4.3.4 number of hours, and
 - 2.4.3.5 hourly rate
 - 2.4.4 The change request or upgrade issue log identifier as part of the invoice or invoice backup for remote resource hours.
 - 2.4.5 Applicable unit prices, total prices, and total amount, and
 - 2.4.5 Any additional payment information, which the Agreement requires.
- 2.5 **County Access to Records:** Contractor shall maintain all books, documents, and other evidence about the costs and expenses of the Agreement and make them available for inspection, audit or reproduction by any authorized representatives of County to the extent this detail properly reflects these costs and expenses. These include all costs for which reimbursement is claimed under the Agreement; both direct and indirect costs, cost of labor and services, and all other costs and expenses of whatever nature. These records shall be maintained until the earlier of 3 years after the end of the Agreement term or an audit is completed unless not all issues arising from the audit are resolved, and then you must retain the records until the audit is completed and the issues have been resolved satisfactorily.
- 3.0 **County Right to Reduce Hours for a Particular Resource.** County reserves the right to reduce the time allocated to any resource under this Modification if County notifies Contractor of its intent to reduce the hours allocated to use of that resource at least 30 days before the effective date of that reduction. With a reduction in hours, County may also reduce the value of the purchase order.
- 4.0 **Incorporation and Ratification.** Contractor and County hereby incorporate this Modification into the Implementation Services Agreement as amended. Contractor and County hereby ratify all of the terms and conditions of the Implementation Services Agreement as amended.
- 5.0 This Modification is effective June 17, 2013.