

**12366**

DATE: July 15, 2010

TO: Board of Acquisition and Contract

FROM: Marguerite Beirne, Chief Information Officer

RE: AUTHORIZATION TO ENTER INTO AN AGREEMENT (IT-1171) WITH CGI TECHNOLOGIES AND SOLUTIONS INC. FOR AN UPGRADE TO THE COUNTY'S CURRENT FINANCIAL, HUMAN RESOURCES AND BUDGET SOFTWARE SYSTEMS FOR A THREE YEAR PERIOD COMMENCING UPON CONTRACT EXECUTION FOR A TOTAL NOT TO EXCEED CONTRACT AMOUNT OF \$802,000

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BACKGROUND:

- By resolution adopted on December 18, 2003, your Honorable Board authorized the County to enter into an agreement with American Management Systems, Incorporated ("AMS") for the replacement of the County's financial and human resources management systems with the AMS Advantage suite of financial, human resources and budgeting capabilities. These systems form the core of the County's financial and human resources management capabilities, including the following: payroll; tracking employee benefits and deductions; purchasing and related controls; administrative compliance with civil service law requirements; accounting; budgets; bank transactions; record keeping and vendor payments.
- The County and AMS subsequently entered into an agreement for implementation services (the "Services Agreement") in an amount not to exceed \$6,200,000, a perpetual software license agreement (the "License Agreement") in an amount not to exceed \$1,895,600 and a maintenance agreement (the "Maintenance Agreement") in an amount not to exceed \$250,601. Installation and implementation services pursuant to the Services Agreement commenced on January 2, 2004 and were to be complete by June 30, 2005 with AMS being paid for its services at the rate of \$200 per hour. AMS merged with another company and began operating as CGI-AMS Inc. ("CGI-AMS"). The rights and obligations of AMS under all three contracts were therefore assumed by CGI-AMS by operation of law. CGI-AMS subsequently changed its name to CGI Technologies and Solutions Inc. ("CGI").
- The Services Agreement was amended several times since execution in order to increase the scope of services, insert payment milestones, increase the amount not to exceed and extend the term. The Services Agreement expired on October 31, 2009.
- Due to the critical nature of the Financial/Human Resources/Budget systems, it is crucial to maintain and improve these systems with the current technology. For this reason we request approval to contract with CGI to provide assistance with the installation and implementation in upgrading the AMS Advantage Financial, HRM and Budget version 3.8 system.

- Significant upgrades included in this 3.8 system include more modern user screens and navigational features, as well as additional functionality which consists of:
  - Easier-to-use user Internet-style interface that includes spreadsheet-style data entry and type-ahead functions
  - Enhanced Employee and Personnel management functions including Deduction and Benefit improvements
  - Enhanced Payroll processing including FLSA improvements and mass-reorganization improvements
  - Baseline Budget enhancements that are geared toward Westchester County's requirements
- In addition, the warranty period for the hardware being utilized to host the current version of the system is expiring. Replacement hardware will be ordered that is based on a more cost effective Linux platform. The new servers require that the system be upgraded to version 3.8.
- The new platform which will also allow for disaster recovery and Oracle RAC (Real Application Clusters enabling a single database to run across a cluster of servers) will be available which will provide for fault tolerance. That is, the system will continue operation even if there is a problem with one piece of the hardware. RAC will also provide scalability which will allow us to add to the hardware if the need arises rather than purchasing upgraded servers. It will also allow for the possibility of adding additional databases in the future, thus reducing database licensing costs, which can result in considerable savings.
- The public purpose for this agreement is that the project will maintain an efficient and cost effective way of performing the mandatory government function of payroll, human resources management, accounting, budgeting and civil service enforcement. County government could not run without these functions and upgrading these systems will allow for optimal performance in cost and efficiency.
- The goal and objective for the requested agreement is to provide efficient computer systems in the areas of Finance, Human Resources, Management and Budget. Fiscal responsibility is demonstrated by buying much less expensive hardware than is currently used. This will benefit the county in that we are saving money on purchase and maintenance. This project will provide a disaster recovery solution for these applications. This capability is needed for these important applications as was indicated by the county auditors in their report.
- Services provided for in this contract will continually be monitored by DoIT staff in conjunction with staff from the Departments of Finance, Human Resources and the Budget Office to be sure the system is operating efficiently.
- Since the AMS Advantage Financial, HRM and Budget version 3.8 system is proprietary to CGI, I recommend that this procurement be deemed a sole source procurement pursuant to Section 9 of the Westchester County Procurement Policy.
- Therefore we now come before your Honorable Board requesting approval to enter into an agreement (IT-1171) with CGI to implement the AMS Advantage Financial, HRM and Budget version 3.8 system upgrade for a three year term commencing upon contract execution for a total not to exceed amount of \$802,000.

**ACTION REQUESTED:**

- Authorization to enter into an agreement (IT-1171) with CGI Technologies and Solutions Inc., having an office located at 11325 Random Hills Road, Fairfax, Virginia 22030, for

implementation of the AMS Advantage Financial, HRM and Budget version 3.8 system, for a three year term commencing upon contract execution, for a total not to exceed contract amount of \$802,000, payable monthly pursuant to an approved budget, subject to County appropriations.

APPROVED BOARD OF ACQUISITION & CONTRACT - 8-19-2010 - JOMARY VIEIRA, SECRETARY

**RESOLUTION**

UPON A COMMUNICATION FROM THE CHIEF INFORMATION OFFICER,  
DEPARTMENT OF INFORMATION TECHNOLOGY, BE IT HEREBY

RESOLVED, that the County of Westchester is hereby authorized to enter into an agreement (IT-1171) with CGI Technologies and Solutions Inc., having an office located at 11325 Random Hills Road, Fairfax, Virginia 22030, for implementation of the AMS Advantage Financial, HRM and Budget version 3.8 system upgrade, for a three year term commencing upon contract execution, for a total not to exceed contract amount of \$802,000, payable monthly pursuant to an approved budget; and be it further

RESOLVED, that this procurement is deemed to be a sole source procurement pursuant to Section 9 of the Westchester County Procurement Policy; and be it further

RESOLVED, that this Agreement is subject to County appropriations; and be it further

RESOLVED, that the County Executive or his authorized designee is hereby authorized to execute all instruments and take all actions reasonably necessary to implement this Resolution.

Account to be Charged/Credited

Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub-Object	Trust Account	Dollars
311	16	BIT8A00S	6120		\$802,000

Budget Funding Year(s): 2010

Start Date: Upon contract execution

End Date: 3 years later

Funding Source

Tax Dollars: \$ 802,000

State Aid: \_\_\_\_\_

**\$802,000**

Federal Aid: \_\_\_\_\_

(must match resolution)

Other: Capital Project