City of Corona

400 S. Vicentia Ave.
Corona, CA 92882

Agenda Report

File #: 19-0682

AGENDA REPORT
REQUEST FOR CITY COUNCIL ACTION

DATE: 09/18/2019

TO: Honorable Mayor and City Council Members

FROM: Administrative Services Department

SUBJECT:
City Council consideration of Questica Budget Software implementation and software licensing agreement.

RECOMMENDED ACTION:
That the City Council:

1. Authorize the Administrative Services Department to approve the Questica software implementation and software licensing agreement in the total contract amount of $336,270 for the period September 18, 2019 through September 17, 2022 as an exception to bidding pursuant to Corona Municipal Code (C.M.C.) Section 3.08.140(E) "Purpose of bidding is otherwise accomplished".

2. Authorize the City Manager, or his designee, to execute any needed contractual documentation to effectuate the software purchase, subject to any revisions required by the City Manager and/or the City Attorney in order to make them acceptable as to form and consistent with the Council's action hereunder.

3. Authorize the Purchasing Manager to issue a purchase order to Questica LTD for software implementation services and software licensing in the amount of $182,740 for the initial period of September 18, 2019 through September 17, 2020 and approved necessary change orders and/or amendments up to the amount provided by CMC 3.08.070(i)

4. Authorize the City Manager, or his designee, to execute two optional renewals for subsequent one-year periods, in the amounts not to exceed $76,765 per renewal period and approve necessary change orders and/or amendments up to the amount provided by CMC 3.08.070(i).

ANALYSIS:
The City's budget development process starts with preparation of the forms by the Administrative

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Page 1 of 3

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Services Department (ASD). The current department submittal process involves the use of Microsoft Excel, Word, and Access. Departments enter their budget proposal information into the appropriate forms which are then submitted to ASD. ASD is responsible to review and analyze the information. The department submittals are then combined into 'master' worksheets or files. Through the review process with departments and the City Manager's Office, adjustments are made in the master files. The information is ultimately entered into the City's financial system, by data entry or an upload process. Once in the financial system, reports can be generated to compile the information for presentation purposes. This is a very manual process that takes a substantial amount of time and is prone to errors.

In an effort to streamline the process, reduce opportunities for errors, and to provide enhanced budgeting tools and reporting, staff began to explore budgeting software options. Staff participated in demonstrations of three (3) products - Questica, OpenGov, and Workiva. Staff from ASD and the Information Technology Department participated in the demonstrations. After review, staff selected the Questica budget solution. Features that stood out in Questica's budgeting software were:

- Ease of preparing the personnel expenditures budget
- Workflow for the submittal/approval/consolidation process
- Integration with the budget document software
- OpenBook Project Explorer visualization for capital budgets allows organizations to display on a map every infrastructure project, including the budget, actual spending, funding sources, and accompanying documentation
- Integration with the City's interactive budget tool, *A Balancing Act*

In 2018, the City of Escondido conducted an RFP for 'Budget Software and Implementation Services' and selected the Questica product. The product is also successfully being used by multiple agencies such as Riverside, CA, Palo Alto, CA, and Thousand Oaks, CA.

Questica's Budget Software Solution (BSS) will assist with payroll cost projections for the upcoming fiscal year as well as negotiations; calculate internal service charges and cost allocations; assist with operating and capital improvement project (CIP) budget preparation; provide detailed reports and be able to export sufficient information to create detailed budget reports. It will allow for collaborative budgeting, in which users can concurrently view, explore, and comment on proposed budgets. It will enable deep analysis of the budget by enabling robust, interactive visualizations with drill-down capabilities. It will also be able to visualize additional types of data, including historical budget data, budget-to-actual data, nonfinancial data and project trends for future fiscal years. In addition, the BSS will interface with the City's current financial system, One Solution, in terms of being able to easily and quickly upload and download budget and actual financial and payroll information.

The Questica Budget Book, powered by Caseware, will simplify the preparation of the budget document. Currently, as figures get revised, it is a manual process to update all the software platforms and ensure the updates get carried throughout the document in the narrative sections and graphs. With the Caseware product, revisions made in the budget software will automatically flow through the document, updating the appropriate sections. This will significantly reduce the amount of time to prepare the document as well as reduce room for errors.

COMMITTEE ACTION:
Not applicable.

STRATEGIC PLAN:
Not applicable.

FISCAL IMPACT:
Year one of the agreement is $182,740, for the period of September 18, 2019 through September 17, 2020. The first year includes $105,975 in one-time costs related to configuration, implementation, and training. The first year total also includes the annual subscription costs of $76,765 which covers the Questica budget software with multiple licenses, Questica OpenBook, and Questica Budget Book powered by Caseware.

Funding for the first year of budget software and implementation costs is available in the 'Budget Management Software' project in the Information Technology Fund 681. Recurring licensing costs will be included in the budget process in future years. It is anticipated that there will be some budgetary savings from other products that provide overlapping services with the new budget software. This will be analyzed through the implementation of the new software.

ENVIRONMENTAL ANALYSIS:
No environmental review is required because the proposed action is not a project governed by the California Environmental Quality Act.

PREPARED BY: KIM SITTON, FINANCE MANAGER III

REVIEWED BY: CITA LONGSWORTH, PURCHASING MANAGER

REVIEWED BY: KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

REVIEWED BY: MICHELE NISSEN, ASSISTANT CITY MANAGER

SUBMITTED BY: MITCHELL LANSDELL, ACTING CITY MANAGER

Attachments:
1. City of Escondido City Council Staff Report - Professional Services Agreement with Questica Ltd. To Provide Budget Software and Implementation Services
2. Questica Software Subscription Agreement