

# Memorandum



DATE January 4, 2013

TO Honorable Members of the Budget, Finance & Audit Committee: Jerry R. Allen (Chair), Tennell Atkins (Vice Chair), Monica R. Alonzo, Scott Griggs, Ann Margolin

SUBJECT Financial System Upgrade

The City of Dallas partnered with CGI Technologies and Solutions, Inc. (CGI) in 2006 to upgrade the City's financial system. That version of the software, Advantage 3, modernized the City's financial system which had been in place since 1985. On the January 23, 2013 council agenda is a request for authorization to amend the service contract with CGI to provide support for another upgrade to the financial system. This upgrade will increase the existing contract in an amount not to exceed \$1,130,411. Funding will be provided from current funds (\$127,361) and municipal lease agreement funds (\$1,003,050).

The City's financial system, Advantage 3, is the core business application that supports the City in delivering services to its citizens, elected officials and employees. Most of the software applications in use at the City depend upon or interact with this financial system at some level. It provides:

- processing of essential financial transactions including: purchasing, accounts payable, grant management, fixed assets, and general ledger accounting
- compliance with approved budget
- financial reporting and legal requirements
- integration with the City's other key business applications and service providers including payroll, banking services, and utility billing

The current software release has exceeded the end of a reasonable lifecycle as it has been in production for more than six years without a major refresh or update. The system is running on outdated technology and has demonstrated performance issues. Failure to upgrade this system will increase the risk of interrupting critical business processes, including contract management and paying external vendors. Failure to upgrade to the current version of the software will also result in reduced support from the vendor.

The purpose of this contract is to engage CGI to provide the following services in support of the upgrade:

- Training of new features and functionality in the new financial system
- Upgrade and install the new financial system
- Install the new financial reporting component
- Test the new system with the City's historical data
- Support the City in final implementation of software

The upgrade will provide the City with enhanced reporting capabilities. Users will be able to prepare and publish reports more easily, combining data from Advantage and the various other financial systems which are integrated into it. More specifically, the Advantage 3 system will provide the following benefits:

- Improved process efficiencies, including:
- Automation of current paper intensive processes
- Updated user interface, providing improved navigation for both City employees and external vendors
- General increase in system functionality and security features
- Mitigation of vendor software support risks
- Easier future upgrade path
- Improved reporting functionality, including enhanced ad-hoc reporting and inquiry
- Improved accountability and control
- Ability to support new initiatives including open government transparency and strategic planning
- Significant improvement in the quality, quantity, and timeliness of information used in decision-making
- More efficient and accurate research tools to provide not only standard reporting of "what happened", but also business intelligence tools such as ad-hoc queries and reports to help determine "why did it happen", and analytics and dashboards to monitor "what's happening right now"

Implementation will start immediately after Council approval. The vendor will work with the City to upgrade the system as quickly as possible while maintaining the integrity of the business process functions.

Please contact me should you have additional questions.



Jill A. Jordan, P.E.  
Assistant City Manager

Attachment

cc: Honorable Mayor and Members of the City Council  
Mary K. Suhm, City Manager  
Rosa A. Rios, City Secretary  
Thomas P. Perkins, Jr., City Attorney  
Craig D. Kinton, City Auditor  
Daniel F. Solis, Administrative Judge  
A.C. Gonzalez, First Assistant City Manager  
Ryan S. Evans, Assistant City Manager  
Forest E. Turner, Assistant City Manager  
Joey Zapata, Assistant City Manager  
Jeanne Chipperfield, Chief Financial Officer  
Jack Ireland, Director, Financial Services  
Michael Frosch, Director, Business Development & Procurement Services  
William Finch, Chief Information Officer  
Frank Libro, Public Information Officer