
Award of Contract – Financial Reporting Management Software

Recommendation

That the Standing Policy Committee on Finance recommend to City Council:

1. That the proposal submitted by KPMG LLP for Financial Reporting Management Software be approved; and
2. That the City Solicitor be requested to prepare the appropriate agreement and that His Worship the Mayor and the City Clerk be authorized to execute the agreement under the Corporate Seal.

Topic and Purpose

The purpose of this report is to obtain City Council approval for the award of contract to KPMG LLP for financial reporting management software.

Report Highlights

1. The Administration issued a Request for Proposals (RFP) seeking replacement of the financial reporting management software which will allow the City of Saskatoon (City) to internally create, modify, share and distribute various financial statements and reports.
2. Through the evaluation process, KPMG LLP was determined to be the highest scoring Proponent.

Strategic Goal

This report supports the Strategic Goal of Asset and Financial Sustainability by being open, accountable and transparent in financial reporting.

Background

The City currently uses a variety of systems to produce various financial statements and reports that are required. External resources are also utilized to format the reports into visually pleasing documents.

Report

Issue of RFP for New Software

As previously reported, the City is currently projecting to release its first Multi-Year Business Plan and Budget (MYBB) for the 2020/2021 years. As part of the City's transition to an MYBB, the current presentation of the public document needs to be revised as the format does not provide the necessary information for a multi-year time frame.

Currently, the annual Corporate Business Plan and Budget books are produced using PatternStream, along with Microsoft Word and Excel, which require extensive manual intervention to make the smallest of formatting changes. The current process is a very

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manual driven that does not have real-time or coordinated updating to ensure that if a change is made, the change is reflective in all areas throughout the document, resulting in inefficiencies.

In an effort to streamline the production of reports and implement a tool that will ensure the future success of the City's MYBB implementation, on June 6, 2018, the City issued an RFP on the SaskTenders website to identify the most qualified proponent for the replacement of the financial reporting management software. The RFP closed on August 16, 2018, with proposals received from the following:

- F.H. Black & Company Incorporated (Winnipeg, MB)
- IGM Technology Corp. (Toronto, ON)
- KPMG LLP (Calgary, AB)

The Evaluation Team, comprised of five City employees (three from the Finance Division and two from the Information Technology Division) reviewed and scored the proposals based on the evaluation criteria and the evaluation process included in the RFP.

The RFP was divided into two phases where the top three scoring Proponents from Phase 1 were invited to submit a proposal and provide demonstrations for Phase 2. The evaluation scoring for Phase 1 is outlined below.

Phase 1 Evaluation	Weighting
Experience	20
Approach	10
Functional/Technical Requirements	40
Data Centre, Information Security and Data Protection	15
Customer and Technical Support	15
Total	100

All three Proponents were invited to submit a proposal and provide a demonstration for Phase 2. KPMG LLP was the highest-scoring Proponent based on the Evaluation Criteria for Phase 2 as outlined below.

Phase 2 Evaluation	Weighting
Implementation Plan	10
Training Plan	5
Technical Demonstration	50
Pricing	20
Questions	15
Total	100

The Administration is recommending that the City enter into an agreement with KPMG LLP to provide the financial reporting management software.

It is imperative that any new financial reporting management software be able to integrate data with the City's existing systems, Microsoft Word and Excel, as well as a new enterprise resource planning system. KPMG LLP's solution is to use the Oracle system, which is compatible with most other systems. The Administration does not foresee a problem with future compatibility of this product.

Options to the Recommendation

City Council can choose not to award the contract to KPMG LLP. The Administration does not recommend this option as the current process is cumbersome, time-consuming, and the potential for errors in reports are greater due to the manual processes required.

Financial Implications

Capital Project 2515 – Multi-Year Business Plan and Budget contains sufficient funding for the capital costs of this contract. KPMG LLP's proposal included a one-time capital cost of \$174,710.00, plus applicable GST, as well as an annual subscription cost of \$11,650.32, plus applicable GST, for the first five years which will be funded from the Operating Budget. After this time, the annual subscription cost may increase by an inflationary change.

Other Considerations/Implications

There are no environmental, policy, privacy, or CPTED implications or considerations, and neither public and/or stakeholder involvement nor a communication plan is required.

Due Date for Follow-up and/or Project Completion

There is no follow-up required.

Public Notice

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Report Approval

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