



EXHIBIT A

CITY OF COLUMBIA, MISSOURI

FINANCE DEPARTMENT
PURCHASING DIVISION

May 2, 2012

Plante & Moran, PLLC
Mr. Adam Rujan, Partner
27400 Northwestern Highway
P.O. Box 307
Southfield, MI 48037-0307

RE: Professional Service Agreement- Financial Enterprise Resource System (COFERS)

Dear Mr. Rujan,

Attached is a fully executed original of the agreement between the City of Columbia, MO and your firm.

Please maintain this original for your records.

Sincerely,

A handwritten signature in cursive script that reads "Marilyn Starke".

Marilyn Starke, CPPO
Purchasing Agent

**AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES
BETWEEN THE CITY OF COLUMBIA, MISSOURI AND
PLANTE & MORAN**

THIS AGREEMENT made as of day of May, 2012, by and between the City of Columbia, Missouri, hereinafter called the CITY, and Plante & Moran of Southfield, MI, hereinafter called the CONSULTANT.

WITNESSETH, that whereas the CITY intends to engage the services of a professional consultant for services related to Needs Analysis of the City's Financial Enterprise Resource System (COFERS), hereinafter called the PROJECT, consisting of the following:

Now, therefore, in consideration of the mutual covenants set out herein the parties agree as follows:

CONSULTANT shall serve as CITY's professional consultant in those assignments to which this Agreement applies, and shall give consultation and advice to CITY during the performance of their services.

SECTION 1 - AUTHORIZATION OF SERVICES

1.1 CONSULTANT shall not undertake to begin any of the services contemplated by this agreement until directed in writing to do so by CITY. CITY may elect to authorize the PROJECT as a whole or in parts.

1.2 Authorized work may include services described hereafter as Basic Services or as Additional Services of CONSULTANT.

SECTION 2 - BASIC SERVICES OF CONSULTANT

Basic services shall include Phases I, II and III specifically, Phase 0-I Project Management and Needs Assessment, Phase II RFP Development, Phase III ERP Vendor Selection as described in CONSULTANT's proposal dated February 2, 2012 which is incorporated and made a part of this agreement by reference.

2.1 Assess the current system and system based processes to determine procedures that can be streamlined through the implementation of technology solutions. Such an analysis will include measurements of improved productivity that can be achieved through implementation of technology solutions.

2.2 Identify and prioritize current and future application requirements, based upon legal and other essential requirements including best practices for COFERS inclusion.

2.2.1 Identify current system problems and functionality limitations.

2.3 Conduct a gap analysis of identified application requirements and current system capabilities.

2.4 Identify and research alternatives:

- Perform market research on alternative IT applications including COFERS solutions
 - Develop options and recommendation for the City to consider with respect to its administrative software, including costs and implications of maintaining current systems, ranges of potential cost estimates for upgrading or replacement of software, and risk/opportunity analysis for identified options. Items to be considered include:
 - Data conversion
 - Archival and retrieval of historical records
 - Maintenance of legacy hardware
 - Training
 - Integration between/with other systems
 - Product documentation
 - Projected life cycle of each alternative
- Perform business case analysis and comparison on the primary recommendation. Include:
- Cost Benefit Analysis (CBA)
 - Return on Investment (ROI)

2.5 Department Staffing Provide an analysis and recommendation of staffing and skills needed to maintain primary recommended COFERS application.

2.6 RFP Development and Vendor Selection

In cooperation with City Purchasing, develop a request for proposal for a new COFERS RFP to be circulated to potential vendors including:

- Evaluation of proposals and selection of a COFERS vendor
- Contract negotiations with the successful COFERS vendor

2.7 The CONSULTANT represents that it has, or will secure at its own expense, all personnel required to perform the services under this Agreement. Such personnel shall not be employees of or have any contractual relationship with the CITY.

2.8 The CONSULTANT will designate the following listed individuals as its project team with responsibilities as assigned. The CONSULTANT shall dedicate whatever additional resources are necessary to accomplish the PROJECT within the specified time frame but will not remove these individuals from the assigned tasks for any reason within the control of the CONSULTANT without the written approval of the CITY.

Name and Title Assignment

Adam Rujan	Project Director
Scott Eiler	Project Manager
Mike Riffel	Senior Consultant
Christine Lambino	Senior Consultant
Jenny Casler, CPA	Consultant
Dale Vanderford	Consultant

All of the services required hereunder will be performed by the CONSULTANT or under its supervision and all personnel engaged in the work shall be fully qualified and authorized or permitted under state and local law to perform such services.

None of the work or services covered by this Agreement shall be subcontracted without the prior written approval of the CITY and any work or services so subcontracted shall be subject to the provisions of this Agreement.

2.9 The CONSULTANT shall furnish such periodic reports as the CITY may request pertaining to the work or services undertaken pursuant to this Agreement, the costs and obligations incurred or to be incurred, and any other matters covered by this Agreement.

2.10 The CONSULTANT shall maintain accounts and records, including personnel, property and financial records, adequate to identify and account for all costs pertaining to the Agreement and any other records as deemed necessary by the CITY to assure proper accounting for all project funds. These records must be available to the CITY or its authorized representatives, for audit purposes, and must be retained for three (3) years after expiration or completion of this Agreement.

SECTION 3 -RESPONSIBILITIES OF CITY

3.1 Provide full information as to CITY's requirements for the PROJECT.

3.2 Assist CONSULTANT by placing at CONSULTANT's disposal available information pertinent to the assignment including previous reports and other data relative thereto, including the items outlined in Attachment A -"Scope of Work and Project Phasing", dated February 2, 2012.

3.3 Guarantee access to and make all provisions for CONSULTANT to enter upon public and private property as required for CONSULTANT to perform his services under this Agreement.

3.4 Examine all studies, reports, sketches, estimates, Bid Documents, drawings, proposals and other documents presented by CONSULTANT and render in writing decisions pertaining thereto.

3.5 Provide such professional legal, accounting, financial and insurance counseling services as may be required for the PROJECT.

3.6 Designate Tony St. Romaine, Deputy City Manager as CITY's representative with respect to the services to be performed under this Agreement. Such person shall have complete authority to transmit instructions, receive information, interpret and define CITY's policies and decisions with respect to materials, equipment, elements and systems to be used in the PROJECT, and other matters pertinent to the services covered by this Agreement.

3.7 Give prompt written notice to CONSULTANT whenever CITY observes or otherwise becomes aware of any defect in the PROJECT.

3.8 Furnish approvals and permits from all governmental authorities having jurisdiction over the PROJECT and such approvals and consents from others as may be necessary for completion of the PROJECT.

SECTION 4 -PERIOD OF SERVICE

4.1 This Agreement will become effective upon the first written notice by CITY authorizing services hereunder.

4.2 This Agreement shall be applicable to all work assignments authorized by CITY subsequent to the date of its execution and shall be effective as to all assignments authorized.

4.3 Work shall proceed and be completed as shown in Attachment A --"Scope of Work and Project Phasing". CITY shall have the right to amend performance times for individual phases or elements of the PROJECT by delivering a written schedule setting out the performance times to the CONSULTANT.

SECTION 5 -PAYMENTS TO CONSULTANT

5.1.1 For services performed, City shall pay CONSULTANT the sum of

***Two Hundred Fifty Thousand, Three Hundred Sixty Dollars and No cents
(\$250,360.00)***

5.1.2 For any authorized additional time spent by the two assigned personnel, payment at the hourly rates indicated in the above attached schedule shall apply.

5.1.3 For outside expenses incurred by CONSULTANT, such as authorized travel and subsistence, commercial services, and incidental expenses, the cost to

CONSULTANT.

5.1.4 For reproduction and printing or reports, amounts will be charged according to the CONSULTANT's standard rates in effect at the time service is provided.

5.1.5 For time spent by outside individual professional consultants employed by CONSULTANT in providing authorized services to CITY, the cost to CONSULTANT.

5.2 Total payment for the Scope of Services described herein shall not exceed Two Hundred Fifty Thousand, Three hundred Sixty Dollars and no cents (\$250,360.00)

5.2.1 Should the CITY elect to engage the CONSULTANT to perform implementation assistance (per Phase IV in Consultants proposal) in order to provide implementation management, general support and monitor vendor compliance during system installation and start-up, hours billed by CONSULTANT shall be at \$220 per hour (estimated 1540 hours plus expenses) for a total not to exceed amount of \$338,800.00.) These services would be initiated and confirmed with a Change Order to this Agreement.

5.3 Payments

5.3.1 The CONSULTANT shall submit an invoice for services rendered to the CITY upon the completion of each Task as represented by the Phases outlined in Attachment B - Timeline. Upon receipt of the invoice and deliverables, the CITY will, as soon as practical, pay the CONSULTANT for the services rendered, provided the CITY does not contest the invoice.

SECTION 6 -GENERAL CONSIDERATIONS

6.1 Insurance The CONSULTANT shall maintain insurance as stated herein for the duration of the contract with the city named as additional insured as follows:

6.1.1 CONSULTANT'S INSURANCE: CONSULTANT agrees to maintain, on a primary basis and at its sole expense, at all times during the life of this contract the following insurance coverage's, limits, including endorsements described herein. The requirements contained herein, as well as CITY's review or acceptance of insurance maintained by CONSULTANT is not intended to and shall not in any manner limit or qualify the liabilities or obligations assumed by CONSULTANT under this contract.

Commercial General Liability CONSULTANT agrees to maintain Commercial General Liability at a limit of liability not less than **\$2,000,000** combined single limit for any one occurrence covering both bodily injury and property damage, including accidental death. Coverage shall not contain any endorsement(s) excluding nor limiting Contractual Liability or Cross Liability.

Professional Liability CONSULTANT agrees to maintain Professional (Errors & Omissions) Liability at a limit of liability not less than \$2,000,000 Per Occurrence. When a self-insured retention (SIR) or deductible exceeds \$10,000, the CITY reserves the right, but not the obligation, to review and request a copy of CONSULTANT's most recent annual report or audited financial statement. For policies written on a "Claims-Made" basis, CONSULTANT agrees to maintain a Retroactive Date prior to or equal to the effective date of this contract. In the event the policy is canceled, non-renewed, switched to an Occurrence Form, retroactive date advanced; or any other event triggering the right to purchase a Supplemental Extended Reporting Period (SERP) during the life of this contract, CONSULTANT agrees to purchase a SERP with a minimum reporting period not less than two (2) year. The requirement to purchase a SERP shall not relieve CONSULTANT of the obligation to provide replacement coverage.

Business Automobile Liability CONSULTANT agrees to maintain Business Automobile Liability at a limit of liability not less than **\$2,000,000** combined single limit for any one occurrence and not less than \$150,000 per individual, covering both bodily injury, including accidental death, and property damage, to protect themselves from any and all claims arising from the use of the CONSULTANT's own automobiles, teams and trucks; hired automobiles, teams and trucks; and automobiles both on and off the site of work. Coverage shall include liability for Owned, Non-Owned & Hired automobiles. In the event CONSULTANT does not own automobiles, CONSULTANT agrees to maintain coverage for Hired & Non-Owned Auto Liability, which may be satisfied by way of endorsement to the Commercial General Liability policy or separate Business Auto Liability policy.

Workers' Compensation Insurance & Employers' Liability CONSULTANT agrees to take out and maintain during the life of this contract, Employers' Liability and Workers' Compensation Insurance for all of their employees employed at the site of the work, and in case any work is sublet, the CONSULTANT shall require the subcontractor similarly to provide Workers' Compensation Insurance for all the latter's employees unless such employees are covered by the protection afforded by the CONSULTANT. Workers' Compensation coverage's shall meet Missouri statutory limits. Employers' Liability minimum limits shall be \$500,000 each employee, \$500,000 each accident and \$500,000 policy limit. In case any class of employees engaged in hazardous work under this contract is not protected under the Workers' Compensation Statute, the CONSULTANT shall provide and shall cause each subcontractor to provide Employers' Liability Insurance for the protection of their employees not otherwise protected.

Additional Insured CONSULTANT agrees to endorse CITY as an Additional Insured with a CG 2026 Additional Insured – Designated Person or Organization endorsement, or similar endorsement, to the Commercial General Liability. The Additional Insured shall read "City of Columbia."

Waiver of Subrogation CONSULTANT agrees by entering into this contract to a Waiver of Subrogation for each required policy herein. When required by the insurer, or should a

policy condition not permit CONSULTANT to enter into an pre-loss agreement to waive subrogation without an endorsement, then CONSULTANT agrees to notify the insurer and request the policy be endorsed with a Waiver of Transfer of Rights of Recovery Against Others, or its equivalent. This Waiver of Subrogation requirement shall not apply to any policy, which includes a condition specifically prohibiting such an endorsement, or voids coverage should CONSULTANT enter into such an agreement on a pre-loss basis.

Certificate(s) of Insurance CONSULTANT agrees to provide CITY with Certificate(s) of Insurance evidencing that all coverages, limits and endorsements required herein are maintained and in full force and effect. Said Certificate(s) of Insurance shall include a minimum thirty (30) day endeavor to notify due to cancellation or non-renewal of coverage. The Certificate(s) of Insurance shall name the City as additional insured in an amount as required in this contract and contain a description of the project or work to be performed.

Right to Revise or Reject CITY reserves the right, but not the obligation, to review and revise any insurance requirement, not limited to limits, coverage's and endorsements based on insurance market conditions affecting the availability or affordability of coverage; or changes in the scope of work / specifications affecting the applicability of coverage. Additionally, the CITY reserves the right, but not the obligation, to review and reject any insurance policies failing to meet the criteria stated herein or any insurer providing coverage due of its poor financial condition or failure to operating legally.

6.1.2 HOLD HARMLESS AGREEMENT: To the fullest extent not prohibited by law, CONSULTANT shall indemnify and hold harmless the City of Columbia, its directors, officers, agents and employees from and against all claims, damages, losses and expenses (including but not limited to attorney's fees) arising by reason of any act or failure to act, negligent or otherwise, of CONSULTANT, of any subcontractor (meaning anyone, including but not limited to consultants having a contract with CONSULTANT or a subcontractor for part of the services), of anyone directly or indirectly employed by CONSULTANT or by any subcontractor, or of anyone for whose acts the CONSULTANT or its subcontractor may be liable, in connection with providing these services except as provided in the Agreement. This provision does not, however, require CONSULTANT to indemnify, hold harmless or defend the City of Columbia from its own negligence, except as set out herein.

6.1.3 Professional Oversight Indemnification

The CONSULTANT understands and agrees that CITY has contracted with CONSULTANT based upon CONSULTANT's representations that CONSULTANT is a skilled professional and fully able to provide the services set out in this Agreement. In addition to any other indemnification set out in this Agreement, CONSULTANT agrees to defend, indemnify and hold and save harmless the CITY from any and all claims settlements and judgments whatsoever arising out of the CITY's alleged negligence in hiring or failing to properly supervise the CONSULTANT.

The insurance required by this Agreement shall include coverage which shall meet

CONSULTANT's obligations to indemnify the CITY as set out above and the CITY shall be named as co-insured for such insurance

6.2 Professional Responsibility

6.2.1 CONSULTANT will exercise reasonable skill, care, and diligence in the performance of its services and will carry out its responsibilities in accordance with customarily accepted good professional consulting practices. If the CONSULTANT fails to meet the foregoing standard, CONSULTANT will perform at its own cost, and without reimbursement from CITY, the professional consulting services necessary to correct errors and omissions which are caused by CONSULTANT's failure to comply with above standard, and which are reported to CONSULTANT within one year from the completion of CONSULTANT's services for the PROJECT.

6.2.2 In addition, CONSULTANT will be responsible to CITY for damages caused by its negligent conduct during its activities at the PROJECT site or in the field.

6.3 Estimates and Projections

Estimates and projections prepared by CONSULTANT relating to project costs and schedules, operation and maintenance costs, equipment characteristics and performance, and operating results are based on CONSULTANT's experience, qualifications and judgment as a design professional. Since CONSULTANT has no control over economic conditions, competitive bidding or market conditions and other factors affecting such estimates or projections, CONSULTANT does not guarantee that actual rates, costs, performance, schedules, etc., will not vary from estimates and projections prepared by CONSULTANT.

6.4 Changes

CITY shall have the right to make changes within the general scope of CONSULTANT's services, with an appropriate change in compensation, upon execution of a mutually acceptable amendment or change order signed by an authorized representative of the CITY and the President or any Vice President of the CONSULTANT.

6.5 Suspension of Services

Should CITY fail to fulfill its responsibilities as provided under Section 4 to the extent that CONSULTANT is unduly hindered in his services or if CITY fails to make any payment to CONSULTANT on account of its services and expenses within ninety (90) days after receipt of CONSULTANT's bill therefor, CONSULTANT may, after giving seven (7) days' written notice to CITY, suspend services under this Agreement until CITY has satisfied his obligations under this Agreement.

6.6 Termination

Services may be terminated by the CITY at any time and for any reason, and by the CONSULTANT in the event of substantial failure to perform in accordance with the terms

hereof by the CITY through no fault of the CONSULTANT, by ten (10) days' notice. If so terminated, CITY shall pay CONSULTANT all uncontested amounts due CONSULTANT for all services properly rendered and expenses incurred to the date of receipt of notice of termination.

6.6.1 In the event of CITY's termination of the Agreement pursuant to the above section, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports prepared under this Agreement, shall at the option of the CITY become its property.

6.6.2 Further, the CONSULTANT shall not be relieved of any liability to the CITY for any damages sustained by the CITY by virtue of any breach of this Agreement by CONSULTANT and the CITY may withhold any payments due the CONSULTANT for the purpose of set-off until such time as the exact amount of damages to the CITY, if any, is determined.

7. Publications

Recognizing the importance of professional development on the part of CONSULTANT's employees and the importance of CONSULTANT's public relations, CONSULTANT may prepare publications, such as technical papers, articles for periodicals, and press releases, pertaining to CONSULTANT's services for the PROJECT. Such publications will be provided to CITY in draft form for CITY's advance review. CITY will review such drafts promptly and will provide comments to CONSULTANT. CITY may require deletion of proprietary data or confidential information from such publications but otherwise will not unreasonably withhold its approval. The cost of CONSULTANT's activities pertaining to any such publication shall be paid entirely by the CONSULTANT.

8. Nondiscrimination

During the performance of this Agreement, the CONSULTANT agrees to the following:

8.8.1. The CONSULTANT shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, handicap, or national origin. The CONSULTANT shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, religion, sex, age, handicap, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training including apprenticeship. The CONSULTANT agrees to post notices in conspicuous places, available to employees and applicants for employment.

8.8.2 The CONSULTANT shall, in all solicitation or advertisements for employees placed by or on behalf of the CONSULTANT, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, age, handicap, or national origin.

8.8.3 The CONSULTANT shall comply with all provisions of State and Federal Laws

governing the regulation of Equal Employment Opportunity including Title VI of the Civil Rights Act of 1964.

9. Successor and Assigns CITY and CONSULTANT each binds himself and his successors, executors, administrators and assigns to the other party of this Agreement and to the successors, executors, administrators and assigns of such other party, in respect to all covenants of this Agreement; except as above, neither CITY nor CONSULTANT shall assign, sublet or transfer his interest in the Agreement without the written consent of the other.

10. Rights and Benefits

CONSULTANT's services will be performed solely for the benefit of the CITY and not for the benefit of any other persons or entities.

11. Compliance with Local Laws

The CONSULTANT shall comply with all applicable laws, ordinances and codes of the state and city.

12. Entire Agreement

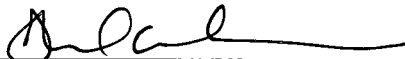
This Agreement represents the entire and integrated Agreement between the CONSULTANT and CITY relative to the Scope of Services herein. All previous or contemporaneous agreements, representations, promises and conditions relating to CONSULTANT's services described herein are superseded.

CITY OF COLUMBIA, MISSOURI

BY: 

Michael Matthes, City Manager

ATTESTED BY:




Sheela Amin, City Clerk

APPROVED AS TO FORM:


Fred Boeckmann, City Counselor

CONSULTANT

BY: 
Plante & Moran

ADAM KUJAN
PARTNER

CERTIFICATION: I hereby certify that the above expenditure is within the purpose of the appropriation to which it is charged, Account No. 440-8800-508.40-23 C00476, and that there is an unencumbered balance to the credit of such appropriation sufficient to pay therefor.


John Blattel, Director of Finance *g7*

Section 4: Scope of Work and Project Phasing

4.1 Statement of Understanding

The City of Columbia uses a number of systems for managing the City's operations that are composed of certain core systems and a number of departmental specific systems that interface with the core systems. The predominant system being used to manage much of the City operations resides on the IBM AS/400 housing the Sungard/HTE system that has been in place since 1997. The Sungard system has integration with a number of other City applications including:

- OptiView for Document Imaging
- OptiWorkFlow for workflow management
- Teleworks for online Utility Payments
- Vermont Systems for parks and recreation
- Quatred for store inventories
- Itron for water and electric meter reading
- Other potential applications that may interface with the new COFERS system

The City is seeking the services of a firm to provide an evaluation and development of recommendations related to the continued use or replacement of the existing Sungard HTE system. This analysis is intended to determine the best of course of action to most effectively and efficiently support current departmental operations that may include replacing existing systems, maintaining existing systems or other viable alternative actions. This project is viewed as a joint effort between the City and the selected consultant in which the City will provide project management and subject matter expertise while the selected consultant will serve in a business analyst/facilitator role.

4.2 Management Plan and Communications Approach

Our project management and communications approach is one of the reasons why we have been very successful in past projects of a similar scope requested by the City. This collaborative approach is also used to ensure effective communications between our team and the various City stakeholders that can be summarized as follows:

- At the start of the project, we will work with the client in the development of a Project Governance Structure, Project Charter and Project Management Plan as a means of establishing a framework in which the project will be managed and establishing expectations around the project itself. Critical components of the Governance Structure will include the establishment of the various components including defined roles and responsibilities for:
 - Executive Sponsor
 - Executive Steering Committee
 - City Project Manager
 - Needs Assessment Committee
- We intend on conducting status meetings that include measuring progress against the project schedule, budget and risks.
- We intend on conducting a project kick-off meeting to work with the City in communicating the project to City staff. Likewise, we would anticipate a City-wide communication to be distributed

Proposal to Provide

Needs Analysis for the Columbia Financial Enterprise Resource System (COFERS)

once the project has been approved announcing the project and garnering support from City staff to participate in the project.

- We will have a number of interview sessions with City staff to obtain their input into challenges with the current environment and desired capabilities in a new systems and operational environment.
- We will employ a project collaboration environment, MS SharePoint, to manage all aspects of the project that will be accessible by our staff as well as by City staff.
- At the conclusion of the Needs Assessment Phase, we will likely be requested to provide a presentation summary to City Management and City Council about the project or a Council workshop depending on what is deemed most appropriate.
- Frequently, with larger clients we will conduct a Stakeholder Analysis at the start of the project in which we identify the various stakeholders that will be impacted or will have an impact on the project and their communication needs as part of an overall communications management plan.
- We will use Microsoft Lync as a tool in which to conduct a number of project tasks remotely including review of various deliverables, as appropriate.
- Our project manager is well-versed in the project management methods required around ERP projects including management of the triple constraints; time, scope and cost.
- Our project manager has worked with the assigned staff on other similar projects. As a result, the expectations of staff as to what is required by when is well known and understood.
- Having worked as a team on numerous similar engagements, there is broad familiarity with the tools and templates that will be used on the project.

Through the course of conducting similar ERP projects with other clients, we have developed a number of tools and templates that are intended to ensure the completeness of all required tasks to be performed. Clients have found these tools to have added significant value to the project and, in many cases, have been adopted by the Client as standard tools for performing other similar projects. These tools include items such as:

- Project Charter Template
- Process Owner and End-User Interview Questionnaires
- ERP Needs Assessment (sub) Process Checklist
- Vendor Demonstration Script Templates
- Best Practice ERP System Specifications
- Best Practice ERP Software Contractual Terms & Conditions
- ERP Implementation Cost Categories
- Seven Year Financial Impact Analysis
- Vendor Proposal Analysis Template
- Vendor Demonstration Scoring Sheets
- Numerous templates associated with the implementation of an ERP solution

4.3 Unique Project issues

There are a couple of unique issues pertaining to the project that are relevant to the Needs Assessment phase and subsequent project phases, if performed. We have encountered these situations on numerous projects and will be able to provide guidance and advice in how to best manage them:

- **Size of the City:** The City budget lies at an inflection point within the ERP vendor marketplace between a Tier 1 and Tier 2 position. What this implies is that the City will likely receive a large number of vendor responses from Tier 2 ERP vendors and likely responses from Tier 1 vendors as well if it chooses to issue an RFP for a new ERP solution. As a result, the Needs Assessment phase of the project will likely include budgetary estimates for both Tier 1 and Tier 2 solutions.
- **Scope of the Project:** The scope of the project is very comprehensive encompassing many different lines of business within the City including those not traditionally seen in a City of the size of Columbia such as Transit, Airport and Electric Utility functions. For a City of the size of Columbia, this will result in discussions around “Best of Breed” versus “Single Integrated Solution” in which the City will need to balance the higher degree of functionality with a best of breed solution against the integration and technical support challenges with this approach.
- **Electric Utility:** The requirements for municipal utilities that include an Electric Utility will likely result in challenges with selecting an ERP vendor solution that is supportive by all City staff and also provides strong support for electric utility functionality.
- **Return on Investment (ROI) Analysis:** Due to challenging economic times that have been present within the municipal environment for the last few years, the incorporation of business metrics such as Return on Investment (ROI) analysis have become more prevalent. This type of request is typically seen within the more sophisticated municipal environments. Although not discussed in detail within our approach, we have a very comprehensive ROI tool and supporting documentation on how to use the tool that has been used on some of our more recent engagements. If requested, we would be happy to provide detail on this approach and how it would be employed at the City.

4.4 Proposed Solution Overview

Plante & Moran has been providing ERP needs assessment, software selection and implementation consulting services to public sector clients for over twenty five years. In addition to ERP Needs Assessment services requested in the RFP, we provide the following full lifecycle set of other ERP-related services:

- ERP Vendor Selection
- Contract Negotiations and Statement of Work (SOW) Development
- ERP Implementation Management Assistance Activities including:
 - Project management assistance
 - Process redesign assistance
 - Chart of Accounts development assistance
 - Change Management assistance (i.e., people side of change)

Through these experiences we have been able to derive best practices associated with ERP system functional requirements, processes and technologies that, taken together, maximize the value that can be delivered to stakeholders within and external to the City of Columbia. ***Additionally, our significant experience with assisting clients in the implementation of ERP solutions provides us insight into ensuring that the up-***

front needs assessment and selection phases incorporate lessons learned gained from these implementation experiences. To accomplish the goals of the project, we intend to execute the project organized by the following major Phases and associated activities that are consistent with those identified by the City in the RFP with further detail provided in subsequent sections of this proposal:

- **Phase 0 – Project Management:**
 - Develop a Project Organizational Structure that defines staff roles and expectations
 - Develop a Project Charter that provides a framework from which the project will progress
 - Develop a detailed Project Plan identifying the activities, responsibilities and timing of tasks necessary to complete the project
 - Establish a Project Collaboration Center to act as a repository for project information
 - Conduct periodic status meetings to monitor project progress
- **Phase 1 – COFERS Needs Assessment:**
 - Obtain and review relevant documents to obtain background information on the current and desired ERP environment
 - Conduct departmental interview sessions
 - Assess and document the City’s current technology infrastructure and ERP environment
 - Develop Issues and Opportunities matrix for each major process area
 - Conduct options analysis
 - Assessment staffing needs
 - Develop preliminary cost estimates
 - Develop a COFERS Needs Assessment Report
- **Phase 3 – Request for Proposal Development (optional)**
- **Phase 4 – ERP Vendor Selection (including SOW and Contract Negotiations) (optional)**
- **Phase 5 –ERP System Implementation Management Assistance (Optional)**

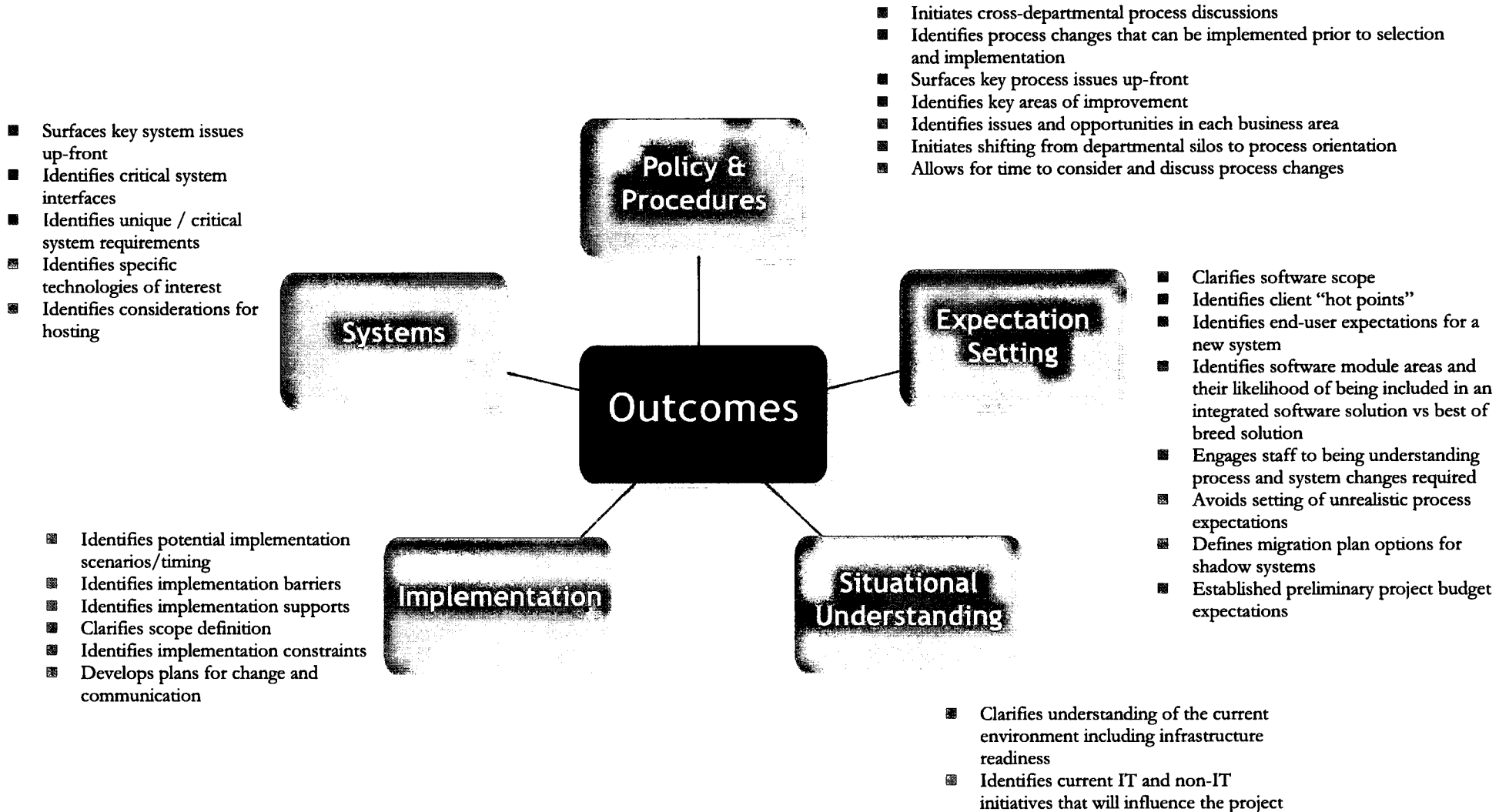
4.4.1 Methodology Overview

Having performed similar ERP projects for many similar size local units of government over the years, Plante & Moran’s seasoned project consultants have developed and refined a proven methodology and set of related tools that provide outstanding and valued service to our clients by leveraging best practices while incorporating the unique needs of our clients. Our approach consists of engaging a qualified project team to develop, refine and execute a proven project plan to meet the project objectives. We view the upfront activities as an important component for improving the success of project activities. The outcome of these up-front activities incorporates the following areas:

- Process and Policy
- System
- Implementation
- Expectation Setting
- Situational Understanding

The visual on the following page illustrates the anticipated outcomes of these up-front activities.

Proposal to Provide
Needs Analysis for the Columbia Financial Enterprise Resource System (COFERS)



Proposal to Provide

Needs Analysis for the Columbia Financial Enterprise Resource System (COFERS)

4.4.2 Critical Success Factors

As a firm, we bring a number of tools, methodologies and technology to enhance the ability for a successful project as follows:

Staff Capabilities

We will be assigning senior-level staff to the project that have conducted numerous engagements similar to what is requested by the City for a significant number of clients over a long period of time.

Leveraging of Previous Tools and Templates

Having performed a number of ERP software needs assessments, selections and implementation management projects, we bring a significant number of project templates that have been used on previous projects and can be brought to bear for the City to expedite execution of the project including:

- Project Charter Template
- Application Migration and Integration Matrices
- Process Owner and End-User Interview Questionnaires
- ERP Needs Assessment (sub) Process Checklist
- Vendor Selection Criteria Matrices
- Vendor Demonstration Script Templates
- Vendor Background Questionnaire
- Best Practice ERP System Specifications
- Best Practice ERP Software Contractual Terms & Conditions
- Best Practice ERP Software RFP materials
- ERP Implementation Cost Categories
- Seven Year Financial Impact Analysis
- Vendor Proposal Analysis Template
- Vendor Demonstration Scoring Sheets
- Statement of Work Template
- Detailed Implementation Management Checklist
- Numerous templates associated with the implementation of an ERP solution

4.5 Solution Approach

4.5.1 Phase 0 - Project Management

1. Develop Project Organizational Structure

Our approach to each consulting engagement is structured to provide the services and level of professional support required to meet the individual needs of the client. We will work jointly with the key City contacts to design a process that will meet the overall needs of the City. As standard practice in the majority of our engagements, especially those related to technology and process transformation, we have designed a very collaborative approach to ensure a high probability of success. During the early stages of the project we suggest creating a cross-functional group of representatives from essential departments to be involved in the process. We would expect the City to identify the appropriate individual participants. This Committee will be involved in all aspects of defining system needs, selecting a new system and creating an environment of collaboration and communication between critical City departments. They are noted in our following detailed project work-plan, where appropriate, and are suggested to increase the probability of long-term project success within the City.

2. Develop Project Charter

At the start of the project, a Project Charter will be developed that will provide a framework for the project to include items such as a Vision Statement, Objectives, Business Drivers and numerous other items.

3. Develop Detailed Project Plan

We will work with the City to incorporate the following into a detailed Microsoft Project™ schedule:

- Major phases and milestones
- Work tasks and their due dates with assigned responsibility

We will work with the City during this activity to design a Project schedule that is appropriate and meets City overall priorities.

4. Establish Project Collaboration Center

Over the last few years, collaboration environments such as Microsoft SharePoint have become increasingly viable tools in which to establish project collaboration environments for large-scale projects. These environments can serve a variety of purposes including acting as a repository for documentation developed during the course of an ERP engagement. During this activity, we will work with the City to assist in establishing a Project Collaboration Center including design, structure, security and content that will be hosted by Plante & Moran.

5. Schedule and Moderate Project Status Meetings

Continuous feedback is the key to a successful project. In this way, problems can either be avoided entirely, or addressed early on, to minimize wasted effort and keep the project on schedule. We will schedule regular meetings and / or conference calls with the City's project management team to discuss overall project status.

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Needs Analysis for the Columbia Financial Enterprise Resource System (COFERS)

4.5.2 Phase 1 - COFERS Needs Assessment

1. Review Documents

Plante & Moran will review existing documentation to gain a comprehensive understanding of the City's ERP-related operations and current technologies. Documents to be reviewed include the following:

- Mission Statements
- Previous studies that are relevant to the project
- Relevant operating policies and procedures
- Existing business process and data flow diagrams
- Relevant process and function descriptions/handbooks, pre-existing workflow documentation/flowcharts, such as those that the City has already developed
- Organizational charts
- Cost models, current operating budget detail, purchasing plans for pertinent technology, etc.
- Relevant hardware, software and communications diagrams, and/or other documents, illustrating the layout, networking, etc.
- Listing of existing systems supporting the various business processes that will be evaluated for potential replacement or interfacing to the new ERP
- Listing of additional "shadow systems" and non-integrated systems
- Critical systems to be interfaced with the new software
- Locations of all sites involved in the project, identification of sites that share common property, identification of sites to be visited, and schedules of staff for visits
- City standards for hardware, software, network operating systems, configurations and protocols, etc.

2. Assess the City's Information Technology Infrastructure

We will interview staff directly involved with supporting the City's current technical environment. The results of our review of City documentation and staff interviews will allow us to identify and document the legacy technologies, infrastructure, and facilities. The potential implementation and administration of a new software solution will require a thorough and responsive support and communication infrastructure. To this end, we will identify and document specific related technologies that must be implemented to:

- Support the re-designed processes and new software
- Result in the implementation of enhanced hardware, software, and communications equipment
- Make use of available resources within and from outside of the City
- Satisfy the technology requirements of key entities, users, and departments
- Ensure inter-technology compatibility and data sharing
- Build the necessary support infrastructure to administer the technology
- Improve efficiency
- Enhance security

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3. Conduct Departmental Interviews

We will interview teams of individuals directly involved in the business processes conducted within the City. These sessions will include staff, supervisory personnel, key internal customers, and information technology representatives to identify and discuss key work flow processes. This cross-functional approach of involving staff and internal customers is suggested to provide a broad understanding of the processes and their impact on each unit's operations and new financial information technology requirements. We will include key departmental representatives in order to assist in a successful change management process. This approach will allow us to address the following:

- Existing and relevant operational and technological processes and workflows
- Relevant methodologies, policies and procedures
- Interaction with Clients, the State, outside agencies, and the County
- Usage of enabling technology systems
- Issues and opportunities within each of the process areas
- Plans for technology and process changes over the near-to-long term
- Identification of deficiencies and limitations within existing systems and processes

Our approach to the interviews in this and subsequent work plan tasks will be both educational and investigative:

Educational:

- Advantages/Disadvantages of a new integrated ERP in open environments
- Advantages/Disadvantages of re-designed and technology-enhanced processes
- Costs and benefits of re-designed and technology-enhanced processes

Investigative:

- Business processes in all areas of City operations
- Interaction between processes
- Integration requirements between applications / technologies
- Organizational limitations and barriers to change that may hinder the implementation of process re-designs and new / enhanced technologies
- Hardware and operating system standards
- Functional deficiencies in the legacy ERP
- Determining security, facility, communications (LAN/WAN), and other requirements for the new ERP
- Identifying staff concerns regarding process inefficiencies, paper dependencies, data handling redundancies, etc., and discuss proposed solutions
- Discussing proposed new and/or upgraded technologies and services that the staff believes will be of benefit to their department's operations and to the quality of customer services
- Identifying staff concerns regarding the support of legacy processes and technologies
- Identifying current process and technology enhancement initiatives underway and their anticipated objectives
- Identifying current and anticipated data sharing requirements between the City departments, with entities outside the City, and with customers

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The major deliverables from these sessions will be as follows:

- COFERS system requirements and needs
- Issues and Opportunities matrix where the “issues” will be areas for improvement (e.g., redundant steps, functional deficiencies, “shadow” systems [ledgers, spreadsheets, word processing files, forms] that staff use in parallel with the legacy ERP, processes that are time and paper intensive, etc.). The “opportunities” will be the results of our benchmarking the “issues” with our knowledge of Best Practices and experience with other governmental clients.

4. Conduct Options Analysis

Having an in-depth understanding of the ERP vendor marketplace, we will assess a number of options for consideration as part of the analysis including:

- Upgrading of the existing system
- Replacement of the existing system with a new Solution
- Options for replacement including in-house and externally hosted

5. Assess Staffing Needs

Staffing needs, both business and technical, for the implementation and on-going support phases of the various options to be considered will be assessed. General skillsets relevant to the common aspects of current ERP solutions will be provided as part of the staffing analysis.

6. Develop Preliminary Cost Estimates

Having conducted ERP selection and implementation projects for a large number of clients, we have a strong understanding of the various cost components that should be considered as part of a replacement project as well as potential phasing options for consideration as well. Such costs include the following:

Initial Implementation / Upgrade Costs:

- Software vendor(s)
- City staff costs (hard and soft costs)
- City infrastructure costs
- Other City costs
- License fees
- Hardware purchase and installation

On-Going Costs:

- Maintenance fees
- IT staff support costs
- Other staff support costs
- Infrastructure costs
- Periodic vendor update assistance
- Upgrade analysis & interface re-design
- ASP service costs
- Escrow Agreement

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7. Develop COFERS Needs Assessment Report

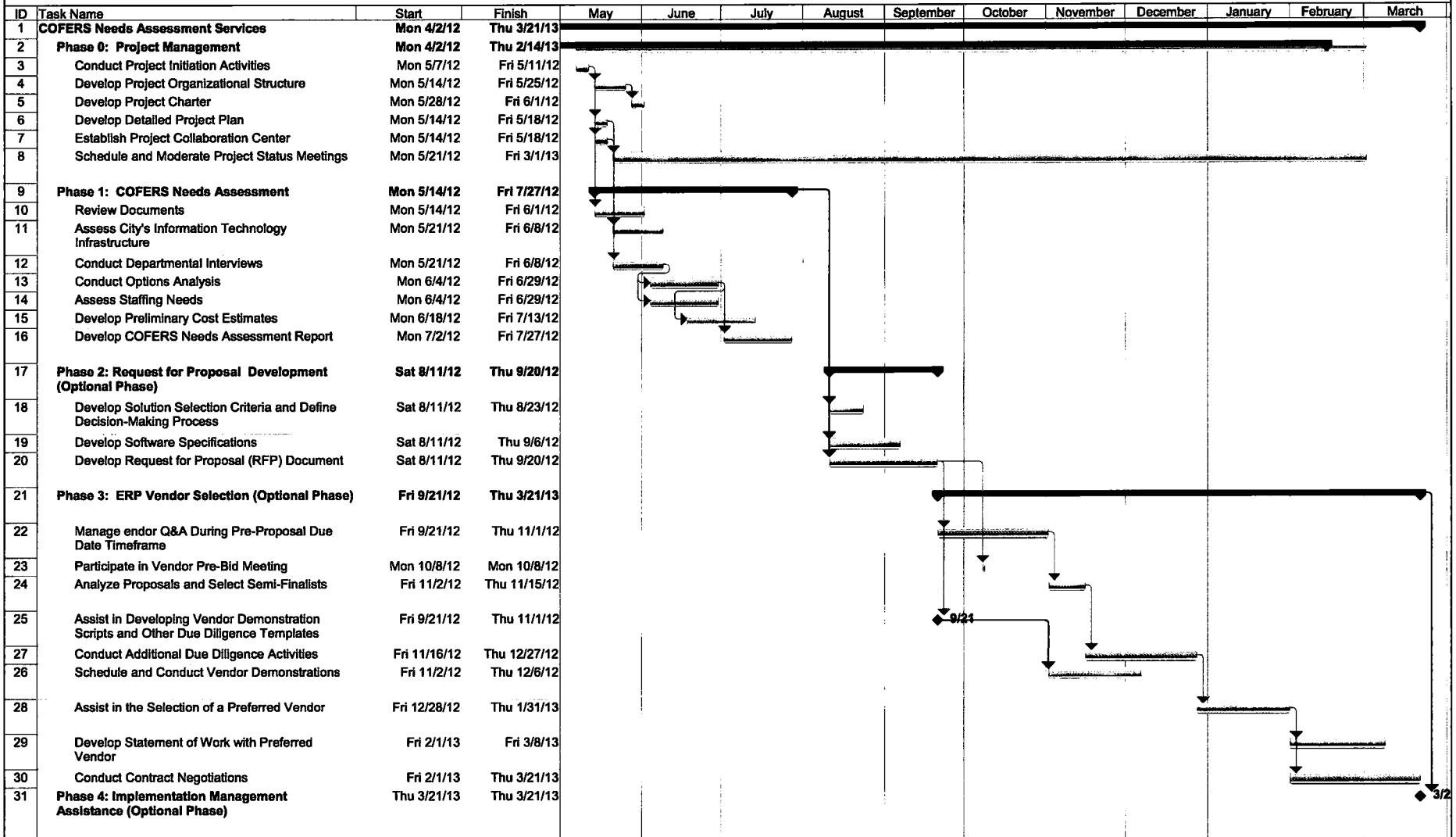
Information developed from the previous work steps will be compiled into a COFERS Needs Assessment Report that will include the following major sections:

- Executive Summary highlighting the major components of the document
- Summary of findings
- Current systems environment overview
- Identification of issues and opportunities for each functional area within the City that will be categorized as operational, organizational or technological
- Desired solution set of functional needs and software requirements
- Staffing support, both business and technical, required to select, implement and support a new COFERS solution
- Marketplace assessment
- Options analysis to include the following information for each of the options:
 - Implementation and on-going support costs
 - Risks
 - Timing
 - Staff resource requirements (business and technical)
 - Cost Benefit Analysis on the primary recommendation
 - Return on Investment (ROI) analysis on the primary recommendation

We will confirm the information to be included in the above report at the start of the project including the identification of any additional information.

An overall proposed project schedule is included on the following page that can be adjusted based on the specific needs of the City.

City of Columbia, MO
Needs Analysis for the Columbia Financial Enterprise Resource System (COFERS)



Project: COFERS Needs Assessment Date: Mon 4/16/12	Task	[Solid bar]	External Tasks	[Hatched bar]	Manual Task	[Dashed bar]	Finish-only	[Bracket]
	Split	[Dotted bar]	External MileTask	[Diamond]	Duration-only	[Thin line]	Progress	[Thick line]
	Milestone	[Diamond]	Inactive Task	[Thin line]	Manual Summary Rollup	[Thick line]	Split	[Bracket]
	Summary	[Thick bar]	Inactive Milestone	[Diamond]	Manual Summary	[Thick bar]		
	Project Summary	[Thick bar with arrow]	Inactive Summary	[Diamond]	Start-only	[Bracket]		

