

**(ATTACHMENT 1) ACTION ON REQUEST TO WAIVE ADMINISTRATIVE POLICY 3.09(9)(e) AND ENTER INTO A CONTRACT WITH INFOR PUBLIC SECTOR, INC. FOR THE IMPLEMENTATION OF A NEW HRMS/FIS SYSTEM AND AUTHORIZE THE PURCHASE OF SOFTWARE LICENSES AND MAINTENANCE FROM STELLAR SERVICES, INC.**

*This item initiated by the Administration.*

**ADMINISTRATION'S RECOMMENDATION**

The Administration recommends that the Board approve the following professional services contract and purchase:

**RFP 932 Authorization to Waive Administrative Policy 3.09(9)(e), Enter into a Contract with Infor Public Sector, Inc. for the Implementation of a New HRMS/FIS system and Authorize the Purchase of Software Licenses and Maintenance from Stellar Services, Inc.**

The Administration is requesting authorization to waive the three-year-term limit of Administrative Policy 3.09(9)(e) and enter into a contract with Infor Public Sector, Inc. ("Infor") for the implementation of a new HRMS/FIS system, Infor CloudSuite. The purchase of the Infor CloudSuite software subscription will be handled through Stellar Services, Inc., an authorized Infor reseller, as a way for Infor to achieve its HUB requirement.

Currently, the District operates separate systems for finance and human resources. Infor CloudSuite provides a single, integrated solution for the District's core financial, payroll and human resources functions. In addition to CloudSuite, Infor has also proposed the use of two third-party software solutions, MHC and PCI, to handle document management and cash receipts, respectively. Infor is warranting that both these solutions will fully integrate with CloudSuite.

To ensure a smooth transition to the new system, the contract is structured in phases. Implementation services will begin on June 1, 2017, with the learning management system going live October 1, 2017, the financial system going live on July 1, 2018 and the human resources system going live on January 1, 2019.

This contractor was chosen pursuant to RFP 932, which closed on September 13, 2016. Plante Moran, the District's contracted consultant, has guided the Administration through the selection process in conjunction with the project leads: Shannon Gordon from the Office of Finance; Chad Meyer from the Office of Innovation; and Himanshu Parikh from the Office of Human Resources. The RFP process started in July of 2016, as Plante Moran met with staff from Finance, Human Resources, the Office of Accountability & Efficiency and Innovation to map the District's standard processes and develop the functional requirements that needed to be found in an integrated finance and human resources system. In conjunction with the Department of Procurement & Risk Management, Plante Moran authored and issued the RFP.

After the RFP closed, all responses to the RFP were reviewed and Plante Moran prepared a comprehensive presentation of how each proposed system met the functional requirements of the system requested in the RFP. All staff from the Finance, Human Resources and relevant staff from Innovation participated in a meeting wherein Plante Moran presented this information. Thereafter, staff took a survey where they were asked to indicate a preferred system and offer comments for consideration by the selection committee.

The selection committee, composed of senior staff from Finance, Human Resources and Innovation, then met to review the survey results and review additional information with Plante Moran. The committee selected two finalists for further consideration. These two vendors were each invited to Milwaukee for multi-day demonstrations of their systems. These sessions, again, were made to all staff from Finance, Human Resources and relevant staff from Innovation. Following the demonstrations, staff were once again requested to indicate their preferred system.

In early December, a staff team of 10, including a representative from the Office of & Accountability, went on site visits to school districts in Katy, Texas and Cherry Creek, Colorado to view the two finalist systems as implemented in those districts and consult with peers about the functionality of each system and the implementation process. Each team member was asked to write a report of his/her findings on each system and indicate an ultimate preference for the selection committee to consider. All of this extensive work by the Administration was considered and reviewed by the selection committee to determine the system ultimately chosen.

Following this selection, with the assistance of Plante Moran, the Department of Procurement & Risk Management engaged in extensive contract negotiations to ensure the terms of the standard software and license agreements offered by the vendor were incorporated into the standard Professional Services Contract in a way that offered the District the most possible protection and benefit.

The contract will run from June 1, 2017 through June 30, 2024, (the "Initial Term"), with three additional one-year options to extend upon mutual written agreement of the parties. The Administration will return to the Board to request authorization for each potential extension term.

The total cost of the contract in the Initial Term is estimated to be \$18,663,856.11. Of this amount, \$5,138,626.00 is for implementation services, \$694,800.00 is for travel expenses and \$12,830,420.11 is for licenses and annual maintenance. Implementation services and travel expenses are to be billed by Infor on a time and materials basis, and are subject to change based on actual services performed. The Administration will follow the processes set forth in Administrative Policy 3.09 in the event a change order or modification to the contract is needed.

Software licenses and annual maintenance/support fees are fixed for the Initial Term. The Infor CloudSuite system is a SaaS solution, requiring the payment of annual subscription fees. The third-party products, MHC and PCI, are software solutions purchased as a perpetual license. However, they will; require annual maintenance. All license fees and annual maintenance fees for Infor and the third-party software solutions shall be paid to Stellar Services, Inc.

The anticipated contract amounts in the Initial Term are as follows:

<b>Item</b>	<b>Payment Frequency</b>	<b>Total Cost</b>
Implementation Services (Infor Public Sector, Inc.)	Milestone-based payments between 6/1/17-1/1/19	\$5,138,636.00*
Travel Expenses (Infor Public Sector, Inc.)	Invoiced Monthly	\$694,800.00*
Infor CloudSuite Software Licenses (purchased through Stellar Services, Inc.)	Annual SaaS Subscription Year 1: \$1,677,165.32 Year 2: \$1,677,165.32 Year 3: \$1,677,165.32 Year 4: \$1,711,208.63 Year 5: \$1,745,932.81 Year 6: \$1,793,310.79 Year 7: \$1,852,260.12	\$12,134,208.31
MHC Software (purchased through Stellar Services, Inc.)	Perpetual License: one-time payment in Year 1	\$197,430.00
MHC Maintenance/Support (purchased through Stellar Services, Inc.)	Annual Fixed Fee of \$38,597.40	\$270,181.80
PCI Software (purchased through Stellar Services, Inc.)	Perpetual License: one-time payment in Year 1	\$90,000.00
PCI Maintenance/Support	Annual Fixed Fee of	\$138,600.00

(purchased through Stellar Services, Inc.)	\$19,800.00	
<b>Total Cost – 7 year term</b>		<b>\$18,663,856.11</b>

*\*Time and Materials basis – estimates only*

A detailed breakdown of costs relating to implementation services can be found in the Statement of Work (Attachment 1 of the Professional Services Contract) attached hereto. A detailed breakdown of each module/component to be purchased and license quantities can be found on the Stellar Order Form attached hereto.

**Budget Codes:**

FY18

TSV-0-0-PSU-FN-EMTC.....	\$1,735,563
TSV-0-0-PSU-FN-ESWR.....	\$287,430
TSV-0-0-PSU-FN-ECTS.....	\$4,477,007

FY19

TSV-0-0-PSU-FN-EMTC.....	\$1,735,563
TSV-0-0-PSU-FN-ECTS.....	\$1,356,429

FY20.....\$1,735,563

FY21.....\$1,769,606

FY22.....\$1,804,330

FY23.....\$1,851,708

FY24.....\$1,910,658

**Infor Public Sector, Inc.**

**PRIME CONTRACTOR INFORMATION**

Certified HUB Contractor? .....	No
Total # of Employees .....	5,597
Total # of Minorities .....	1,369
Total # of Women .....	1,952

**HUB PARTICIPATION**

Required .....	10% per 12-mo
Proposed .....	10% per 12-mo
\$ Value .....	\$1,677,165.32 per 12-mo

**STUDENT ENGAGEMENT**

Paid Student Employment Hour Commitment: 300 HOURS/12-mo contract  
Student Career Awareness Commitment: 10 HOURS/12-mo contract

