

# CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

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**C-8**

September 4, 2007

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Authorize the City Manager to execute an addendum to the existing Affinity Source agreement to increase the annual contract amount from \$93,000 to \$140,000 in Fiscal Year 2008, and to renew this agreement annually for a term of two additional years, at the City Manager's discretion. (Citywide)

## DISCUSSION

Currently the City contracts with two vendors to support their suite of FAMIS financial products: Tier Technologies, who receives a fixed annual payment of \$147,900 for software maintenance; and, Affinity Source, who receives a fixed annual payment of \$45,000 for testing and installation of Tier's software updates. Additionally, Affinity Source's agreement allows for up to \$48,000 of additional software support on an hourly basis, as requested by the City. In summary, the City currently budgets \$240,900 annually for external FAMIS software support (\$147,900 to Tier Technologies and \$93,000 to Affinity Source.)

Beginning with Fiscal Year 2008, City staff proposes canceling the \$147,900 Tier maintenance agreement and increasing the Affinity Source agreement from \$93,000 to \$140,000 to include software maintenance, testing, installation and support services. This change will result in a net savings to the City of \$100,900 per year. Additionally, the City will receive improved software and project support, as additional consulting hours will be included in the addendum to the Affinity Source agreement.

This item was reviewed by Deputy City Attorney Gary Anderson on August 2, 2007 and Budget Management Bureau Manager David Wodynski on August 2, 2007.

## TIMING CONSIDERATIONS

City Council action is requested on September 4, 2007 to ensure a smooth transition between contractors.

FISCAL IMPACT

Savings associated with this decision are reflected in the Fiscal Year 2008 Proposed Budget. Budgeted charges to departments were reduced \$46,138, and \$54,762 is budgeted as a much needed reinvestment into the financial systems, for a combined total of \$100,900.

SUGGESTED ACTION:

Approve recommendation.

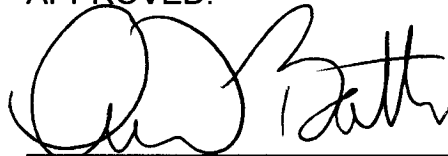
Respectfully submitted,



MICHAEL A. KILLEBREW  
DIRECTOR OF FINANCIAL MANAGEMENT

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APPROVED:



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ANTHONY W. BATTS  
CITY MANAGER