



City of Palo Alto

City Council Staff Report

(ID # 7181)

Report Type: Consent Calendar

Meeting Date: 9/26/2016

Summary Title: Approval of Contract Amendment with Global Learning Solutions

Title: Approval of a Contract Amendment With Global Learning Solution Inc. to Extend the Term Through June 30, 2017 and \$125,000 for a Total Not-to-Exceed Amount of \$375,000 for the Support of Human Resources SAP Modules and Business Processes Improvements

From: City Manager

Lead Department: Human Resources

Recommendation

Staff recommends that City Council approve a Contract amendment extending and adding \$125,000 to the existing contract C15159245 between the City of Palo Alto and Global Learning Solutions Inc. for a total amount not to exceed of \$375,000 through June 30, 2017.

Background

On June 29 2015, City Council approved contract with Global Learning Solutions (C15159245) to allow the Human Resources Department to increase staff knowledge and skills and continue improving department processes for SAP, the City's Enterprise Resources Planning (ERP) software. (CMR ID #5921) Additional Funding for this activity was approved in June 2016 as part of the Fiscal Year 2017 budget.

Discussion

During Fiscal Year 2016, through the work of the consultant provided by the Global Learning Solutions, the department completed a thorough assessment of SAP processes and work flows. This included workshops with staff in Human Resources and the Administrative Services Department, Payroll and SAP functional teams. Through the assessment, the consultant was able to re-design and develop new business processes eliminating redundant or inefficient steps.

SAP, in use at the City since 2003, is highly configurable with processes integrated via interlinked configuration rules in various modules. But the software requires a high degree of

specialized expertise to provide effective ongoing maintenance and support. Human Resources staff are responsible for accurately entering, maintaining and sharing the data with other City departments as well as external partners such as CalPERS. The value of continuing the SAP enhancement work is that it will improve operations, reduce the risk of error, increase staff effectiveness, and allow for interdepartmental and interagency data sharing.

As of June 2016, the City along with technical guidance from Global Learning Solution's consultation has accomplished the following:

1. Reengineered and mapped HR SAP data points to increase accuracy and efficient data entries. (Completed)
2. Redesigned HR SAP personnel actions to streamline to improve accuracy and timelines of information and reduce data entry error and allow enhanced drill-down analytical capabilities on the actions. (Completed)
3. Successfully configured SAP to allow and administer "Active" Open Enrollment in 2015 for 960 employees on Employee Self-Service thus reducing manual entries and reducing errors. (Completed)
4. Introduced and drafted an interface between SAP and CALPERS (Completed)
5. Currently assisting the City with SAP systems architecture and troubleshooting for 2017 Open enrollment. (Complete)
6. Participated as the SAP technical expert in Form Creation as HR is getting ready to launch a "smart" digitized Personnel Action Form approval process which will lead to efficient processing. (In-progress – estimate time of completion 10/10/2016)
7. Design and complete configuration new hire and life event enrollment in SAP HR ESS. (In-progress – estimate time of completion 10/10/2016)
8. If needed, update documentation SAP HR rules for ERP RFP project. (In-progress – estimate time of completion 10/10/2016)

Looking forward, through services and expertise provided by Global Learning Solution, HR looks to finalize projects that are currently in progress and improve efficient business practices that will reduce errors, cut administrative costs and enable staff to concentrate on core HR functions.

Additionally, the IT Department's SAP Steering Committee is currently developing its strategic plan for the ERP system. Implementation of this contract is aligned with the committee's work and will provide the City with additional data and documentation for a more informed ERP strategic plan.

Resource Impact

As part of the adopted 2017 budget, \$125,000 was approved for this effort.

Attachments:

- Attachment A: C15159245 Global Learning Solutions Amendment No. 1 (PDF)

**AMENDMENT NO. 1 TO CONTRACT NO. C15159245
BETWEEN THE CITY OF PALO ALTO AND
GLOBAL LEARNING SOLUTIONS INC.**

This Amendment No. 1 to Contract No. C15159245 ("Contract") is entered into September 5, 2016, by and between the CITY OF PALO ALTO, a California chartered municipal corporation ("CITY"), and GLOBAL LEARNING SOLUTIONS INC., a California corporation, located at 319 Harvard Common, Fremont, California, 94539 ("CONSULTANT").

RECITALS

A. The Contract was entered into between the parties for the provision of design and implement of the SAP interface for the Human Resources Department.

B City intends to extend the term and increase the compensation by \$125,000.00 from \$250,000.00 to \$375,000.00 for additional services as specified in EXHIBIT "A" Scope of Services.

C. The parties wish to amend the Contract.

NOW, THEREFORE, in consideration of the covenants, terms, conditions, and provisions of this Amendment, the parties agree:

SECTION 1. Section 2 TERM is hereby amended to read as follows:

"SECTION 2. TERM. The term of this Agreement shall be from the date of its full execution through June, 30, 2017 unless terminated earlier pursuant to Section 19 of this Agreement."

SECTION 2. Section 4 COMPENSATION is hereby amended to read as follows:

"SECTION 4. NOT TO EXCEED COMPENSATION. The compensation to be paid to CONSULTANT for performance of the Services described in Exhibit "A", including both payment for professional services and reimbursable expenses, shall not exceed Three Hundred Seventy Five Thousand Dollars (\$375,000.00). The applicable rates and schedule of payment are set out at Exhibit "C-1", entitled "HOURLY RATE SCHEDULE," which is attached to and made a part of this Agreement.

Additional Services, if any, shall be authorized in accordance with and subject to the provisions of Exhibit "C". CONSULTANT shall not receive any compensation for Additional Services performed without the prior written authorization of CITY. Additional Services shall mean any work that is determined by CITY to be necessary for the proper completion of the Project, but which is not included within the Scope of Services described at Exhibit "A"."

SECTION 3. The following exhibit(s) to the Contract is/are hereby amended to read as set forth in the attachment(s) to this Amendment, which are incorporated in full by this reference:

- a. Exhibit "A" entitled "SCOPE OF SERVICE".
- b. Exhibit "C" entitled "COMPENSATION".
- c. Exhibit "B" entitled "SCHEDULE OF PERFORMACE"

SECTION 4. Except as herein modified, all other provisions of the Contract, including any exhibits and subsequent amendments thereto, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have by their duly authorized representatives executed this Agreement on the date first above written.

CITY OF PALO ALTO

GLOBAL LEARNING SOLUTIONS INC.

DocuSigned by:
Vinita Bhutoria
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Vinita Bhutoria

Director Finance

APPROVED AS TO FORM:

Attachments:

- EXHIBIT "A": SCOPE OF SERVICE
- EXHIBIT "C": COMPENSATION
- EXHIBIT "B": SCHEDULE OF PERFORMACE

**EXHIBIT “A”
SCOPE OF SERVICES**

CONSULTANT shall perform following tasks (contingent on priorities established):

- Design the NeoGov Onboarding to SAP HR interface, including designing NeoGov interface to automate new hires, rehires, transfers, promotions into SAP
- Implement updated process requirements, including any changes to position control entry how to create and archive job classifications, salary grades, title changes, etc.
- Streamline CalPERS health enrollment and create SAP interface to eliminate entry duplication and create data dictionary or data index
- Complete business process re-engineering workshops for MSS enhancement, create workflows and forms, then configure, test, train
- Write specifications for ESS enhancements , including Benefits New Hire enrollment , Open Enrollment , life events enrollment and participation overview; enabling employees to complete address change online, update bank Information; and configure, test and train
- Create various reports as needed such as how to audit CalPERS medical invoice for active employees compared to employee medical plan data in SAP and automate delivery and create audit tool; download data to create salary schedules and other compensation reports and automate employment verification data
- Recommend industry best practice knowledge and experience

Each task order with CONSULTANT will be reviewed by PSO project manager and SAP PMO, providing supporting documentation such as task scope; objectives, resource planning, and schedule.

CONSULTANT shall accept and adhere to EXHIBIT “E”, SOFTWARE AS A SERVICE SECURITY AND PRIVACY TERMS AND CONDITIONS

CONSULTANT shall accept and adhere to EXHIBIT “F”, INFORMATION PRIVACY POLICY

AMENDMENT NO. 1

Create an efficient interface between SAP and CALPERS data transfer and updates

**EXHIBIT “B”
SCHEDULE OF PERFORMANCE**

CONSULTANT shall perform the Services so as to complete each milestone within the number of days/weeks specified below. The time to complete each milestone may be increased or decreased by mutual written agreement of the project managers for CONSULTANT and CITY so long as all work is completed within the term of the Agreement. CONSULTANT shall provide a detailed schedule of work consistent with the schedule below within 2 weeks of receipt of the notice to proceed.

Milestones	Completed No. of Days/Weeks From NTP
1. Design the NeoGov Onboarding to SAP HR interface	TBD
2. Implement updated process requirements	TBD
3. Streamline CalPERS health enrollment and create SAP interface	TBD
4. Complete business process re-engineering workshops for MSS enhancement	TBD
5. Write specifications for ESS enhancements	TBD
6. Create various reports as needed	TBD

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7. Create an efficient interface between SAP and CALPERS data transfer and updates.	TBD
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EXHIBIT "C" COMPENSATION

The CITY agrees to compensate the CONSULTANT for professional services performed in accordance with the terms and conditions of this Agreement based on the hourly rate schedule attached as Exhibit C-1.

The compensation to be paid to CONSULTANT under this Agreement for all services, additional services, and reimbursable expenses shall not exceed the amount(s) stated in Section 4 of this Agreement. CONSULTANT agrees to complete all Services and Additional Services, including reimbursable expenses, within this/these amount(s). Any work performed or expenses incurred for which payment would result in a total exceeding the maximum amount of compensation set forth in this Agreement shall be at no cost to the CITY.

REIMBURSABLE EXPENSES

The administrative, overhead, secretarial time or secretarial overtime, word processing, photocopying, in-house printing, insurance and other ordinary business expenses are included within the scope of payment for services and are not reimbursable expenses. CITY shall reimburse CONSULTANT for the following reimbursable expenses at cost. Expenses for which CONSULTANT shall be reimbursed are: NONE

All requests for payment of expenses shall be accompanied by appropriate backup information. Any expense shall be approved in advance by the CITY's project manager.

ADDITIONAL SERVICES

The CONSULTANT shall provide additional services only by advanced, written authorization from the CITY. The CONSULTANT, at the CITY's project manager's request, shall submit a detailed written proposal including a description of the scope of services, schedule, level of effort, and CONSULTANT's proposed maximum compensation, including reimbursable expenses, for such services based on the rates set forth in Exhibit C-1. The additional services scope, schedule and maximum compensation shall be negotiated and agreed to in writing by the CITY's Project Manager and CONSULTANT prior to commencement of the services. Payment for additional services is subject to all requirements and restrictions in this Agreement.