

# Memo

**To:** Gene Baietto, Purchasing Manager  
**From:** Jim Jandovitz, IT Manager  
Kris Moen, Acting Finance Manager  
**Date:** 2/29/2012  
**Re:** Sole Source Purchase of ASP services from SunGard Public Sector

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As you are aware, various City departments use an integrated software package from SunGard Public Sector to handle the City's Accounting, Budgeting, Purchasing, Payroll, Cash Receipting, Utility Billing, Licensing, and Tax Billing functions. This software is currently hosted and maintained by the Information Technology Division on an IBM iSeries server located at City Hall. This is the only iSeries server that the City uses. All other software is hosted on Windows servers. Due to a recent retirement and other demands on staff time in the Information Technology Division, the City no longer has the expertise necessary in-house to support the aging iSeries server and the related SunGard software.

SunGard Public Sector offers an "Application Services Provider" (ASP) service in which they would host our SunGard software at their data center and we would access it via a secure internet connection. This has many advantages for the City. It provides the necessary support for this critical software directly from the vendor that created and maintains this software. SunGard Public Sector also brings an expertise in iSeries server administration which further insures that our SunGard software will be properly and efficiently supported. It also provides disaster recovery protection for the city in the event of a natural disaster or equipment failure.

We currently pay approximately \$120,000 per year in support fees for the current configuration wherein the City hosts the software on its own iSeries server. These fees include hardware and software support on the iSeries server, as well as 24x7 Support for the SunGard software that city departments use. The support fees include annual software updates that offer new features as well as keeping the software compliant with ever changing federal and state laws.

The cost for the ASP service from SunGard is \$135,000 per year. In other words, the City would pay an additional \$15,000 per year to SunGard Public Sector for them to host the software remotely, rather than the City hosting the software locally in our IT data center at City Hall. This cost is reasonable especially when compared to the cost of hiring an employee with iSeries expertise to support the current in-house configuration or compared to the cost of a contract with a local consultant to periodically monitor and maintain the iSeries and related software. The ASP option also provides a "Disaster Recovery" backup for the critical city functions supported by the SunGard software. Additionally, it makes sense to work with SunGard directly due to their unique knowledge of the software which other alternatives cannot provide. Funding will come from the IT Budget and Utility Funds that will be cost allocated.

Based on this information, we respectfully request your approval of this ASP service agreement with SunGard Public Sector.