



ADMINISTRATION COMMITTEE

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Agenda Report

File #: 2023-3059

Agenda Date: 6/28/2023

Agenda Item No: 16.

FROM: Robert Thompson, General Manager
Originator: Wally Ritchie, Director of Finance

SUBJECT:

CARAHSOFT SERVICE AGREEMENT

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

- A. Approve a Purchase Order for a five-year contract with Carahsoft for a Subscription Service Agreement with Anaplan Budget Software, payable annually, utilizing the NASPO ValuePoint Cooperative Purchasing Contract 7-17-70-40-05 for a total amount not to exceed \$713,876.36 plus pax and delivery (if applicable); and
- B. Approve a contingency of \$71,388 (10%).

BACKGROUND

The current Orange County Sanitation District (OC San) budget process is a collection of reports from varying system sources, ad-hoc analytics, and spreadsheet aggregation that is assembled each year by the Finance team. It consists of a labor-intensive process to compile, provide appropriate approval workflows, and package together into the final budget. Each budget cycle requires significant effort and remains prone to human error. OC San and its customers will benefit in both accuracy, timeliness, continued transparency, and processing efficiencies with an implementation of a formal budget software.

RELEVANT STANDARDS

- Produce appropriate financial reporting - annual financial report & audit letter and Ops & CIP budgets every two years, with annual update
- Maintain a culture of improving efficiency to reduce the cost to provide the current service level or standard
- Ensure the public's money is wisely spent

PROBLEM

OC San's current budget process is a compilation of multiple data sources and reporting tools, that is put together by the Finance Department. The process relies heavily on manual processes and review, with a large amount of Finance's time updating formulas in Excel, adjusting graphs, and

correcting budget numbers within the budget. Additionally, the process lacks the kind of sophisticated capabilities that an organization like OC San should come to expect from a budget process like intelligent automation, KPI analytics, live operationally specific dashboards, and what if budget planning scenario building. Further, the process lacks the kind of sophisticated audit trail to help understand how OC San arrived at the final numbers that make up the budget. The lack of modern functions and inability to integrate with 3rd party services creates significant inefficiencies for staff and related business processes.

PROPOSED SOLUTION

To improve efficiency and ensure that OC San continues to provide award winning budget reporting, the IT Division requests to purchase Anaplan Budget Software. Implementation and professional services for the software has been selected through an RFP process.

TIMING CONCERNS

N/A

RAMIFICATIONS OF NOT TAKING ACTION

The decision not to purchase the Anaplan Budget Software and related professional services will result in continued administrative inefficiencies. This will negatively impact Finance's ability to improve on budgetary reporting capabilities and efficiencies.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

OC San conducted a solicitation for Finance Budget Software and Implementation. After evaluation, the recommended solution utilizes Anaplan software. Implementation and professional services for the software will be recommended through a separate agenda report.

CEQA

N/A

FINANCIAL CONSIDERATIONS

This request complies with authority levels of OC San's Purchasing Ordinance. This item has been budgeted. (FY2022-23 & 2023-24 Budget, Section 8, Page 94, Proposed Capital Equipment Budget Detail, 250 - Information Technology).

ATTACHMENT

The following attachment(s) may be viewed on-line at the OC San website (www.ocsan.gov) with the complete agenda package:

N/A