

Reply to Common Council File No. 021516

From DOA-Budget and Management Division

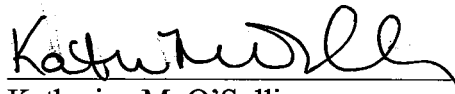
January 29, 2003

Ref: 03035

Common Council Files 990089 and 020756 require that departments receive Common Council approval prior to studying or analyzing an city function by an outside entity. Common Council File 021516 contains a resolution authorizing the Department of Administration to issue a Request for Proposal for an Application Service Provider for the City's Financial Management System.

The role of an Application Service Provider (ASP) is to remotely host information technology services for its customers. This type of contract allows for ASP customers to avoid effort related to the maintenance of software and network infrastructure. If implemented in the City, this type of contract will provide many benefits including, allowing for the city to retain ownership and control over its information and applications while providing long-term cost predictability, service stability, improving disaster recovery capabilities, reducing costs due to hardware and operating software, and allowing staff to focus additional attention on the improved use of our financial and human resource information.

RECOMMENDATION: APPROVE COMMON COUNCIL FILE 021516.



Katherine M. O'Sullivan
Fiscal Planning Specialist

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