

June 16, 2003

To: **ALL COMMON COUNCIL MEMBERS**  
**Anthony Zielinski, Council Services Manager**

Re: **Update on RFP Process for FMIS**

Dear Council Member:

The Common Council adopted File Number 990089, a resolution formalizing City policy relative to outsourcing or privatizing of City services, on April 20, 1999, and further amended the policy via File Number 020756, adopted September 4, 2002.

These files established a procedure requiring formal authorization and approval of the Common Council for City departments to study, issue a Request for Proposal, or implement the outsourcing or privatization of any City service or function which may result in the reduction, elimination or privatization of any City positions.

In accordance with the guidelines set forth in these two policy resolutions, 990089 and 020756, the Department of Administration (DOA) utilized in-house staff to study various issues relative to outsourcing of the City's Financial Management Information Systems (FMIS) hardware and operating systems, as well as assistance with running and maintaining the PeopleSoft application programs that comprise the FMIS systems.

In accordance with the policy resolutions, the DOA prepared a written request to issue a Request for Proposal relative to the provision of certain services related to operation and maintenance of the City's PeopleSoft and FMIS systems, accompanied by a written report specifying the services and functions to be outsourced or privatized, and the substantiating reasons therefore, including but not limited to factual information concerning current level of service and associated costs, projected cost savings, anticipated change in level or quality of service provided, and specific positions to be affected.

In further accordance, the DOA submitted its written request and written report to the Common Council in Communication File 021517, allowing public hearing and review of the request at the Council's Finance & Personnel Committee meeting on February 5, 2003.

Also as provided in the guidelines, the DOA obtained the Common Council's authorization to develop and issue an RFP, via Resolution 021516, approved February 11, 2003.

Responses to the RFP have been received and evaluated. We are now ready to seek the Common Council's authorization to enter into an agreement with an Application Service Provider to operate and maintain the City's PeopleSoft and FMIS systems, and have prepared the attached resolution for introduction at the June 24, 2003, Common Council meeting.

Your continuing support in this matter is appreciated. Thank you for your consideration.

Sincerely,

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Michael J. Soika  
Director of Administration

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Randolf A. Gschwind  
Chief Information Officer

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