

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

165



**FROM:** OASIS/Executive Office

**SUBMITTAL DATE:**  
January 11, 2011

**SUBJECT:** Approval to ratify the 2<sup>nd</sup> amendment to the GovReports software maintenance agreement with Simpler Systems Inc.

**RECOMMENDED MOTION:** Move that the Board of Supervisors:

1. Authorize the Purchasing Agent to renew the License and Hosting Agreement with Simpler Systems, Inc. – Amendment 2 for annual software maintenance and hosting service for \$76,200 annually with Simpler Systems, Inc.
2. Authorize the Purchasing Agent to exercise the option to renew for an additional 5 one year periods not to exceed \$76,200 per year on behalf of the County.

**BACKGROUND:** On March 1<sup>st</sup>, 2005 the Board approved the sole source purchase of GovReports from Simpler Systems, Inc. (Item 3.4, 03-01-05). Under the direction of the Auditor-Controller, the GovReports system was developed by Simpler Systems, Inc. to augment the official county reports provided by the OASIS PeopleSoft System. GovReports provides enhanced ease-of-use and on-demand, on-line reporting capabilities; functionality that is not efficiently handled by the PeopleSoft System. In addition, GovReports provides a flexible open architecture that interfaces with PeopleSoft so that the reports are updated daily.

*Michael Dearman*  
MICHAEL DEARMAN, Director  
OASIS

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 76,200	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	N/A
	Annual Net County Cost:	\$ 0	For Fiscal Year:	FY 10/11

<b>SOURCE OF FUNDS:</b> OASIS Financial Rates	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:**

**APPROVE**

BY: *Serena Chow*  
Serena Chow

**County Executive Office Signature**

FORM APPROVED COUNTY COUNSEL  
 BY: NEAL R. KIPNIS  
 DATE: 1/11/11  
 Departmental Concurrence  
 Purchasing: Mark Sailer, Assistant Director

Dep't Recomm.:  Consent  Policy   
 Per Exec. Ofc.:  Consent  Policy

**BACKGROUND:**

With this agreement, all current GovReports system capabilities will be maintained. In addition, Simpler Systems, Inc. will upgrade the GovReports system to function with the PeopleSoft system upgrade scheduled for October, 2011.

The not to exceed annual cost breakdown of this agreement is:

Software base license fee	\$64,200	(\$5,350 billed monthly)
Server hardware fee	<u>\$12,000</u>	(\$1,000 billed monthly)
Total	\$76,200	

**PRICE REASONABLENESS:** OASIS recommends approval of this Software Maintenance Agreement because GovReports has been demonstrated to meet the County's on-line, on-demand requirements for management reporting and provides information in formats that are easily accessible and can be used for analysis. As previously presented to the Board (see Item 3.4 03-01-05), the Auditor-Controller's research indicates that Simpler System's proposal to the County is competitively priced in comparison to the services that the firm has provided to other California Counties.

Date: January 11, 2011

From: Michael Dearman Department/Agency: OASIS

To: Board of Supervisors

Via: Purchasing Agent

Subject: Sole Source Procurement; Request for

The below information is provided in support of my Department requesting approval for a sole source. Outside of a duly declared emergency, the time to develop a statement of work or specifications is not in itself justification for sole source.

Supply/Service being requested: Licensing and Hosting for GovReports.

Supplier being requested: Simpler Systems, Inc.

Alternative suppliers that can or might be able to provide supply/service: After comprehensive research and analysis by the Auditor-Controller of available applications, no other vendor offers enhanced ease-of-use and on-demand and on-line reporting capabilities with the flexible open architecture that interfaces with PeopleSoft.

Extent of market search conducted: Comprehensive research and analysis of available applications conducted by the Auditor-Controller.

Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide: GovReports provides enhanced ease-of-use and on-demand, on-line reporting capabilities that interfaces with PeopleSoft.

Reasons why my department requires these unique features and what benefit will accrue to the county: The County requires the enhanced ease-of-use and on-demand on-line reporting capabilities to meet its financial report needs.

Price Reasonableness: As previously presented to the Board (Item 3.4 03-01-05), the Auditor-Controller's research indicated that Simpler System's proposal to the County is competitively priced in comparison to the services that the firm has provided to other California counties.

Does moving forward on this product or service further obligate the county to future similar contractual arrangements? Yes, with the unique nature of this product the County will want to continue to provide the current level of reporting capability to assist management with its reporting needs.

Michael Purnum 12/22/10  
Department Head Signature Date

Purchasing Department Comments:

Approve

Approve with Condition/s

Disapprove

M. Purnum 12-22-10  
Purchasing Agent Date

# SOFTWARE AGREEMENT

## Amendment 2

This document amends Software Agreement, dated March 15, 2005 between the County of Riverside, California (**County**), located at 4080 Lemon Street, Riverside, CA 92502 and Simpler Systems, Inc., a California corporation (**Consultant**), with a principal place of business at 627 Island View Drive, Santa Barbara, California 93109. (Any reference to either party or to the parties is intended to include the heirs, successors, assigns, agents, officers, directors, shareholders, and employees of the party or parties.)

### RECITALS

**Simpler** owns and markets license to use financial reporting software called **Simpler Financials Reporting System (Simpler Reporting)** and has expertise in integrating Simpler Reporting with existing financial applications in use in government agencies. **County** has used Simpler Reporting (also known as GovReports) services since 2005.

### AMENDMENT

**County** and **Consultant**, intending to be legally bound, agree as follows:

#### 1. CONTINUED LICENSE AND SERVICES

**Consultant** agrees to provide to **County** **Simpler Reporting** license and hosting services starting from March 15, 2010 for one year, with the option to renew in one year increments for an additional 5 years.

**County** will continue to compensate **Consultant** for the software license and hosting according to the following monthly rate:

Software Base License Fee (1000 users)	\$5,350.00
Co-Located Server Hardware Fee	\$1,000.00
Total	<u>\$6,350.00</u>

#### 2. GENERAL PROVISIONS

4.1 All other provisions of the Software Agreement remain valid and in effect.

**Consultant**

**County**

BY \_\_\_\_\_

Brian Fahnestock, Vice-President  
Simpler Systems, Inc.

BY \_\_\_\_\_

Purchasing Agent  
County of Riverside, California

Date \_\_\_\_\_

Date \_\_\_\_\_

FORM APPROVED COUNTY COUNSEL

BY: NEAL R. KIPNIS

DATE 12/27/10