

Metropolitan Transportation Commission
Administration Committee

April 12, 2023

Agenda Item 2d

Contract Amendment – Central Square Technologies, LLC (\$758,602)

Subject:

Request for authorization to negotiate and execute a sole source contract amendment with Central Square Technologies LLC (Central Square) to add \$758,602, for a total contract amount not to exceed \$1,884,256, for a two-year software license renewal of the One Solution Finance Enterprise and Human Capital Management (HCM) software applications, additional post-implementation consulting services, and approval to exercise the option to extend the contract term through December 31, 2024.

Background:

In December 2019, the MTC Administration Committee approved a three-year contract with Central Square in an amount not to exceed \$1,125,654 for implementation of Central Square's HCM software and three years of licensing fees of their One Solution Finance Enterprise and HCM software, with an option to extend for two additional calendar years.

Central Square provides a comprehensive, integrated, Enterprise Resource Planning (ERP) application making up our main financial accounting systems, including general ledger, accounts payable, accounts receivable, budget and financial reporting as well as HCM systems including human resource, benefit, and payroll administration.

MTC has been using Central Square's One Solution Finance Enterprise application since 2001. The Committee approved the system after a competitive bid process, which initially included a five-year license agreement. Since installation, the license has been renewed to meet the agency's financial application and reporting requirements. Upon notification by Ceridian, the agency's original HCM provider, that their operations would be discontinued December 31, 2020, the agency elected to implement the HCM features of the Central Square application. Implementation started in 2020 and was live January 1, 2021. For over 20 years, staff has been satisfied with the system support provided by Central Square and its recently installed HCM. However, an assessment is currently underway for a new ERP system. The proposed extension

of Central Square's license term will allow the agency time to proceed with this evaluation without impacting our current financial, human resource and payroll and reporting operations.

Contract Amendment for Ongoing Work

The proposed contract amendment would extend the contract term with Central Square through December 31, 2024, extending the current license agreement for two additional calendar years.

The proposed amendment would add an amount not to exceed of \$758,602, which includes license agreements of \$272,489 for FY2022-23 and \$286,113 for FY23-24, as well as \$200,000 for post-implementation support and consulting services. This contract amendment reflects a five percent rate increase for each license year, consistent with that used in the original 3-year license agreement.

Description of Services/Term	Original	Amendment Requested		Revised
	<u>2020-2022</u>	<u>2023</u>	<u>2024</u>	<u>Total</u>
Implementation costs	\$383,599	0	0	\$383,599
Service Fee	\$742,055	\$272,489	\$286,113	\$1,300,657
Post Implementation Support		\$100,000	\$100,000	\$200,000
Total	\$1,125,654	\$372,489	\$386,113	\$1,884,256

Issues:

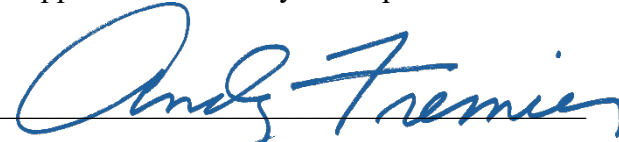
None identified.

Recommendations:

Staff recommends that the Committee authorize the Executive Director or designee to negotiate and enter into a sole source contract amendment with Central Square to add \$758,602, for a total contract amount not to exceed \$1,884,256, for a two-year software license renewal of the One Solution Finance Enterprise and HCM software applications, additional post-implementation support consulting services, and approval to exercise the option to extend the contract term through December 31, 2024.

Attachments:

- Attachment A: Request for Committee Approval – Summary of Proposed Contract Amendment


Andrew B. Fremier

Request for Committee Approval

Summary of Proposed Contract Amendment

Work Item No.:	1152/1254
Consultant:	Central Square Technologies, LLC Lake Mary, FL
Work Project Title:	One Solution Finance Enterprise and Human Capital Management (HCM) License Agreement Extension
Purpose of Project:	Exercise two-year License Agreement Option for Central Square Technologies, LLC Finance Enterprise and HCM Applications and Additional Post-Implementation Consulting Support
Brief Scope of Work:	Extend license agreement with Central Square Technologies, LLC, providing Financial, Human Resource, and Payroll software applications and include addition post implementation consulting services.
Project Cost Not to Exceed:	\$758,602 (this amendment) Total contract before this amendment: \$1,125,654 Total authorized contract after this amendment: \$1,884,256
Funding Source:	MTC/BATA
Fiscal Impact:	\$372,489 is available in MTC's fiscal year (FY) 2022-23 budget and the remainder is subject to approval in future budget years. \$372,489 for FY 2022-23 (January 1, 2023 to December 31, 2023) \$386,113 for FY 2023-24 (January 1, 2024 to December 31, 2024)

Motion by Committee: That the Executive Director or designee is authorized to negotiate and enter into a sole source contract amendment with Central Square Technologies, LLC for licensing of the Finance Enterprise and HCM applications as described above and in the Administration Committee Summary Sheet dated April 12, 2023, and that the Chief Financial Officer is authorized to set aside \$758,602 for such amendment subject to approval of future agency budgets as specified above.

Administration Committee:

Gina Papan, Chair

Approved: April 12, 2023