

**AGENDA**



**Recommendation for Council Action**

**AUSTIN CITY COUNCIL**  
**Regular Meeting: June 14, 2018**

Item Number: **050**

**Purchasing Office**

Authorize an amendment to an existing contract with Conduent, Inc., to provide continued maintenance and support of the Banner software system for payroll and human resources management, for an increase in the amount of \$779,199 and to extend the term by three years, for a revised contract amount not to exceed \$1,235,580. (Note: This contract was awarded as a sole source and is exempt from City Code Chapter 2-9C Minority Owned Business Enterprise Procurement Program).

<b>Lead Department</b>	Purchasing Office.
<b>Fiscal Note</b>	Funding in the amount of \$259,733 is available in the Fiscal Year 2017-2018 Operating Budget of the Financial Services Department. Funding for the remaining contract term is contingent upon available funding in future budgets.
<b>Purchasing Language</b>	Contract Amendment.
<b>Prior Council Action</b>	September 17, 2015 - Council approved the original contract, item #60, on a 10-0 vote with Council Member Zimmerman abstaining.
<b>For More Information</b>	Inquiries should be directed to the City Manager’s Agenda Office, at 512-974-2991 or <a href="mailto:AgendaOffice@austintexas.gov">AgendaOffice@austintexas.gov</a> or to the buyer, Elisa Folco, at 512-974-1421 or <a href="mailto:Elisa.Folco@austintexas.gov">Elisa.Folco@austintexas.gov</a> .
<b>Client Department(s)</b>	Controller’s Office; Human Resources Department.

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**Additional Backup Information:**

The amendment is for the continued maintenance and technical support of the City’s payroll and human resources system, including system enhancements. The City implemented the Banner software as its payroll and human resources management system in 1995 and has a perpetual license for this software. Banner is the system of record for city employment records, including employee job history, employee status, and employee payroll/deduction records. The system is used to pay 15,000+ employees on a bi-weekly basis as well as support key human resource functions. Conduent, Inc. will provide all technical support relating to the payroll and human resource system, including annual software updates, maintenance and system enhancements.

Conduent Inc. owns all intellectual property related to Banner software, is the sole distributor of this proprietary software, does not have resellers, and does not allow others to provide associated services to users within the local government market.

The current contract expires September 30, 2018. A delay in approving or a failure to approve this amendment, will result in the inability to process payroll for all City employees.

**Contract Detail:**

<b>Contract Term</b>	<b>Length of Term</b>	<b>Current Contract Authorization</b>	<b>Requested Additional Authorization</b>	<b>Revised Total Authorization</b>
Initial Term	1 yr.	\$152,127		\$ 152,127
Extension Option 1	1 yr.	\$152,127		\$ 152,127
Extension Option 2	1 yr.	\$152,127		\$ 152,127
Proposed Amendment	3 yrs.		\$779,199	\$ 779,199
<b>TOTALS</b>	<b>6 yrs.</b>	<b>\$456,381</b>	<b>\$779,199</b>	<b>\$1,235,580</b>

**Note:**Contract Authorization amounts are based on the City’s estimated annual usage.