

COUNCIL MEETING  
February 1, 2011

Honorable Mayor and Members  
of the City Council  
City Hall  
Torrance, California

**Members of the City Council:**

**SUBJECT: Communications & Information Technology - Approve the purchase of annual software maintenance and support for City-wide financial system.**

**Expenditure: \$60,500**

**RECOMMENDATION**

Recommendation of the Information Technology Director that City Council approve the purchase of annual software maintenance and support for the City-wide financial system from New World Systems of Troy, Michigan, in the amount of \$60,500.

**Funding**

Funding is available in the Communications and Information Technology operating budget for FY 2010-2011.

**BACKGROUND / ANALYSIS**

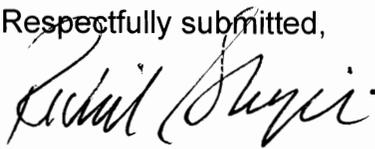
City Council authorized the purchase of a new City-wide financial system on June 13, 2006, from New World Systems. New World Systems provides a financial software suite consisting of General Ledger, Budget Management, Budget Preparation, Accounts Payable, Revenue/Cash Receipting, and several other financial management applications. The City completed the installation of New World on July 1, 2007. The current annual software maintenance and agreement renewal submission was delayed from December 2010 to February 2011 pending receipt of invoice from the vendor.

The annual software maintenance and support agreement covers the period of January 1, 2011, through December 31, 2011. The 2011 cost for software maintenance and support for existing software per Exhibit C of our current contract C2006-085 is \$51,800, a 5.26% increase over last year. In addition to this contract amount, on December 15, 2009, City Council authorized additional software support for Business Licensing, \$5,066 and Business Analytics, \$3,200. The 2011 cost for this additional

software support is in line with the 5.26% increase per Exhibit C of contract C2006-085 at \$5,332 and \$3,368, respectively. The total 2011 New World Systems software and maintenance support expenditure is \$60,500.

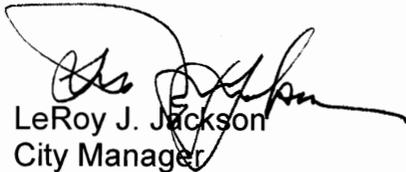
New World's maintenance and support provide the City with fixes, upgrades, support, and participation in user group meetings. The services provided under maintenance and support is proprietary to New World; therefore, the City cannot receive updates and enhancements from any other source. Services provided under maintenance are critical to keeping the system performing with minimal interruptions. Due to the critical nature of New World Systems being the City's financial software, it is recommended that the City Council approve the purchase of annual software maintenance and support from New World Systems.

Respectfully submitted,



RICHARD SHIGAKI  
Information Technology Director

CONCUR:



LeRoy J. Jackson  
City Manager