



Legislation Details (With Text)

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**File created:** 4/18/2024      **In control:** City Council

**On agenda:** 5/23/2024      **Final action:** 5/23/2024

**Title:** Actions pertaining to Sherpa Government Solutions quote to upgrade the City of Fresno’s Budget Formulation and Management (BFM) software application (Bid File No. 9635):

1. Approve the First and Second Amendments to the Sherpa Budget Formulation and Management License and Service Agreement for a two-year agreement, not to exceed a one-time cost of \$34,000 in FY 2024 and \$25,000 per year fee starting in FY 2025, not to exceed \$50,000, for a total not to exceed \$84,000.
2. Authorize the City Manager, or designee, to sign the First and Second Amendments to the Sherpa Budget Formulation and Management License and Service Agreement on behalf of the City.

**Sponsors:** Information Services Department, Budget and Management Studies Department

**Indexes:**

**Code sections:**

**Attachments:** 1. 24-580 Original Agreement, 2. 24-580 First Amendment to Agreement, 3. 24-580 Second Amendment to Agreement, 4. 24-580 Fresno Sherpa Quote

Date	Ver.	Action By	Action	Result
5/23/2024	1	City Council	ADOPTED	Pass

**REPORT TO THE CITY COUNCIL**

**FROM:** HENRY FIERRO, Budget Director  
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Information Services Department

**BY:** SCOTT MOTSENBOCKER, Budget Manager  
Budget and Management Studies Department

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Budget and Management Studies Department

**SUBJECT**

Actions pertaining to Sherpa Government Solutions quote to upgrade the City of Fresno’s Budget Formulation and Management (BFM) software application (Bid File No. 9635):

1. Approve the First and Second Amendments to the Sherpa Budget Formulation and Management License and Service Agreement for a two-year agreement, not to exceed a one-time cost of \$34,000 in FY 2024 and \$25,000 per year fee starting in FY 2025, not to exceed \$50,000, for a total not to exceed \$84,000.
2. Authorize the City Manager, or designee, to sign the First and Second Amendments to the

Sherpa Budget Formulation and Management License and Service Agreement on behalf of the City.

## **RECOMMENDATION**

Staff recommends that the City Council approve the First and Second Amendments to the Sherpa Budget Formulation and Management License and Service Agreement in the amount not to exceed \$34,000 one-time cost in FY 2024 to re-implement the Budget Management and Formulation (BFM) budget software into a cloud-base environment; and, \$25,000 per year for two years beginning FY 2025 for ongoing maintenance costs with Sherpa Government Solutions; and, authorize the City Manager, or designee, to sign the First and Second Amendments to the Sherpa BFM License and Service Agreement on behalf of the City.

## **EXECUTIVE SUMMARY**

In FY 2024, the Budget and Management Studies Department facilitated a meeting between the Information Services Department (ISD) and Sherpa Government Solutions to discuss and confirm the necessary requirements associated with transitioning BFM from an on-site server to a cloud-based environment. ISD concluded that cloud architecture to operate the City's budget system met the City's cloud-based environment requirements and supports the transition.

## **BACKGROUND**

In March 2014, the Budget Office initiated a Request for Proposal to evaluate governmental budgeting software available in the market. It was determined that Sherpa Government Solutions provided a budget software that would provide a product that would provide enhanced functionality, such as greater number of reports, faster processing time to calculate the position costing, as well as offer direct contact (versus submitting a service ticket) for customer support.

Since 2014, the City has utilized the BFM software application, which provides the tools and capabilities necessary for the Budget and Management Studies Department, along with citywide departments, to plan and manage the budgeting, performance management, and capital investment planning for citywide services and key business units with a high degree of data integrity. Sherpa Government Solutions has continued to provide excellent customer service with an impressive turnaround time to provide solutions. Due to technology advancements, Sherpa Government Solutions is migrating its budget software to a cloud-base environment. With the migration, future upgrades to the software and support will eventually only be available to the cloud-base system.

With Council's approval, the City will experience the following benefits of the BFM migration transition from the on-site server to the cloud-based environment: Cost-savings associated with the discontinuation of on-site hardware and IT support services; increased and improved features and functionality through the implementation of up-to-date software and reporting modules; increased accessibility by all Sherpa staff to address technological and customer support service related issues and/or improvements; and, the improved ability to implement software and maintenance updates and improvements. If the migration does not take place, the City will lose the opportunity towards critical future upgrades for maximizing the software's performance and the eventual loss of customer support that will not be available for in-house software.

## **ENVIRONMENTAL FINDINGS**

This item is not a project as defined by California Environmental Quality Act.

### **LOCAL PREFERENCE**

Local preference is not applicable for this project.

### **FISCAL IMPACT**

There is no impact to the General Fund for the one-time cost as appropriations to perform this upgrade for the City currently exist in the budget. The on-going maintenance cost will be \$25,000 per year starting in FY 2025.

#### Attachment:

- Original Agreement
- First Amendment to Agreement
- Second Amendment to Agreement
- Fresno Sherpa Quote