



SACOG Board of Directors

Item #12-12-9
Consent

November 29, 2012

Approve Accounting Software Replacement Purchase Delegation

Issue: Should SACOG purchase upgraded accounting software from its present vendor Axium?

Recommendation: The Government Relations & Public Affairs Committee recommends to the Board that the Chief Operating Officer be delegated authority to negotiate a sole source contract with Axium to purchase upgraded accounting software in an amount not to exceed \$60,000.

Committee Action/Discussion: Staff has been notified by Axium that support for SACOG's current accounting software will be discontinued as of June 30, 2013, resulting in an immediate, unforeseen need for new accounting software. Staff formed a multi-disciplinary team to analyze available options and, after review, determined that the best solution, given our budget and timeframe constraints, is to purchase Axium's upgraded replacement product, Ajera software.

Staff reviewed the current offering from Axium and determined that the Ajera product should perform better than their original product and that it will meet SACOG's accounting software needs. Given our existing software system, Ajera is the only product that can be efficiently and rapidly transitioned into use to meet SACOG's needs. In reaching this conclusion, Staff considered and reviewed in detail multiple costing and acquisition scenarios with consideration towards other vendor product offerings. It was the opinion of the team that a complete user needs analysis, traditional RFP process, and transitional costs to a new vendor would require an extended period of operation of non-supported accounting software and have an estimated cost of \$500,000. After careful consideration, it was determined that Axium's Ajera product solution, with low transitional costs, was the only solution to meet SACOG's accounting requirements, software support requirements, and budgetary limitations within the given timeframe.

Approved by:

Mike McKeever
Chief Executive Officer

MM:MH:ef

Key Staff: Kirk Trost, Chief Operating Officer/General Counsel, (916) 340-6210
Dave Ghiorso, Finance Manager, (916) 340-6258
Theresa Arnold, Manager of Capital Programs, (916) 340-6220
Mark Heiman, ITS/511 Manager, (916) 340-6232

s:\sacog\board\brdpckts\2012 packets\december\9-accounting software.doc