Board of Directors
April 17, 2019

SUBJECT:

Approve and Authorize a Contract with eVerge Group LLC for Oracle Fusion HCM Managed Services in the Amount of $212,976

BACKGROUND:

Oracle Fusion Human Capital Management (HCM) is the District's HR, Payroll, and Benefits system. As a Software-as-a-Service (SaaS) solution, the environment is managed and regularly updated by Oracle. The District has been using the system since 2016, but specialized functional and technical expertise is required to support benefit plan changes, quarterly application updates, configuration enhancements, custom report modifications, and resolution of configuration issues.

The District's HCM managed services are currently provided by eVerge Group LLC and will expire on April 30, 2019. In January 2019, the District solicited Request for Proposal No. 3157 for HCM Managed Services for the upcoming 14 months, so the resulting agreement will be co-terminus with all other As-Needed Computer Consulting agreements. Four vendors submitted proposals; Grant Thornton, ST Tech Inc., eVerge Group LLC, and Main Hire Staff.

Ranking	Respondent	Score	14-Month Cost
1	eVerge Group LLC	4.25	$212,976
2	ST Tech Inc.	3.78	$315,000
3	Grant Thornton	2.95	$148,750
4	Main Hire Staffing	n/a	n/a

Since Main Hire Staffing was not an Oracle implementation or support organization and offered no HCM support experience, they were removed from consideration. eVerge ranked highest in functional experience and firm qualifications and also offered pre-upgrade application change reviews that correlate well with Oracle's revised Cloud upgrade strategy. eVerge had the largest managed support organization that included process experts dedicated to benefits, payroll, and human resources functions, differentiating them from all other proposers.

Experience with California agency tax filings, retirement plans, and payroll processes were other key differentiators among the respondents. ST Tech had no California retirement system experience and Grant Thornton acknowledged little experience with retirement plans in general, while eVerge referenced experience with CalPERS including current projects supporting other California agencies.

Respondents were also asked to detail their change and instance management practices. ST

Tech and Grant Thornton offered a standard ticketing process, while eVerge demonstrated a structured process to record system changes, including a formal test strategy and software configuration process, concierge Oracle support ticket management, and a formal instance management process.

All three qualified respondents provided a blended on-shore/off-shore hourly rate for managed services. Compared to the District's prior agreement with eVerge, their new proposed cost reflects an 8.5 percent increase, to $98.08 per hour, attributed to a higher share of on-shore support resources required to comply with the District's stipulated service-level agreement.

FINANCIAL IMPACT:

Funding for this item will come from the Information Systems Fiscal Year 2019-2020 operating budget.

STRATEGIC PLANNING GOAL/OBJECTIVE:

Business Processes and Technology: Enhance business processes by eliminating redundancies and waste and by adopting cost-effective technological innovations to deliver products and services in an efficient and effective manner.

ENVIRONMENTAL IMPACT:

None

RECOMMENDATION:

Approve and authorize a contract with eVerge Group LLC for Oracle Fusion HCM Managed Services for the period ending June 30, 2020, in the amount of $212,976.

SUBMITTED BY:

Paul D. Jones II P.E., General Manager   3/31/2019   Laura Nomura, Deputy General Manager   3/28/2019

Attachment(s):
Exhibit A - RFP 3157 eVerge Response

History:
04/11/19   Board Administrative Committee   RECOMMENDED FOR APPROVAL

3798

04/17/19 Board Meeting

Staff Contact: Mike Wayment