



Government Finance Officers Association

Research and Consulting Center

Prepared for:



**City of Grand Rapids and
Grand Rapids Public Utilities Commission
Minnesota**

Enterprise Resource Planning (ERP) Advisory Services

March 21, 2022

REVISED April 5, 2022



Government Finance Officers Association

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April 5, 2022

City of Grand Rapids
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Grand Rapids Public Utilities Commission
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500 SE 4th St.
Grand Rapids, MN 55744

EMAIL: bbaird@ci.grand-rapids.mn.us / jmlane@grpuc.org

Dear Barbara and Jean

The Government Finance Officers Association (GFOA) is pleased to present this revised proposal to the City of Grand Rapids and the Grand Rapids Public Utilities Commission (collectively “the City”) to assist with the City’s business process improvement and ERP replacement project. We understand the great opportunity that an ERP system/finance replacement project provides and focus on using that chance to make lasting improvements to policies, business processes, and outcomes for the City. We also understand the challenges of upgrading from a system that hasn’t been upgraded in a while and the need to both modernize processes and policies along with technology. Our approach, focused on governance, readiness, and process improvement will meet the City’s needs to get stakeholders from across the City (including from both the Public Utilities Commission and the City) engaged early, demonstrate results, and build momentum for the technology implementation.

GFOA is a 501(c)3 non-profit association with 21,000 members representing nearly 10,000 local governments. As one of the premier membership associations for public-sector professionals, GFOA can offer independent, objective, and best practice focused consulting services consistent with our mission to improve government management. Over 600 governments, have found value in our experience, expertise, and detailed approach to ERP projects.

Sincerely,

A handwritten signature in black ink, appearing to read 'Michael J. Mucha', is written over a light blue horizontal line.

Michael J. Mucha
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Section I – GFOA Qualifications

The Government Finance Officers Association (GFOA) is the premier association for public sector finance professionals in the United States and Canada. Founded in 1906, GFOA currently has over 21,000 members that look to GFOA as the gold standard for identifying, developing, and communicating leading practices in government management. As a non-profit organization, GFOA’s mission is to promote excellence in state and local government financial management. GFOA accomplishes this mission by identifying and developing policies and practices and promoting them through education, training, consulting and leadership.

GFOA’s Research and Consulting Center (RCC) is nationally recognized for its comprehensive analytical and advisory services, as well as for research on issues specific to state and local governments’ financial, human resource, procurement, payroll and operational management. Since beginning operations in 1977, the RCC has assisted hundreds of cities, counties, public utilities; and other forms of government to create best practice solutions to meet their unique challenges. Approximately 20 years ago, GFOA began consulting for enterprise resource planning (ERP) system assessments, procurement, contract negotiation, and implementation advisory services. GFOA has built a reputation as the unparalleled leader in the field of providing objective, independent advice for ERP procurement and implementation projects. Our approach to ERP projects focuses on business process improvement, effective governance, and building organizational readiness throughout each stage of the procurement process. In addition to our consulting projects, we frequently teach our approach as part of GFOA’s training program and in some cases even other consulting firms have used GFOA templates and past consulting deliverables to leverage our lessons learned and market leading formats.

GFOA’s strategic mission is to improve state and local government financial management

GFOA does not implement software. We also have no desire or incentive to make recommendations that increase our services and costs on the project. Our focus is exclusively on providing honest and unbiased recommendations to our clients and leveraging our experience to help all public-sector organizations with informed ERP guidance. The ERP market has undergone significant change in recent years and governments are increasingly more reliant on technology to implement financial management best practices. In addition, because of the growth in “cloud” and the importance of these systems on the overall administration of local government, these technologies continues to evolve. With our consulting experience and continued research, GFOA has been able to improve










its approach and generate additional value for our clients through reduced costs, reduced risk, and best practice recommendations to improve not only technology, but also business process.

GFOA’s strategic plan identifies four primary roles for our organization. We are a resource, an educator, a facilitator, and an advocate. With this project, our consulting services will draw upon each role to provide value for the City and provide a unique set of services that only GFOA can bring.

Specifically for the City, we aim to mix “traditional” consulting with ongoing education sessions, coaching, and a role as a strategic guide allowing the City to take greater responsibility for tasks within the project, lowering overall consulting costs, and improving changes that the project will be successful.

 GFOA Strategic Focus	
 Resource.	GFOA brings many resources to this project. Our best practices, ever-evolving templates, lessons learned, tools, and most importantly, our knowledgeable consultants.
 Educator.	GFOA prioritizes training throughout our consulting approach. We want you to be successful and we understand that means having the information, skills, and perspective necessary at the City and for the long-term. Our consultants will provide training on the ERP market, process analysis, ERP proposal evaluation, implementation, project management, and more to help increase your change of long-term success.
 Facilitator.	GFOA’s strength is in our network of past clients and overall members. We know every government is different and that every project has a unique set of circumstances. We also know that everyone can learn something from others that have just gone through something similar. GFOA’s consultants will be your conduit to this network.
 Advocate.	Above all else, GFOA will be your advocate. We will champion best practices. We will work to identify and mitigate risk. We will also work hard to ensure you get the best deal possible from your vendor that allows this ERP project be an investment that the City can benefit for many years.

Other Products and Services

GFOA also provides many services to members and other government managers in addition to consulting services. Our consulting services complement and utilize much of our research knowledge and membership network to deliver current, relevant, and



proven strategies. The same consultants who regularly advise clients also research and write white papers and journal articles, author and edit publications, conduct training, coordinate GFOA’s annual conference, and staff best practice committees.

- **Industry Standard Publications:** GFOA staff prepare the industry’s leading publication to guide governmental accountants on all standards and financial reporting guidance. *Governmental Accounting, Auditing, and Financial Reporting* (The “Blue Book”) is published by GFOA and GFOA consultants and clients have ready access to GFOA’s technical experts throughout the project for any complex accounting or financial reporting questions as we work through business process change, chart of account configuration, or system set up challenges.



- **Other Research and Publications:** GFOA conducts ongoing research with its member network and communicates information on leading practices, lessons learned, and trends in financial management such as technology utilization and governance. GFOA currently has over 40 titles available. The following is a sampling of products recently written by GFOA consultants.

- ***Technologies for Government Transformation: ERP Systems and Beyond***
- ***IT Budgeting and Decision Making: Maximizing Your Government’s Technology Investments***
- **Financial Foundations for Thriving Communities**



- **Government Finance Review:** GFOA consultants also regularly contribute articles and serve as reviewers for GFOA’s bi-monthly publication, *The Government Finance Review*, along with other leading journals, books, and white papers.
- **Best Practice Committees:** GFOA has seven standing committees made up of leading finance professionals from governments throughout the United States and Canada that meet regularly to develop best practices to promote and guide sound financial and overall government management.
- **Annual Conference and Training:** GFOA’s Annual Conference attracts approximately 5,000-7,000 government finance professionals and provides a forum to discuss innovative practices, learn best practice examples, network with peers, and interact with exhibitors. GFOA also provides ongoing training seminars throughout the country to assist members with continued professional development. GFOA consultants are regular trainers at these seminars including seminars on ERP procurement, project management, and best practices in ERP implementation.



Section II – Project Staffing

All GFOA consultants assigned to this project will have multiple years of experience with similar projects, continually conduct market research, and have prior public sector work experience.

All GFOA consultants have held positions within local government and have prior experience leading ERP projects similar to this engagement.

All GFOA consultants have managed projects similar to this engagement. As a result, our consultants are able to understand your unique needs and future goals, and help provide recommendations and advice from within the team. We understand the current market and will work to transfer that knowledge to the City so it not only creates a recommended plan for implementation, but also so that implementation of that plan is successful.

All of our consultants approach projects with similar goals.

- 1) Understand your needs and challenges and work with you to meet project goals**
- 2) Provide accurate, timely, and relevant information and gain your trust as a key member of your team.**
- 3) Provide honest recommendations that are solely influenced by the best interests of the City**
- 4) Serve as the City’s advocate throughout the project. In both short and long-term, we will be a passionate champion for best practice and ensuring the City gets the best possible project outcomes.**

Bios for GFOA consultants are available under the “staff directory” at www.gfoa.org.



Section III – Project Scope

ERP system implementations offer much promise for improving business processes, empowering employees with tools to become more effective, and ultimately transforming the entire organization. With improvements in technology and market trends favoring “cloud technologies,” this shift not only includes business process, but also risk management, organizational roles, and governance. However, implementation of these systems is a complex effort and many organizations struggle to realize many of the promised benefits. Organizations must be prepared to engage with software vendors by ensuring that key implementation prerequisites are complete. This “readiness” work includes making many decisions upfront on the project goals, scope, requirements, and definition of project success. For the City, we envision a project where staff from the City of Grand Rapids and the Public Utilities Commission work together to identify potential efficiencies, standardize processes (where possible), and support each other to mitigate project risks and develop a future vision that benefits both organizations. However, we also recognize that both organizations work to provide different services, and may need different business processes, project goals, or decision structures.

GFOA’s scope and services are organized into five major tasks. Within each task we have identified a scope of work that is associated with set deliverables and milestone payments. To execute each, GFOA consultants will work collaboratively with city staff relying on staff to complete work along towards information gathering, project documentation, and meeting facilitation along with GFOA consultants. GFOA views every project as a partnership with our client and we aim to work together as a team to address project risks, issues, recommendations and build momentum for realizing success.

- Task 1: Project Planning and Management
- Task 2: Process Analysis / Plan of Action
- Task 3: RFP Development
- Task 4: System and Vendor Selection
- Task 5: Contract Negotiations

Each phase and task, along with their related deliverables is detailed below.

Task 1: Project Planning and Management

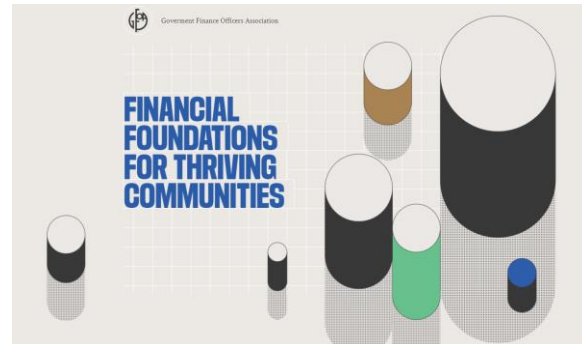
No project can be successful without proper planning and tools to manage the effort. Working together, the GFOA and the City project manager will prepare the following tools that will be essential to project coordination.

- **Governance Support** – GFOA recognizes that the success of any large enterprise project depends on the ability to adapt to the changes that technology brings to both business process and organizational culture. We also understand that any



enterprise system is not owned or controlled by one department in the organization, or in the case of the City – one legal entity (assuming potential for one joint system). We are proposing to assist the City with the development of a governance structure for the project that would work to describe executive leadership, cooperation expectations between various departments and leadership for the City and Public Utilities Commission.

This would include identifying the model for a steering committee, project team, and any business process improvement functions. GFOA will utilize recent research as part of our “Financial Foundations for Thriving Communities” Initiative to help inform the governance structure and change management



function for this project. Our Financial Foundations Framework identifies five (5) key pillars of effective and sustainable management. Each pillar includes different leadership strategies and/or institutional design principles that we have found translate exceptionally well to ERP governance. Understanding that local governments cannot order people to collaborate, leadership strategies help inspire pride and public support for a strong financial foundation. Institutional design principles, meanwhile, are the “rules of the road.” They provide the context for leadership strategies and ensure continuity of good financial practices through changes in leadership. For more information, please visit <http://gfoa.org/financial-foundations>.

- **Project Team Set Up** - GFOA will help the City prepare for analysis meetings by providing resources to assist in identifying process investigation teams (“PIT Crews”). These PIT Crews will be made up of representative stakeholders from various departments to help bring an “enterprise-wide” focus to existing business processes and system functions. We consider this approach a critical element in the long-term success of the project and will help initiate teams and begin planning for overall involvement throughout the City’s project.
- **Project Plan** – GFOA will prepare a project plan in Microsoft Project. This document identifies all the detailed tasks for the project, the person responsible for executing those tasks, the estimated time required to complete them, and any dependencies that a given task may have relative to other tasks.
- **Project Documentation** - If the City uses a website or other collaboration tool for project and document management, we will discuss early on in the project how we can use this for sharing documents and information across the larger project team. If desired, GFOA can also host a website with collaboration tools specifically for this project.



- **Project Management / Transformation Governance** – GFOA will participate in regular project management meetings and provide a regular (monthly) status report for the project. We expect our project manager to serve as a coach, guide, and advisor throughout the project. They will maintain regular communication to address issues, point out risks, provide lessons learned, and ultimately work to help the project be a success. As part of our ongoing project management services, we will help prepare any communications, attend council meetings, or help delivery key messages to City stakeholders throughout the project to help reinforce key messages or provide support to identified business process improvements.

Project Deliverables

1. Project Management Documents
 - a. Project Charter
 - b. Project Goals
 - c. Project Plan
 - d. Staffing Readiness
 - e. Collaboration Website (Basecamp)
 - f. Status Report Template
 - g. Ongoing Readiness and Project Support Recommendations

Task 2: Process Analysis / Plan of Action

Many consulting firms take the approach to wait on business process improvement activities until after the software vendor is on board. GFOA strongly disagrees with this approach. Relying 100% on software vendors to develop a to-be definition requires the City to buy software prior to truly identifying its needs. Software vendors also will focus on configuring software and are prone to re-creating existing (bad or outdated) processes in the new system. Our experience with software vendors can point to countless examples where this has occurred. We very much commend the City on beginning business process documentation efforts. Our proposal includes services for GFOA to assist City staff in identifying major business process changes and preparing to-be documentation that can be used to communicate scope for a new system. For this effort, we will use the City’s current “as-is” process documentation or can coach the City on completing documentation (if not already complete). GFOA will facilitate meetings, convene focus groups, and interview staff individually to discuss and help determine the future state (to-be) process. Throughout this phase, we expect City participation in providing feedback, making decisions, and beginning to work on potential process changes.

GFOA will provide analysis on the processes listed below.



Process List	
Process	Task / Topics
Accounting	<ul style="list-style-type: none">• Chart of Accounts• Funds Management• General Ledger Transactions• Grant / Project Tracking• Financial Reporting
Budget	<ul style="list-style-type: none">• Operating Budget• Capital Improvement Planning (CIP)• Capital Budget• Budget Adjustments / Amendments
Procure – Pay	<ul style="list-style-type: none">• Vendors• Purchase Requisitions<ul style="list-style-type: none">○ RFP / RFI / RFQ• Purchase Orders / Contracts• P-cards• Change Order• Receiving<ul style="list-style-type: none">○ Inventory / Warehouse• Accounts Payable• Travel Reimbursement
Customer Billing	<ul style="list-style-type: none">• Customer File• Online Bill Pay• Billing• Accounts Receivable
Treasury	<ul style="list-style-type: none">• Cash Receipts<ul style="list-style-type: none">○ Online payments• Interface to External Systems (Parks and Rec)• Disbursements• Interest Allocation• Bank Reconciliation
Asset Management	<ul style="list-style-type: none">• Asset Acquisition• Asset Tracking• Transfer / Disposal / Retirement• Work Order<ul style="list-style-type: none">○ Service Requests○ Work Orders / Scheduling○ Preventative Maintenance○ Asset History
Human Resources	<ul style="list-style-type: none">• Positions• Employee File• Benefit Enrollment• Personnel Evaluations• Disciplinary Actions / Grievance



Process List	
	<ul style="list-style-type: none"> • Risk Management (Injury / Workers Comp)
Personnel Actions	<ul style="list-style-type: none"> • Recruitment • New Hire • Personnel Actions (Salary Adjustment / Position Change)
Time Entry – Payroll	<ul style="list-style-type: none"> • Time Entry • Time Approval • Payroll Calculations • Payroll Processing • Leave Management (FMLA)
Utility Billing	<ul style="list-style-type: none"> • Customer Service • Service Billing <ul style="list-style-type: none"> ○ Electric ○ Water ○ Solid Waste • Customer Payments • Service Requests / Work Orders

Project Deliverables

2. Process Analysis and Action Plan
 - a. Observations and Recommendations (Review of Existing Documentation)
 - b. To-Be Project Documentation for RFP

Task 3: Develop Request for Proposal (RFP)

In this phase, GFOA will provide a completed detailed Request for Proposals (RFP) template for the City to use for both the City and Public Utilities Commission. The GFOA RFP format is designed to remove disparity between proposals and to provide as close to an apples-to-apples comparison as possible. In addition, GFOA develops all RFP’s with the end goal in mind – a successful contract that mitigates risk and leads to a successful project.

When complete, the RFP document will incorporate information developed with many of the other deliverables from this project including:

- 1) Procurement terms and conditions
- 2) Detailed vendor response templates
- 3) Templates to build core elements of vendor statement of work
- 4) Functional Requirements
- 5) Interface Definition
- 6) Technical Documentation



- 7) Key Objectives / Goals / Critical Success Factors for the Project
- 8) Service Level Agreements
- 9) Other information necessary for vendors to prepare detailed response that meets the City's needs.

GFOA maintains a list of ERP vendors, implementation partners, and others in the industry. We will help publicize the City's RFP to get the most competitive response.

A key part of the RFP will be the development of detailed functional requirements that will be important throughout the selection project and throughout implementation. For the processes that are determined to be in scope, GFOA consultants will work with City staff to review, validate and ultimately make decisions on the high-level to-be process definition and those requirements that will serve as a tool for accountability going forward.

GFOA focuses functional requirements development on business process and will prepare requirements in the form of testable use cases that will have value beyond the procurement phase. At each step in the business process we will determine both the system requirements and implementation requirements and document those using a Microsoft Excel template that is aligned to our process maps that will be included in the eventual RFP. Requirements development focuses on functional requirements that define "what" needs to be completed (such as tasks, outputs, interfaces, calculations, processing, etc.) and not on "how" the system or the organization handles tasks currently. This allows for future improvement and full utilization of the system tools and built in processes to make the City more efficient. Where possible, we will work to complete requirements that work and can be managed between both organizations, but expect requirements to apply to the City, Public Utilities Commission, or both.

At this stage in the process, it is important for the business process improvement decisions to be made so the RFP can present a clear direction for the City's project. While every ERP system has slightly different ways of completing business process transactions and the full business process can't be defined at a fine level of detail without the assistance of system consultants, the overall direction and high-level understanding of the process is important to communicate.

It is expected then that the requirements serve as the base document that establishes a template for proposal comparisons, the scope of the implementation project, the base level criteria for user acceptance testing, and the standard for post implementation warranty.

Note: GFOA is currently planning on issuing one RFP that would serve both the City and Public Utilities Commission. However, if the City and Public Utilities Commission determine that it is in its best interested to issue two separate RFPs for an ERP system, GFOA can prepare both documents at no additional charge as long as documents are being prepared at the same time.



Project Deliverables

3. RFP Package
 - a. RFP Document
 - b. Functional Requirements

Task 4: Evaluation and Selection of Vendor (OUT OF SCOPE)

GFOA will assist with Task 4 as directed by City staff. All services proposed under Task 4 will be billed at an hourly rate and GFOA will communicate with the City on where GFOA can have the most value in assisting with vendor selection activities. The following description identifies the approach that GFOA recommends the City take and provides options for how GFOA could be involved.

GFOA's system selection and procurement methodology relies on principles of fairness, attention to detail, and competition, yet remains flexible enough to adapt to local procurement laws or other unique situations. In addition, the approach is continually enhanced by feedback from the hundreds of public sector clients that we work with, our own staff experience, and the vendor community. We strive to get the best deals for our clients and often go against what the vendor's describe as "industry standards."

Through defined steps, vendors will be evaluated and scored according to pre-defined criteria with the top vendors moving on to compete at the next step. Each step is an opportunity to negotiate terms, address risks, and provide methods for holding stakeholders accountable. Overall, our approach is focused on identifying and mitigating risks throughout the procurement process. GFOA's RFP template provides the opportunity to focus the evaluation on key risk factors in the implementation and separates actual proposal from marketing buzzwords. GFOA's standard evaluation process includes the three steps described below.

Step 1: Initial Proposal Assessment and Base Presentation

Upon receiving the written proposals from vendors, the City's project team will begin an assessment and analysis of all proposals. GFOA will assist with this assessment by reviewing proposals and providing initial comments on potential risks, issues, and any significant weaknesses/gaps and/or strengths. The purpose of this initial analysis is to determine which vendors will be elevated for the "Base presentation" to highlight aspects of the proposal. Each "Base Presentation" will consist of a short (60-90 minute) presentation and question and answer session with each vendor. This purpose of this is to provide an initial opportunity for interaction, clarify any necessary proposal



information, and provide an opportunity for vendors to highlight differentiating features.

GFOA expects that after this initial presentation, the City will elevate a limited number of proposals for demos and more extensive interviews.

Step 2: Demos and Interviews / Thorough Proposal Assessment

After elevation, GFOA will provide a thorough analysis of any elevated proposals and work to prepare develop detailed demo scripts for each vendor. Demo scripts are based heavily on the requirements and business process decisions built in early tasks. Also, GFOA's approach to software demos provides a focus on implementation activities. Typically time devoted to implementation and demo is split 50/50. GFOA believes that it is critical for vendors to explain HOW the software will be implemented along with the features of the software. The greatest system in the world will not be useful if it is not configured and implemented correctly to meet the needs of the organization.

Our approach to software demos and interviews differentiates GFOA and demonstrates our dedication to continually evolve our approach to a changing ERP market. As software features become more mature, it is less important for governments to evaluate "if" it will work. However, since most of the risk comes from implementation, we work through a series of business process case studies, sample "workshops," and implementation resource interviews to make sure you can effectively evaluate the knowledge and skills of the proposed implementation team.

GFOA will work with the City's project manager to facilitate the demos and interviews with each vendor. In this role, GFOA would participate in demos to ask questions, take notes, and provide feedback to the City. However, we would expect the City's assistance in facilitating the demos. GFOA expects that after this first round of software demos and interviews, the City elevate two vendors.

Step 3: Discovery

Discovery acts as the City's final opportunity to clarify unresolved issues before it makes its final elevation. Prior to Discovery, GFOA will develop a Request for Clarification (RFC) letter for each vendor that was elevated. Then, during Discovery, each remaining vendor is invited back on-site for one more day of presentation. During this presentation, any remaining issues with software functionality, implementation approach, data conversion, or scope are clarified and vendors are asked to make any necessary revisions to their proposal. The main focus of this session is to plan the implementation so that the City and vendor can later develop a detailed statement of work. GFOA will facilitate the Discovery session for two proposal teams. Additionally, by clarifying outstanding issues at Discovery, development of the statement of work becomes easier. At the conclusion of Discovery, the City will enter contract negotiations with one vendor.



GFOA expects that after Discovery, the City identify a finalist vendor. If it is not possible for the City to identify a finalist vendor, GFOA will facilitate additional clarification rounds.

Project Deliverables

- 4. System and Vendor Selection
 - a. Evaluation Criteria
 - b. Initial Proposal Assessment
 - c. Base Presentations
 - d. Demo Scripts
 - e. Demo Facilitation and Notes
 - f. Request for Clarification Letters

Task 5: Contract Negotiations (OUT OF SCOPE)

GFOA can be involved with the negotiation of any applicable software license contract, software maintenance agreement, hosting / SaaS agreement or implementation services agreement. In addition, GFOA can lead the development of the statement of work. The statement of work is the critical document that outlines responsibility for the implementation. GFOA will ensure that the City’s statement of work is defined to a fine level of detail to prevent any unnecessary issues or misunderstandings during implementation.

Also, for cloud contracts, it is essential that the City identify and negotiate appropriate service level agreements and other contractual provisions that establish performance standards and identify role responsibility. GFOA will take the lead in establishing this documentation. GFOA assumes that the City will be negotiating one contract (or a contract for one proposal if that proposal contains multiple contracts for software, implementation, hosting, etc.).

Project Deliverables

- 5. Contract Negotiations
 - a. Completed Contract Documents



Section IV – Cost and Timeline

GFOA is available to begin projects when the City would be ready. Based on the timeline identified by the City, we anticipate a late April / Early May project start which would allow for RFP release in early fall 2022. Implementation of a new system would begin in early 2023.

We start every project by gather documents and becoming more familiar with the City’s policies, structure, and overall background information while we are preparing the project plan an initial agendas.

Proposed Schedule	Project Start = May 2022																
	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	
Task 1: Project Planning																	
Task 2: Process Analysis																	
Task 3: RFP Development																	
Task 4: Vendor Selection																	
Task 5: Contract Negotiations																	
Task 6: Implementation															T	B	D



Pricing

Unless noted, all pricing is provided as a fixed fee based on completion of milestones. GFOA will invoice for project deliverables upon completion of project deliverables. We also understand that projects may face delays, require additional analysis than what was originally planned, or may require additional effort to address risks as they come up during the project. We commit to honoring our fixed price to deliver a successful project.

Tasks 1-3

Task/Deliverable	Milestone	Price
1	Project Planning	
1	Project Management Documents	\$5,000
NA	Ongoing Project Management (Hourly at \$250/hour)	NTE \$15,000
2	Process Analysis / Plan of Action	
2-A	Process Analysis	\$5,000
2-B	To-Be Vision	\$7,500
3	Develop RFP	
3-A	RFP Template	\$5,000
3-B	Functional Requirements	Included
	Travel Reimbursement	\$2,500
TOTAL NOT-TO-EXCEED PRICE for Tasks 1-3		\$40,000

Tasks 4-5 (Currently out of scope)

Task/Deliverable	Milestone	Price
4	Evaluation and Selection of Vendor	
HOURLY	Hourly at \$250/hour	NTE \$15,000
5	Contract Negotiations	
5	Contract Negotiations	\$7,500
-	Travel	
	Travel Reimbursement	\$2,500
TOTAL NOT-TO-EXCEED PRICE for Tasks 4-5		\$25,000

Note: GFOA's pricing includes a travel estimate of \$5,000 for the entire project. At the conclusion of Tasks 1-3, GFOA would bill the City of actual travel costs up to a not-to-exceed limit of \$2,500. Similarly, at the end of the project, GFOA would bill the City of any travel cost for task 4-5 that exceed \$2,500. Any travel costs in excess of \$2,500 for each phase grouping would be the responsibility of GFOA.

Use of the Ongoing Project Management resources (NTE \$15,000) would be for additional requests or unique tasks outside of the scope listed in this proposal related to ongoing project governance, business process improvement, policy development, or change management concerns on the project. Prior to using any resources in this area, GFOA would get approval from the City or Grand Rapids Public Utility and price separately costs for the City and Public Utility.



Contract Requirements

GFOA would like to add the following to any future agreement.

- GFOA is a nonprofit membership association made up of members representing organizations like the City. Therefore, the GFOA's liability and indemnification under any agreement reached with your organization will be limited to the extent of claims paid by insurance coverage currently in force.
- The City's staff will be reasonably available for interviews and will participate in the project as agreed upon and appropriate. The City agrees not to cancel meetings once established (which would increase our travel costs).
- Unless otherwise stated, the City agrees to confirm acceptance of deliverables within a mutually agreed upon number of business days. If a deliverable is not accepted, the City must state in writing to the GFOA Project Manager the changes needed to the deliverable to gain acceptance.
- The GFOA conducts the majority of the engagement work on a fixed-fee engagement, where payment is due upon completion of deliverables. If any work is to be billed using a time and expense method, the time and expense portion of the engagement will be billed on a monthly basis at the hourly rate of \$250/hour, unless otherwise noted.
- When performing work on-site, GFOA staff will be provided appropriate workspace and access to copiers, projectors, workspace, and miscellaneous office supplies if necessary.
- GFOA is scoped to prepare one RFP document and conduct the evaluation process for that one RFP. If it is determined to be in the City's best interested to release multiple RFPs, GFOA will develop those RFPs at no additional cost. Proposal evaluation and system selection services for multiple RFPs may require additional cost depending on timing.
- As an educational, nonprofit, professional membership association, the GFOA reserves the right to publish non-confidential documents describing the results of, or created during, the services described in this scope of work. The GFOA will not publish any item with the name of the City without obtaining prior written consent of the government.
- The City recognizes that GFOA's role is to provide information, analysis and advisory services. As such, GFOA bears no responsibility for the performance of the software, hardware, or implementation service suppliers.