



# CONEJO RECREATION & PARK DISTRICT

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Jim Friedl

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**GENERAL MANAGER EMERITUS**  
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**TO:** Board of Directors

**FROM:** Jim Friedl, General Manager 

**DATE:** November 20, 2008

**SUBJECT:** Upgrade District Finance/Human Resources Software and Hardware

## RECOMMENDATION

The Board of Directors authorize the General Manager to enter into an agreement with New World Systems for the upgrade of Logos Financial software from AS400/I-Series version to the Logos.NET version. Funding for the upgrade not to exceed \$200,000 to come from General Fund balance and anticipated MRCA revenue.

## BACKGROUND

In October 1989 the District computerized the Management Services Division by purchasing Finance and Human Resources software from New World Systems and investing in the then new technology produced by IBM, the AS400. Both the software and AS400 have changed periodically since that time. The AS400 has been replaced or expanded four times. The current AS400 is over four years old and due for replacement soon.

Over the last few years, New World Systems, responding to current market preference, developed a Windows Server browser based version of the software, Logos.NET.

## DISCUSSION

The IBM AS400 has been very reliable technology but it is also very mature technology, with little to no ongoing development from IBM or New World Systems. This technology platform is also becoming more difficult to support. Due to the highly specialized nature of the hardware and software, the District does not have in-house support for the AS400. The nearest hardware support firm is located in Orange County. Software support is only via telephone to IBM directly. The number of consultants providing support is declining since the AS400 is considered "old" technology. Additionally, the

approximate \$20,000 cost to replace and upgrade the AS400 is a substantial investment in a technology platform that will be phased-out by New World Systems over the next few years.

New World Systems has announced that they are no longer actively marketing the Logos AS400 software and that many of their AS400 software developers have been transferred to the .NET development team. This was evident at the New World Systems Executive Conference in October where many of New World's employees introduced themselves as "formerly working on the AS400". New World Systems also indicated that current Logos AS400 customers will no longer be required to update software to the most current version if they choose not to. This is a big indicator that there will be no further enhancements to the product. It seems clear that from this point it is only a matter of time until they begin to cut support for the AS400 software.

In anticipation of having to change technology platforms in the near future, staff surveyed other government software solutions. Of the suites examined, most were Windows based, one was Unix. Cost for initial purchase, implementation and training ranged from \$50,000 to over \$350,000, excluding hardware. Annual maintenance cost anywhere from less than \$10,000 per year to over \$35,000. Reviews by users of the said software were mixed. All had developed work-around solutions for pet processes and results. Support satisfaction varied from great to horrible. The lowest cost suites did not allow for project/grant accounting which is essential to both the District and the Mountains Recreation and Conservation Authority (MRCA).

The cost to upgrade to the New World Systems .NET solution, including hardware, is approximately \$192,200, and will vary based on the cost of necessary hardware and number of training trips required. A copy of the upgrade proposal is attached. In converting to the new software, the District will receive dollar for dollar credit for modules purchased for the AS400. Annual software maintenance fees will not increase the first year after conversion and only 3% for years 2 through 5. Normal annual increase is about 7%. As shared users of the software and hardware, MRCA staff will seek approval from its board at its December 3 meeting to pay a portion of the cost to upgrade.

Over the last twenty years, staff has developed and fostered an excellent working relationship with New World Systems. They are very familiar with District needs and work to develop solutions as new applications are needed. With a few exceptions over the years, satisfaction with the software and service has been very good.

Finance staff has viewed the .NET software and feel it would not only make their jobs easier because of the familiar Windows operation, but would facilitate interactions with other employees to answer concerns and questions. About twelve users regularly access financial and human resources information via AS400 "green screen". Most employees have access to financial information only through reports run by someone in the finance office. The District has experimented with means to expand access to the AS400 for inquiry and report writing to all work centers with only limited positive results. Since the .NET software is browser based, the District will be able to expand availability

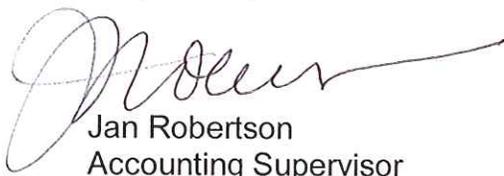
of information on a more real time basis to all employees with password protected internet access. No hardware or software is required at remote locations except a PC and internet. Not only will users be able to view information and create reports immediately on screen, but "drill down" capability from a browser screen will allow them to see what comprises the numbers. This will allow supervisors and managers to better control their own budgets with current information.

MRCA staff members are also eager to upgrade to the Windows solution. MRCA uses grant and project modules to account for all revenues and expenses. Extracting information from the AS400 for required reporting has been unwieldy and cumbersome. They agree that the windows solution will not only facilitate reporting, but will speed up the grantor billing process.

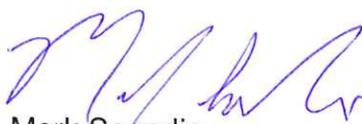
### **STRATEGIC PLAN COMPLIANCE**

Meets Strategic Plan Element 6.8: Develop an information technology plan. The District will develop an information technology plan to evaluate options and to organize, develop and implement solutions that provide cost effective means to improve organizational efficiency and service delivery. Also Element 4.5: Provide finance service to Mountains Recreation and Conservation Authority. Work closely with Joint Powers Authority partners Santa Monica Mountains Conservancy and Rancho Simi Recreation and Park District to provide staff support to MRCA's finance functions and cooperation with operational arm to continually improve Authority's financial position.

Prepared by

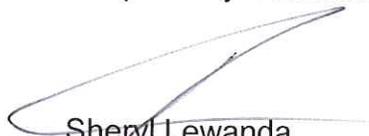


Jan Robertson  
Accounting Supervisor



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Respectfully Submitted by



Sheryl Lewanda  
Administrator, Management Services



New World Systems™

# Budgetary Proposal

Logos 400 to Logos .NET Upgrade

CONEJO RECREATION & PARK DISTRICT, CA

July 22, 2008

## One Time Cost

A. Logos .NET License Fee Cost		\$37,500
1) Licensed Standard Software	97,000	
2) Customer Loyalty Software Credit	(59,500)	
B. Support Services		75,000
1) Project Management		
2) Installation and Training		
3) Hardware Assurance		
4) Interface Installation Fees		
C. Third Party Costs		41,700
1) Hardware, System Software & Services		
D. Other Costs (Estimate)		38,000
1) Data File Conversion	20,000	
2) Travel and Living Expenses	18,000	
<b>TOTAL ONE TIME COST</b>		<b><u>\$192,200</u></b>

## On - Going Annual Cost for Standard Software Maintenance Agreement (SSMA)

- E. 1) Standard Software Maintenance Agreement (SSMA) (Annual Cost)  
 The year 1 SSMA cost of Logos .NET will remain the same as the current AS/400 SSMA. (\$26,080)  
 The SSMA cost of years 2 through 5 of Logos .NET will increase 3% annually over the prior year.

*Note: The Logos .NET Standard Software will provide comparable but not identical capabilities to the Logos AS/400 software currently in use. The cost of any custom AS/400 software in use is not included.*

*This Proposal is valid for ninety (90) days and assumes a sole source procurement with New World. Customer must also be current on any amounts owed New World.*

Software Survey

Software	Estimated Software Cost	Estimated Hardware Cost	Estimated Cost Total	Comments
Eden	\$ 350,000	\$ 41,700	\$ 391,700	For large agencies/cities; well recommended
Munis	\$ 200,000	\$ 41,700	\$ 241,700	Reports not good; poor ad hoc report writing. Easy to implement and good support
Incode	\$ 175,000	\$ 41,700	\$ 216,700	Difficult to download reports to excel. Good support
SunGard	\$ 160,000	\$ 41,700	\$ 201,700	Unix; hosted on vendor servers. Mixed reports on support
New World Systems	\$ 150,500	\$ 41,700	\$ 192,200	Includes conversion costs, training. Familiar to users. Robust project/grant accounting.
Sage Systems	\$ 125,000	\$ 41,700	\$ 166,700	Geared to small cities; limited payroll
MOM	\$ 100,000	\$ 41,700	\$ 141,700	Low cost; customizable fully integrated. Mixed reports on support. Limited project accounting
FundBalance	\$ 50,000	\$ 41,700	\$ 91,700	Best suited for very small <20000 population. No project/grant accounting. Good support

Costs are from agencies, not vendors.