

<b>TO:</b>	<b>CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON OCTOBER 19, 2020</b>
<b>FROM:</b>	<b>MAT DALEY DIRECTOR, INFORMATION TECHNOLOGY SERVICES</b>
<b>SUBJECT:</b>	<b>RFP 20-37 COGNOS MODERNIZATION IRREGULAR RESULT</b>

<b>RECOMMENDATION</b>
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That, on the recommendation of the Director, Information Technology Services, City Manager's Office, and with the concurrence of the Director, Financial Services, Finance & Corporate Services, the following actions **BE TAKEN** with respect to the Cognos Modernization:

- a. The proposal submitted by Newcomp Analytics, 175 Commerce Valley Drive West, Suite 230, Thornhill, ON L3T 7P6, for the Cognos Modernization for a total cost of \$553,116.97 (excluding taxes) **BE ACCEPTED** in accordance with section 8.10 of the Procurement of Goods and Services Policy;
- b. The financing for this project **BE APPROVED** as set out in the Sources of Financing Report attached, hereto, as Appendix A;
- c. Civic Administration **BE AUTHORIZED** to undertake all administrative acts that are necessary in connection with this purchase, and;
- d. The approval hereby given **BE CONDITIONAL** upon the Corporation entering into a formal contract, agreement or having a purchase order relating to the subject matter of this approval.

<b>PREVIOUS REPORTS PERTINENT TO THIS MATTER</b>
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None.

<b>2019-2023 STRATEGIC PLAN</b>
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This project supports the Corporation in its Strategic Area of Focus of **Leading in Public Service**.

Modernizing our Cognos financial reporting platform also supports multiple strategies outlined in the Strategic Plan 2019-2023, including:

- Improve public accountability and transparency in decision making: Increase access to information to support community decision making,
- Increase the use of technology to improve service delivery: Continue to maintain, build and enhance a high-performing and secure computing environment,
- Enhance the ability to respond to new and emerging technologies and best practices: Deliver and maintain innovative digital solutions to increase efficiency and effectiveness across the Corporation, and,
- Maintain London's finances in a transparent and well-planned manner to balance equity and affordability over the long term:

<b>BACKGROUND</b>
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**Purpose**

The purpose of this report is to seek approval from Committee and Council to award the modernization of the City's Cognos financial reporting platform to Newcomp Analytics.

Cognos is the main financial reporting solution for the City of London and it has a large cross Service Area user distribution, with more than 900 active reports and approximately 500 internal users. The Cognos financial reporting platform is essential to the delivery of Corporation wide financial management, multiyear budgeting and resource management.

The project will include the migration from the current version of Cognos including finance briefing books, catalogs, reports, and transformer models to Cognos Analytics 11x. The current Cognos version will reach end of support in April 2021.

This project includes one-time implementation costs for:

- System design and configuration;
- Migration planning;
- Finance reporting suite migration;
- Licensing;
- Training;
- Technical support;
- Project management and documentation; and
- Post-go live support.

## Background

The current version of Cognos is reaching end of life and enhancement difficulties are being encountered when seeking to meet the needs of end users. Remaining on an unsupported application increases the risk that the Corporation could lose access to its reporting system and the corporate information it contains. In addition, the Corporation faces an increasing risk of security threats and difficulty in responding to service disruptions should the application not be supported. Therefore, it is highly desirable to upgrade the Cognos financial reporting platform prior to it becoming unsupported.

Our current version of Cognos includes Impromptu administrator, Transformer designer, PowerPlay client and Portfolio Briefing Books. The City of London content is organized in Reporting Suites; some external users have PDFs emailed to them via Cognos Macro.

Finance and Corporate Services (Finance) is the key user group within the overall City of London financial reporting and analytics end user community. The focus of the initial migration scope is the content used by Finance. Finance will be directly involved in the delivery and project management of the new solution.

The implementation of the modernized Cognos Analytics 11x reflects the strategy to enhance decision making through data, reporting and analytics. This project is part of the City's journey to implement modern Business Intelligence platforms and will be a key element for the migration of reports from other Service Areas. Other municipalities that are currently using Cognos Analytics 11x include the Region of York and the Municipality of Durham.

To date, based on best practices and to set the project up for success, several pre-project initiatives were undertaken by Information Technology Services (ITS) and Finance to prepare for the migration to Cognos Analytics 11x.

- A pre-migration project was commenced that addressed:
  - Removal of Cognos technical debt (Inventory and clean-up of reporting, data sources, and user accounts)
  - Improvement of Cognos Reporting Suites
  - Identification of Service Area owners of Cognos Reporting Suites
  - Education of Cognos Reporting Suites owners on end-of-life and expectations
  - Improvement of administrative duties
  - Simplification of user access and release management
- The Business Intelligence (BI) Steering Committee was formed, and the committee is focusing on:
  - Cross Service Area expertise and guidance for BI initiatives
  - Building a framework for appropriate access to use corporate data, focusing on:
    - Value;
    - Quality;
    - Security; and
    - Data management.
  - Increasing data reporting collaboration
  - Establishing BI best practices, strategies and direction
  - Developing BI initiatives
  - Supporting users and champions in the use of data in decision making
  - Providing advice on BI related projects

This project will be completed in partnership with the selected vendor, ITS, Finance, and other key Service Area staff.

## DISCUSSION

In response to the RFP, Newcomp Analytics met the requirements of the evaluation committee and presented a proposal that will support the Corporation in moving forward with the migration to Cognos Analytics 11x. With offices located in Toronto, Calgary, Markham and Montreal, Newcomp Analytics has completed 45 migration projects within the last 5 years and 11 with public sector entities. In 1996, Newcomp became a Cognos partner and started delivering Cognos consulting services. In 2008, when IBM acquired Cognos, Newcomp became an IBM partner and continued to deliver Cognos services.

Since 2008, Newcomp has become established as a leading Canadian IBM partner earning awards including 2017 IBM Leadership Award, first Canadian IBM Platinum Business Partner, 2013 IBM Partner Achievement Award and 2011 IBM Business Partner Excellence Award

Key elements of their proposal include the following:

- Proven experience in working with municipalities;
- Proven experience in delivering Cognos migrations;
- Robust infrastructure and application support post-implementation; and
- A strong project management methodology.

Newcomp Analytics has extensive experience with migrating on premise clients to the latest version of Cognos, throughout these successful projects they have leveraged a systematic risk mitigation approach to successfully overcome challenges encountered when delivering a Cognos Analytics migration.

In the proposal, Newcomp demonstrated a thorough understanding of the challenges associated with a migration to Cognos 11X, bringing proven IBM methodologies (IBM Business Analytics Solutions Implementation Method [BASIM]) and strategies to streamline the migration process and mitigate potential risks. The proposal also includes change management strategies, project management guidelines and user adoption approaches to support a successful project delivery.

### **Procurement Process**

On July 14, 2020, on behalf of ITS and Finance, the Purchasing Office issued a formal Request for Proposal (RFP20-37) for the Cognos Modernization on the Corporation's Bids and Tenders website to source a qualified and experienced proponent to complete this work. System design and configuration, migration planning, finance reporting suite migration, licensing, training, technical support, project management, and post-go live were all attributes of this endeavor.

After the RFP was posted, there was one (1) Addenda issued to respond to questions, inquiries, and requests for clarification. When the RFP closed, one (1) compliant submission was received resulting in section 19.4 of the Procurement of Goods and Services Policy being followed. The opening of one bid submission was approved by the City Manager jointly with the Manager of Purchasing and Supply.

A two (2) envelope RFP process was used – one envelope contained the technical project proposal and the second contained the pricing proposal.

Four (4) evaluation committee representatives from Finance, Human Resources and ITS evaluated one (1) submission based on the technical criteria outlined in the document. At the end of this process, the proponent Newcomp Analytics demonstrated their ability to fully meet the Corporation's requirements. Since the proponent met the Corporations requirements, noting that the specifications of a competitive bid could not be met by two (2) or more suppliers, Civic Administration is recommending that this proposal be awarded as an Irregular Result, consistent with section 8.10 of the Procurement of Goods and Services Policy.

## FINANCIAL IMPACT

The Cognos Modernization project was identified and approved for in the 2020-2023 Multi-Year Budget. The total project cost includes the proposal from Newcomp Analytics for \$553,116.97 (excluding H.S.T).

Ongoing software licensing costs will be funded through the ITS operating budget.

The Source of Financing for this project is attached as Appendix "A".

<b>ACKNOWLEDGEMENTS</b>
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This report was prepared with the assistance of Purchasing Services, Financial Services, and Information Technology Services.

<b>PREPARED BY:</b>	<b>CONCURRED BY:</b>
<b>NATALIA AGUILLON MANAGER, QUALITY ASSURANCE AND BUSINESS INTELLIGENCE, INFORMATION TECHNOLOGY SERVICES – CITY MANAGER’S OFFICE</b>	<b>IAN COLLINS DIRECTOR, FINANCIAL SERVICES – FINANCE &amp; CORPORATE SERVICES</b>
<b>RECOMMENDED BY:</b>	
<b>MAT DALEY DIRECTOR, INFORMATION TECHNOLOGY SERVICES – CITY MANAGER’S OFFICE</b>	

c: Mary Ma, Procurement Officer  
Geoff Smith, Manager 1, Purchasing and Supply Operations

APPENDIX "A"

Chair and Members  
Corporate Services Committee

#20147  
October 19, 2020  
(Contract Award)

RE: RFP20-37 - Cognos Modernization  
(Subledger CP200009)  
Capital Project IT3010 - Application, Data, Information & Process  
Newcomp Analytics - \$553,116.97 (excluding H.S.T.)

**FINANCE & CORPORATE SERVICES REPORT ON THE SOURCES OF FINANCING:**

Finance & Corporate Services confirms that the cost of this project can be accommodated within the financing available for it in the Capital Works Budget and that, subject to the adoption of the recommendations of the Director, Information and Technology Services, City Manager's Office, and with the concurrence of the Director, Financial Services, Finance & Corporate Services, the detailed source of financing for this project is:

<u>ESTIMATED EXPENDITURES:</u>	<u>Approved Budget</u>	<u>Committed to Date</u>	<u>This Submission</u>	<u>Revised Budget</u>
Engineering	\$1,214,085	\$1,025,123		\$188,962
Computer Equipment	1,576,549	1,013,697	562,852	0
Communication Costs	1,451,551	172,334		1,279,217
City Related Expenses	926			926
<b>NET ESTIMATED EXPENDITURES</b>	<b><u>\$4,243,111</u></b>	<b><u>\$2,211,154</u></b>	<b><u>\$562,852</u></b> 1)	<b><u>\$1,469,105</u></b>


  

<u>SOURCES OF FINANCING:</u>				
Capital Levy	\$2,206,071	\$2,206,071		\$0
Drawdown from Technology Reserve Fund	2,037,040	5,083	562,852	1,469,105
<b>TOTAL FINANCING</b>	<b><u>\$4,243,111</u></b>	<b><u>\$2,211,154</u></b>	<b><u>\$562,852</u></b>	<b><u>\$1,469,105</u></b>

1) Financial Note:

	<u>IT301020C</u>
Contract Price	\$553,117
Add: HST @13%	71,905
Less: HST Rebate	(62,170)
Total Purchase Cost	<u>\$562,852</u>

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Jason Davies  
Manager of Financial Planning & Policy