



WENDY L. WATANABE  
AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES  
DEPARTMENT OF AUDITOR-CONTROLLER**

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**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

24 May 14, 2013

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

May 14, 2013

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**AUTHORIZE THE CHIEF INFORMATION OFFICE TO EXECUTE A WORK ORDER WITH EMC CORPORATION FOR SOFTWARE DEVELOPMENT AND IMPLEMENTATION SERVICES FOR THE CONTRACT LIBRARY SYSTEM COMPONENT OF THE CONTRACT MANAGEMENT SYSTEM PROJECT  
(ALL DISTRICTS) (3 VOTES)**

**CIO RECOMMENDATION: APPROVE (X) APPROVE WITH MODIFICATION ( )  
DISAPPROVE ( )**

**SUBJECT**

This is a joint recommendation by the Auditor-Controller (A-C), the Internal Services Department (ISD), and Chief Executive Office (CEO), that the Board authorizes the Chief Information Office (CIO) to execute a Work Order (WO) under the County's Master Services Agreement with EMC Corporation. The WO procures the software development and implementation services for the Contract Library System component of the Contract Management System (CMS) application.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Approve and direct the CIO, at the request of the A-C, to execute a Work Order (WO) for a maximum contract amount of \$650,000 under the County's Master Services Agreement (MSA) with EMC Corporation (EMC) to complete the development and implementation of a Contract Library System (CLS), an integrated component of the Countywide CMS.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The A-C, in conjunction with ISD, CEO, County Counsel (CoCo), and staff from several County

departments collaborated to form a project team (Team) and planned the development and implementation of a Countywide CMS. As part of the CEO's Strategic Plan Countywide Contracting Initiative (Initiative), the Team is tasked to streamline the County's contracting process, which includes reducing inconsistencies across County departments, eliminating known weaknesses in County contracts, and incorporating automation for a more efficient business process. The design of the new application aligns with the Initiative's objectives to:

- Incorporate best practices in the development and finalization of documents used in the County's solicitation, contracting, and evaluation processes;
- Provide consistency across departments for similar types of contracting documents;
- Ensure compliance with the California codes and County policies;
- Streamline the contracting process through the use of model solicitation documents based on CoCo pre-approved templates and language;
- Integrate with the County enterprise financial and procurement modules; and
- Establish a central repository of documents used in the County's solicitation, contracting, and evaluation processes.

### **Implementation of Strategic Plan Goals**

The recommended action is consistent with the Countywide Strategic Plan Goal #1 – Operational Effectiveness: Countywide Contracting Initiative to develop and pilot a Countywide contracts system. This project also promotes the Countywide Strategic Plan Goal #2 of Fiscal Sustainability by integrating with the County's enterprise financial and procurement systems for more efficient and effective business operations.

### **FISCAL IMPACT/FINANCING**

Funding to implement the Initiative in the amount of \$2.0 million was earmarked in the A-C's Fiscal Year (FY) 2012-13 Integrated Applications Budget during the Supplemental Budget process in September 2012.

The Initiative funding is used to cover:

- \$650,000 Cost of this WO to complete the development and implementation of the CLS for use by County departments.

Other components of the Initiative

- \$300,000 Development of a CLS Working Prototype which was successfully completed in March 2013.
- \$50,000 EMC Licenses for Documentum development tools.
- \$1,000,000 Design, development, and implementation of the Case Management component under the CGI Service and License Agreement (SLA) for integration with the eCAPS financial, procurement, and case management modules.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

On July 7, 2009, your Board approved the CIO's MSA with EMC, enabling County departments to utilize professional and consulting services for the implementation and support of Enterprise Content

Management (ECM) technologies. The CLS component utilizes these technologies in the creation, storage, and retrieval of documents. The CIO concurs with the A-C, ISD, and CEO's recommendation to move forward with the development and implementation of a CLS component, as part of the Initiative (See attached CIO Analysis). All MSA WOs greater than \$300,000 require Board approval.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The full implementation of the Initiative will positively impact contract management of County departments. It will automate standard document creation in the solicitation, contracting, and evaluation processes and improve the workflow of the approval process. There will be an initial increase in department workload to add new documents and receive approval in the new application. However, significant operational efficiencies will be achieved as these approved documents can be used as the foundation in future solicitations or contracting.

The Team and various department staff met to identify the CLS business requirements. Based on the collective input, the Team is set to develop and implement a pilot application by September 2013 in three contract areas: Prop A, Community & Senior Services (CSS), and central ISD contracts, such as landscaping or custodial services.

The Initiative will incorporate the established CoCo standards for CSS and ISD's model documents for Request for Proposals, contracts, etc. to promote standardization of County approved language.

There are two major components in the design:

- Contract Library System (CLS) – an application for the development, approval and maintenance of standard language and templates for all types of solicitation/contracting/evaluation documents.
- Case Management System (CMS) – an application for the collaboration and finalization of documents across multiple involved parties, such as CoCo, A-C, ISD, CEO Risk Management, CIO, etc. This component is not part of this WO.

### **New Development Approach**

The development is following a new approach to lower the risk in meeting the County's business requirements while, at the same time, performing a rapid, agile development. An eight-week project was completed in March 2013 which developed a Working Prototype of the CLS. This resulted in a functioning application that has been demonstrated to departments and tested against the County's business requirements. The Working Prototype will be enhanced and implemented for County departments use under this WO.

By providing the departments with a Working Prototype of the CLS, the Team is able to demonstrate actual output and receive very specific feedback on whether the new application meets County departments business requirements. This approach significantly reduces the project risk by ensuring the final product meets departmental needs.

The WO will prepare the CLS application for implementation as a production ready pilot by:

- Incorporating enhancements to the Working Prototype;

- Conducting performance testing of the application to ensure it meets Countywide needs;
- Ensuring the application incorporates the appropriate security roles and workflows for Countywide implementation; and
- Providing vendor support during the pilot of the application.

The Team will begin the County department pilot in September 2013, based on the CLS application developed under this WO and the case management component integrated with the eCAPS financial and procurement applications.

**CONCLUSION**

Approval of the recommended WO will allow for the development of the CLS component of the County contracting initiative.

Respectfully submitted,



WENDY L. WATANABE  
Auditor-Controller



RICHARD SANCHEZ  
Chief Information Officer



TOM TINDALL  
Director



WILLIAM T FUJIOKA  
Chief Executive Officer

WTF:WLW:TT:RA  
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Enclosures

c: John F. Krattli, County Counsel  
Sachi A. Hamai, Executive Officer, Board of Supervisors  
Public Information Office



RICHARD SANCHEZ  
CHIEF INFORMATION OFFICER

Office of the CIO  
**CIO Analysis**

NUMBER: <b>CA 13-07</b>	DATE: 4/18/2013
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SUBJECT:

**AUTHORIZE THE CHIEF INFORMATION OFFICE TO EXECUTE A WORK ORDER WITH EMC CORPORATION FOR SOFTWARE DEVELOPMENT AND IMPLEMENTATION SERVICES FOR THE CONTRACT LIBRARY SYSTEM COMPONENT OF THE CONTRACT MANAGEMENT SYSTEM PROJECT**

RECOMMENDATION:

Approve                       Approve with Modification                       Disapprove

CONTRACT TYPE:

New Contract     Sole Source  
 Amendment to Contract #: Enter contract #.                       Other: EMC MSA Work Order

CONTRACT COMPONENTS:

Software     Hardware  
 Telecommunications     Professional Services

SUMMARY:

Department Executive Sponsor: Strategic Plan Contracting Initiative Committee

Description: Authorize the Chief Information Office (CIO) to execute a Work Order (WO) under the County's EMC Master Services Agreement (MSA) to deploy a production ready prototype of the Contract Library System component of the countywide Contract Management System (CMS).

Contract Amount: \$650,000    Funding Source: A-C Integrated Application Budget  
 Legislative or Regulatory Mandate     Subvened/Grant Funded: N/A

<p><b>Strategic and Business Analysis</b></p>	<p>PROJECT GOALS AND OBJECTIVES:</p> <p>As a part of Chief Executive Office’s Strategic Plan Contracting Initiative, a project team led by the Auditor-Controller (A-C), and comprised of Internal Services Department (ISD), Chief Executive Office (CEO), County Counsel, and staff from other departments were tasked with developing and implementing CMS.</p> <p>The CMS’ objectives are to:</p> <ul style="list-style-type: none"> <li>• Utilize standardized templates for the development and finalization of documents used in the County’s solicitation, contracting, and evaluation processes;</li> <li>• Establish a Library of standard terms and provisions approved by County Counsel;</li> <li>• Integrate with County’s enterprise financial and procurement modules; and</li> <li>• Establish a central repository of documents used in the County’s solicitation, contracting, and evaluation processes.</li> </ul> <p>There are two major components in the CMS design:</p> <ol style="list-style-type: none"> <li>1) Contract Library System (CLS) – an application in EMC Documentum used for the development, approval, and maintenance of standard language and templates for all types of solicitation, contracting, and evaluation documents. This WO addresses work required to make the CLS prototype production ready.</li> <li>2) Case Management Application – CGI Advantage developed an application for the collaboration and finalization of contracting documents across multiple departments (e.g., County Counsel, CEO Risk Management, A-C, ISD, CIO, etc.) This component is not part of this WO.</li> </ol>
	<p>BUSINESS DRIVERS:</p> <p>The CMS is intended to foster best practices in the development and finalization of documents used in the County’s solicitation, contracting, and evaluation processes; to streamline the contracting process through the use of approved templates for solicitations, contracts, evaluations, and statements of work; and to ensure compliance with California codes and County policies.</p>
	<p>PROJECT ORGANIZATION:</p> <p>The project sponsors are County executives that participate on the Strategic Plan Contract Initiative and the project team is comprised of staff from the A-C, ISD, CEO, and County Counsel.</p>
	<p>PERFORMANCE METRICS:</p> <p>The WO has been defined and recommended by the County project team. It includes approval checkpoints for developing and implementing enhancements and preparing the CLS prototype for piloting to County user groups.</p>

	<p>STRATEGIC AND BUSINESS ALIGNMENT:</p> <p>The project addresses the Countywide Contracting Initiative; a priority focus area identified in the County’s Strategic Plan and is consistent with the County’s Strategic IT Directions to use EMC Documentum for document management and workflow.</p> <hr/> <p>PROJECT APPROACH:</p> <p>The project is using an iterative development approach. In Phase I, the County project team completed an eight week project with EMC (supported by an earlier EMC MSA WO) to develop a CLS prototype. In parallel, the team is working with CGI to design, develop, and implement the Case Management Application, including integration with CLS.</p> <p>In Phase II, the CLS prototype will be prepared as a production ready pilot. This work will be covered by this proposed Board authorized EMC WO and will include new enhancements, security roles and work flows, and performance testing required for appropriate system piloting to the County department users. Also, the CGI Case Management Application security and process flow to drive the document collaboration, review, and approval processes will be defined and application integration to eCAPS Financials will be completed. At the conclusion of Phase II, the complete CMS solution will be ready for piloting to the County department users.</p> <hr/> <p>ALTERNATIVES ANALYZED:</p> <p>Alternatives were considered to fully utilize either EMC Documentum or CGI Case Management for CMS solution. However, a combined approach using both products was considered a stronger design given the need to integrate the CMS application with both EMC Documentum and the CGI Advantage (eCAPS) financial and procurement applications.</p>
<p><b>Technical Analysis</b></p>	<p>ANALYSIS OF PROPOSED IT SOLUTION:</p> <p>The proposed approach leverages eCAPS and EMC Documentum, both County standards. The CMS CLS is hosted in the County’s Electronic Content Management (ECM) Shared Infrastructure.</p>

**Financial Analysis**

BUDGET:

Contract costs

One-time costs:

Services .....	\$ 650,000
<b>Sub-total Contract Costs:</b>	<b>\$ 650,000</b>

Other County costs:

One-time costs:

Hardware .....	\$ 0	(See Note 1)
Software .....	\$ 50,000	(See Note 2)
Services (Contractor) .....	\$ 1,300,000	(See Note 2)
County staff (existing) .....	\$ 0	
<b>Sub-total one-time County costs:</b>	<b>\$ 1,350,000</b>	

Ongoing annual costs:

Software .....	\$ 5,534	(See Note 3)
Services (ISD) .....	\$ 0	(See Note 1)
Services (Contractor) .....	\$ TBD	(See Note 3)
<b>Sub-total ongoing County costs:</b>	<b>\$ 5,534</b>	

**Total one-time costs:** \$ 2,000,000

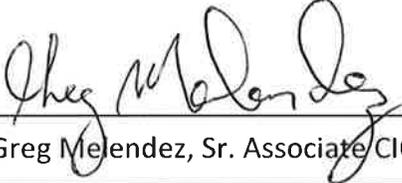
**Total ongoing annual costs:** \$ 5,534

Note 1: CLS will be deployed in the County’s Shared Documentum Infrastructure that is operated and administered by ISD. ISD will not incur any additional costs to host the system.

Note 2: The overall CMS project budget is \$2.0 million and is funded through the Auditor Controllers Integrated Application Budget (see table below):

Description	Amount	Comment
CLS Working Prototype	\$300,000	Work completed in 2013 under a prior EMC Work Order executed under CIO delegated authority.
CLS Production Pilot	\$650,000	Requesting Board authorization for this EMC Work Order.
EMC software licenses and technical training for CLS Pilot	\$50,000	Acquired separately under the County’s EMC Documentum Software License Agreement
Case Management Application	\$1,000,000	CGI services for design, development, and implementation services acquired under the County’s CGI Service and License Agreement (SLA)

Note 3: Additional costs (services, software licenses, and software maintenance) to support full system deployment will be determined at the end of the Pilot.

<b>Risk Analysis</b>	<p>RISK MITIGATION:</p> <ol style="list-style-type: none"> <li>1. The County has successfully implemented the CLS Working Prototype on time and within budget. This WO will prepare the prototype for pilot release to County users and presents minimal risks.</li> <li>2. The County conducts weekly project status meetings to ensure adherence to scope, schedule, and budget.</li> <li>3. The Chief Information Security Officer (CISO) has reviewed the proposed Work Order and did not identify any IT security or privacy related issues.</li> </ol>
<b>CIO Approval</b>	<p>PREPARED BY:</p> <div style="display: flex; justify-content: space-between; align-items: center;"> <div style="text-align: center;">   <hr/> <p>Greg Melendez, Sr. Associate CIO</p> </div> <div style="text-align: center;"> <p>4/23/2013</p> <hr/> <p>Date</p> </div> </div>
	<p>APPROVED:</p> <div style="display: flex; justify-content: space-between; align-items: center;"> <div style="text-align: center;">   <hr/> <p>Richard Sanchez, County CIO</p> </div> <div style="text-align: center;"> <p>4-24-13</p> <hr/> <p>Date</p> </div> </div>

Please contact the Office of the CIO (213.253.5600 or [info@cio.lacounty.gov](mailto:info@cio.lacounty.gov)) for questions concerning this CIO Analysis. This document is also available online at <http://ciolet.net.lacounty.gov/>