

PORT ST. LUCIE CITY COUNCIL
AGENDA ITEM REQUEST

COUNCIL ITEM 71
DATE 8/13/12

Meeting Date: August 13, 2012

Public Hearing _____ Ordinance _____ Resolution _____ Motion X

Item: #20120080 – CAFR Online Software & Maintenance

Recommended Action: Approval to Waive the bidding for good cause shown as per Chapter 35.04 (C) and Contract with Thales Consulting, Inc. for the purchase of CAFR Online Software and Maintenance. Implementation of the software will be \$15,000.00 the annual support fee of \$3,000.00 per year for three (3) years – total spend is \$24,000.00

Exhibits: Department memo attached [X] yes [] no
Copy of the contract with Exhibit "A"

Summary Explanation/Background Information:

The current software program that assists the Finance Department with the Comprehensive Annual Financial Report (CAFR) and Annual Financial Report (AFR) is no longer supported due to the developer is no longer in business. Finance conducted research with several online companies to provide CAFR and AFR preparation software programs. Thales Consulting Inc. offered only computer software programs that incorporated all of the CAFR and the AFR. Other programs researched would require the City to use manual processes to prepare the CAFR and/or AFR which can create significant problems. Staff recommends Thales Consulting, Inc. / CAFR Online and feels it is the most complete computer software program for the preparation of the CAFR and the required annual financial report. Reference checks with the City of Miramar, the City of Palm Coast and the City of Tampa confirmed that CAFR Online does produce a complete annual Comprehensive Annual Financial Report, is very user friendly from the preparer's perspective and has excellent support.

Purchase (X) is () is not a replacement Purchase () was budgeted () was not budgeted.

Current Year Expense: \$15,000.00 and \$9,000.00 for the next three (3) years as per budget.

Department requests expenditure from the following:

Fund	001	
Cost Center	1300	
Object Code	552201	
Project	00000	

Director of OMB concurs with award: [Signature] City Manager concurs with award: [Signature]

Department requests 9 minutes to make a presentation.

RECEIVED

AUG 02 2012

Submitted by: Edwin M. Fry, Jr.

Title: Director, Finance

Date Submitted: August 13, 2012 City Manager's Office

MEMORANDUM

To: City Council

From: Gregory J. Oravec, City Manager 

Date: August 6, 2012

Re: Waive Bidding, Good Cause Shown

Pursuant to Section 35.04(c), for good cause shown this memorandum serves to recommend that the Council waive the bidding and approve the purchase of CAFR Online Software and Maintenance from Thales Consulting, Inc. for a total expense of \$24,000.00.

The current software program that assists the Finance Department with the Comprehensive Annual Financial Report and Annual Financial Report is no longer available. The Finance Department conducted research with several firms and determined that Thales Consulting, Inc. provided the best solution for the City.

Therefore, it is recommended that the City Council, in accordance with Section 35.04(c) for good cause shown, waive the bidding process and approve the purchase of CAFR Online Software and Maintenance from Thales Consulting, Inc.

GJO/CAS

- 3) CAFR Online
- 4) Engagement

To determine which computer software program would be able to meet the Finance Department's needs, online demonstrations were scheduled with each software provider as follows:

- 1) CAFR Unlimited June 14, 2012 – 9:00 a.m. – 10:30 a.m.
- 2) Caseware June 15, 2012 – 11:00 a.m. – 12:30 p.m.
- 3) CAFR Online June 22, 2012 – 9:00 a.m. – 10:30 a.m.
- 4) Engagement June 22, 2012 - 3:30 p.m. – 4:30 p.m.

Marie Bouloy, Senior Accountant and Ed Fry, Finance Director/City Treasurer, participated in the online demonstrations.

Summary of demonstrations:

CAFR Unlimited is designed to import the trial balance generated by MUNIS. The accounts and corresponding amounts are then mapped to produce the governmental and proprietary fund statements, the combining fund statements, and the government wide statements. The program does not provide the ability to produce Management's Discussion and Analysis, the Notes to the Financial Statements and the Statistical Section.

Caseware is designed to import the trial balance generated by MUNIS. Caseware was developed from the audit perspective rather than the preparer perspective so it is not as user friendly for preparation of the CAFR. The accounts and corresponding amounts are then mapped to produce the governmental and proprietary fund statements, the combining fund statements, and the government wide statements. The program includes the ability to produce Management's Discussion and Analysis, the Notes to the Financial Statements and the Statistical Section. However, no Florida cities have used this program to produce their CAFR.

CAFR Online is designed to import the trial balance generated by MUNIS. The accounts and corresponding amounts are then mapped to produce the governmental and proprietary fund statements, the combining fund statements, and the government wide statements. The program includes the ability to produce Management's Discussion and Analysis, the Notes to the Financial Statements and the Statistical Section. Additionally, the program has been enhanced to provide the capability to produce the Annual Financial Report required by the State. The vendor was able to provide references from four cities that have used the system to produce their CAFR.

Engagement is designed to import the trial balance generated by MUNIS. Engagement was developed from the audit perspective rather than the preparer perspective so it is not as user friendly for preparation of the CAFR. The accounts and corresponding amounts are then mapped to produce the governmental and proprietary fund statements, the combining fund statements, and the government wide statements. It will also produce Management's Discussion and Analysis, and the Notes to the Financial Statements. It will not produce the statistical section.

Based on the demos of each program it was obvious that Caseware and CAFR Online provided a complete computer software program for the preparation of the annual Comprehensive Annual Financial Report whereas CAFR Unlimited and Engagement did not. Caseware and CAFR Online incorporate linking of the financial statements, management's discussion and analysis, the notes and the statistical section. Caseware is developing the capability to produce the state required annual financial report whereas CAFR Online has that capability. Caseware has not been used by any Florida cities to produce their annual Comprehensive Annual Financial Report whereas CAFR Online has been and is used by Florida cities.

RECOMMENDATION

In our opinion CAFR Online is the most complete computer software program for the preparation of the annual Comprehensive Annual Financial Report and the required annual financial report. Reference checks with the City of Miramar, the City of Palm Coast and the City of Tampa confirmed that CAFR Online does produce a complete annual Comprehensive Annual Financial Report, is very user friendly from the preparer's perspective and has excellent support. Implementation of the software will be \$15,000.00. The annual support fee is \$4,000.00.

**CITY OF PORT SAINT LUCIE
CONTRACT #20120080**

This CONTRACT, executed this _____ day of _____, 2012, by the CITY OF PORT ST. LUCIE, a Florida Municipality, duly organized under the laws of the State of Florida, hereinafter called "City" party of the first part, and **Thales Consulting, Inc., 980 Ninth Street, Sixteenth Floor, PMB 1604, Sacramento, CA 95814**, hereinafter called "Vendor" or "Thales", party of the second part.

RECITALS

In consideration of the below agreements and covenants set forth herein, the parties agree as follows:

**SECTION I
DESCRIPTION OF SERVICES TO BE PROVIDED & NOTICES**

The specific work that the Vendor has agreed to perform pursuant to the **Thales Consulting Proposal, Exhibit "A"**, made a part of this Contract is **CAFR Online Software and Maintenance** in #20120080, as referred to therein.

Notices

All notices or other communications hereunder shall be in writing and shall be deemed duly given if sent by certified mail with return receipt request, email (with proof of confirmation) and addressed as follows unless written notice of a change of address is given pursuant to the provisions of this Contract.

Vendor: Thales Consulting, Inc.
Att: Joe Stimac
980 Ninth Street
16th Floor, PMB 1604
Sacramento, CA 95814
Telephone 530-979-1648 Fax 530-654-3381
Email: info@thales-consulting.com

City Contract Administrator: Office of Management & Budget
Att: Lisa Marie Lawrence
City of Port St. Lucie
121 SW Port St. Lucie, Blvd.
Port St. Lucie, FL. 34984
Telephone 772-871-7390 Fax 772-871-7337
Email: llawrence@cityofpsl.com

City Supervisor: Finance, Department
Att: Ed Fry
City of Port St. Lucie
121 SW Port St. Lucie, Blvd.
Port St. Lucie, FL. 34984
Telephone 772-871-5200 Fax 772-871-5203
Email: efry@cityofpsl.com

SECTION II TIME OF PERFORMANCE

Contract period shall commence **August 1, 2012** and terminate **July 31, 2015**. In the event all work required in the bid specifications has not been completed by the specified date, the Contractor agrees to provide work as authorized by the Contract Supervisor until all work specified in the bid specifications has been rendered.

SECTION III COMPENSATION

The total amount to be paid by the City to the Vendor shall be governed by the products ordered plus a one-time indemnification fee of (ten) \$10.00 as provided in Section V herein. Payments will be disbursed in the following manner:

Implementation Fee to recreate 2010-11 CAFR document: \$15,000.00

The implementation fee will be invoiced in mutually agreed upon \$5,000.00 increments per line item listed below. It includes:

- ◆ *A first draft of the financial statements' classifications*
- ◆ *Formatting for the financial statements*
- ◆ *Remote training for the financial statements (classifications & adjustments)*
- ◆ *Uploading text sections into CAFR Online*
- ◆ *On-site Training for the document editor*
- ◆ *Entire implementation to be completed by September 1, 2012*

- ◆ \$5,000 will be invoiced after Thales extract the financial data from GoFund and present draft financial reports.

- ◆ \$5,000 will be invoiced after Thales completes an on-site document editor training.

- ◆ \$5,000 will be invoiced after all the CAFR sections have been replicated in CAFR online and meets the City approval.

Annual Service Fee for FY 2012-13, 2013-14, & 2014-15: \$ 3,000.00 per year starting with the first "live" year of 9/30/2012. The annual service fee will be invoiced after the financial data for the respective fiscal year has been imported into *cafr-online.com*.

The annual service fee is invoiced after the trial balance has been uploaded to the site. It includes:

- ◆ *One trial balance import per year*
- ◆ *Maintenance: upgrades and back-ups for CAFR Online*
- ◆ *Remaining up-to-date with applicable GASB pronouncements*
- ◆ *Support for users already trained to use CAFR Online*

Future Annual Service fees to be mutually agreed in writing upon by both parties.

Training: is completed remotely using GoToMeeting

Week 1: Training on proprietary statements; the City finalizes these classifications & posts adjustments to match the published CAFR.

Week 2: Training on governmental statements; the City finalizes these classifications & posts adjustments to match the published CAFR.

Week 3: Training on fiduciary & government-wide statements; the City finalizes these classifications & posts adjustments to match the published CAFR.

Vendor will issue an invoice and payments shall be made net thirty (30) days after receipt of invoice unless Vendor shall invoice the City for the amount of the indemnification payment and said invoice shall accompany the signed Contracts. All invoices and correspondence relative to this contract must contain the Purchase Order number and contract number.

The Vendor shall not be paid additional compensation for any loss, and/or damage, arising out of the nature of the work, from the action of the elements, or from any delay or unforeseen obstruction or difficulties encountered in the performance of the work, or for any expenses incurred by or in consequence of the suspension or discontinuance of the work.

SECTION IV CONFORMANCE WITH BID

It is understood that the materials and/or work required herein are in accordance with the bid made by the Vendor pursuant to the Invitation to Bid and Specifications on file in the Office of Management and Budget of the City. All documents submitted by the Vendor in relation to said bid, and all documents promulgated by the City for inviting bids are, by reference, made a part hereof as if set forth herein in full.

SECTION V INDEMNIFICATION/INSURANCE

The Vendor agrees to indemnify, defend, and hold harmless the City, its officers and employees from liabilities, damages, losses and costs, including but not limited to, reasonable attorney's fees, to the extent caused by the negligent acts, recklessness, intentional or wrongful misconduct of the Vendor and persons employed or utilized by the Vendor in the performance of the construction contract. As consideration for this indemnity provision the Vendor shall be paid the sum of ten dollars (\$10.00), which will be added to the contract price, and paid prior to commencement of work.

The Vendor agrees, on a primary basis and at its sole expense, to maintain in full force and effect at all times during the life of this Contract, insurance coverage, limits, including endorsements, as described herein. The requirements contained herein, as well as City's review or acceptance of insurance maintained by Vendor are not intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by Vendor under the Contract.

The parties agree and recognize that it is not the intent of the City that any insurance policy/coverage that may be obtained pursuant to any provision of this Contract will provide insurance coverage to any entity, corporation, business, person, or organization other than the City. The City shall not be obligated to provide any

insurance coverage other than for the City or extend its sovereign immunity pursuant to Section 768.28, Florida Statutes, under its self insured program. Any provision contained herein to the contrary shall be considered void and unenforceable. This provision does not apply to any obligation imposed on any other party to obtain insurance coverage for this project, or any obligation to name the "City of Port St. Lucie" as an additional insured under any other insurance policy, or otherwise protect the interests of the City as specified in this Contract.

The Vendor agrees to maintain Workers' Compensation Insurance & Employers' Liability in accordance with Section 440, Florida Statutes. Employers' Liability must include limits of at least \$100,000 each accident, \$100,000 each disease/employee, \$500,000 each disease/maximum. A Waiver of Subrogation endorsement must be provided. Coverage should apply on a primary basis. Should scope of work performed by Vendor qualify its employee for benefits under Federal Workers' Compensation Statute (example, U.S. Longshore & Harbor Workers Act or Merchant Marine Act), proof of appropriate Federal Act coverage must be provided.

Commercial General Liability insurance issued under an Occurrence form basis, including Contractual liability, to cover the hold harmless agreement set forth herein, with limits of not less than:

Each occurrence	\$1,000,000
Personal/advertising injury	\$1,000,000
Products/completed operations aggregate	\$2,000,000
General aggregate	\$2,000,000
Fire damage	\$100,000 any 1 fire
Medical expense	\$10,000 any 1 person

Coverage is to be written on an occurrence form basis and shall apply as primary. A per project aggregate limit endorsement should be attached. Defense costs are to be in addition to the limit of liability. A waiver of subrogation is to be provided in favor of the City. Coverage shall extend to independent Vendors and fellow employees. Contractual Liability is to be included. Coverage is to include a cross liability or severability of interest's provision as provided under the standard ISO form separation of insurer's clause.

Except as to Workers' Compensation and Employers' Liability, said Certificate(s) and policy shall clearly state that coverage required by the Contract has been endorsed to include the City of Port St. Lucie, a Florida municipal corporation, its officers, agents and employees as Additional Insured with a CG 2026- Designated Person or Organization endorsement, or similar endorsement, added to its Commercial General Liability policy and Business Auto policy. The name for the Additional Insured endorsement issued by the insurer shall read "**City of Port St. Lucie, a Florida Municipality, it's officers, employees and agents for Contract #20120080-LL for the CAFR Online Software and Maintenance**". Said policies shall be specifically endorsed to provide thirty (30) days written notice to the City prior to any adverse changes, cancellation, or non-renewal of coverage there under. Said liability insurance must be acceptable by and approved by the City as to form and types of coverage. In the event that the statutory liability of the City is amended during the term of this Contract to exceed the above limits, the Vendor shall be required, upon thirty (30) days written notice by the City, to provide coverage at least equal to the amended statutory limit of liability of the City.

The Vendor agrees to maintain Business Automobile Liability at a limit of liability not less than \$500,000 each accident covering any auto, owned, non-owned and hired automobiles. In the event, the Vendor does not own any automobiles; the Business Auto Liability requirement shall be amended allowing Vendor to agree to maintain only Hired & Non-Owned Auto Liability. This amended requirement may be satisfied by way of endorsement to the Commercial General Liability, or separate Business Auto Coverage form. Certificate

holder must be listed as additional insured. A waiver of subrogation must be provided. Coverage should apply on a primary basis.

The Vendor agrees to a Waiver of Subrogation for each required policy. When required by the insurer, or should a policy condition not permit an Insured to enter into a pre-loss Contract to waive subrogation without an endorsement, then Vendor shall agree to notify the insurer and request the policy be endorsed with a Waiver of Transfer of Rights of Recovery Against Others, or its equivalent. This Waiver of Subrogation requirement shall not apply to any policy where a condition to the policy specifically prohibits such an endorsement, or voids coverage should Vendor enter into such a Contract on a pre-loss basis.

The Vendor shall agree to maintain Professional Liability or equivalent Errors & Omissions Liability at a limit of liability not less than \$1,000,000 Per Occurrence. When a self-insured retention (SIR) or deductible exceeds \$10,000, City reserves the right, but not the obligation, to review and request a copy of Vendors most recent annual report or audited financial statement. For policies written on a "Claims-Made" basis, Vendor warrants the retroactive date equals or precedes the effective date of this contract. In the event the policy is canceled, non-renewed, switched to an Occurrence Form, retroactive date advanced; or any other event triggering the right to purchase a Supplemental Extended Reporting Period (SERP) during the life of this Contract, Vendor shall agree to purchase a SERP with a minimum reporting period not less than three (3) years.

It is the responsibility of the Vendor to ensure that all Vendors comply with the same insurance requirements referenced above and any additional insurance requirements needed to perform the scope of work as described herein.

All deductible amounts will be paid for and be the responsibility of the Vendor for any and all claims under this Contract.

The Vendor may satisfy the minimum limits required above for Commercial General Liability, Business Auto Liability, and Employers' Liability coverage under Umbrella or Excess Liability. The Umbrella or Excess Liability shall have an Aggregate limit not less than the highest "Each Occurrence" limit for Commercial General Liability, Business Auto Liability, or Employers' Liability. When required by the insurer, or when Umbrella or Excess Liability is written on "Non-Follow" Form, the City shall be endorsed as an "Additional Insured."

The City, by and through its Risk Management Department, reserves the right, but not the obligation, to review and reject any insurer providing coverage.

SECTION VI PROHIBITION AGAINST FILING OR MAINTAINING LIENS AND SUITS

Subject to the laws of the State of Florida and of the United States, neither Vendor nor any Vendor, supplier of materials, laborer or other person shall file or maintain any lien for labor or materials delivered in the performance of this contract against the City. The right to maintain such lien for any or all of the above parties is hereby expressly waived.

**SECTION VII
COMPLIANCE WITH LAWS**

The Vendor shall give all notices required by and shall otherwise comply with all applicable laws, ordinances and codes and shall, at his own expense, secure and pay the fees and charges for all permits required for the performance of the contract. All materials furnished and/or work done must comply with all local, state and federal laws and regulations. A copy of Vendor's business license is on file with the City.

**SECTION VIII
DELIVERY DOCUMENTATION**

Where contract provides in whole or in part for the sale and purchase of materials, Vendor shall prepare a delivery ticket in triplicate for each shipment of material delivered to the City. The delivery ticket shall be signed by the Contract Supervisor or his/her designee receiving the material. One (1) copy shall be given to the Contract Supervisor or his/her designee with the material. The Vendor shall retain one (1) copy, and one (1) copy shall accompany the Vendor's invoice.

**SECTION IX
INSPECTION AND CORRECTION OF DEFECTS**

In order to determine whether the required material has been delivered or the required work performed in accordance with the terms and conditions of the contract documents, the Contract Supervisor shall make inspection as soon as practicable after receipt from the Vendor of a Notice of Performance or delivery ticket. If such inspection shows that the required material has been delivered and required work performed in accordance with terms and conditions of the contract documents and that the material and work is entirely satisfactory, the Contract Supervisor shall approve the invoice when it is received. Thereafter the Vendor shall be entitled to payment, as described in Section III. If, on such inspection the Contract Supervisor is not satisfied, he shall as promptly as practicable inform the parties hereto of the specific respects in which his findings are not favorable. Vendor shall then be afforded an opportunity if desired by him, to correct the deficiencies so pointed out at no additional charge to the City, and otherwise on terms and conditions specified by the Contract Supervisor. Such examination, inspection, or tests made by the Contract Supervisor, at any time, shall not relieve Vendor of his responsibility to remedy any deviation, deficiency, or defect.

**SECTION X
ADDITIONAL REQUIREMENTS**

In the event of any conflict between the terms and conditions appearing on any purchase order issued relative to this Contract or those contained in this Contract and the Specifications herein referenced, the terms of this Contract and Specifications herein referenced shall apply. If there is a conflict between the Contract and Specifications, the Contract will control.

**SECTION XI
SAFETY PRECAUTIONS**

Precaution shall be exercised at all times for the protection of persons, including employees, and property. The safety provisions of all applicable laws and building and construction codes shall be observed.

**SECTION XII
ASSIGNMENT**

Vendor shall not delegate, sublet or subcontract any part of the work under this contract or assign any monies due him hereunder without first obtaining the written consent of the City.

**SECTION XIII
TERMINATION**

The City may terminate this Contract with or without cause by giving the Vendor ninety (90) days notice in writing. Upon expiration of the ninety (90) day period, the Vendor shall discontinue all services in connection with the performance of this Contract and shall proceed to cancel promptly all existing contracts in so far as such contracts are chargeable to this Contract.

**SECTION XIV
LAW AND VENUE**

This agreement is to be construed as though made in and to be performed in the State of Florida and is to be governed by the laws of Florida in all respects without reference to the laws of any other state or nation. The venue of any action taken pursuant to this contract shall be in St. Lucie County, Florida.

**SECTION XV
APPROPRIATION APPROVAL**

The Vendor acknowledges that the City's performance and obligation to pay under this Contract is contingent upon an annual appropriation by the City Council. The Vendor agrees that, in the event such appropriation is not forthcoming, the City may terminate this Contract and that no charges, penalties or other costs shall be assessed.

**SECTION XVI
RENEWAL OPTION**

"Not Applicable"

(Balance of page intentionally left blank)

**SECTION XVII
ENTIRE CONTRACT**

The written terms and provisions of this contract shall supersede all prior verbal statements of any official or other representative of the City. Such statements shall not be effective or be construed as entering into, or forming a part of, or altering in any manner whatsoever, this contract or contract documents.

IN WITNESS WHEREOF, the parties have executed this contract at Port St. Lucie, Florida, the _____ day of _____, 2012.

CITY OF PORT ST. LUCIE FLORIDA

By: _____
City Manager

ATTEST:

By: _____
City Clerk

By: _____
Authorized Representative: **Thales Consulting, Inc.**

State of: _____

County of: _____

Before me personally appeared: _____
(please print)

Please check one:

Personally known _____

Produced Identification: _____
(type of identification)

Identification No. _____

and known to me to be the person described in and who executed the foregoing instrument, and acknowledged to and before me that _____ executed said instrument for the purposes therein expressed.
(he/she)

WITNESS my hand and official seal, this _____ day of _____, 2012.

Notary Signature

Notary Public: State of _____ at Large.

My Commission Expires: _____ (seal)

DRUG-FREE WORKPLACE FORM

The undersigned vendor in accordance with Florida Statute 287.087 hereby certifies that
Thales Consulting, Inc. does:

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violations of such prohibition.
2. Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.
3. Give each employee engaged in providing the commodities or contractual services that are under bid a copy of the statement specified in subsection (1).
4. In the statement specified in subsection (1), notify the employees that, as a condition of working on the commodities or contractual services that are under bid, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of guilty or nolo contendere to, any violation of Chapter 893 or of any controlled substance law of the United States or any state, for a violation occurring in the workplace no later than five (5) days after such conviction.
5. Impose a sanction on, or require the satisfactory participation in a drug abuse assistance or rehabilitation program if such is available in the employee's community, by any employee who is so convicted.
6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign the statement, I certify that this firm complies fully with the above requirements.

Thales Consulting, Inc.

Date

Exhibit "A"

THE IMPLEMENTATION

Thales Consulting will replicate the "City" prior year CAFR using CAFR Online:

A. Replicate Prior Year Financial Statements - The City sends Thales electronic copies of the following:

- ◆ General ledger (GL) export for the year-end trial balance
- ◆ GL exports for the revenue & expenditure reports
- ◆ Chart of accounts
- ◆ Previous year's CAFR
- ◆ Final budget
- ◆ Original budget
- ◆ GASB adjustments

Thales Consulting loads the GL exports provided by the City into CAFR Online. Once the GL exports have been loaded, Thales creates a draft of the financial statements in CAFR Online. At this point, the City begins training on how to review and edit the database-driven financial statements. The City will compare CAFR Online financial statements to the previous year's CAFR. This test ensures that the database has been set up correctly. If any discrepancies are found, Thales will resolve them collaboratively with the City. The City will also finalize the classifications, and learn how to post adjustments to the modified and full accrual basis. Ultimately, the statements in CAFR Online will match the previous year's CAFR in a publishable format that is acceptable to the City. This training is completed remotely using GoToMeeting. In most cases, this training will take three weeks. There will be two 30-60 minute training sessions per week. After the training sessions, the City will be able to review the draft classifications.

The progress and timeframe for this training is dependent upon the City's ability to complete this analysis. Here is a sample schedule:

Week 1: Training on proprietary statements; the City finalizes these classifications & posts adjustments to match the published CAFR.

Week 2: Training on governmental statements; the City finalizes these classifications & posts adjustments to match the published CAFR.

Week 3: Training on fiduciary & government-wide statements; the City finalizes these classifications & posts adjustments to match the published CAFR.

During the replication of the prior year financial statements, Thales will:

- ◆ Provide a draft of the financial statements in CAFR Online
- ◆ Provide remote training for the financial statements' classifications
- ◆ Provide remote training for adjusting the financial statements (full and modified accrual basis)
- ◆ Format the financial statements

The City will finalize the financial statements:

- ◆ Finalize the classifications
- ◆ Post rounding adjustments
- ◆ Review the financial statements' formatting
- ◆ Reconcile amounts provided to amounts reported in the annual financial report
- ◆ Reconcile imported numbers to electronic reports provided (if required)
- ◆ Post closing entries (if required)

B. Replicate Prior Year Text

The City sends Thales Consulting electronic copies of the Word/Excel files used to create the CAFR text. Thales Consulting will load these files into CAFR Online.

C. Document Editor Training

Once the text has been loaded, the City will begin training on CAFR Online *document editor*. The document editor is CAFR Online word processor. This training can be completed remotely and/or onsite. Onsite training as part of the scope, is estimated to take 2-3 days. Before beginning training, Thales will guide you through the initial set-up for CAFR Online document editor to be sure that it is running correctly on City computer. Consultation may be necessary with City IT department.

During this training, the City will learn:

- ◆ Basic Use—Saving, exiting, and navigating in CAFR Online document editor
 - ◆ CAFRlators—Creating, formatting, updating & removing the hyperlinked values
 - ◆ Formulas—Creating, formatting, updating & removing formulas in CAFR Online
- These formulas are similar to Excel, but they are different enough to require special training.

The City will finalize the text and:

- ◆ Create CAFRlators
- ◆ Create spreadsheet formulas
- ◆ Finalize the formatting of the text in CAFR Online

The implementation is complete once:

1. *Thales has uploaded the text*
2. *The City is familiar with the use of CAFR Online*
3. *The financial statements in CAFR Online match the previously published CAFR*

THE ANNUAL SERVICE

During the annual service, the City will use CAFR Online to compile some or all of the current year CAFR.

Thales is responsible to:

- ◆ Upload the new trial balance
- ◆ Format the financial statements generated by CAFR Online (see page 9)
- ◆ Provide maintenance, back-ups and upgrades for CAFR Online
- ◆ Accommodating applicable GASB pronouncements
- ◆ Provide support to users that have already been trained to use CAFR Online

The annual service is generally accomplished in the following order:

1. Provide Financial Data - The City provides electronic general ledger exports for:

- ◆ Year to date revenues
- ◆ Year to date expenditures
- ◆ Balance sheet
- ◆ Final budget
- ◆ Original budget

2. Upload Current Year Financial Data

Thales uploads the new financial data to the site within 2 days.

3. Review & Adjust Financials

Once the new trial balance has been uploaded, the City reviews the new financial statements. The City is responsible for:

- ◆ Classifying new funds, accounts and departments
- ◆ Verify that the financial statements are correct
- ◆ Post adjustments (rounding, reclassifications, audit) to the fund financial statements
- ◆ Posting adjustments to create the government-wide (full accrual) basis

4. Update Document Text

The City updates the text for all sections that have been implemented. This includes:

- ◆ Updating & formatting all text & tables within the text
- ◆ Creating & updating the CAFRlators

5. Create and Review Drafts

At any point during the draft process, the City can export and save the entire annual report as a single .pdf or .doc file.

6. Create the Final Document

Once the audit and other reviews are complete, the City can use the exported file to finish the CAFR. Using the .doc export, the following items can be inserted using Microsoft Word:

- ◆ Cover page
- ◆ Independent Auditor's Report
- ◆ Graphs
- ◆ Page numbers THALES CONSULTING INC.

STATEMENTS GENERATED BY CAFR ONLINE

Most financial statements are automatically generated by CAFR Online. These statements:

- ◆ Have a camera-ready .pdf statement preview
- ◆ Have detail that can be viewed/downloaded for every line item
- ◆ Are rolled up in CAFR Online using the classifications
- ◆ Can be adjusted within CAFR Online
- ◆ Are in a GFOA award winning format

Automated statements include

Government-Wide Statement of Net Assets
 Government-Wide Statement of Activities
 Balance Sheet—Governmental Funds
 Statement of Revenues, Expenditures, and Changes in Fund Balances—Governmental Funds
 Statement of Fund Net Assets—Proprietary Funds
 Statement of Revenues, Expenses, and Changes in Fund Net Assets—Proprietary Funds
 Statement of Fiduciary Net Assets
 Statement of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual—General Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual—Major Funds
 Statement of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual—Major Funds
 (Required)
 Statement of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual—Major Funds
 (Non-Required)
 Combining Balance Sheet—Non-major Governmental Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances—Non-major Governmental
 Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual—Non-
 major Governmental Funds
 Combining Balance Sheet—Non-major Special Revenue Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances—Non-major Special Revenue
 Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual—Non-
 major Special Revenue Funds
 Combining Balance Sheet—Non-major Debt Service Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances—Non-major Debt Service
 Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual—Non-
 major Debt Service Funds
 Combining Balance Sheet—Non-major Capital Projects Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances—Non-major Capital Projects
 Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual—Non-
 major Capital Projects Funds

Automated statements include, *continued*.....

Combining Balance Sheet—Non-major Permanent Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances—Non-major Permanent Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual—Non-major Permanent Funds
Combining Statement of Net Assets—Non-major Internal Service Funds
Combining Statement of Revenues, Expenses, and Changes in Net Assets—Non-major Internal Service Funds
Combining Statement of Net Assets—Non-major Enterprise Funds
Combining Statement of Revenues, Expenses, and Changes in Net Assets—Non-major Enterprise Funds
Combining Statement of Net Assets—Agency Funds
Combining Statement of Net Assets—Pension Trust Funds

Some financial statements are not automatically generated by CAFR Online. They are put into CAFR Online as tables, and can be built using CAFRlators. These statements include:

Statement of Cash Flows—Proprietary Funds
Combining Statement of Cash Flows—Non-major Internal Service Funds
Combining Statement of Cash Flows—Non-major Enterprise Funds
Statement of Changes in Fiduciary Net Assets
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Assets
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-Wide Statement of Activities THALMiscellaneous