



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Procurement
DCM: David Gaines
DATE: August 2, 2022

SUBJECT

Consider adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute a contract with Forza IT Group B.V., dba Scanman.com, for accounts payable automated and vendor management software services for the Finance and Procurement Departments; providing for the expenditure of funds therefor; and providing an effective date (RFP 7960 – awarded to Forza IT Group B.V., dba Scanman.com, for three (3) years, with the option for two (2) additional one (1) year extensions, in the total five (5) year not-to-exceed amount of \$452,000.00).

INFORMATION/BACKGROUND

The City of Denton desires to implement a fully automated software, to be utilized by the Finance and Purchasing Departments, for vendor management and payment processing including, at a minimum, vendor onboarding, tracking certificates of insurance, deposit refund requests, retainage, and travel advances, processing check requisitions, expense reimbursements, vendor reminders, document storage, information security and compliance, and reporting capabilities.

Efficient and effective coordination across multiple departments throughout the City is essential to ensure new vendor setup requests and payment requests are processed in accordance with City policy. Currently, both the Finance and Purchasing Departments utilize several systems to process payments and manage vendors. The use of multiple systems creates obstacles across departments preventing the successful implementation of an invoice numbering process to eliminate the possibility of duplicate payments and maintenance of an active vendor list. Therefore, a new system must be utilized to coordinate these activities across all City departments. To accomplish this, the City seeks a comprehensive Account Payable and Vendor Management Software to monitor vendor compliance with information security and procurement requirements and submit/process payments.

The main goal of automating the accounts payable and vendor management process is to improve payment efficiencies and controls across departments. The system will need to integrate into the City's current financial reporting software, JD Edwards (JDE).

Internal Audit conducted an audit of account payables in October 2019 and provided opportunities for improvements that the new software addresses. In December 2021, Grant Thornton was awarded the contract for Accounts Payable Automation and Vendor Management Consulting Service to assist in the implementation process.

Project Description	Estimated 5-Year Expenditure
Premiere Support Year 1	\$ 152,000
Premiere Support Year 2	\$ 65,000
Premiere Support Year 3	\$ 65,000
Premiere Support Year 4	\$ 65,000
Premiere Support Year 5	\$ 65,000
Contingency for additional support hours	\$ 40,000
Total 5 Year NTE Amount	\$452,000

Request for Proposals was sent to 378 prospective suppliers of this item, including 12 Denton firms. In addition, specifications were placed on the Procurement website for prospective suppliers to download and advertised in the local newspaper. Four (4) proposals were received, references were checked, and proposals were evaluated based upon published criteria including schedule, compliance with specifications, probable performance, and price. The selection criterion for the interview and product demonstrations were based upon company overview, vendor management overview, workflow overview, accounts payable overview, and reporting and integration with JD Edwards overview. Based upon this evaluation, Forza IT Group B.V., dba Scanman.com was ranked the highest and determined to be the best value for the City.

NIGP Code Used for Solicitation:	946 - (Service Only) - Financial Services & 958 - (Service Only) - Management Services
Notifications sent for Solicitation sent in IonWave:	378
Number of Suppliers that viewed Solicitation in IonWave:	23
HUB-Historically Underutilized Business Invitations sent out:	29
SBE-Small Business Enterprise Invitations sent out:	158
Responses from Solicitation:	4

RECOMMENDATION

Award a contract with Forza IT Group B.V., dba Scanman.com, for accounts payable automated and vendor management software services for the Finance and Procurement Departments, in a three (3) year, with the option for two (2) additional one (1) year extensions, in the total five (5) year not-to-exceed amount of \$452,000.

PRINCIPAL PLACE OF BUSINESS

Forza IT Group B.V., dba Scanman.com
Soest, Netherlands

ESTIMATED SCHEDULE OF PROJECT

This is an initial three (3) year contract with options to extend the contract for two (2) additional one (1) year periods, with all terms and conditions remaining the same.

FISCAL INFORMATION

This automated software will be funded from Accounts Payable & Vendor Management Software account 840127744. Requisition #156402 has been entered into the Purchasing software system in the amount of \$152,000. The budgeted amount for this item is \$452,000.

EXHIBITS

Exhibit 1: Agenda Information Sheet
Exhibit 2: Pricing Evaluation
Exhibit 3: Ordinance and Contract

Respectfully submitted:
Lori Hewell, 940-349-7100
Purchasing Manager

For information concerning this acquisition, contact: Vis Bouaphanthavong, 940-349-7743.

Legal point of contact: Marcella Lunn at 940-349-8333.