

Mayor and Council Communication

DATE: 05/09/23

M&C FILE NUMBER: M&C 23-0363

LOG NAME: 13P ILA NCTCOG RISK & COMPLIANCE ADVISORY SERVICE TD FMS

SUBJECT

(ALL) Authorize Execution of an Agreement with Gradient Solutions Corporation for Risk and Compliance Advisory Services in the Amount of \$285,000.00 Using an Interlocal Agreement with North Central Texas Council of Governments for the Financial Management Services Department

RECOMMENDATION:

It is recommended that the City Council authorize execution of an agreement with Gradient Solutions Corporation for Risk and Compliance Advisory Services in the amount of \$285,000.00 and authorize three consecutive one-year renewal options for the same annual amount using an interlocal agreement with North Central Texas Council of Governments for the Financial Management Services Department.

DISCUSSION:

In February 2023, the Financial Management Services Department (FMS) approached the Purchasing Division to enter into an agreement with Gradient Solutions Corporation for Risk and Compliance Advisory Services. FMS, in coordination with Information Technology Solutions, received funding under the American Rescue Plan Act to conduct a financial risk assessment and other Treasury security enhancements initiatives.

FMS has reviewed the master services agreement with Gradient Solutions Corporation and has concluded that the North Central Texas Council of Governments (NCTCOG) interlocal agreement provides a broad scope of Risk and Compliance Advisory Services. In addition to being utilized to carry out the financial risk assessment, this contract contains a range of other professional services under the umbrella of Risk and Compliance Advisory Services that will be useful for other risk and compliance related initiatives. FMS' goal is to put this contract in place to provide flexibility to complete the financial risk assessment while also opening up the broader range of services listed in the agreement such as, but not limited to; providing guidance in the area of management/internal audit and compliance, creating rolling strategic plans, developing and implementing agency risk assessments and best practices, as well as general administrative support and assessments in matters relating to governance, risk, compliance, financial system implementations, financial business, process improvements, and improvements to internal controls.

Funding for the financial risk assessment and other Treasury security enhancements is available in the Grants Cap Projects Federal Fund no. 31001 for the purpose of funding the ARPA for ITS initiatives project as appropriated. Other services, as needed, will be funded from various other available funding sources.

An administrative change order or increase may be made by the City Manager or his designee up to the amount allowed by relevant law and the Fort Worth City Code and does not require specific City Council approval as long as sufficient funds have been appropriated.

State law provides that a local government purchasing an item under a Cooperative Purchasing Agreement satisfies state laws requiring that the local government seek competitive bids for purchase of the item. In June 2021, NCTCOG processed a bid (NCT RFP No. 2021-057) and received two (2) responses. An evaluation team scored the proposal and awarded an agreement to Gradient Solutions Corporation. The contract has a term through September 30, 2023 with the right to renew the contract for three (3) additional one-year periods or portions thereof.

A M/WBE goal is not assigned when purchasing from an approved purchasing cooperative or public entity.

Upon City Council's approval, this agreement will commence upon execution by both parties through September 30, 2023 with the option to renew for three additional one-year periods. This action does not require specific City Council approval provided that the City Council has appropriated sufficient funds to satisfy the City's obligations during the renewal term.

This project will serve ALL COUNCIL DISTRICTS.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are available in the current capital budget, as previously appropriated, in the Grants Cap Projects Federal Fund for the ARPA for ITS initiatives project to support the approval of the above recommendation and execution of the purchase agreement. Prior to any expenditure being incurred, the Financial Management Services and Information Technology Solutions Departments have the responsibility to validate the availability of funds.

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