



Agenda Date: 11/20/2007  
Agenda Placement: 6R

## NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

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**TO:** Board of Supervisors  
**FROM:** Gjestvang, Jon - Acting Chief Information Officer  
Information Technology Services  
**REPORT BY:** Serena Pearson, STAFF SERVICES ANALYST I , 707-259-8666  
**SUBJECT:** Request to Purchase Additional Licence from Oracle

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### **RECOMMENDATION**

Acting Chief Information Officer requests approval of and authorization for the Purchasing Agent to issue purchase orders for increased Peoplesoft software license and maintenance fees from Oracle USA, Inc. of Palatine, Illinois, for a total of \$118,547.26 for the term November 1, 2007 through June 30, 2008.

### **EXECUTIVE SUMMARY**

Oracle's (formerly PeopleSoft) Financial and Human Resource applications are currently used throughout the County to provide automated financial and human resource operations. Software maintenance for these applications is required to ensure proper performance of this suite of applications and take advantage of new functionality added to the applications. The purchase of additional licenses and software maintenance totals of \$118,547.26 through June 30, 2008, has traditionally been purchased via a purchase order based on the underlying Software End User License and Services Agreement No 1699 for the software itself.

### **FISCAL IMPACT**

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	Information Technology Services
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	This purchase will allow for continued maintenance support and the purchase of additional licenses needed for operating the Peoplesoft Financial and HR system.
Is the general fund affected?	Yes

Future fiscal impact: As the base county budget increases and additional employees are employed with the County, future year license fees and maintenance costs associated with the additional licenses will be budgeted in Information Technology Services and built into the Technology Cost Allocation Plan.

Consequences if not approved: It would not be possible to maintain these software applications.

Additional Information:

### **ENVIRONMENTAL IMPACT**

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

### **BACKGROUND AND DISCUSSION**

Oracle's (formerly PeopleSoft) Financial and Human Resource applications are currently used throughout the County to provide automated financial and human resource operations. Software maintenance for these applications are required to ensure proper performance of this suite of applications and take advantage of new functionality added to the applications. Oracle has requested the County's Base Budget and an updated employee count. According to the underlying Software End User License and Services Agreement (Agreement No. 3730), the yearly maintenance fees will be renewed annually at the rate in effect at the time of renewal.

According to Software License and Services Agreement (No.1699) additional licenses are required once certain thresholds have been reached for the County's base budget and employee count. The fees were not included in the current ITS budget because Oracle did not inform the County about the increased license costs in a timely manner. Items 1 through 2 below are required components that work in conjunction with one another to provide a comprehensive system. Based on a reported County Budget of 276,000,000 and 1400 employees the increases are as follows:

1. PeopleSoft Enterprise Software - an increase from a previously reported budget of \$124,000,000 to \$276,000,000 (based on 2006/07 Final Budget All Funds) requires an increase in \$103,368.00 License Fees, and \$13,706.88 Maintenance Support Fees. The Licenses Fees are broken out by increased employee count increasing the fee by \$18,717.00 and the County Budget portion increasing the License Fee an additional \$84,651.00, for total of \$103,368.00.
2. PeopleSoft Risk Management Software - based on an increase of a previously reported budget of \$124,000,000 to \$276,000,000 (based on 2006/07 Final Budget All Funds) requires an additional \$1,300.00 in License Fees and \$172.38 in Maintenance Fees for the additional licenses. The total amount of \$118,547.26 consists of \$104,668.00 for increased License Fees and \$13,879.26 for increased Maintenance fees.

### **SUPPORTING DOCUMENTS**

None

CEO Recommendation: Approve

Reviewed By: Karen Collins