



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 5/11/2010
Agenda Placement: 7Q

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Jon Gjestvang - Chief Information Officer
Information Technology Services
REPORT BY: Serena Pearson, STAFF SERVICES ANALYST II - 707-259-8666
SUBJECT: Rescind Agreement No. 7380 - Oracle Software License & Services Agreement and Approve
New Agreement with Oracle

RECOMMENDATION

Chief Information Officer requests the rescindment of Agreement No. A-7380 with Oracle USA, Inc. and the approval of and authorization for the Chair to sign a new License and Services Agreement with Oracle America, Inc. for the purchase of a PeopleSoft module for the management of employee travel and expense reimbursements.

EXECUTIVE SUMMARY

Rescindment of Agreement No. A-7380 with Oracle USA, Inc. and approval of a new agreement with Oracle America, Inc. is recommended to acknowledge the newly created Oracle America, Inc. as successor in interest to Oracle USA, Inc. The former Oracle USA, Inc. recently merged with Sun Microsystems, Inc., resulting in the creation of the new entity, Oracle America, Inc. Approval of the new agreement will establish Oracle America, Inc. as the contractual entity for the County's license and services agreement for the PeopleSoft Travel and Expense Software Module.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Information Technology Services (ITS)
Is it Mandatory or Discretionary?	Discretionary

Discretionary Justification:	Rescinding the previous agreement with Oracle USA, Inc. and approval of the recommended new agreement with Oracle America, Inc. will enable the County to avail of licensing and technical support for its use of the PeopleSoft Enterprise Expenses module. Subject to approval of the recommended agreement by the Board, this module will be used for the management of employee travel and expense reimbursements. The ability to use this module will decrease the cost of tracking both taxable and non-taxable employee travel expenses, streamline expense processing, and facilitate staff's compliance with the Board's Travel Policy.
Is the general fund affected?	No
Future fiscal impact:	Future years' license fees and maintenance costs associated with the use of this module will be included in ITS' budget requests and Technology Cost Allocation Plan.
Consequences if not approved:	If the recommended agreement is not approved, the County will continue using the existing expense tracking processes, and forego efficiencies the use of the PeopleSoft Enterprise Expenses module will bring.
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

PeopleSoft's Financials and Human Resources systems modules are currently used throughout the County to support and automate many critical business processes. On March 23, 2010, when the Board approved an agreement for PeopleSoft license and services with Oracle USA, Inc., the County had not been informed of the merger and the change of the contracting entity's legal name to Oracle America, Inc. Staff now requests the Board rescind Agreement No. A-7380 with Oracle USA, Inc. and approve the agreement with Oracle America, Inc. The only changes to the new agreement (as compared to the original agreement approved by the Board) are: an extension of the date the price quoted to the County is valid, and the vendor's name change because of the merger; all other terms and conditions remain the same.

Subject to Board approval of the recommended agreement, Information Technology Services (in cooperation with the Auditor-Controller) will prepare to have Oracle America's PeopleSoft Enterprise Expenses module implemented and available for use at the end of November 2011. Staff recommends approval of the agreement with Oracle America, Inc. because the management of employee travel and expense reimbursements is a process not currently managed within the County's PeopleSoft environment. Presently, these expenses are being managed by staff using a variety of custom-designed electronic and paper forms. After receiving the appropriate review and authorization, the contents of the forms are manually entered into the PeopleSoft systems to initiate the necessary financial transactions. Because of its numerous manual elements, the process is prone to human errors that can include incorrectly entered figures and/or accounts, lost paperwork, and the County travel and expense reimbursement policy not being appropriately enforced. Obtaining the proposed Enterprise Expense module will reduce the occurrence of those errors by bringing the entire process (from submittal through reimbursement) into

the County's PeopleSoft system; it will also significantly reduce the amount of manual data entry, improve workflow, and facilitate the enforcement of the Board's Travel Policy.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Lorenzo Ziálcita