

December 9, 2004

05-043

AUTHORIZE A CONTRACT WITH ORACLE  
CORPORATION FOR THE PURCHASE/MIGRATION TO A  
SOFTWARE SITE LICENSE AND ALL  
SUPPORT/MAINTENANCE SERVICE COSTS

PREPARED BY: Roger Cardinal, Manager, Procurement & Risk Services

FINANCIAL  
RESPONSIBILITY: Leslie Riester, Associate Vice-President, Information  
Technology Services

APPROVED BY: Randy McEwen, Vice-President, Administrative Services  
Dr. Preston Pulliams, District President

REPORT: At the Board's August 16, 2001 meeting, per Resolution 02-016, the Board awarded a multi-year contract for the purchase of Oracle Software Licenses and Maintenance Services. This existing contract is for processor-based pricing; that is, pricing is based on the number of central processing units (CPU) in our server. When the College adds more CPU we pay more to Oracle for the software licenses.

At this time, Information Technology Services (ITS) Staff have determined that it would be more advantageous to migrate our existing licenses from processor-based pricing to a single campus-wide site license for any Oracle software used to support SCT Products (Banner and Luminus are currently used by the College). With a site license the College can add additional CPU to improve capacity, performance, etc., and not have to pay more funds to Oracle to do so. A significant benefit to a site license would be the control of on-going costs as we upgrade /expand the hardware needed to support Banner and the portal. It also allows us to expand our use of Oracle software to keep up with technology upgrades that Banner requires without having to pay additional Oracle costs. This type of site license is a lower cost alternative for the College than the on-going per-processor based purchases required to upgrade Banner and our hardware.

The cost is \$244,806 for the purchase/migration of the current licenses to a site license, and \$64,735 for the support/maintenance service costs for the first year. These charges will be financed through Oracle Credit Corporation for three years and the total payment will be \$325,578 (license + support + interest). For the second and third years the support/maintenance service costs will be \$96,907 per year. The total funding commitment for this complete contract will be \$519,392.

This contract is exempt from the College's competitive bidding rule requirement, based on Exemption 200.090, Copyrighted Materials.

**RECOMMENDATION:**

That the Board of Directors authorize a three-year (3) contract with Oracle Corporation for the purchase/migration to a software site license and the associated support/maintenance service costs, for a total cost of \$519,392.

Expenditures for this contract will be paid from the General Fund.

Director Margolin moved to approve Resolutions 05-032 through 05-035 and Resolutions 05-039, 05-040, 05-042 and 05-043 and is passed unanimously.