

MEMORANDUM
COUNTY OF PLACER
ADMINISTRATIVE SERVICES DEPARTMENT
PROCUREMENT SERVICES DIVISION

TO: Honorable Board of Supervisors

FROM: David Seward, Purchasing Manager

DATE: April 17, 2007

SUBJECT: Approve the Award of a Sole Source Purchase Order to Oracle Corporation for Annual Software Maintenance and Support of the Payroll/Personnel "ACORN" System in the Amount of \$153,206.36

ACTION REQUESTED

Approve the award of a sole source purchase order to Oracle Corporation of Redwood City, CA for annual software maintenance and support of the payroll/personnel "ACORN" system in the amount of \$153,206.36 and authorize the Purchasing Manager to sign the resulting purchase order.

BACKGROUND

On April 29, 2003 your Board approved the award of a contract to F.S. Systems to provide and install hardware and software for the County's new payroll and personnel management system which has been designated "ACORN". The system employs software designed by PeopleSoft. Currently, support of the software is provided directly by Oracle Corporation, the firm that acquired PeopleSoft. On April 18, 2006 your Board approved a purchase order for the fourth year of software maintenance and support, which will expire on April 29, 2007.

The original contract sets firm costs for annual support for the first five years of the operation of the system. The cost for the fifth year of support is \$153,206.36, including applicable tax. This represents a three percent (3%) increase above the cost for last year which has been determined to be reasonable and consistent with current market conditions. The new support period will be April 30, 2007 through April 29, 2008.

In accordance with Purchasing Policy Manual Section 1.3 (I) this is a sole source purchase only available from Oracle Corporation and is exempt from the competitive process.

FISCAL IMPACT

This expense has been budgeted in the FY 2006-07 Countywide Systems Fund.

cc: Nancy Nittler, Personnel Director
Kathy Martinis, Auditor-Controller
Keely Scanlan, Information Technology

