



Request for City Council Committee Action from the Department of BIS

Date August 24, 2006

To **The Honorable Paul Ostrow, Chair
Ways and Means Committee**

Subject **Contract with Oracle Corporation**

Recommendation Authorize appropriate City officials to execute a \$950,000 contract with Oracle Corporation to furnish a financial system and, if determined feasible, additional human resources software as well as support and maintenance.

Prepared by Nancy Larkey, Contract Administrator, 673-5494

Submitted by Karl Kaiser _____, 673-3910
Chief Information Officer

Patrick Born _____, 673-3375
Chief Financial Officer

Approved by Steven Bosacker _____
City Coordinator

Permanent Review Committee (PRC) Approval Pending

Policy Review Group (PRG) Not Applicable

Committee Presenter: Bill Beck

Financial Impact: Increase the expense appropriation in 6400-880-8870 880F5171 by \$1,228,540 and increase revenue appropriation in 6400-880-8870-3455 by \$1,228,540 in 2006. This project is funded by the Finance Department.

Financial Impact (Check those that apply)

- No financial impact (If checked, go directly to Background/Supporting Information).
- Action requires an appropriation increase to the Operating Budget.
- Action provides increased revenue for appropriation increase.
- Action requires use of contingency or reserves.
- Business Plan: Action is within the plan.
- Other financial impact (Explain):
- Request provided to department's finance contact prior to the Committee Coordinator.

Background/Supporting Information Attached

BIS, in support of the Finance department, requests authority to enter into a seven-year contract with Oracle Corporation for financial software application and, if determined feasible, an integrated human resource application. Also, requested is the continued maintenance and support over the life of the applications.

The financial system is ten years old and is becoming technologically obsolete. The City is taking the long view and working toward integrating the existing human resources system with the new financial system. This interoperability will improve payroll reporting considerably. The new system is expected to improve access to information within the applications, thus more responsive.