



**City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS**

**1000 Rochester Hills Dr.
Rochester Hills, MI 48309
248.656.4630
www.rochesterhills.org**

Legislative File No: 2005-0901

TO: Mayor and City Council Members
FROM: Bob Grace, MIS 248.841.2477
DATE: December 28, 2005
SUBJECT: Software Support – Financial Software - Oracle

REQUEST:

Request for purchase authorization - MIS: Oracle – Yearly Software Support 2006 in the amount not-to-exceed \$77,564.75; Oracle USA, Redwood City, CA

REASON FOR PURCHASE:

This is annual support contract that provides for various types of support. One is phone support in which all system users can call Oracle for phone/email assistance regarding a problem, procedure or simple question. This gives us the ability to download individual program corrections, system-wide upgrades and tax and regulatory updates. We are installing a new software release this spring, technical and application support is essential to a smooth implementation. This support is for the 2006 calendar year.

All city staff will be impacted if this purchase is not completed. The financial system is a very large and complex system in relation to both hardware and software issues. Because of this complexity, many issues arise and without this support we would be unable to call anyone to help us resolve these issues. This support contract allows all staff members to place a support call to Oracle. This contract is necessary for the continued use of the Oracle financial system.

PROCESS:

Vendor Name and Address:

Oracle USA
500 Oracle Parkway
Redwood City, CA 94065

Reason for Selection:

If we do not purchase from Oracle we lose the ability to get future software releases free of charge. As stated earlier, we are installing a new software release this spring, technical and application support is essential to a smooth implementation.

Method of Purchase:

Purchase Order

BUDGET:

The line item used to pay for this is account number 636.934000, which is in the MIS 2006 software maintenance budget.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Software Maintenance	636.934000	Oracle/JDEdwards Financial Software Support	80,000.00	77,564.75	2,435.25

RECOMMENDATION:

In order for us to maintain the finance system properly and for all staff members to have access to phone/email support, I recommend that City Council authorize payment for this yearly support contract in the amount not to exceed \$77,564.75.

RESOLUTION

NEXT AGENDA ITEM

RETURN TO AGENDA

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Finance Director		
Purchasing Process: Supervisor of Procurement		
Mayor		
City Council Liaison		