



Board Agenda Item 49

DATE: June 18, 2024

TO: Board of Supervisors

SUBMITTED BY: Edward Hill, Chief Operating Officer/Interim Director of Internal Services/Chief Information Officer

SUBJECT: Budget Resolution for Oracle PeopleSoft

RECOMMENDED ACTION(S):

Adopt Budget Resolution increasing FY 2023-24 appropriations for the Internal Services Department, PeopleSoft Operations, Org 8933 in the amount of \$415,000 for Oracle support and licensing (4/5 vote).

There is no additional Net County Cost associated with the recommended action, which will ensure the Internal Services Department (ISD), PeopleSoft Operations Division has sufficient appropriations in the FY 2023-24 PeopleSoft Operations Org 8933, to meet the departmental needs arising from unanticipated increases in expenditures related to support and licensing for Oracle PeopleSoft financial, human resources, database products, and cloud services. This item is countywide.

ALTERNATIVE ACTION(S):

There is no viable alternative action. If your Board does not approve the recommended action, ISD PeopleSoft Operations Division will not have sufficient appropriations to pay for licensing costs.

FISCAL IMPACT:

There is no increase in Net County Cost. Approval of the recommended action will increase the FY 2023-24 appropriations in the ISD PeopleSoft Operations, Org 8933 in the amount of \$415,000 using available retained earnings to fund the costs related to support and licensing for Oracle.

DISCUSSION:

Support and licensing for Oracle PeopleSoft financial, human resources, database products, and cloud services are only available through Oracle America, Inc. as these products are proprietary. Historically the licensing costs for Oracle PeopleSoft financial, human resources, database products, and cloud services are unpredictable which makes it difficult to anticipate the cost.

On March 19, 2024, your Board approved a new five-year agreement with Oracle for support and licensing for Oracle PeopleSoft financial, human resources, database products, and cloud services. There is a yearly License Verification Fee (LVF) that is charged separately from the fixed support and licensing costs and this LVF fee is historically unpredictable as Oracle uses the County Budget to determine the amount. For FY 2023-24 ISD budgeted \$275,000 for the LVF, however the LVF was \$673,698 which was \$398,698 more than anticipated. ISD requests to increase appropriations by \$415,000 to ensure the unanticipated increase in the LVF and any future unanticipated PeopleSoft support or licensing costs are met.

Approval of the recommend action will increase FY 2023-24 appropriations in ISD PeopleSoft Operations, Org 8933 allowing the ISD PeopleSoft Operations Division to continue providing support and licensing for financial, human resources, database products, and cloud services.

REFERENCE MATERIAL:

BAI #39, March 19, 2024

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Resolution

CAO ANALYST:

Ahla Yang