



To: General Purposes Committee **Date:** March 4, 2024
From: Grant Fengstad **File:** 04-1300-01/2024-Vol
 Director, Information Technology 01
Re: Award of Contract 8254S – PeopleSoft Software Technical Support Services

Staff Recommendations

1. That contract 8254S – PeopleSoft Software Technical Support Services as detailed in the staff report titled “Award of Contract 8254S – PeopleSoft Software Technical Support Services”, dated March 4, 2024, from the Director, Information Technology be awarded for a three-year term to Oracle Canada ULC for an aggregate value of \$1,263,008.87, excluding taxes; and
2. That the Chief Administrative Officer and the General Manager, Finance and Corporate Services be authorized to execute the contract and all related documentation with Oracle Canada ULC for the three-year term.

Grant Fengstad
 Director, Information Technology
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| REPORT CONCURRENCE | | |
|-----------------------------------|-------------------------------------|---------------------------------------|
| ROUTED TO: | CONCURRENCE | CONCURRENCE OF GENERAL MANAGER |
| Finance Department | <input checked="" type="checkbox"/> | |
| Law | <input checked="" type="checkbox"/> | |
| Human Resources | <input checked="" type="checkbox"/> | |
| SENIOR STAFF REPORT REVIEW | INITIALS: | APPROVED BY CAO |
| | | |

Staff Report

Origin

The City entered into a Software End User License and Services Agreement with PeopleSoft Canada on May 29, 1998 for the PeopleSoft Financials and Human Capital Management systems. The agreement grants the City a perpetual license for the use of the PeopleSoft products. In addition to the licenses, the City receives updates and patches based on having a support agreement in place for the modules the City owns, which include:

- Financial modules such as General Ledger, Accounts Payable, Accounts Receivable, Billing, Project Costing, Asset Management;
- Supply Chain modules such as Purchasing, and Inventory; and
- Human Resources modules such as Human Resources Management and Payroll.

In December 2004, Oracle Canada ULC announced that it had acquired PeopleSoft Canada. The agreement was updated to transfer the annual Software Update License and Support services contract from PeopleSoft Canada to Oracle Canada ULC. As a result, the City receives access to products and support services related to the PeopleSoft product family from Oracle Canada ULC.

The Technical Support Services contract with Oracle Canada ULC enables the City to keep the PeopleSoft environments up-to-date with the latest system patches, security and product upgrades and new features.

This report supports Council's Strategic Plan 2022-2026 Focus Area# 4 Responsible Financial Management and Governance:

Responsible financial management and efficient use of public resources to meet the needs of the community.

4.1 Ensure effective financial planning to support a sustainable future for the City.

4.2 Seek improvements and efficiencies in all aspects of City business.

4.3 Foster community trust through open, transparent and accountable budgeting practices and processes.

Analysis

Since its implementation in 1998, PeopleSoft Financials and PeopleSoft Human Capital Management have become the City's primary enterprise resource planning system performing critical day-to-day financial, human resources and payroll operations. Financial budgets and transactions are recorded, tracked and monitored in PeopleSoft Financials.

Employee data, including employment records, compensation, benefits and time entries, is stored and tracked in PeopleSoft Human Capital Management. City payroll is also managed through the system while numerous City applications and systems are heavily integrated with the PeopleSoft systems, including Public Works' Asset and Work Order Management System, Tax and Utility Billing System, Property Management System, and the Corporate Analytics System.

Additionally, the new Corporate Budget Planning and Modeling system, Oracle EPM is integrated to both PeopleSoft Financials and PeopleSoft Human Capital Management.

Access to patches, security and product updates is only available through a direct support agreement with Oracle Canada ULC. All software licensing agreements have a requirement to maintain a valid maintenance and support agreement. These agreements are only available directly through the license provider.

The PeopleSoft Financials and Human Capital Management systems continue to fulfill the City's needs effectively. Transitioning to a new system would entail significant costs and staff time commitment. Furthermore, there are potential risks of business disruptions, data loss, loss of business critical customizations and alterations to current business processes. Additionally, the City has opted for contract renewals which are allowed under the exemptions outlined in relevant trade treaties, which allow public entities to forego open tendering obligations where a change in supplier is unfeasible due to economic or technical reasons.

These reasons summarize the rationale of single sourcing a further renewal of the PeopleSoft Technical Support Services contract with Oracle Canada ULC.

Financial Impact

None. Funding for this contract is included in the Council approved operating budget. Future year contract increases will be incorporated into the 5-Year Financial Plan.

Conclusion

Staff recommend that Contract 8254S – PeopleSoft Software Technical Support Services for an aggregate value of \$1,263,008.87, excluding taxes, be awarded to Oracle Canada ULC for a three-year contract term.



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