

# AGENDA ITEM

JULY 144 - Contract  
Approval

**DATE:** July 9, 2010

**TO:** Members, Board Planning, Program Development and Budget Committee  
Members, Board of Governors

**FROM:** Information Technology

**SUBJECT:** Contract Approval

---

## EXECUTIVE SUMMARY

Under Board Policy, Tab 17 [Control Policies & Procedures], Article 3 [Contracts], Section 2 [Authority], contracts in excess of \$75,000 involving consulting services, capital equipment, or technology purchases must be authorized by the Board of Governors. Authority is sought here to proceed with the contracts described in this item.

## BACKGROUND & GOVERNING AUTHORITIES

Tab 17 [Control Policies & Procedures], Article 3 [Contracts], Section 2 [Authority] of the Board's Policy Book states as follows:

"No contracts or consulting services, capital equipment, or technology purchases exceeding \$75,000 may be entered into, by or on behalf of the State Bar unless authorized by the Board of Governors. Any future amendments to a contract originally below the \$75,000 threshold that will result in bringing the total contract amount to this level will also require Board approval."

Exempted are those contracts associated with the normal operations of the Bar including but not limited to site agreements, Admissions consultants, IOLTA and Equal Access grant distributions, and other routine contracted services exceeding \$75,000.

"Also exempted are cases of emergency where purchases necessary for the immediate preservation of the public health, welfare or safety, or protection of State Bar employees or property provided the details justifying an emergency contract and other supporting documentation being reported to the Board at its next schedule meeting."

This policy was recently adopted as amended by the Board of Governors at its March, 2010 meeting.

## **ISSUE**

Authority is sought to proceed with the State Bar's regular Procurement Process on the following contract that is governed by the above policy:

### **1. Oracle JDEdwards Backup Support Services Contract**

#### **Description:**

The State Bar uses Oracle/JD Edwards Enterprise One software to manage its Human Resources, Financial and Payroll systems. Operational support and maintenance of these applications is a highly specialized function and requires a CNC Administrator. The CNC Administrator solves the system, network and databases outages, maintains backups securely of all network components and restores services or data. Currently, the CNC Administration is conducted by an Analyst/Programmer with over 10 years of CNC administration experience. However, because this expertise is so specialized and the applications supported are so critical, the State Bar posted an RFP and selected a vendor to supplement support. The RFP requirements included pricing for monthly maintenance, occasional troubleshooting, and backup support for when the bar resource is out of the office. An hourly rate was also requested for application support should the bar decide to implement new, or further enhance existing software modules.

Six vendors submitted proposals, including the proposed selected vendor, *ManageForce*, who incorporated the above noted elements, as well as two incremental application upgrades per year. The requested contract is for two years with a possible one year renewal for a total estimated maintenance and support cost of \$123,480. We would like to include a \$50,000 budget for the possibility of application enhancements for a maximum of \$173,480 for the life of the contract. This is within existing budget parameters. Approval of this contract is requested.

#### **Project Benefits:**

Using a company like *ManageForce* assures support for one of the Bar's most critical applications when and if in-house staff support is not available. Additionally, because vendors responding to the RFP included pricing for application configuration, we now have a resource for implementing enhancements to the application. In order to insure that the Oracle system can be supported in-house going forward, the in-house resource will work closely with

*ManageForce* to gain greater knowledge of the system to minimize reliance on outside contractors.

**Cost of not doing:**

The cost of not awarding this contract is not monetary. What the contract does is assure that the Bar has the expertise immediately available should the ERP system experience problems during critical tasks (e.g., during payroll production). A vendor like *ManageForce* will be familiar with our configuration and will have a dedicated team assigned to the State Bar as opposed to Oracle, the software vendor, where each “trouble ticket” is assigned to someone new.

**CONCLUSION**

Authority to proceed with the contract is requested. If the Board Committee and Board of Governors agree, adoption of the resolution below is recommended

**FISCAL / PERSONNEL IMPACT:**

The personnel and budget impact is as set forth in the item.

**RULE AMENDMENTS:**

None.

**BOARD BOOK/ ADMINISTRATIVE MANUAL IMPACT:**

None.

**PROPOSED BOARD COMMITTEE RESOLUTION**

**RESOLVED**, that the Board Committee on Planning, Budget and Program Development, authorizes staff to proceed with the contract identified in the item before the committee this date, within the parameters set forth.

**PROPOSED BOARD RESOLUTION:**

Should the Board concur with the board committee’s recommendation, the following resolution would be in order:

**RESOLVED**, that upon the recommendation of the Board Committee on Planning, Budget and Program Development, the Board of Governors authorizes staff to proceed with the contract identified in the item before the Board this date, within the parameters set forth.