

CHABOT-LAS POSITAS COMMUNITY COLLEGE DISTRICT

June 18, 2019

Agenda Item: 5.6

Subject: Approval of five- year contract for Software Agreement with Ellucian

Background Explanation and Analysis: Chabot-Las Positas Community College District first purchased Banner Administrative software in 1991. Today Banner is used for Finance, Financial Aid, Human Resources, Payroll and Student (registration, schedule/catalog, Classweb), Document Management, and Degree Planning. The District also uses 3rd party software licensed through Ellucian for reporting as well as essential technical functions. The underlying database technology is from Oracle.

The District has traditionally negotiated long-term multi-year contracts to gain substantial savings over the cost of single-year agreements. The proposed new, five-year contract, which includes a 3% annual increase, would result in a savings of \$146,845 compared to year-to-year renewals over the same period.

With any software annual maintenance is required in order for the District to keep current with federal financial aid changes and updates, to maintain compliance with Internal Revenue Code standards and updates, and to receive annual software patches and enhancements.

This agreement also “modernizes” the licensing model from perpetual licenses to a subscription model. By moving to a subscription model, the District benefits by:

- Re-aligning and modernizing the products it needs in the future by dropping some and adding others. Example: Banner Advancement is not needed and has not been implemented. It will be replaced it with the Ellucian Analytics product.
- Reducing the maximum year-to-year cost increase from 5% to 3% over the course of the agreement’s 5-year term.
- Consolidating and streamlining the invoicing and payment of software fees.

Cost Model	Year 1	Year 2	Year 3	Year 4	Year 5
Recommend 5-year subscription 3% Cap	\$ 574,630	\$ 591,869	\$ 609,625	\$ 627,914	\$ 646,751
5-year perpetual license 5% Cap	\$ 542,037	\$ 569,139	\$ 597,596	\$ 627,476	\$ 658,849
Year-to-year perpetual license 10% Cap	\$ 542,037	\$ 596,241	\$ 655,865	\$ 721,451	\$ 793,596

Recommended Action: That the Board of Trustees approve extending for 5 years the annual software maintenance agreement for Banner related software with Ellucian effective July 1, 2019.

Submitted by: Doug Roberts/Date

Approved: Ronald P. Gerhard/Date

APPROVED

DISAPPROVED

TABLED