

31848
ADOPTED - BOARD OF TRUSTEES
COMMUNITY COLLEGE DISTRICT NO. 508
MAY 2, 2013

BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NO. 508
COUNTY OF COOK AND STATE OF ILLINOIS

MANAGED HOSTING AND SERVICES
CEDAR CRESTONE, INC.
OFFICE OF INFORMATION TECHNOLOGY
DISTRICT OFFICE

THE CHANCELLOR RECOMMENDS:

that the Board of Trustees authorizes the Chair to execute a professional services agreement with Cedar Crestone (CCI), Inc. to remotely host PeopleSoft applications and related infrastructure for the period from June 1, 2013 or upon Board execution through May 31, 2016, with two one-year options to renew at a total cost not to exceed \$4,500,000 for the contract term.

VENDOR: CedarCrestone, Inc. (CCI)
1255 Alderman Drive
Alpharetta, Georgia 30005

USER: District-wide

TERM:

The term of the agreement will commence on June 1, 2013 or upon Board execution and end on May 31, 2016, with an option to renew for two (2) additional twelve (12) month periods.

SCOPE OF SERVICES:

CCI will perform the following tasks:

- Upgrading City Colleges of Chicago's PeopleSoft (PS) and PeopleSoft-related applications to the latest CCI supported platform (including servers, operating system, and databases,)
- Moving CCC's PeopleSoft (PS) and PeopleSoft-related applications to CCI's managed hosting environment
- Coordinating with CCC to ensure access and connectivity to the new managed hosting environments
- Maintaining agreed upon Service Level Agreements (SLAs) with CCC after the initial build-out for the duration of the contract terms

The environments will be required as follows (approximate dates):

<u>Application</u>	<u>Development</u>	<u>Production</u>
Legacy Databases	Not applicable	~ 7/1/2013
PS Campus Solutions	~ 7/1/2013	~ 7/1/2015
PS Finance	~ 7/1/2013	~ 10/1/2013

PS Human Capital Management (HCM)	~ 1/1/2014	~ 1/1/2015
PS Portal	~ 7/1/2013	~ 1/1/2014

BENEFIT TO CITY COLLEGES OF CHICAGO:

CCC will realize the following benefits from the implementation of CCI's Managed Hosting Services:

- Provides a “turnkey,” flexible solution for PeopleSoft application hosting that allows CCC to manage the application according to their needs and covers all costs related to the systems infrastructure
- Provides all PeopleSoft Enterprise infrastructure support responsibilities via CCI's expert hosting service center
- Application Management Services (AMS) support team can provide some or all of CCC's PeopleSoft Enterprise and Oracle development and configuration activities
- Achieves significant overall cost efficiencies – Build-out cost minimized through leveraging CCI's experiences with CPS
- Expandable and on-demand architectures provide quick build times
- Provides an “always-on,” fully redundant enterprise class application environment.
- Eliminates the additional expense associated with periodic onsite support services.
- Industry-leading service and infrastructure performance guarantees per CCI's Service Level Agreement
- Guaranteed Service Levels that are included in the base hosting services pricing, including 99.8% availability, with penalties of up to 100% of the monthly hosting fee for failure to meet this threshold
- Robust hosting agreement includes all requisite technology and support - Remedy Service Desk, HP/Mercury BAC Monitoring, and Web Portal; also includes required technology upgrades and hardware capacity upgrades

DELIVERABLES:

- Production environments (8):
 - PS Campus Solutions
 - PS Campus Solutions Reporting
 - PS Financials
 - PS Financials Reporting
 - PS Human Capital Management (HCM)
 - PS HCM Reporting
 - PS Portal
 - Legacy Databases
- Non-Production environments (23)
 - PS Campus Solutions – Demo, Dev, Sandbox, QA, Training, IT (6)
 - PS Financials – Demo, Dev, Sandbox, QA, Training, IT (6)
 - PS HCM – Demo, Dev, Sandbox, QA, Training, IT (6)

- PS Portal – Demo, Dev, QA, IT (4)
- Oracle Enterprise Manager (OEM)

Service Level Agreement Highlights

SLA GUARANTEE	SLA METRICS AND PENALTIES
Port-Back Guarantee	If CCI fails to perform to the terms of your contract, CCI will port CCC systems back to the location of your choosing. The port-back costs are <i>paid by CedarCrestone</i> .
System Availability	CCC systems availability will be 99.8% or higher. If lower than 99.5%, then CCC's next month's hosting fee is <i>free</i> .
Security	If a security breach occurs due to failure to follow published procedures and best practices, then CCC's next month's hosting fee is <i>free</i> .
Disaster Recovery	If Production operations are not recovered and restored within 2 hours, then CCC's next month's hosting fee is <i>free</i> .
Performance	CCI will commit to setting system performance goals, then ensure OLTP performance remains within defined benchmark levels throughout the course of the agreement with penalties of 2% for each percentage point below 98%.
Issue Response Time	CCI responds to any issue or trouble ticket in 15 minutes or less. If that does not occur, then CCC receives increasing percentage credits.
Issue Resolution Time	CCI will resolve tickets and issues within 4 hours for high priority Production issues. If that does not occur, then CCC receives increasing percentage credits.

RANGE OF SERVICES

HOST SERVICES INCLUDED	DESCRIPTION OF INCLUDED SERVICES
SERVICE DESK SUPPORT	CCI provides a 24-by-7 Service Desk, staffed by PeopleSoft and Oracle experts, with guaranteed Response and Resolution times.
APPLICATION SUPPORT	CCI provides all Level-2 support for hosting services, with options for full Level-1 support.
OPERATIONAL SUPPORT	CCI provides all database, network, and systems administration, including the maintenance and tuning of all components and databases.
TECHNOLOGY INFRASTRUCTURE	CCI provides a state-of-the-art data center with bullet-proof security, the Oracle DBMS, scalable Dell Enterprise servers and SANs, with load balancing, clustered redundancy and automatic failover.

VENDOR SELECTION CRITERIA:

Pursuant to State law, purchases that are economically procurable from a sole source are exempt from the District's competitive bidding requirements.

MBE/WBE COMPLIANCE:

The Office of M/WBE Contract Compliance has reviewed the above agreement request and recommends a waiver of the Board Approved Participation Plan because Cedar Crestone is the sole owner and manufacturer of a proprietary managed hosting solution and in turn there are no certified MBE or WBE subcontracting opportunities.

GENERAL CONDITIONS:

Inspector General – It shall be the duty of each party to the agreement to cooperate with the Inspector General for City Colleges of Chicago in any investigation conducted pursuant to the Inspector General’s authority under Article 2, Section 2.7.4(b) of the Board Bylaws.

Ethics – It shall be the duty of each party to the agreement to comply with the applicable provisions of the Board’s Ethics Policy adopted January 7, 1993, and as amended by the Board.

Contingent Liability – Pursuant to Section 7-14 of the Illinois Public Community College Act, all agreements authorized herein shall contain a clause that any expenditure beyond the current fiscal year is subject to appropriation in the subsequent fiscal year.

FINANCIAL:

Total FY13 – FY16: \$4,500,000

Charge to: Office of Information Technology

Source of Funds: Capital Fund and Operating Fund

Respectfully submitted,

**Cheryl L. Hyman
Chancellor**

May 2, 2013 - Office of Information Technology – District Office