

PURCHASE OF CLOUD BASED OR ENTERPRISE SOFTWARE

Purchases of Cloud Based or Enterprise Software are subject to all purchasing and public contract rules. Additionally, decisions to purchase these products must involve ITS and may need to be vetted by College and District administration.

Cloud Based Software. Cloud Based services in this context are available for a variety of stand-alone purposes (contract tracking, strategic planning, financial aid counseling, job posting, etc.). They may be of use to a single college or may be useful to all colleges. IT should be consulted before purchase to confirm what IT resources, if any, are needed.

Enterprise Software. Enterprise software in this context is software that depends on access to Districtwide or College data from Banner. Typically, these types of products (room scheduling, counseling appointments, degree audit tools, transcript processing and the like) require some sort of integration with or regularly scheduled download/upload of data in Banner. By their nature, these programs have the potential to affect or improve Districtwide processes and require IT resources to install and/or maintain. IT must be consulted in the earliest stages of any projects related to Enterprise Software prior to vendor demos and selection.

Districtwide Use of Software. IT must be consulted prior to any decisions regarding any Enterprise related software and must be included in any initial conversations with potential vendors. Additionally, due to the potential use of the software by all colleges, projects must be vetted and approved by the District VP Council. Once vetted, any initial meetings or product demonstrations with vendors must include a District IT representative and representatives from all three colleges.

Purchasing Rules. Both types of software are subject to the same purchasing rules and regulations as purchases of other products and services. That is, if the total cost of the contract, over the life of the contract, is greater than the current bid limit (currently \$114,500) then the procurement must be competitive and must be made via an RFP. When obtaining quotes from vendors, a quote for a contract length of 5 years should be obtained. Five years is the legal term of a contract for services. The contract can be worded so that renewal is optional during the 5-year term. It is not allowable to obtain a three-year quote in order to avoid Public Contract Code especially if the ultimate intent is to use the software for at least 5 years. Contact General Services to initiate the RFP process. Plan on a minimum of two months to conduct an RFP process.

Ongoing use of Software. If the software is well received and becomes integral to regular district business processes, an RFP may not be needed to renew the contract. In such instances, the District may have invested considerable resources in maintenance fees, user training and the like and it may not be in the best interest of the District to evaluate new software and enter into a competitive process as long as the current software is meeting the District's needs. A recommendation can be made to the board that it would be in the best interest of the District to enter into an agreement for further services without a competitive process.

Sole Source. Often times, vendors will state that their product is a "sole source" product meaning that the services it provides cannot be found in any other product on the market. If a product is "sole source", bid limits and competitive bidding rules do not apply. The justification for a sole source purchase is made by research conducted by the College and or District, not by the vendor. The College/District must make the case to the Board that a purchase is "sole-source" and that it is in the best interest of the District to make the purchase without competitive bidding.