



## JUDICIAL COUNCIL OF CALIFORNIA

455 Golden Gate Avenue · San Francisco, California 94102-3688

[www.courts.ca.gov](http://www.courts.ca.gov)

---

# CIRCULATING ORDER MEMORANDUM TO THE JUDICIAL COUNCIL

Circulating Order Number: ~~CO~~-16-04

---

Title	Action Requested
Trial Court Allocations: Augmentation for a Program Funded from the State Trial Court Improvement and Modernization Fund	<b>VOTING MEMBERS ONLY:</b> Vote and return by fax. Additionally, return original signature page.
Rules, Forms, Standards, or Statutes Affected	Please Respond By
None	<b>March 8, 2016</b>
Recommended by	Date of Report
Trial Court Budget Advisory Committee	<b>March 7, 2016</b>
Martin Hoshino Administrative Director Judicial Council of California	Contact <b>Steven Chang, 415-865-7195</b> <a href="mailto:steven.chang@jud.ca.gov">steven.chang@jud.ca.gov</a>
Zlatko Theodorovic Director and Chief Financial Officer Judicial Council Finance	

---

### Executive Summary

The Trial Court Budget Advisory Committee and Judicial Council staff recommend that the Judicial Council approve a one-time allocation augmentation of \$2.232 million from the State Trial Court Improvement and Modernization Fund (IMF) for the Enterprise Policy and Planning program in fiscal year 2015–2016.

## Recommendation

The TCBAC unanimously with one abstention and Judicial Council staff recommend that the Judicial Council<sup>1</sup>:

1. Approve a one-time \$2.232 million augmentation of the allocation from the State Trial Court Improvement and Modernization Fund for the Enterprise Policy and Planning program, to \$5,064,775 from \$2,832,140.

## Previous Council Action

At its August 21, 2015 business meeting the council adjusted the Enterprise Policy and Planning program's 2015–2016 IMF allocation from \$5,220,500 to \$2,832,140 so as to realign the allocation such that it would support only the costs that would be incurred during the 2015–2016 fiscal year and not any beyond.

## Rationale for Recommendation

The Judicial Council has received a time-sensitive offer from Oracle to reduce annual maintenance costs by over \$1 million starting in 2016–2017 such that the estimated net savings for the period 2015–2016 through 2019–2020 is \$1.234 million (see Attachment 1) through the following:

- Reducing current Judicial Branch licenses from 25,000 to 17,000 authorized users
- Canceling products not in use
- Procuring new products for \$1,950,000. The actual accepted bid could be lower.
- This procurement will result in a reduction to the estimated annual Oracle maintenance cost
- This procurement will be processed using a competitively bid leveraged purchase agreement through DGS that currently has a 0% uplift on annual maintenance

The net savings could be higher by \$250,000 if the offer is implemented in a timely manner, such that savings could be applied to the current fiscal year.

The current Oracle Branch wide License Agreement (BWLA) provides the entire Judicial Branch with use of the covered Oracle software licenses. This frees local courts from having to procure, track and manage complex software assets and costly annual maintenance renewals. Courts may access and install these Oracle products at no charge in any environment, whenever needed.

## Comments, Alternatives Considered, and Policy Implications

This item was not circulated for public comment. No comments were received in response to the public notice given for the TCBAC's action by email between meetings. The Judicial Council staff did not consider any alternatives to this recommendation.

---

<sup>1</sup> As of 3 pm on March 7, 2016, 26 members supported the proposal, one abstained, and three had not yet voted.

**Implementation Requirements, Costs, and Operational Impacts**

If implemented in a timely manner, an estimated \$250,000 in current fiscal year savings in the IMF are possible.

**Attachments**

1. Financial Summary of Oracle Annual Maintenance & Support Contract Refresh Proposal

## Attachment 1 -- Financial Summary of Oracle Annual Maintenance & Support Contract Refresh Proposal

Oracle Maintenance & Support	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	Total
<b>FY 15/16 Allocation</b>	<b>2,486,965</b>					
Current Annual Support	4,814,443	4,958,877	5,107,643	5,260,872	5,418,698	<b>25,560,533</b>
FY15/16 Invoices	2,407,222	2,407,222				
<b>Required FY 16/17 Budget</b>		<b>7,366,098</b>				

Oracle Contract Refresh Proposal	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	Total
<b>New Product Purchase</b>	<b>1,950,000</b>	-	-	-	-	<b>1,950,000</b>
New Product Support	418,100	418,044	418,044	418,044	418,044	<b>2,090,276</b>
New Reduced Support*	2,043,900	5,339,666	3,347,603	3,347,603	3,347,603	<b>17,426,375</b>
Payment to DGS	57,600	76,002	49,707	49,707	49,707	<b>282,723</b>
Savings from Reduced Support Lost Due to Delay in Implementation	250,000					<b>250,000</b>
<b>Total Program Cost</b>	<b>4,719,600</b>	<b>5,833,712</b>	<b>3,815,354</b>	<b>3,815,354</b>	<b>3,815,354</b>	<b>21,999,374</b>
<b>Difference Current to New Costs</b>	<b>2,232,635</b>	<b>874,835</b>	<b>-1,292,289</b>	<b>-1,445,518</b>	<b>-1,603,344</b>	<b>-1,233,681</b>

\*Assumes implementation is completed in time to lock in estimated current fiscal savings of \$250,000.

## Instructions for Review and Action by Circulating Order

### Voting members

- Please indicate your **vote, sign, and return by 5 pm, March 8, 2016**, if possible by one of these methods:
  1. Fax the signature pages to the attention of Judicial Council Support, Leadership Services Division at 415-865-4391
  2. Reply to the e-mail message with “I approve,” “I disapprove,” or “I abstain.”
- If you are unable to reply by March 8, 2016, please do so as soon as possible thereafter.
- Additionally, **return the original** signature page to the Judicial Council Support, Judicial Council of California, 455 Golden Gate Avenue, San Francisco, California, 94102-3688. **Please keep a copy for your records.**

### Advisory members

The circulating order is being faxed to you for your information only. There is no need to sign or return any documents.

**CIRCULATING ORDER  
Judicial Council of California  
Voting and Signature Pages**

Effective immediately, the Judicial Council approves a one-time \$2.232 million augmentation of the 2015–2016 allocation from the State Trial Court Improvement and Modernization Fund for the Enterprise Policy and Planning program to \$5,064,775 from \$2,832,140.

My vote is as follows:

Approve       Disapprove       Abstain

\_\_\_\_\_  
Tani G. Cantil-Sakauye, Chair

\_\_\_\_\_/s/  
Marla O. Anderson

\_\_\_\_\_/s/  
Brian John Back

\_\_\_\_\_  
Richard Bloom

\_\_\_\_\_/s/  
Mark G. Bonino

\_\_\_\_\_  
Daniel J. Buckley

\_\_\_\_\_/s/  
Ming W. Chin

She resigned as Judicial Council  
member as of March 4, 2016  
Emilie H. Elias

\_\_\_\_\_/s/  
Samuel K. Feng

\_\_\_\_\_/s/  
Harry E. Hull, Jr.

\_\_\_\_\_/s/  
James M. Humes

\_\_\_\_\_  
Hannah-Beth Jackson

\_\_\_\_\_/s/  
Patrick M. Kelly

\_\_\_\_\_/s/  
Donna D'Angelo Melby

My vote is as follows:

Approve       Disapprove       Abstain

\_\_\_\_\_/s/  
Douglas P. Miller

\_\_\_\_\_/s/  
Gary Nadler

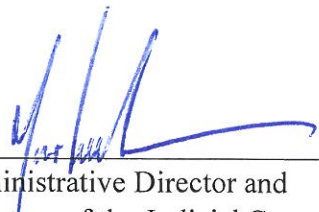
\_\_\_\_\_/s/  
Debra Elaine Pole

\_\_\_\_\_/s/  
David M. Rubin

\_\_\_\_\_/s/  
Dean T. Stout

Date: March 9, 2016

Attest:

  
\_\_\_\_\_  
Administrative Director and  
Secretary of the Judicial Council