

**SUBMITTAL TO THE BOARD OF SUPERVISORS
 COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

526



FROM: Riverside County Information Technology

SUBMITTAL DATE:
 April 29, 2013

SUBJECT: PURCHASE AGREEMENT WITH ORACLE FOR SOFTWARE LICENSING AND SERVICES

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the purchase of Oracle Advanced Security software, support and implementation services for \$215,978.00 and authorize the Chair to execute the agreements, which contain an option to renew the license support agreement for four additional one-year periods thereafter contingent upon Los Angeles County's renewal of the Master Agreement with Oracle, in accordance with Ordinance 459.4, and;
2. Authorize the Purchasing Agent to exercise the annual renewal options for the software licensing and maintenance in the estimated annual amount of \$32,637.00, based on the availability of fiscal funding, and to sign amendments that do not change the substantive terms of the agreement, including amendments to the compensation provision that do not exceed the annual CPI rates, and;
3. Direct the Clerk of the Board to return three (3) original signed agreements to Riverside County Information Technology.

(Continued on Page 2)

Kevin K. Crawford 2 May 13
 Kevin K. Crawford, CIO

FINANCIAL DATA	Current F.Y. Total Cost:	\$215,987	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	12/13

SOURCE OF FUNDS:	RCIT Operating Budget	Positions To Be Deleted Per A-30	<input type="checkbox"/>
		Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

BY: Christopher M. Hans
 Christopher M. Hans

County Executive Office Signature

- Policy
- Consent
- Policy
- Consent

Dep't Recomm.:
 Per Exec. Ofc.:

MAY 1 11 52 AM '13
 CLERK BOARD OF SUPERVISORS
 RECEIVED MAIL ROOM

Prev. Agn. Ref.: #3.27 on 10/22/02,
 #3.49 on 12/18/07, and #3.24 on 7/3/12

District: ALL

Agenda Number:

3-21

**BOARD OF SUPERVISORS
FORM 11: PURCHASE AGREEMENT WITH ORACLE FOR SOFTWARE LICENSING
AND SERVICES**

PAGE 2

BACKGROUND

The Riverside County PeopleSoft architecture is built upon the Oracle Database Software Suite. The purchase of additional licensing for Oracle Advanced Security software will deliver the tools necessary to encrypt Personally Identifiable Information (PII) within the database, in backups, and data transmitted via the County network in all PeopleSoft Financials and HRMS test, development, and production application environments.

Oracle's Advanced Security software is the only solution native to the Oracle database environment and is the only one that seamlessly encrypts data at that Oracle Database kernel layer requiring no changes to the application layer (PeopleSoft) and no middleman component. In addition, no other products deliver native database-to-client network encryption. Oracle services are requested to assist RCIT staff with the Advanced Security implementation.

The software products and licensing agreement are through the Los Angeles County Master Agreement under which the County of Riverside currently purchases. The Los Angeles County Master Agreement offers the most aggressive discounts for these licenses and support available to state and local governments.

PRICE REASONABLENESS

Oracle licenses are proprietary and can only be obtained directly through Oracle. Purchasing performed prior market research to obtain the most aggressive discounts on software, licenses, and renewals. A comparison of other governmental contracts to Los Angeles County's has determined that Los Angeles County's is the most aggressive pricing structure. The Oracle quotes below provide a 40% discount off list.

Oracle Advanced Security Named User Plus Perpetual:	\$31,050.00
Oracle Advanced Security Pack Processor Perpetual:	\$117,300.00
Oracle Software Update License and Support	<u>\$32,637.00</u>
	\$180,987.00
Oracle Advanced Security Installation Assistance	\$35,000.00
Total Initial Purchase:	<u>\$215,987.00</u>
Annual Software License Renewal	\$32,637.00

REVIEW/APPROVAL

Purchasing and County Counsel concurs with this request.



RIVERSIDE COUNTY INFORMATION TECHNOLOGY PROCUREMENT FORM
To be completed for all departmental purchases of IT systems, services or renewals

26343
Tracking Number for
Internal Use Only

REQUESTED PURCHASE:	ADVANCED SECURITY SOFTWARE
DEPARTMENT/AGENCY:	RIVERSIDE COUNTY INFORMATION TECHNOLOGY
CONTACT NAME/PHONE:	TOM JERNEJIC/951.358.6275, JOHN KAVORINOS/951.955.3729
PURCHASE REQUEST:	<input checked="" type="checkbox"/> NEW EQUIPMENT/SERVICES <input type="checkbox"/> UPGRADE <input type="checkbox"/> REPLACEMENT
PURCHASE TYPE:	<input type="checkbox"/> PROFESSIONAL SERVICES <input checked="" type="checkbox"/> SOFTWARE <input type="checkbox"/> HARDWARE <input type="checkbox"/> RENEWAL
DESCRIBE REQUESTED PURCHASE	<p>RCIT is seeking to procure Oracle's Advanced Security software as part of a comprehensive effort to securing PII (Personally Identifiable Information) data in the County's Enterprise PeopleSoft Financials and HRMS application environments. With Oracle Advanced Security, sensitive information such as social security numbers, birthdates, etc will be encrypted in the database, for backups, and during transmission over the network. This software module supports the following:</p> <ul style="list-style-type: none"> • Transparent Data Encryption - Data at Rest; transparent solution for encrypting sensitive data in the Oracle Database • Network Encryption - encrypt network connections between applications and the Oracle Database • Strong Authentication - provides increased protection over the use of simple usernames and passwords <p>This purchase will include a Technical Specialist who will bring a best practice approach to implementing the Oracle Advanced Security product in our current test, development, and production PeopleSoft environments running in an Oracle 11gR2 environment, based on experience with similar implementations. This resource will assist and support County resources through training, mentoring and implementation support focusing on the following areas:</p> <ul style="list-style-type: none"> • Selecting between table or tablespace level encryption • Determining wallet/security key requirements • Establishing wallet backup and recovery procedures • Testing and Validation • Implementation and verification <p>The selected Vendor's Specialist will mentor County staff through the process of deploying the Advanced Security product beginning with product training. This training will be expected to equip County staff with the knowledge to successfully execute the above bulleted tasks with minimal involvement from the specialist.</p> <p>During execution the specialist will be expected to guide staff, identify pitfalls, steer staff towards best practice methodologies, and provide technical expertise for the purposes of Knowledge Transfer and establishing the repeatable methodology and skills the County team will leverage in future implementations.</p> <p>(Created requestion IQ026343)</p>



RIVERSIDE COUNTY INFORMATION TECHNOLOGY PROCUREMENT FORM
To be completed for all departmental purchases of IT systems, services or renewals

Tracking Number for
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BUSINESS NEEDS ADDRESSED
The County's PeopleSoft test, development, and production application environments contain important and highly sensitive data including Personally Identifiable Information (PII). Oracle's Advanced Security product is the only solution native to the Oracle database environment that encrypts data at rest in the database, for backups, and when transferring sensitive data over the network. Therefore, the Business Systems Bureau of RCIT has selected Oracle's Advanced Security software as the only viable option for securing the County's sensitive information. Oracle's data encryption process is transparent to the application therefore requiring no changes to the PeopleSoft Enterprise environment.

ARE THERE ANY OTHER COUNTY SYSTEMS THAT PROVIDE THE SAME FUNCTIONALITY? NO YES UNKNOWN

<p>BUSINESS CRITICALITY</p> <p><input checked="" type="checkbox"/> Run the business</p> <p><input type="checkbox"/> Grow the business</p> <p><input type="checkbox"/> Transform the business</p>	<p>BUSINESS IMPACT (SELECT ALL THAT APPLY)</p> <p><input checked="" type="checkbox"/> Support current operations</p> <p><input type="checkbox"/> Reduce Expenses</p> <p><input type="checkbox"/> Improve Customer Service</p> <p><input type="checkbox"/> Improve Operational Efficiencies</p>
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BUSINESS RISKS
Financial: If not deployed, sensitive PII information will remain exposed and available in the database, in any backups including oversight backups, and as data is transmitted over the network. Financial impact could be substantial due to legal costs should PII data become compromised.

Operational: none

Customer: PII Data is currently not encrypted at rest, during network transmission, and in onsite and offsite backups.

ALTERNATIVE SOLUTIONS

1. [Solution] none
2. [Solution]
3. [Solution]

TRANSACTION Cash Purchase Lease Purchase Lease Years: _____

<p>PURCHASE COSTS</p> <p>Hardware: \$ n/a</p> <p>Software: \$148,350.00</p> <p>1st Yr Maint: \$32,637.00</p> <p>2nd+ Yr Maint: \$32,637.00</p> <p>Labor: \$35,000.00</p> <p>TOTAL COST: \$215,987.00 (excludes 2nd+ Yr Maint)</p>	<p>COST BENEFIT ANALYSIS</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>ALTERNATIVE STATUS QUO</th> <th>ALTERNATIVE</th> <th>ALTERNATIVE</th> </tr> </thead> <tbody> <tr> <td>Current Annual Cost</td> <td>n/a</td> <td>n/a</td> <td>n/a</td> </tr> <tr> <td>Ongoing Annual Cost</td> <td>n/a</td> <td>n/a</td> <td>n/a</td> </tr> <tr> <td>Annual Cost Savings</td> <td>n/a</td> <td>n/a</td> <td>n/a</td> </tr> <tr> <td>Net Annual Savings</td> <td>n/a</td> <td>n/a</td> <td>n/a</td> </tr> <tr> <td>Project Implementation Cost</td> <td>\$255,987.00</td> <td>n/a</td> <td>n/a</td> </tr> <tr> <td>Project Payback Period? yrs</td> <td>n/a</td> <td>n/a</td> <td>n/a</td> </tr> </tbody> </table>		ALTERNATIVE STATUS QUO	ALTERNATIVE	ALTERNATIVE	Current Annual Cost	n/a	n/a	n/a	Ongoing Annual Cost	n/a	n/a	n/a	Annual Cost Savings	n/a	n/a	n/a	Net Annual Savings	n/a	n/a	n/a	Project Implementation Cost	\$255,987.00	n/a	n/a	Project Payback Period? yrs	n/a	n/a	n/a
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Project Payback Period? yrs	n/a	n/a	n/a																										

Department Head Signature: _____ **Date:** _____



RIVERSIDE COUNTY INFORMATION TECHNOLOGY PROCUREMENT FORM
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RCIT RECOMMENDATION – for purchases and renewals under \$100,000	
Recommended:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (Non-recommended requests submit to TSOC)
By: <i>Brian Kany</i>	Date: <i>4/23/13</i>
Chief Information Officer Signature: <i>[Signature]</i>	Date: <i>25 April 13</i>

RCIT explanation for non-recommended requests:

TSOC RECOMMENDATION: for purchases and renewals over \$100,000 and RCIT non-recommended purchases or renewals	
Recommended:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (In no, provide explanation below)
TSOC Chair Signature: <i>[Signature]</i>	Date: <i>1 May 13</i>

TSOC explanation for denied requests:



Kevin K Crawford, Chief Information Officer

Memorandum

To: Mark Seiler, Asst. Purchasing Director

Date: April 25, 2013

Via: Kristen Mason, Procurement Contract Specialist

From: Kevin K Crawford, Chief Information Officer

Subject: Sole Source Procurement for Oracle Advanced Security License

The below information is provided in support of my Department requesting approval for a sole source. Outside of a duly declared emergency, the time to develop a statement of work or specifications is not in itself justification for sole source.

1. Supply/Service being requested:

Oracle Advanced Security, software, support, and installation assistance

2. Supplier being requested:

Oracle

3. Alternative suppliers that can or might be able to provide supply/service:

IBM InfoSphere Guardium

4. Extent of market search conducted:

The data encryption product offering for both Oracle and IBM was reviewed. Los Angeles County performed a competitive bid process and currently has a Master Services Agreement (MSA) in place with Oracle. Riverside County can purchase off of the MSA for 40% less than list price.

5. Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide:

Oracle's Advanced Security software is the only solution that seamlessly encrypts data at that Oracle Database kernel layer requiring no changes to the application layer (PeopleSoft) and no middleman component. No other products deliver native database-to-client network encryption. Oracle's Advanced Security product compliments several other Oracle Security offerings which are all managed from the same interface.

Regarding purchasing Oracle's Advanced Security product directly from Oracle, contract # RIVCO-91829-003-12/12, per County of Riverside BOS Agenda item 3.27 dated 10/22/02, Agenda item 3.49 dated 12/18/07, and Agenda item 3.24 dated 07/03/12, Oracle Software License and Maintenance Contracts for the County of Riverside without securing competitive bids stipulated that all County departments buy their licensing directly from Oracle.

**PAGE 2
SOLE SOURCE PROCUREMENT**

6. Reasons why my department requires these unique features and what benefit will accrue to the County:

No other products deliver both transparent data encryption (TDE) at the database kernel layer and database-to-client network encryption. In addition, considering the current economic environment, using Oracle's Advanced Security product would require the least in personnel hours for both installation and support. In addition, implementing a non-Oracle Advanced Security product prompts concern in regards to supportability as our Oracle databases are upgraded from one version to another, are patched, etc. Upgrades and patching may be delayed which is counter intuitive to our overall database security strategy.

7. Price Reasonableness including purchase price and any ongoing maintenance or ancillary costs from the supplier:


Oracle Advanced Security Software and one (1) year of support: \$215,987.00. There is an estimated \$32,637.00 for annual software maintenance for years two (2) through five (5). Oracle quotes provided are extending to the County of Riverside a 40% discount off list. The Los Angeles County Master Agreement offers the most aggressive discounts for these licenses and support available to state and local governments.

8. Does moving forward on this product or service further obligate the County to future similar contractual arrangements or any ongoing costs affiliated with this sole source? (Maintenance, support, or upgrades, if so, please explain)?

Yes, annual software support is required for an estimated four (4) additional one (1) year periods based on Los Angeles renewing their agreement with Oracle.

9. Period of Performance:


Initial purchase of software and installation assistance is one (1) time and includes one (1) year of support. Annual software support will be required for four (4) additional one (1) year periods.

 30 Apr 13
 Kevin K Crawford, Chief Information Officer Date

Purchasing Department Comments:

Approve Approve with Condition/s Disapprove

Purchase + Installation
 Not to exceed: \$ 215,987 One time Annual Amount through \$32,637 6-30-2018

 5-1-13 Purchase 13-471 Maint. 13-471A
 Mark Seiler, Asst. Purchasing Director Date Approval Number



ORDERING DOCUMENT

Oracle America, Inc.
500 Oracle Parkway
Redwood Shores, CA
94065

Your Name County of Riverside
Your Location 4080 Lemon St FL 11
Riverside
CA 92501-3609

Your Contact
Phone Number
Email Address

Thomas Jernejcic
951-358-6275
tom.jernejcic@RivCoIT.org

Programs and Program Support Services				
Product Description / License Type	Quantity	List Fee	Discount %	Net Fee
Advanced Security - Named User Plus Perpetual Software Update License & Support	225	51,750.00 11,385.00	40.00 40.00	31,050.00 6,831.00
Advanced Security - Processor Perpetual Software Update License & Support	17	195,500.00 43,010.00	40.00 40.00	117,300.00 25,806.00
Program and Program Support Fees		301,645.00		180,987.00

Fee Description	Net Fee
Oracle Programs License Fees	148,350.00
Oracle Programs Support Fees	32,637.00
Total Fees	180,987.00

A. Agreement and Modifications to the Agreement

1. Agreement

This order incorporates by reference the terms of the agreement specified below between you and Oracle America, Inc. (as a successor in interest to Oracle Corporation) hereinafter "Oracle". The defined terms in the agreement shall have the same meaning in this order unless otherwise specified herein. For purposes of this order any reference to "Software Updates" or "Product Support" in the agreement shall have the same meaning as "Software Update License and Support" in this order.

Agreement: Oracle License and Services Agreement

Agreement Name: OLSA-1017086-15-APR-2003

B. Terms Specific to Program(s)

1. Delivery and Installation

a. You are responsible for installation of the programs unless the programs have been pre-installed by Oracle on the hardware you are purchasing under the order or you purchase installation services from Oracle with respect to such programs.

b. Oracle has made available to you for electronic download at the electronic delivery web site located at the following InternetURL: <http://edelivery.oracle.com/exempt> the programs listed above. Through the Internet URL, you can access and electronically download to your California location the current production release as of the effective date below of the software and related program documentation for each program listed above. You shall have 60 days from the effective date of this ordering document to complete the download of the software and program documentation. Please be advised that not all programs are available on all hardware/operating system

combinations. For current program availability, please check the electronic delivery web site specified above. You acknowledge that Oracle is under no further delivery obligation under this ordering document, electronic download or otherwise. You agree to execute and return the attached Certificate of Electronic Delivery simultaneously with the execution and return of this ordering document.

c. You acknowledge and agree that you have requested to receive all updates provided by Oracle under Oracle's Technical Support Services via electronic delivery and you are solely responsible for ensuring that you do not order tangible media from Oracle for the programs which you receive via electronic delivery. In the event that you order updates for delivery via tangible media shipment (i.e., shipment of CD Pack(s)), sales taxes and interest may be due and you agree to reimburse Oracle for any applicable sales taxes and interest (interest rate used will be the applicable state's rate on sales tax underpayments) related to acquisition of such updates as specified in the agreement.

C. General Terms

1. Commencement Date

For all program licenses, the commencement date is the date of shipment of tangible media or upon the effective date of this order if shipment of tangible media is not required. The period of performance for all services for the programs is effective upon shipment of tangible media or upon the effective date of this order if shipment of tangible media is not required.

2. Summary of Fees

You have ordered programs, hardware and/or 12 months of technical support services. Listed above is a summary of net fees due under this order. These fees are in US Dollars and are exclusive of any applicable shipping charges or applicable taxes.

3. Pricing Invoicing and Payment Obligation

a. In entering into payment obligations under this order, you agree and acknowledge that you have not relied on the future availability of any hardware, program or updates. However, (a) if you order technical support, the preceding sentence does not relieve Oracle of its obligation to provide such technical support under the agreement, if and when available, in accordance with Oracle's then current technical support policies, and (b) the preceding sentence does not change the rights granted to you under this order and the agreement.

b. Service fees are invoiced after the performance of the service; specifically, technical support fees are invoiced quarterly in arrears.

c. Provided that you comply with the delivery terms in the Delivery and Installation Section of this ordering document, Oracle shall not invoice you for sales tax pursuant to California tax law based on the net license fees and net technical support fees for the programs listed above and all updates to these programs delivered by electronic download; however, you agree to indemnify and hold Oracle harmless from and against any claims, losses, damages, costs, and expenses arising from imposition of sales tax based on the net license fees and net technical support fees listed above and any updates to these programs delivered by electronic download.

d. Program fees are invoiced as of the commencement date for the programs.

e. Once placed, your order shall be non-cancelable and the sums paid nonrefundable, except as provided in the agreement.

You may change a hardware order prior to shipment subject to the then current change order fee as established by Oracle from time to time. The applicable change order fees and a description of allowed changes are defined in the Order and Delivery Policies, which may be accessed at <http://oracle.com/contracts>.

f. You understand that you may receive multiple invoices from us for the products and/or services you ordered.

4. Segmentation

The purchase of (a) hardware and/or related hardware support, (b) programs and/or related technical support, or (c) other services are all separate offers and separate from any other order for (i) hardware and/or related hardware support, (ii) programs and/or related technical support, or (iii) other services you may receive or have received from Oracle. You understand that you may purchase (x) hardware and/or related hardware support, (y) programs and/or related technical support, or (z) other services independently of any other product or service. Your obligation to pay for (i) hardware and/or related hardware support is not contingent on performance of any other service or delivery of programs, (ii) programs and/or related technical support is not contingent on delivery of hardware or performance of any other service, or (iii) other services is not contingent on delivery of hardware, delivery of programs or performance of any additional/other service.

5. Source Code

Oracle may deliver source code as part of its standard delivery for particular programs, operating system or integrated software; all source code delivered by Oracle is subject to the terms of the agreement, the applicable order and the applicable program documentation.

6. Order of Precedence

In the event of inconsistencies between the terms contained in an order and the agreement, the order shall take precedence. The order will control over the terms contained in any purchase order.

7. Territory

The program licenses included on this order are for use in (insert local country/local region).

8. Customer Reference

In consideration of the discounts granted to you under this order, Oracle may refer to you as a customer in sales presentations, marketing vehicles and activities. In addition you agree to become part of Oracle's reference program by working with a representative from Oracle Marketing to develop a customer profile for use on Oracle.com and for other promotional activities at Oracle's discretion. The profile will include a quote from an executive of your company and your company's logo.

D. Other

1. Third Party Programs

Third party technology that may be appropriate or necessary for use with some Oracle programs is specified in the program documentation. Such third party technology is licensed to you under the terms of the third party technology license agreement specified in the program documentation and not under the terms of this agreement.

2. Offer Validity

By signing below, the parties agree that the agreement and this order constitute the entire agreement between the parties with regard to the subject matter herein and as such, no other preprinted, non-negotiated or other terms and conditions, on the customer's purchase order or elsewhere, shall apply. The offer is valid through 31-MAY-2013 and shall become binding upon execution by you and acceptance by Oracle.

County of Riverside		Oracle America, Inc.	
Signature	_____	Signature	_____
Name	_____	Name	_____
Title	_____	Title	_____
Signature Date	_____	Signature Date	_____
Effective Date	(to be completed by Oracle) _____		

FORM APPROVED COUNTY COUNSEL
BY: *M. Victor* 5/2/13
MARSHAL VICTOR DATE

Certificate of Electronic Delivery

This Certificate of Electronic Delivery is executed as of the effective date set forth below by County of Riverside ("you") and relates to the electronic delivery of certain software programs provided by Oracle America, Inc. ("Oracle"). This Certificate of Electronic Delivery shall be governed by the terms of the OLSA-1017086-15-APR-2003 between you and Oracle dated 15-APR-2003 (the "agreement").

As of the date of this Certificate of Electronic Delivery, you agree that Oracle has provided you with an Internet URL through which you can download all the programs provided in the ordering document between Oracle and you dated _____, 2013 (the "ordering document"). You will have 60 days from the effective date of the ordering document to complete your download of the programs provided.

You agree that Oracle has completed all of the delivery responsibilities required by the ordering document and the agreement and no additional shipment of the programs on tangible media (CD's, Disks, Tapes, etc.) shall be provided or is required.

The Effective Date of this Certificate of Electronic Delivery is _____, 2013.

County of Riverside

Signature

Name

Title

Staffing Order

Customer Name:	Riverside County Information Technology	Oracle America, Inc.
Customer Address:	7898 Mission Grove Parkway, South Suite 200 Riverside, CA 92508 USA	500 Oracle Parkway Redwood Shores, CA 94065 USA

ORACLE CONTRACT INFORMATION

Staffing Order Number: 201997-1

Oracle Project Accounting Number: 300385585

"You" and "your" refers to Riverside County Information Technology, the individual or entity that has executed this staffing order and ordered services from Oracle America, Inc. ("Oracle").

A. SERVICES**1. Description of Services.**

At your direction, Oracle will assist you with the following tasks:

- A. Review your current PeopleSoft Environment
- B. Install and configure Advanced Security Option (ASO) on PeopleSoft test database and Dataguard
- C. Test the ASO configuration in PeopleSoft database and Dataguard
- D. Test the table-space and column encryption in PeopleSoft Environment
- E. Install and configure ASO in PeopleSoft Prod environment that includes Dataguard
- F. Review Prod environment

2. Project Management.

You shall designate a project manager who shall be solely responsible for (i) project management associated with this staffing order and (ii) direction of services provided to you by Oracle under this staffing order. Oracle shall provide services under this staffing order only under the direction of such project manager, who shall make all decisions in connection with anything relating to project management and direction under this staffing order.

3. Your Obligations.

You acknowledge that Oracle's ability to perform the services and any related estimate depends upon your fulfillment of the following obligations. Oracle will not be responsible for any deficiency in performing services if such deficiency results from your failure to fulfill such obligations.

- 1. Maintain the properly configured hardware/operating system platform to support the services.
- 2. Obtain licenses under separate contract for any necessary Oracle programs before the commencement of services.
- 3. Maintain annual technical support for the Oracle programs under separate contract throughout the term of the services.
- 4. Provide timely access to office accommodations, facilities, equipment, assistance, cooperation, complete and accurate information and data from your officers, agents, and employees, and suitably configured computer products.
- 5. You agree that you will not provide any Oracle resources performing services under this Staffing Order with access to any protected health information, personal financial information, or credit card information unless, prior to providing such access, you have de-identified such information in accordance with the regulatory standard applicable to its de-identification.
- 6. Provide Oracle with full access to the relevant functional, technical and business resources with adequate skills

- and knowledge to support the performance of services.
7. Obtain any consents required for Oracle to perform services under this staffing order.
 8. As required by U.S. Department of Labor regulations (20 CFR 655.734), you will allow Oracle to post a Notice regarding Oracle H1-B employee(s) at the work site prior to the employee's arrival on site.
 9. If while performing services, Oracle requires access to other vendor's products that are part of your system, you are responsible for acquiring all such products and the appropriate license rights necessary for Oracle to access such products on your behalf.

B. RATES AND PAYMENTS

1. Rates, Estimated Fees and Expenses.

The services specified above are provided on a time and materials ("T&M") basis; that is, you shall pay Oracle for all of the time spent performing such services, plus materials, taxes and expenses.

For a period of one year from the effective date of the staffing order, the services described above shall be provided at a 30.00% discount off Oracle's standard consulting rates in effect when such services are performed. Oracle's standard consulting rates are listed in Oracle's US price list; those rates which are in effect as of the effective date are listed below for your convenience. Thereafter, unless otherwise agreed by you and Oracle in writing, services performed under this exhibit will be provided at Oracle's standard consulting rates in effect when services are performed.

Consultant Level	List Hourly Rate	Discount	Extended Rate
Sr. Practice Director	\$506.00	\$151.80	\$354.20
Sr. Technical Director	\$506.00	\$151.80	\$354.20
Practice Director	\$460.00	\$138.00	\$322.00
Technical Director	\$460.00	\$138.00	\$322.00
Practice Manager	\$396.75	\$119.02	\$277.73
Technical Manager	\$396.75	\$119.02	\$277.73
Managing Principal	\$368.00	\$110.40	\$257.60
Senior Principal	\$368.00	\$110.40	\$257.60
Principal	\$322.00	\$96.60	\$225.40
Senior	\$264.50	\$79.35	\$185.15
Staff	\$230.00	\$69.00	\$161.00
Associate	\$172.50	\$51.75	\$120.75

All fees and expenses will be invoiced monthly and are due within thirty (30) days from the invoice date.

The fee estimate for labor performed under this staffing order is \$ 20,608.00; the estimate for travel and out of pocket expenses is an additional \$ 3,060.00. These estimates and any other estimates related to this staffing order are intended only to be for your budgeting and Oracle's resource scheduling purposes; these estimates do not include taxes. Oracle will invoice you for actual time spent performing the services, plus materials, taxes and expenses; such invoice may exceed the total estimated amount documented above. Once fees for services reach the estimate, Oracle will cooperate with you to provide continuing services on a T&M basis.

The parties acknowledge that temporary living reimbursements to Oracle provided consultant(s) may be deemed compensatory under federal, state, and local tax laws if a consultant's assignment in a particular location will exceed or has exceeded one year. Where reasonably possible, Oracle will plan with you to limit the duration of a consultant's assignment in a particular location to less than one (1) year. If the requirements of the services are such that it becomes necessary for a consultant's services in a particular location to continue for one (1) year or more and as a result, the reimbursement of such consultant's living expenses are deemed compensatory for tax purposes, then, you agree to pay Oracle the amount of additional compensation provided to such consultant to compensate for taxes imposed.

C. ADDITIONAL TERMS

1. Segmentation.

You acknowledge that the services were bid by Oracle separately from any Oracle program licenses. You understand that you have the right to acquire services without acquiring any Oracle program licenses, and that you have the right to acquire the services and any Oracle program licenses separately.

2. Contact Information.

Oracle Consulting Sales Contact		Your Billing/Accounts Payable Contact	
Name:	Rob Chuang	Name:	Tom Jernejcic
Address:	484 Hackberry Place Gaithersburg, MD 20878 USA	Address:	7898 Mission Grove Parkway, South Suite 200 Riverside, CA 92508 USA
Phone:	202-297-2662	Phone:	(951) 358-6275
Fax:	703-364-3957	Fax:	
Email:	ROB.CHUANG@ORACLE.COM	Email:	Tom.Jernejcic@RivCoIT.org

Oracle Contract Specialist		Your Project Manager	
Name:	nac-contracts-ssc us@oracle.com	Name:	Tom Jernejcic
Address:	1910 Oracle Way Reston, VA 20190 USA	Address:	7898 Mission Grove Parkway, South Suite 200 Riverside, CA 92508 USA
Phone:		Phone:	(951) 358-6275
Fax:	781-744-0371	Fax:	
Email:	nac-contracts-ssc us@oracle.com	Email:	Tom.Jernejcic@RivCoIT.org

3. Force Majeure.

Neither of us shall be responsible for failure or delay of performance if caused by: an act of war, hostility, or sabotage; act of God; electrical, internet, or telecommunication outage that is not caused by the obligated party; government restrictions (including the denial or cancellation of any export or other license); or other event outside the reasonable control of the obligated party. We both will use reasonable efforts to mitigate the effect of a force majeure event. If such event continues for more than ninety (90) days, either of us may cancel unperformed services upon written notice. This section does not excuse either party's obligation to take reasonable steps to follow its normal disaster recovery procedures or your obligation to pay for services provided.

4. Export.

Export laws and regulations of the United States and any other relevant local export laws and regulations apply to services deliverables. You agree that such export control laws govern your use of services deliverables (including technical data) and you agree to comply with all such export laws and regulations (including "deemed export" and "deemed re-export" regulations). You agree that no data, information, program and/or materials resulting from services (or direct product thereof) will be exported, directly or indirectly, in violation of these laws, or will be used for any purpose prohibited by these laws including, without limitation, nuclear, chemical, or biological weapons proliferation, or development of missile technology.

5. Relationship Between Parties.

Oracle is an independent contractor and we agree that no partnership, joint venture, or agency relationship exists between us. We each will be responsible for paying our own employees, including employment related taxes and insurance.

6. Warranties, Disclaimers and Exclusive Remedies.

Oracle warrants that services will be provided in a professional manner consistent with industry standards. You must notify Oracle of any warranty deficiencies within ninety (90) days from performance of the defective services.

FOR ANY BREACH OF THE WARRANTY, YOUR EXCLUSIVE REMEDY, AND ORACLE'S ENTIRE LIABILITY, SHALL BE THE RE-PERFORMANCE OF THE DEFICIENT SERVICES, OR IF ORACLE CANNOT SUBSTANTIALLY CORRECT A BREACH IN A COMMERCIALY REASONABLE MANNER, YOU MAY END THE RELEVANT SERVICES AND RECOVER THE FEES PAID TO ORACLE FOR THE DEFICIENT SERVICES.

TO THE EXTENT PERMITTED BY LAW, THIS WARRANTY IS EXCLUSIVE AND THERE ARE NO OTHER EXPRESS OR IMPLIED WARRANTIES OR CONDITIONS, INCLUDING WARRANTIES OR CONDITIONS OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

7. Indemnification.

If a third party makes a claim against either you or Oracle ("Recipient", which may refer to you or Oracle depending upon which party received the Material) that any information, design, specification, instruction, software, data, or material ("Material") furnished by either you or Oracle ("Provider", which may refer to either you or Oracle depending upon which party provided the Material) and used by the Recipient infringes its intellectual property rights, the Provider, at its sole cost and expense, will defend the Recipient against the claim and indemnify the Recipient from the damages, liabilities, costs and expenses awarded by the court to the third party claiming infringement or the settlement agreed to by the Provider, if the Recipient does the following:

1. notifies the Provider promptly in writing, not later than thirty (30) days after the Recipient receives notice of the claim (or sooner if required by law);
2. gives the Provider sole control of the defense and any settlement negotiations; and
3. gives the Provider the information, authority, and assistance the Provider needs to defend against or settle the claim.

If the Provider believes or it is determined that any of the Material may have violated a third party's intellectual property rights, the Provider may choose to either modify the Material to be non-infringing (while substantially preserving its utility or functionality) or obtain a license to allow for continued use, or if these alternatives are not commercially reasonable, the Provider may end the license for, and require return of, the applicable Material and refund any fees the Recipient may have paid for it. If you are the Provider and such return materially affects Oracle's ability to meet its obligations under this staffing order, then Oracle may, at its option and upon thirty (30) days prior written notice, terminate this staffing order. The Provider will not indemnify the Recipient if the Recipient alters the Material or uses it outside the scope of use identified in this staffing order or if the Recipient uses a version of the Material which has been superseded, if the infringement claim could have been avoided by using an unaltered current version of the Material which was provided to the Recipient. The Provider will not indemnify the Recipient to the extent that an infringement claim is based upon any information, design, specification, instruction, software, data, or material not furnished by the Provider. Oracle will not indemnify you to the extent that an infringement claim is based upon the combination of Materials with any products or services not provided by Oracle. **This section provides the parties' exclusive remedy for any infringement claims or damages.**

8. End of Agreement.

If either of us breaches a material term of this staffing order and fails to correct the breach within thirty (30) days of written specification of the breach, then the breaching party is in default and the non-breaching party may terminate this staffing order. If Oracle ends this staffing order as specified in the preceding sentence or under the Indemnification section, you must pay within thirty (30) days thereafter, all amounts which have accrued prior to such end, as well as all sums remaining unpaid for such services plus related taxes and expenses. Except for nonpayment of fees, the non-breaching party may agree in its sole discretion to extend the thirty (30) day period for so long as the breaching party continues reasonable efforts to cure the breach. You agree that if you have used an Oracle Financing Division contract to pay for the fees due under this staffing order and you are in default under this contract, you may not use the services that are subject to this contract. Provisions that survive termination or expiration are those relating to limitation of liability, infringement indemnity, payment, and others which by their nature are intended to survive.

9. Nondisclosure.

By virtue of this staffing order, the parties may have access to information that is confidential to one another ("confidential information"). We each agree to disclose only information that is required for performance of obligations under this staffing order. Confidential information shall be limited to the terms and pricing under this staffing order, and all information clearly identified as confidential at the time of disclosure.

A party's confidential information shall not include information that: (a) is or becomes a part of the public domain through no act or omission of the other party; (b) was in the other party's lawful possession prior to the disclosure and had not been obtained by the other party either directly or indirectly from the disclosing party; (c) is lawfully disclosed to the other party by a third party without restriction on the disclosure; or (d) is independently developed by the other party.

We each agree to hold each other's confidential information in confidence for a period of three (3) years from the date of disclosure. Also, we each agree to disclose confidential information only to those employees or agents who are required to access it in furtherance of this staffing order and who are required to protect it against unauthorized disclosure. Nothing shall prevent either party from disclosing the terms or pricing under this staffing order in any legal proceeding arising from or in connection with this staffing order or disclosing the confidential information to a federal or state governmental entity as required by law.

10. Entire Agreement.

You agree that this staffing order is the complete order for services specified herein and supersedes all prior or contemporaneous agreements or representations, written or oral, regarding such services. If any term of this staffing order is found to be invalid or unenforceable, the remaining provisions will remain effective and such term shall be replaced with a

term consistent with the purpose and intent of this staffing order. It is expressly agreed that the terms of this staffing order shall supersede the terms in any purchase order or other non-Oracle document and no terms included in any such purchase order or other non-Oracle document shall apply to the services. This staffing order may not be modified and the rights and restrictions may not be altered or waived except in a writing signed by authorized representatives of you and Oracle. Any notice required under this staffing order shall be provided to the other party in writing.

11. Limitation of Liability.

NEITHER PARTY SHALL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES, OR ANY LOSS OF PROFITS, REVENUE, DATA, OR DATA USE. ORACLE'S MAXIMUM LIABILITY FOR ANY DAMAGES ARISING OUT OF OR RELATED TO THIS STAFFING ORDER, WHETHER IN CONTRACT OR TORT, OR OTHERWISE, SHALL BE LIMITED TO THE AMOUNT OF FEES YOU PAID ORACLE UNDER THIS STAFFING ORDER, AND IF SUCH DAMAGES RESULT FROM YOUR USE OF SERVICES, SUCH LIABILITY SHALL BE LIMITED TO THE FEES YOU PAID ORACLE FOR THE DEFICIENT SERVICES.

12. Other.

This staffing order is governed by the substantive and procedural laws of the state of California and you and Oracle agree to submit to the exclusive jurisdiction of, and venue in, the courts in San Francisco or Santa Clara counties in California in any dispute arising out of or relating to this staffing order.

If you have a dispute with Oracle or if you wish to provide a notice under the Indemnification section of this staffing order, or if you become subject to insolvency or similar other legal proceedings, you will promptly send written notice to Oracle America, Inc., 500 Oracle Parkway, Redwood Shores, CA 94065 Attention: General Counsel, Legal Department.

You may not assign this staffing order or give or transfer any services deliverables or an interest in them to another individual or entity. If you grant a security interest in any services deliverables, the secured party has no right to use or transfer those deliverables and if you decide to finance your acquisition of services, you will follow Oracle's policies regarding financing which are at <http://oracle.com/contracts>.

Except for actions for nonpayment or breach of Oracle's proprietary rights, no action, regardless of form, arising out of or relating to this staffing order may be brought by either party more than two years after the cause of action has accrued.

13. Rights Granted.

Upon payment for services you have the non-exclusive, non-assignable, royalty free, perpetual, limited right to use for your internal business operations, anything developed by Oracle and delivered to you under this staffing order. You may allow your agents and contractors (including, without limitation, outsourcers) to use the deliverables for this purpose and you are responsible for their compliance with this staffing order in such use. For anything developed or delivered under this staffing order that is specifically designed to allow your customers and suppliers to interact with you in the furtherance of your internal business operations, such use is allowed under this staffing order.

14. Ownership and Restrictions.

Oracle retains ownership and all intellectual property rights to anything developed or delivered under this staffing order. The services provided under this staffing order may be related to your license to use programs owned or distributed by Oracle which you acquire under a separate order. The agreement referenced in that order shall govern your use of such programs.

This quote is valid through 31-MAY-13 and shall become binding upon execution by you and acceptance by Oracle.

Riverside County Information Technology

Oracle America, Inc.

Authorized Signature: _____

Authorized Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

Signature Date: _____

Signature Date: _____

Staffing Order Effective Date: 01-APR-13

FORM APPROVED COUNTY COUNSEL

BY: MR Victor 5/2/13
MARSHAL VICTOR DATE