
REPORT TITLE: Supply of Maintenance and Support Services for PeopleSoft Software – Document 2019-505P

FROM: Gary Kent, CPA, CGA, ICD.D, Chief Financial Officer and Commissioner of Corporate Services

RECOMMENDATION

- 1. That a contract (Document 2019-505P) for Supply of Maintenance and Support Services for PeopleSoft Software awarded to Spyre Solutions Inc. be renewed for one 12-month period from October 28, 2022 to October 27, 2023 in the estimated amount of \$761,652.11 (excluding applicable taxes) pursuant to Procurement By-law 30-2018, as amended; and**
- 2. That authority be granted to the Director of Procurement to renew the contract for one optional 12-month period, subject to available funding, satisfactory performance, pricing, and to increase the contract for required additional support services.**

REPORT HIGHLIGHTS

- The Region of Peel's (Region) current portfolio of business applications that includes Oracle's PeopleSoft Financials and PeopleSoft Human Resources systems has been in use since 1993.
- The Region secured Spyre Solutions, Inc. through a competitive process in 2019 to provide ongoing maintenance and support services for the PeopleSoft software.
- The Region has recently acquired a new Enterprise Resource Planning (ERP) system to replace Oracle's legacy system.
- The current contract with Spyre Solutions, Inc. is expiring in October 2022 and will need to be extended until the old ERP system has been decommissioned and the new ERP system is fully operational.

DISCUSSION

1. Background

The Region's current portfolio of business applications that comprises of Oracle's PeopleSoft Financial Management Systems and PeopleSoft Human Resources Systems has been in use since 1993. Historically, technical support for the applications was being provided directly by Oracle; however, in an effort to find an alternative solution that was more cost effective, the Region conducted a competitive process in 2016 and 2019 to secure a third-party provider with technical and functional expertise in Oracle's PeopleSoft

Supply of Maintenance and Support Services for PeopleSoft Software – Document 2019-505P

Financial Management Systems and PeopleSoft Human Resources Systems to provide ongoing technical support.

Spyre Solutions Inc. was awarded the contract in 2019 as the third-party provider for maintenance and support for an initial 12-month contract period with two optional 12-month contract periods. The contract is currently in the final contract period expiring in October 2022.

PeopleSoft Financials is primarily used by the Corporate Finance, Finance, PRP and Procurement Divisions for core functional areas such as general ledger, accounts payable and basic indirect procurement. Currently, accounts receivable and fixed assets are addressed by separate point solutions.

The Human Resources Division uses PeopleSoft HRMS for Core HR, benefits administration, time & labour, absence management and payroll processing. Peel Regional Police uses PeopleSoft HRMS for recruiting, performance management, training and development. This current ERP suite of applications are at end of life and no longer support the business area's specific needs and processes. To ensure business continuity, modernize, integrate, and enhance business functionality, the Region of Peel's leadership team had made the decision to replace the existing legacy ERP system with a new and modern ERP system. The Region conducted a competitive procurement process in 2020 that resulted in the acquisition of a new ERP solution. The new system is currently being implemented and expected to go live in 2023.

The contract with Spyre Solutions, Inc. for maintenance and support of the old ERP system ends in October 2022. While the implementation of the new ERP system is now underway, notwithstanding the estimated go-live date in 2023, the old ERP system cannot be decommissioned until the new system is fully operational. Therefore, maintenance and technical support is still needed for the old system. As it is not feasible to conduct another competitive process while the new ERP system is already being implemented, staff recommends extending the current support contract with Spyre Solutions, Inc. for another year with an option to extend beyond 2023 to mitigate the risks of potential delays in the implementation of the new ERP system.

2. Procurement Process

In accordance with Procurement By-law 30-2018, as amended, extensions to the Contract requires Regional Council approval. The process to award the Contract is in compliance with the By-law.

The support from the Vendor has been acceptable and the services provided by Spyre Solutions Inc. deliver good value to the Region.

FINANCIAL IMPLICATIONS

There are sufficient funds in the operating budget within various areas in Finance, HR and PRP to award the contract.

Supply of Maintenance and Support Services for PeopleSoft Software – Document 2019-505P

Authored By: Glenda Baylon, Supervisor, IT Operations, Corporate Services

A handwritten signature in black ink that reads "G. Kent." The signature is written in a cursive, flowing style.

Gary Kent, CPA, CGA, ICD.D, Chief Financial Officer and Commissioner of Corporate Services