



STATE CONTROLLER'S DIVISION

Business Case for Oracle Enterprise Performance Management System 11

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File Name: Business Case Hyperion CPU License_DAS_20100305.doc

Date First Created: 10/01/09

Date Last Updated: 03/05/10

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Business Case – Authorizing Signatures

PROPOSAL NAME AND DOCUMENT VERSION #	Oracle Enterprise Performance Management System 11		
AGENCY	10700	DATE	03/05/10
DIVISION	State Controller's Division	DAS CONTROL #	N/A
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I. Executive Summary

Since the Datamart's creation in 1997, the State of Oregon (State) has come to rely on the Brio/Hyperion query tool as its primary means of retrieving accounting and other financial information from the Datamart. Today, nearly 700 individuals, including accountants, payroll staff, and budget analysts, use the Brio/Hyperion tool to gather data to track and analyze funding sources and spending and to prepare financial reports for critical business operations.

The initial software licenses for the data query tool were individually purchased by agencies from Brio Software, Inc. and installed on each user's computer desktop. In 2003, Brio was acquired by Hyperion Solutions Corporation. For a time period, Hyperion continued to market the query tool by selling individual user licenses for desktop installations.

In 2005, Hyperion unveiled System 9, a product designed to integrate business intelligence technologies and financial management applications into a single, cohesive system, accessible as a Web-based application. Most agencies, however, continued to purchase the earlier versions of the software for individual desktop use.

In March 2007, Hyperion was acquired by Oracle. Oracle quickly sized up the amount of work it takes to manage thousands of individual desktop licenses and notified the State that it would no longer sell individual licenses to Hyperion's former customers. If the State wanted to continue with this business model, it would have to purchase the desktop licenses directly from third-party resellers. The alternative was to install System 9 through the acquisition of a single statewide license.

The need to upgrade took on greater urgency in 2009, when Oracle announced it would no longer provide customer support for the Brio/Hyperion desktop licenses. In addition, Oracle communicated it had no plans to develop a patch to ensure legacy desktop installations worked properly when customers migrated beyond the Windows XP operating system. To avoid compatibility issues, Oracle encouraged customers to upgrade to the latest version of the product. In the meantime, Oracle introduced its next generation product, **Oracle Enterprise Performance Management System 11**.

Today, most agencies use legacy versions of the Brio/Hyperion query tool to retrieve data from the Datamart. Although Oracle no longer supports these versions, there is little risk of failure. The reason is there has been no change to the State's operating system since the implementation of Windows XP. However, Microsoft has announced it will discontinue support for Windows XP in 2014. As a consequence, DAS Technology Support Center informed the State Controller's Division that plans are in place to migrate to Windows 7 in the 2011-13 biennium. Without an Oracle-sponsored migration path and vendor support, a major risk exists that Datamart queries executed in a Windows 7 environment, using legacy versions of the Brio/Hyperion software, will return inaccurate and/or incomplete data. Data integrity is critical to the mission of the State Controller's Division. Therefore, the purpose of this business case is to evaluate whether it is in the best interest of the State to acquire a statewide license for **Oracle Enterprise Performance Management System 11** or to pursue a different option.

This business case analyzes five scenarios:

- **Scenario #1:** Agencies continue to use the legacy versions of the Brio/Hyperion query tool as long as possible, assuming that Oracle or another third party will eventually develop a patch to ensure data integrity.
- **Scenario #2:** DAS purchases the **Oracle Enterprise Performance Management System 11 software *with* the Business Intelligence (BI) Server**. This scenario involves the purchase of a single statewide license and a Web-based implementation designed to optimize enterprise-wide performance. It also requires additional IT professional services as well as State Data Center hosting costs.
- **Scenario #3:** DAS purchases the **Oracle Enterprise Performance Management System 11 software *without* the BI server**. In this scenario, the State obtains a single statewide license that would allow an upgrade of all current desktop installations without incurring the cost to build the infrastructure required to support a Web-based application.
- **Scenario #4:** Agencies purchase individual **Oracle Enterprise Performance Management System 11** desktop licenses. The State Controller's Division would continue to provide management/support based on the current service model.
- **Scenario #5:** Agencies move to an established alternate query tool, such as Microsoft Excel, Microsoft Access, or another current State product. Inform agencies it is their responsibility to select a query tool. The State Controller's Division would provide limited management/support compared to the current service model.

We believe the following analysis (which also considers feedback gathered from State agencies through surveys and discovery sessions) will support the State Controller's Division's recommendation of Scenario #3.

II. Introduction

A. Statewide Accounting and Reporting Services: Mission

The Statewide Accounting and Reporting Services (SARS) section of the State Controller's Division exists to provide statewide accounting policy and guidance, financial reporting services, and customer consultation and training. In addition, SARS is responsible for management of the Datamart, a system that houses tables of data downloaded from the central financial systems. SARS supports both ad hoc reporting and a repository of standard reports which agencies use to query the Datamart.

B. Customer Base

The key customers affected by this business case are agency fiscal employees who rely on the Datamart to provide the financial data needed for agency business operations and financial reporting.

C. Business Case Proposal

This business case will examine five different scenarios for replacing the legacy Brio/Hyperion query tool that agencies currently use to extract accounting and other financial data from the Datamart.

- **Scenario #1:** Agencies continue to use the legacy versions of the Brio-Hyperion query tool as long as possible, assuming that Oracle or another third party will eventually develop a patch to ensure data integrity.
- **Scenario #2:** DAS purchases the **Oracle Enterprise Performance Management System 11 software *with* the Business Intelligence (BI) Server**. This scenario involves the purchase of a single statewide license and a Web-based implementation designed to optimize enterprise-wide performance. It also requires additional IT professional services as well as State Data Center hosting costs.
- **Scenario #3:** DAS purchases the **Oracle Enterprise Performance Management System 11 software *without* the BI server**. In this scenario, the State obtains a single statewide license that would allow an upgrade of all current desktop installations without incurring the cost to build the infrastructure required to support a Web-based application.
- **Scenario #4:** Agencies purchase individual **Oracle Enterprise Performance Management System 11** desktop licenses. The State Controller's Division would continue to provide management/support based on the current service model.
- **Scenario #5:** Agencies move to an established alternate query tool, such as Microsoft Excel, Microsoft Access, or another current State product. Inform agencies it is their responsibility to select a query tool. The State Controller's Division would provide limited management/support compared to the current service model.

D. Purpose of the Proposal

The purpose of this business case is to evaluate the five different proposals and determine which one best meets the needs of the Datamart customer base, taking into account the benefits, risks and costs.

E. Background

Since the Datamart's inception in 1997, the State of Oregon has come to rely on the Brio/Hyperion query tool as its primary means of retrieving accounting and other financial information from the Datamart. Currently, nearly 700 individuals, including accountants, payroll staff, and budget analysts, use the Brio/Hyperion tool to gather data to track and analyze funding sources and spending and to prepare financial reports for critical business operations.

The initial software licenses for the data query tool were individually purchased by agencies from Brio Software, Inc. and installed on each user's computer desktop. In 2003, Brio was acquired by Hyperion Solutions, Corporation. For a time period, Hyperion continued to market the query tool by selling individual user licenses for desktop installations. However, in

2005, Hyperion unveiled Hyperion System 9, a product designed to integrate business intelligence technologies and financial management applications into a single, cohesive system, accessible as a Web-based application.

Although System 9 was marketed as a scalable, shared services foundation that would simplify systems management, integration and administration across the enterprise, the State did not migrate to the new product. Instead, most agencies continued to purchase the earlier versions of the software for individual desktop use. It soon became apparent, however, that vendor support for the pre-System 9 desktop installations would be short-lived. In March 2007, Hyperion was the subject of a second major announcement – the company had been acquired by Oracle.

F. Problem

Oracle quickly sized up the amount of work it takes to manage thousands of individual desktop licenses and notified the State that it would no longer sell individual licenses to Hyperion's former customers. If the State wanted to continue with that business model, the State would have to purchase the desktop licenses directly from third-party resellers. The alternative was to purchase the single enterprise license and install System 9.

The State Controller's Division began to seriously consider System 9 in 2007. However, turnover in personnel and the difficulty encountered in trying to estimate the cost of the infrastructure required to support a Web-based application stood in the way. The need to upgrade the query tool software took on greater urgency in 2009, when Oracle announced it would no longer support the legacy desktop licenses and had no plans to develop patches when customers migrate to Vista, Windows 7 and beyond. In addition, Oracle introduced its next generation product, **Oracle Enterprise Performance Management System 11**.

G. Risks

Today, most agencies continue to use various legacy versions of the Brio/Hyperion software to query the Datamart. Although Oracle no longer supports these versions, there is little risk of failure as long as there has been no change to the State's desktop operating system of Windows XP. However, Microsoft has announced it will discontinue support for Windows XP in 2014. As a consequence, DAS Technology Support Center informed the State Controller's Division that plans are in place to migrate to Windows 7 in the 2011-13 biennium. Without an Oracle-sponsored migration path and vendor support, a major risk exists that Datamart queries executed in operating systems beyond Windows XP, using legacy versions of the Brio/Hyperion software, will return inaccurate and/or incomplete data. Data integrity is critical to the mission of the State Controller's Division.

DAS Technology Support Center estimates there may be as many as 50,000 Brio/Hyperion files in use statewide. A statewide advisory committee composed of Datamart users reported that agencies do not have the staffing or the time to rebuild and replace these files. In addition, Datamart users have indicated they want the State Controller's Division to manage the process centrally and select a migration path that allows them to preserve their existing queries, which System 11 provides. Otherwise, it will be left up to the agencies to purchase individual desktop licenses for System 11 on their own (which would be more costly), or

select an alternative query tool designed to run on Windows 7 (which means the existing queries would have to be rebuilt).

H. Benefits

There are many advantages of upgrading to an enterprise license model. First, it would eliminate the need for agencies to purchase and manage individual query tool software licenses. Secondly, it would mean that all Datamart users statewide would work from the same version of the query tool, thereby eliminating compatibility issues. In addition, it would support the development and delivery of uniform statewide Datamart training.

According to Oracle's records, approximately 670 Brio/Hyperion software licenses and maintenance agreements are currently owned by the State of Oregon although purchased at the agency level. Agencies are billed multiple times throughout the year (normally on each user's anniversary purchase date) for the maintenance support. This can be a tedious and time-consuming process which could be streamlined. If the individual desktop licenses were replaced by an enterprise license model, the State would pay the annual maintenance for **all** desktop installations on a single annual invoice, allowing the time spent on processing multiple invoices to be redirected to more value-added activities.

Finally, the acquisition of the enterprise license includes the potential for migrating to a statewide, Web-based design that could be used by agencies to query any database, not just the financial Datamart.

I. Customer Survey

In 2008, the State Controller's Division distributed a survey to Datamart customers. The survey results were logged and analyzed. In 2009, the State Controller's Division invited agencies to participate in multiple "discovery sessions" that included Oracle experts. These sessions were aimed at gathering information from customers to determine how best to serve their needs.

In both the survey and discovery sessions, customers overwhelmingly expressed the desire to continue using the Brio/Hyperion application. Agency fiscal staffs are heavily invested in this software. They have built many complex queries (estimated at over 50,000) they do not want to rebuild. Agencies were very clear that they want the State Controller's Division to manage the process and select a migration path that allows them to preserve their existing queries, which System 11 would do.

J. Disclaimer

The forecast data used in this business case are based on the best available information and assumptions gathered for the current period. If any of these assumptions are altered, or the data changes, it may affect the results of this project.

The pricing model discussed in this case is for **Oracle Enterprise Performance Management System 11**. Pricing for future versions could be higher.

Based on Microsoft's support policies (see the links below), mainstream support for Windows XP SP2 ended on Sept 17, 2009. Extended support will end on Sept. 17, 2014.

<http://support.microsoft.com/gp/lifean19?info=EXLINK>

[http://support.microsoft.com/lifecycle/#Microsoft%E2%80%99s Support Lifecycle](http://support.microsoft.com/lifecycle/#Microsoft%E2%80%99s%20Support%20Lifecycle)

According to Oracle representatives, the Brio/Hyperion query tool (versions 5, 6 and 8) will run properly on the Windows XP operating system, but functionality is compromised when customers upgrade to later operating systems. Oracle no longer supports any version of this legacy product, regardless of operating system.

III. Environmental Impacts

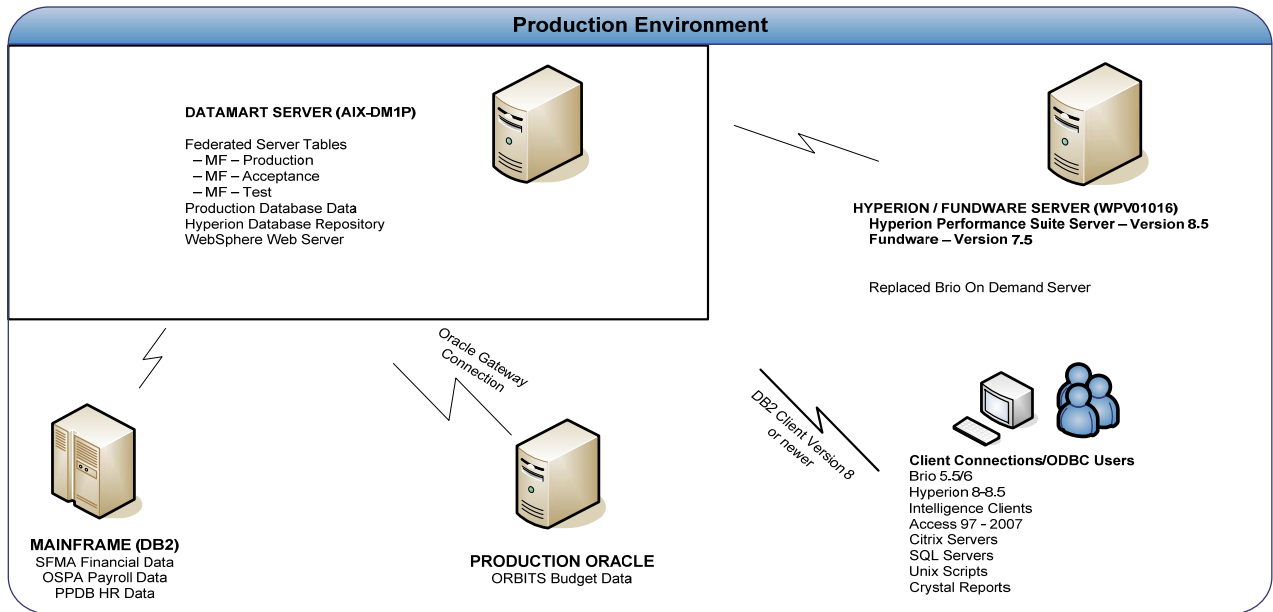
A. Scenario #1

Agencies continue to use existing legacy versions of the Brio/Hyperion query tool.

Diagram of the current operating environment in which the Datamart is accessed using legacy versions of the Brio/Hyperion query tool.

State of Oregon Datamart Architecture Overview

as of October 26, 2009



Pros

- Low initial costs – Minimal desktop installations (licenses purchased through resellers) expected in the future due to existing product's maturity; no future upgrades because product only minimally supported by Oracle.
- Low initial training costs – Current users know how to use the existing query tool.
- Lower migration costs – At a minimum, upgrade all existing desktop installations to version 8.5 (see below) to ensure sustaining support.

Cons

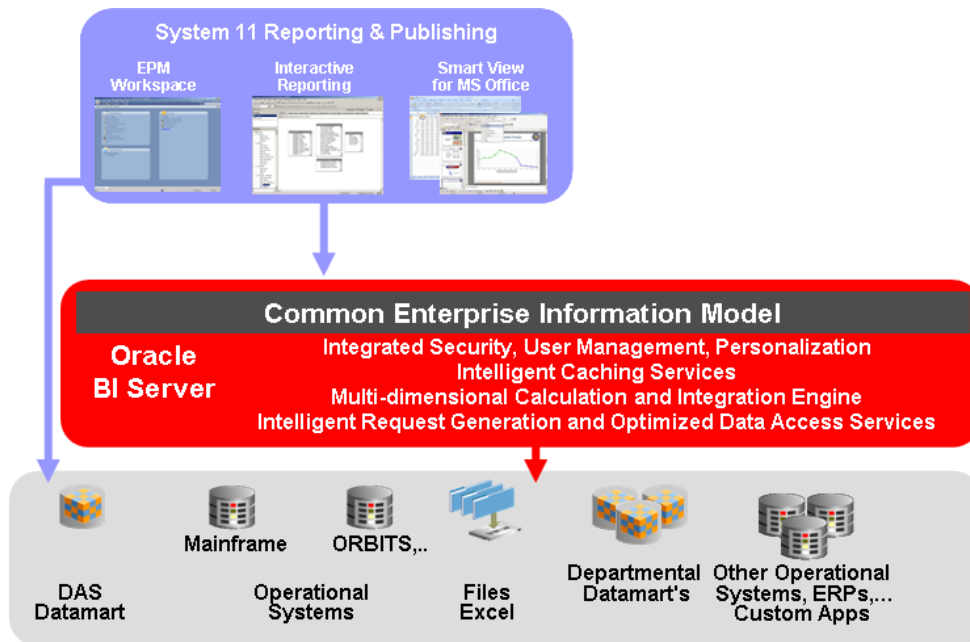
- Version 5.5 and 6 not supported; version 8.5 sustaining support only:

- Requires “frozen” infrastructure
- Version 8.5 will not be upgraded to run on a new operating system, browser, DB2, etc.
- Exposes State to the risk of application failure; estimated 50,000 (.bqy) files statewide may no longer function due to compatibility issues
- Migration tools require the source system to be functioning; waiting to upgrade may require complex and costly migration “by hand”
- Higher downstream support costs
 - Any infrastructure upgrades require a product upgrade to take place first.
 - Microsoft’s de-support of Windows XP in 2014 will require the State to upgrade to a supported query tool product which may cost more.
- Continued use of the individual desktop licensing business model means State agencies continue to manage multiple software licenses and multiple annual maintenance bills
- Increased Datamart support time dealing with outdated versions

B. Scenario #2

DAS purchases the **Oracle Enterprise Performance Management System 11 software with the Business Intelligence (BI) Server.**

Diagram of the operating environment in which the Datamart is accessed using Oracle Enterprise Performance Management System 11 with the Business Intelligence (BI) server.



Pros

- Fully supported product
- Unlimited user access provided through a single statewide license; no additional license fees or software purchases needed for new users
- Increased compatibility
 - Support for AJAX, Linux, SOAP, XML, WSDL, J2EE, .NET, etc.
 - 64 Bit Support
- Low support costs – Web-based tool = minimal workstation maintenance
- Low training costs – Familiar end-user interface leverages users’ current skill set

- Centralized Metadata model – Standardized computed fields and calculations centrally maintained and updated
- Intelligent caching functionality – Helps lower query run time
- Low migration costs – Migration tools available to automate and streamline process, including creation of centralized metadata from existing (.bqy) files
- Easy, cost-effective integrated reporting on multiple data sources including other datamarts
- Centralized Web-based logging / audit capabilities for all users – No ability to circumvent
- Uniform upgrades and maintenance across the board, no one is missed
- Simplified cost-effective statewide licensing model – Replaces multiple agency maintenance bills for one central annual invoice
- Files secured on the BI server, not individual machines
- Centralized access to agency report folders
- Greater ability to monitor and control runaway queries
- Built in scheduler with report creation and email functionality

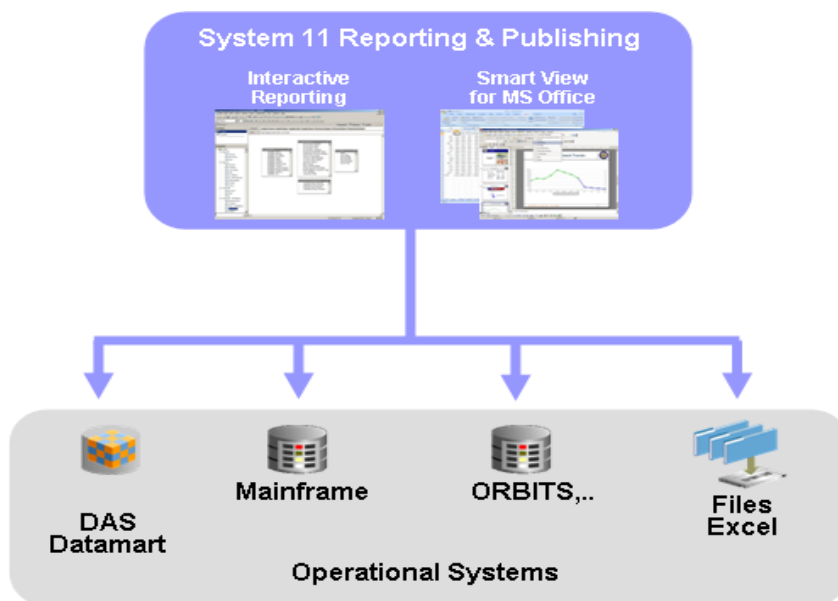
Cons

- Requires initial license upgrade expenditure
- Requires additional IT professional services
- Requires additional State Data Center server hosting costs
- Requires some developer retraining to create and maintain Common Enterprise Information Model
- Requires additional administration for security and file access

C. Scenario #3

DAS purchases **Oracle Enterprise Performance Management System 11 software *without* the Business Intelligence (BI) Server.**

Diagram of the operating environment in which the Datamart is accessed using Oracle Enterprise Performance Management System 11 installed as a desktop application.



Pros

- Fully supported product
- Unlimited user access provided through a single statewide license; no additional license fees or software purchases needed for new users
- Increased compatibility
 - Support for AJAX, Linux, SOAP, XML, WSDL, J2EE, .NET, etc.
 - 64 Bit Support
- Simplified cost-effective statewide licensing model – Replaces multiple agency maintenance bills with one central annual invoice
- Low training costs – Familiar end-user interface leverages users' current skill
- Low migration costs – Continue to use existing (.bqy) files
- Low on going license support fees – Statewide reduction
- Centralized report Repository – Standardized management of reports
- Uniform upgrades and maintenance across the board, no one is missed
- Potential for future growth into a statewide Web-based application and additional audit capabilities
- Current Hyperion infrastructure is maintained; no costs are incurred to develop and maintain a Web-based application.

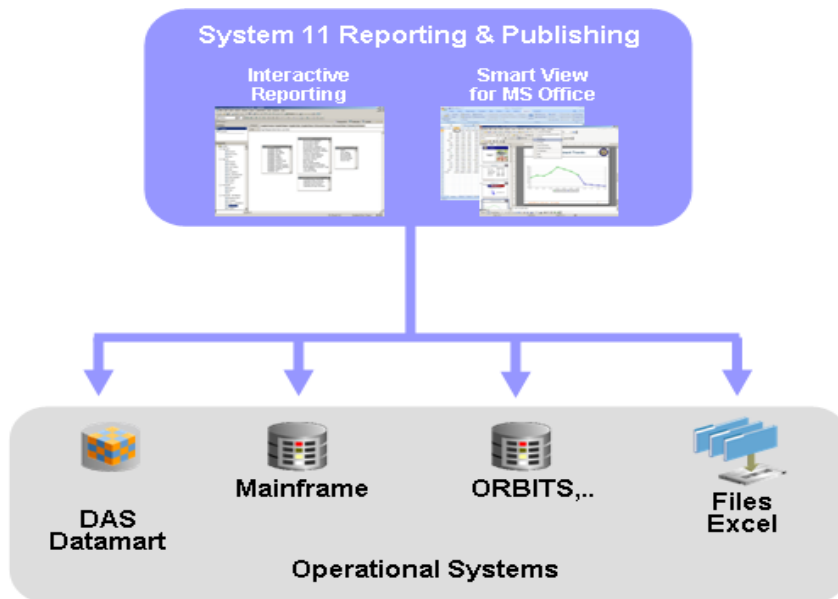
Cons

- Requires initial license upgrade expenditure
- Not Web-based – Requires continued agency IT support for manual desktop installation

D. Scenario #4

Agencies purchase individual desktop licenses for **Oracle Enterprise Performance Management System 11**.

Diagram of the operating environment in which the Datamart is accessed using individually installed desktop licenses for System 11.



Pros

- Fully supported product
- Increased compatibility
 - Support for AJAX, Linux, SOAP, XML, WSDL, J2EE, .NET, etc.
 - 64 Bit Support
- Low training costs – Familiar end-user interface leverages users' current skill
- Low migration costs – Continue to use existing (.bqy) files
- Centralized report Repository – Standardized management of reports
- Uniform upgrades and maintenance across the board, no one is missed
- Potential for future growth into a statewide Web-based application and additional audit capabilities
- Current Hyperion infrastructure is maintained; no costs are incurred to develop and maintain a Web-based application.

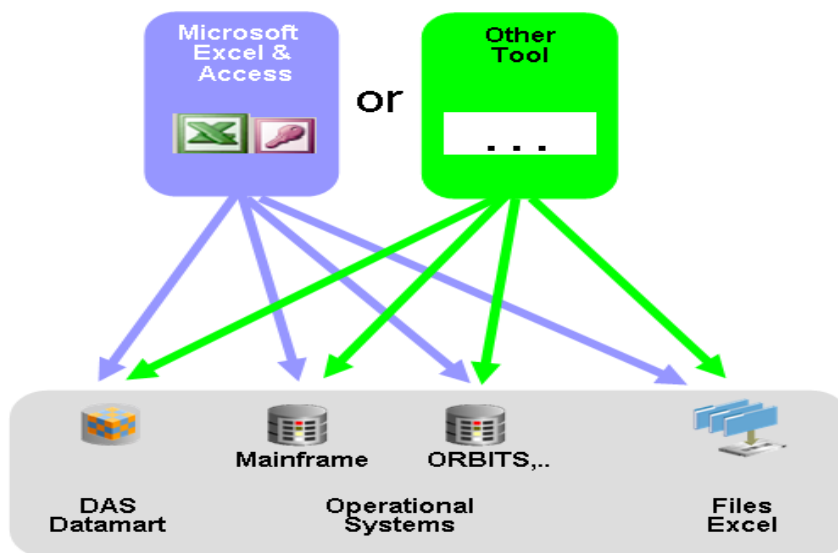
Cons

- Requires initial license upgrade expenditure (at increased cost compared to Scenario #3)
- Not Web-based – Requires continued agency IT support for manual desktop installations
- Does *not* take advantage of the following enterprise license benefits:
 - Statewide reduction of support fees
 - Unlimited user access provided through a single statewide license. (Under Scenario #4, if additional licenses are needed for new users, agencies must purchase the licenses themselves.)
 - Streamlined, cost-effective statewide licensing model that would replace multiple agency maintenance bills with one central annual invoice

E. Scenario #5

Agencies select an established alternative query tool, such as Microsoft Excel or Microsoft Access or another current State product.

Diagram of the operating environment in which the Datamart is accessed using Microsoft Excel, Microsoft Access or another established query tool.



Pros

- Low initial software costs – Requires no additional purchases or license upgrade costs because the State uses established software; however, it may require the purchase of ODBC access tools or drivers
- Moderate user interface training costs – Most Datamart users know how to use Excel, but may need additional training to learn how to use Microsoft Access or other query tools.

Cons

- No ability to leverage the estimated 50,000+ statewide (.bqy) documents
- Additional training costs for query building due to no automatic data joins
- Higher support costs – Workstation upgrades for processing power & RAM
- No audit trail – “Where did this formula come from?”
- Loss of report creation and business analysis capabilities
- No potential for statewide Web-based query application – Requires continued agency IT support for manual desktop installations
- Increased Datamart support questions to setup access to data

IV. Costs

A. Assumptions

The purchase of an enterprise license of **Oracle Enterprise Performance Management System 11** software grants the State of Oregon the rights to allow for unlimited users.

According to Oracle’s records, agencies have paid the annual maintenance fees for approximately 60 percent of the State’s legacy Brio/Hyperion desktop installations. Payment of the maintenance fees is critical in determining the “ultimate” cost of System 11 because Oracle allows a purchase discount based on “current” maintenance status.

Scenarios #1 and #5 are not analyzed below because neither scenario involves initial start-up costs or project phases.

B. Cost Estimate

Scenario #2 – System 11 (statewide license) with the Business Intelligence Server:

Scenario #2 Proposal	Project & Implementation Costs	Operations, Ongoing Maintenance & Support	Estimate Basis	Biennium Totals
State Data Center Cost	0.0	103,931	Based on SDC rate	103,931
License Support	0.0	229,674	Oracle quote	229,674
Software	333,060*	0.0	Oracle quote	333,060
IT Professional Services:				
• IT Staff	0.0	421,348	See fiscal impact	421,348
Services:				
• Admin Training	21,000	0.0	Internet training rate	21,000
Totals	354,060	754,953		1,109,013

*Before discount for maintenance credits

Services & Supplies:

- Ongoing Costs
 - Computer Technology Server support cost of \$103,931 (estimated State Data Center server hosting).
 - License support cost of \$229,674.
 - IT Professional Services cost of \$421,348 for internal technical consultants hired on a contractual basis.
- Start-Up Costs
 - Administration training cost of \$21,000 for Datamart staff.
 - Capital Outlay of \$333,060 for Software.

The total Program Option Package cost for Scenario 2 is \$1,109,013 Other Funds. This cost would be funded through the Department of Administrative Services (DAS), State Controller’s Division’s administrative assessment for Datamart operations and would replace the annual maintenance fees agencies currently pay directly to Oracle for existing Brio/Hyperion desktop licenses.

Scenario #3 – System 11 (statewide license) *without* the Business Intelligence Server:

Scenario #3 Proposal	Project & Implementation Costs	Operations, Ongoing Maintenance & Support	Estimate Basis	Biennium Totals
License Support	0.0	133,672	Oracle quote	133,672
Software	303,800*	0.0	Oracle quote	303,800
Totals	303,800	133,672		437,472

*Before discount for maintenance credits

Services & Supplies:

- Ongoing Costs
 - License support cost of \$133,672.
- Start-Up Costs
 - Capital Outlay of \$303,800 for Software.

The total Program Option Package cost is \$437,472 Other Funds. This cost would be funded through the Department of Administrative Services (DAS), State Controller’s Division’s administrative assessment for Datamart operations and would replace the annual maintenance fees agencies currently pay directly to Oracle for existing Brio/Hyperion desktop licenses.

Scenario #4 – System 11 (agencies purchase individual desktop licenses)

Scenario #4 Proposal	Project & Implementation Costs	Operations, Ongoing Maintenance & Support	Estimate Basis	Biennium Totals
License Support	0.0	191,800	Formula estimate	191,800
Software	420,000*	0.0	Formula estimate	420,000
Totals	420,000	191,800		611,800

*Based on 700 users and before discount for maintenance credits

Services & Supplies:

- Ongoing Costs
 - License support cost of \$191,800.
- Start-Up Costs
 - Capital Outlay of \$420,000 for Software.

The total cost for this scenario is \$611,800 and would be funded through individual agencies' budgets.

C. Project Schedule

Scenario #2 Timeline:

The project plan calls for a three-phase implementation process, which is estimated to be completed within the biennium.

- Phase 1:
 - Purchase the statewide license for Oracle Enterprise Performance Management System 11 software with the Business Intelligence (BI) Server.
 - Datamart staff completes the initial training, testing and setup of System 11 with the BI Server.
 - Test security functionality.
- Phase 2:
 - Bring pilot agencies on for a trial run of full application use.
 - Correct any inconsistencies within the system.
 - Increase IT professional services support.
 - Datamart support staff provides training to agencies.
- Phase 3
 - Bring the rest of the agencies on board for full application use.
 - Datamart support staff provides continued training to agencies.

Scenario #3 Timeline:

The project would start immediately with the purchase of the Oracle Enterprise Performance Management System 11 software license. The Department of Administrative Services (DAS) would make the product available for immediate desktop installation for all users across the State. The upgrade would be downloadable from the DAS Datamart Web site.

Scenario #4 Timeline:

The project could start immediately with the purchase of the Oracle Enterprise Performance Management System 11 software license. However, it would be up to each agency to determine the timeline and best course of implementation.

V. Conclusions & Recommendations

A. Conclusions

The Brio/Hyperion query tool has proven to be a successful data analysis product, one which the State has used for over 10 years. The State is heavily invested in this software with an estimated 50,000 Brio/Hyperion files in use statewide. The Brio/Hyperion software is a mission critical application that agencies use in their daily operations. However, the State is quickly reaching a juncture, where the risk of application failure due to the pending upgrade of the operating system, poses a real threat.

The main advantage of Scenarios #1 and #5 is low cost, at least for the immediate future. The success of Scenario #1 depends on development of a reliable Windows 7 migration patch, something Oracle says it has no plan to do. Scenario #5 would sacrifice the investment that Datamart users have made in this product, as evidenced by the estimated 50,000 query files currently in existence statewide. It also ignores the Datamart users' clearly stated desire to continue using this product. Under Scenario #5, the customer base would spend many hours recreating data query files and would lose the analytical and reporting capabilities of the Brio/Hyperion product.

Scenario #2 (migration to System 11 *with* the BI server) would preserve the 50,000 existing query files, require minimal user training, support an unlimited number of users, streamline the statewide licensing model by replacing multiple agency annual maintenance bills with one central annual invoice, and provide centralized Web-based login and centralized file management. This scenario also means the customer base would be using the same version of a fully supported product statewide; future upgrades would be managed across the board; and uniform training could be developed. The problem with this option is that it comes with a high price tag. Migration to a Web-based application would force changes in the State's existing Brio/Hyperion infrastructure that would require server hosting and the services of IT professionals on an ongoing basis.

Scenario #3 (migration to System 11 *without* the BI server) enjoys all of the advantages listed above under Scenario #2, except it does not include the Web-based features. Instead, the System 11 software would be immediately available to roll out to agencies for desktop installation. This "bare bones" approach would allow the State to take full advantage of the upgrade without major infrastructure changes, while at the same time eliminating the risk of application failure (when the State upgrades to a new operating system).

Scenario #4 (purchase of individual desktop licenses for System 11) preserves some of the advantages provided by Scenario #3, but at increased costs. The current price (which includes the State's discount) to purchase an individual license is \$737 in the first year: \$600 for the license, plus \$137 for the annual maintenance. When the State migrates to Windows 7, agencies would need to purchase approximately 700 individual System 11 licenses. Estimated capital outlay is \$420,000 (700 licenses x \$600). Ongoing maintenance and support for the biennium would be \$191,800 (700 licenses x \$137 x 2 years). In comparison, Scenario #3 provides unlimited user access and would save the State an estimated \$174,328 (\$611,800 versus \$437,472).

B. Recommendations

Based on the analysis presented in this business case, the State Controller's Division recommends Scenario #3. This option would preserve the 50,000 existing query files, support an unlimited number of users, require minimal user training, streamline the statewide licensing/billing model, and allow for uniform training and upgrades across the board – all at a price significantly less than it would cost to purchase individual System 11 licenses.

Scenario #3 requires funding for DAS to purchase a single enterprise (statewide) license for **Oracle Enterprise Performance Management System 11** software for desktop installation only. Capital outlay required for purchase of the software is estimated to be \$303,800. Ongoing costs for biennial maintenance and support is estimated at \$133,672.

The Program Option Package cost of \$437,472 Other Funds would be funded through the Department of Administrative Services, State Controller's Division's administrative assessment for Datamart operations. This assessment would replace the annual Brio/Hyperion maintenance fee agencies currently pay directly to Oracle.

In order to minimize risks and maximize returns from this proposed investment, the State Controller's Division additionally recommends that Datamart staff:

- Begin working with Oracle consultants immediately to discuss the purchase process and phases of the project.
- Begin working with agencies and their IT resources immediately to ensure a smooth installation and integration of System 11.

C. Additional Consideration

Although the State Controller's Division believes Scenario #3 is this most cost effective option at this point in time, it does not preclude the potential for migrating to a statewide Web-based application (Scenario #2) in the future that would allow agencies to query any database, not just the financial Datamart.

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