

Agenda Item:	IV I: Action Item
Date:	August 10, 2023
To:	Magnolia Educational & Research Foundation dba Magnolia Public Schools (“MPS”) Board of Directors (the “Board”)
From:	Alfredo Rubalcava, CEO & Superintendent
Staff Lead(s):	Steve Budhreja Ed.D., Chief Financial Officer
RE:	Agreement for Financial & Accounting Software with Oracle NetSuite

Action Proposed:

I move that the Board approve the agreement between Magnolia Public Schools and Oracle NetSuite for financial and accounting software for the MPS Home Office.

Purpose:

The purpose of implementing new accounting software is to enhance operational efficiency, improve data accuracy, foster growth, and gain a competitive edge through the implementation of a modern and integrated Enterprise Resource Planning (ERP) system.

Background:

The Finance Department has conducted an Request for Proposal (RFP) to evaluate several different software providers to support the Home Office in areas that include accounting, budgeting, general ledger, financial reporting and other related items. We had lengthy discussions with several providers including Sage Intact, MIP as well as our current provider known as Escape/Schoolability. We conducted meetings to include product demonstrations, researched the pros and cons of each software product and developed an implementation timeline. We believe that Oracle NetSuite can provide the necessary software product to meet the needs of our organization.

Oracle will assist MPS with Project Management, Configuration Setup and Data Migration for the following areas.

- Journal Entries (Standard, Recurring, Reversing, Import, Automated).
- 7. Budgeting
- 8. Bank Account Reconciliation, Transfers and Deposits.
- 9. Printing and Issuing Checks
- 10. Fiscal Closing
- 11. Financial Reports
- 12. Statement of Activity
- 13. Statement of Financial Position
- 14. Statement of Cash Flow
- 15. Statement of Functional Expenses
- 16. Custom segments



We believe that this is the first step in developing a more consolidated and robust financial system for MPS that will assist us in accessing real-time data, analytics, reports on revenues, expenditures, fund balances so that MPS stakeholders receive valuable financial information for decision making.

Budget Implications:

The total cost of \$185,204 includes implementation fees, data migration, set-up, software, and cloud services. Currently, we are paying \$61,530, and the fees for School Ability will end on June 30, 2024. Once the setup is complete, we will pay \$48,439 annually, which is \$13,091 less than what we are currently paying. All costs have been incorporated into the 2023-24 Adopted Budget, which was approved on June 22, 2023."

Exhibits:

- Agreement known as Statement of Work (Pg. 3)
- Estimate (Pg. 6)

Oracle America, Inc.
 2300 Oracle Way
 Austin, TX 78741
 800 762 5524
 www.netsuite.com

Date 5/8/2023
 Estimate # 1204141

Customer Name & Bill To Address

Magnolia Educational & Research Foundation
 250 E. 1st St., Suite 1500
 Los Angeles CA 90012
 United States

Item	Qty	Description	Term Mos.	Amount
NetSuite SuiteSuccess Social Impact Standard Cloud Service	1	NetSuite SuiteSuccess Social Impact Std Cloud Service includes: ** ERP with G/L, Accounts Payable, Purchasing, Inventory, Order Entry, A/R, Expense Reporting, Advanced Shipping with integrated shipping depending on your location, use of Fulfillment Requests and Automatic Location Assignment for up to 5000 orders annually. ** NetSuite CRM Sales Force Automation with quote and order management, Marketing Automation with campaigns; Customer Service/Support **NetSuite Subsidiary Management within customer's home country for a single currency. Additional countries/currencies require separate purchase of OneWorld ** NetSuite Financial Management Cloud Service ** Advanced Electronic Bank Payments ** NetSuite Project Management Cloud Service ** Customer, Vendor and Partner Center logins ** Productivity tools including contacts/calendar/events ** Real-time Dashboards with key business metrics, report snapshots ** NetSuite Basic Customer Support. Current URL Terms for support are located at www.netsuite.com/supportterms . ** 5 Employee Self-Service Users ** 30,000 integrated bulk mail merges per month ** 120,000 campaign emails per year with no single blast exceeding 10,000 recipients ** Maximum of 30 General Access Users ** Includes one (1) Training On Demand Pass pursuant to the Learning Cloud & Learning Provider Service Descriptions found at https://www.oracle.com/corporate/contracts/cloud-services/netsuite/descriptions.html NetSuite Standard Service Tier: ** Maximum of 100GB of File Cabinet Storage, which is included with Standard Service Tier. ** Maximum 100 Full Licensed Users Provisioned (excluding Employee Center, Partner Center, Advanced Partner Center, Vendor Center and Customer Center) ** Maximum 200,000 monthly transaction lines ** Maximum of 1 SuiteCloud+ license	36	\$89,964.00
NetSuite Social Impact Cloud Service User	9	General access user for NetSuite.org Edition.	36	\$15,876.00
NetSuite Employee Self-Serv Cloud Service 5-Pk Users	15	Employee Self-Service + Intranet 5 User Pack for NetSuite	36	\$53,460.00

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Item	Qty	Description	Term Mos.	Amount
NetSuite Social Impact Donation for SuiteSuccess : 3-User Bundle	1	Social Impact Donation of 3 user licenses.	36	\$0.00
NetSuite Premium Support	1	Users of NetSuite Premium Support are authorized to access the services: Users of NetSuite Premium Support are authorized to access the services: 24x7 access for critical support; Extended hours for non-critical issues (S3's); improved Response Time Goals; functional questions logged via SuiteAnswers, and additional Authorized Contacts are provided (4). Current URL Terms for support are located at https://www.oracle.com/corporate/contracts/cloud-services/netsuite/	36	\$15,930.00
Customer Learning Cloud Support Company Pass - Standard	1	The Customer Learning Cloud Support Company Pass - Standard provides Go-Live training and ongoing adoption as described in the Training Service Descriptions https://www.oracle.com/corporate/contracts/cloud-services/netsuite/descriptions.html#training	36	\$14,400.00
NetSuite Sandbox Environment Cloud Service	1	Sandbox Environment for NetSuite Customers ** Replicates production environment including data and customizations ** Isolated environment – changes shielded from live production account ** One production environment replication for each month of term is included ** Administrators may provide sandbox access to all production users as needed NetSuite uptime guarantee does not apply to Sandbox Environments.	36	\$17,964.00
Subtotal				\$207,594.00
Discount		Discount		(\$62,278.20)
Subtotal				\$145,315.80
Implementation Service - Fixed Bid	1	The price for the Implementation Service will be fixed as per the agreed upon Statement of Work.	12	\$67,500.00
Subtotal				\$67,500.00
Discount		Discount		(\$27,612.00)
Subtotal				\$39,888.00

Subtotal \$185,203.80
Total \$185,203.80

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A. Terms of Your Order

1. Agreement

The products and/or services set forth in this Estimate/Order Form, between you and the Oracle entity referenced above, are governed by the Subscription Services Agreement v071023 found at <https://www.oracle.com/corporate/contracts/cloud-services/netsuite/> (including any referenced URL Terms). This Estimate/Order Form is non-cancelable and all fees non-refundable unless otherwise explicitly stated in this Estimate/Order Form or in the Agreement. For clarity, the Services Start Date shall be the date this document is signed by you, unless a different date is specified as the Service Start Date. Notwithstanding the foregoing, if this Estimate/Order form is an "add-on order," to the original Cloud Services Estimate/Order Form, the terms of Customer's original Estimate/Order Form and the version of the Subscription Services Agreement in effect on the date of the original order, will apply to the add-on order, even if the add-on order is placed after an updated version of the Subscription Services Agreement is published. An "add-on order" is an order that updates the quantity or type of previously ordered Cloud Services, such as by adding capacity, new users, or additional applications or modules.

The Oracle Data Processing Agreement covering the Cloud Services, which may be found at <https://www.oracle.com/corporate/contracts/cloud-services/> ("Data Processing Agreement"), is incorporated herein by this reference and describes how Oracle will process Personal Data (as defined therein) that Customer provides to Oracle as part of Oracle's provision of the Cloud Services to Customer under this Estimate/Order Form ("order"), unless otherwise stated in the Data Processing Agreement or this order. Customer's signature on this order constitutes Customer's agreement to the Data Processing Agreement, unless stated otherwise in the Subscription Services Agreement or License Agreement that governs this order. This Data Processing Agreement does not apply to the following services that may be included in this order: Mobile Push Notifications (a feature of the NetSuite for iPhone Mobile Application), any NetSuite POS Cloud Services, any NetSuite Payroll services, or any other services identified by Oracle as being excluded from the applicability of this Data Processing Agreement. The Data Processing Agreement also does not apply to any (1) demonstration accounts, trials, beta releases, or other similar versions of the services, (2) any features, services or products which are provided pursuant to a separate agreement or by a party other than Oracle (as defined in the Data Processing Agreement) (e.g., where Oracle is merely a billing/collection agent) including but not limited to Celigo and Pacejet, or (3) the processing of Personal Data for the R&D Purpose (as defined in Controller Subscription Services Agreement, which, if applicable to the Services on this Estimate/Order Form, will be referenced in above). For purposes of this order, (1) the definition of "Services Agreement" (included in the "Definitions" section) is deleted and replaced in its entirety with the following definition: "Services Agreement" means (i) the applicable order for the Cloud Services you have purchased from Oracle; (ii) the applicable master agreement referenced in the applicable order; (iii) the Privacy Policy found at <https://www.oracle.com/legal/privacy/> (or other location as may be updated by Oracle), and (iv) the Data Security Addendum found at <https://www.oracle.com/corporate/contracts/cloud-services/netsuite/>; and (2) references to the "Cloud Hosting and Delivery Policies" in the Privacy Code for Processing Personal Information of Customer Individuals, shall be replaced by the applicable Data Security Addendum found at <https://www.oracle.com/corporate/contracts/cloud-services/netsuite/>.

Customer may have access to enable and use additional features within the NetSuite Cloud Service subject to acceptance of in-application terms and conditions ("In-application Terms"). Customer's use of any such additional features within the NetSuite Cloud Service is governed by the "NetSuite Cloud Services In-Application Supplemental Terms and disclaimers" document (the "Supplemental Terms"), found at <https://www.oracle.com/corporate/contracts/cloud-services/netsuite/other-terms.html> (or other URL as may be updated by Oracle) which contains In-application Terms that may be presented to Customer to accept when enabling or using certain features within the Cloud Services. In event of conflict or inconsistency between the Supplemental Terms and the In-Application Terms presented within the NetSuite application, the Supplemental Terms document shall take precedence. The Supplemental Terms are applicable to Customer if Customer is using the applicable features and are in addition to the terms contained in the Agreement. The Supplemental Terms may be updated at any time by Oracle to include additional terms required to use features, or updates to existing features within the Cloud Service, and Customer's use of those features is considered acceptance of the Supplemental Terms.

2. Start Date

8/1/2023

3. Subscription Services Payment Terms

Net 30 – Annual Billing

4. Subscription Services Payment Frequency

Annual in Advance

5. Professional Services Payment Terms

Net 30

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1204141

A. Terms of Your Order

6. Currency

USD

7. Offer Valid Through

7/28/2023

8. Customer Reference

Oracle may refer to You as an Oracle customer of the ordered Services in sales presentations, marketing materials and activities.

B. Additional Order Terms

1. Price Lock

During the first twelve (12) month(s) of this Estimate/Order Form, Customer may procure additional Professional Services at a rate of \$185.00 USD per hour (the "Professional Services Price Lock").

2. Renewal Cap

For up to three (3) twelve (12) months Renewal Term(s) (each such annual renewal term being a "Renewal Order") immediately following the initial term set forth on this Estimate/Order Form and subject to Customer's compliance with the terms set forth in this Estimate/Order Form and the Agreement, Customer's renewal pricing for the Services that are set forth on this initial Estimate/Order Form for the initial term shall not be increased by more than 2% per annum (the "Renewal Cap"). Such Renewal Cap shall be applied to the discounted fees set forth on such Renewal Order for the applicable Service. The aforementioned Renewal Cap pricing shall not apply if: (a) Customer is seeking to cancel or reduce the ordered quantity of the Service set forth on this Estimate/Order Form and any expansion orders hereunder or the annual net fees for the Service are not equal to or greater than those totals set forth in this Estimate/Order Form and any expansion orders hereunder; (b) Oracle is no longer making such Services generally available to commercial customers; (c) Customer is acquired, or (d) the Renewal Order is not executed prior to the end of the initial term of this Estimate/Order Form or of the Term of the previous Renewal Order. In addition, if the number of Customer's employees or Users increases during the initial term or any renewal term and such increase would require access to a different edition of the Cloud Service (as set forth on Oracle's then current price list), then Customer's current discount for the existing edition of the Cloud Service (taking into account any applicable Renewal Cap increases) will be applied to the standard list price for such new edition of the Cloud Service.

C. Provisioning Net New Instances of the Cloud Service.

Note: The following information is applicable only when the Estimate/Order Form calls for a new instance of the Cloud Service, as the values referenced below ("Language" and "Country Edition") are used to provision Customer's Cloud Service instance and cannot be changed post provisioning. Please review these values and work with your Oracle NetSuite contact to make any necessary changes before signing this Estimate/Order Form. This section is not applicable if Customer already has an existing Cloud Service instance.

1. Primary Administrator's email address: cturan@magnoliapublicschools.org

Please note: Self-service options are available for changing the administrator upon Customer's successful access to the instance. To preserve the security of Customer's instance, Oracle may only change the Customer's primary administrator post-provisioning via Administrator Reassignment. This may delay access to your instance if the reassignment process is required.

2. Language: English (US)

The language selected will be the language that Customer's Cloud Service instance is provisioned in.

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C. Provisioning Net New Instances of the Cloud Service.

3. Ship-to Address: Magnolia Educational & Research Foundation
250 E. 1st St., Suite 1500
Los Angeles CA 90012
United States

4. Country Edition. Customer's Cloud Service(s) are provisioned based on the ship-to address shown above. Before signing this Estimate/Order Form, please ensure the ship-to address is correct; any change after provisioning will require re-provisioning of the Cloud Service(s).

I AGREE TO THE FEES AND TERMS OF THIS ESTIMATE:

Print Name

Signature

Date

Upon your execution, this document is a binding order for the products and services set forth herein.

Oracle relies on the accuracy of the billing information listed above, and is unable to issue a Credit Memo or resubmit an invoice due to incorrect billing information listed. Please ensure your company name, addresses and contacts included on this document are correct.

Oracle does not accept credit card payments for invoices of more than \$99,999.