Barton Community College

Study Session

March 12, 2019

Banner – What is it?

- Banner™ by Ellucian is designed to solve challenges specific to higher education and help clients thrive. With more than 1,400 customers around the globe, Banner by Ellucian is the world's leading higher education enterprise resource planning (ERP) system.

- Banner and the Ellucian products are the very core of this institution. It is how we process student enrollments, grades, payroll, manage financial aid, retain students, financials, alumni, it is the Enterprise System. Included as part of the Enterprise system, Degree works , PAWS - Banner Self-service for employees and students, allows mobile friendly engagement, single sign on ability to access online courses, enrollments, grades, etc.

ELLUCIAN HIGHER EDUCATION CLOUD

Making the Case for Banner in the Cloud

BARTON
COMMUNITY COLLEGE

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Building the Case

2 Areas of Comparison:

Cost of doing business in Ellucian Managed Cloud

Cost of doing business today

ELLUCIAN MANAGED CLOUD

	Year 1	Year 2	Year 3	Year 4	Year 5	TOTAL
Cloud Fee	$ 357,720	$ 357,720	$ 357,720	$ 357,720	$ 357,720	$1,788,600
Transition Services	$ 150,000					$ 150,000
Oracle	$ 107,577	$ 107,577	$ 107,577	$ 107,577	$ 107,577	$ 537,885
TOTAL	$ 615,297	$ 465,297	$ 465,297	$ 465,297	$ 465,297	**$2,476,485**

BANNER MAINTENANCE

	Year 1	Year 2	Year 3	Year 4	Year 5	TOTAL
TOTAL	$ 287,000	$ 298,480	$ 310,419	$ 322,836	$ 335,749	**$1,554,485**

| | | PROJECTED ELLUCIAN SPEND (5-YEAR) | | | | **$4,030,970** |

Current: $268,845 (4% escalator; Exp. 07/31/2019)
Renewal Escalator: 7% (worst case), Shown with 4% increase

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	On-Premises			Cloud	
	Annual	**One-Time**		**Annual**	**One-Time**
Infrastructure (server maint, power, updates, backup, etc.)	$ 220,000			$ 357,720	$ 150,000
Server replacement		$ 200,000			
Labor (Banner administration)	$ 80,000				
RTS Consulting	$ 15,000				
Oracle Licensing	$ 120,000			$ 107,577	
True Up (License Update)		$ 100,000			
Soft Benefits (see slides)					
Disaster Recovery	$ -			$ -	
Current Downtime Risk	$ -			$ -	
Security/Monitoring (breach impact)	$ -			$ -	
Banner Maintenance	$ 330,092			$ 330,092	
Future Banner Upgrades		$ 50,000			
SUBTOTAL	$ 765,092	$ 350,000		$ 795,389	$ 150,000
TOTAL (5-Year)	$ 4,175,460			$ 4,126,945	
		Cloud Savings	$ 48,515		

Preliminary Business Case Areas of Focus

1   Infrastructure

2   Banner Maintenance / Oracle Licenses

3   Labor

4   Cost Avoidance

5   Value-add Benefits

Infrastructure

- Facilities

- Computer

- Monitoring

- Security

- Storage

- Disaster recovery

- Networking / bandwidth

	Annual (Cost of Server Ownership)	One-Time (Hardware refresh)	
	$220,000	$200,000	
Subtotal	$1,100,000	$200,000	
TOTAL (5 yrs)			**$1,300,000**

Banner Maintenance/Licenses

- Maintenance does not change

- Bring your own Ellucian licenses

Banner Maintenance (annual)	$330,092

Oracle

Oracle (annual)*	$120,000
True-Up (1 time license update)	$100,000
TOTAL	**$700,000**

* does not include standard Oracle escalators

Current Labor & Administration

- Recruiting and training

- Architecture and standards

- Infrastructure

- Operating system

- Application

- Database

- Security & monitoring

- Project management

- 3rd party consulting

Labor (Banner administration)	$80,000	
RTS (consultant)	$15,000	
Subtotal	$95,000	
Total (5 years)		**$475,000**

Cost Avoidance

- Security breach
  - .5% probability ($183,750)
- Future Banner upgrade: $50,000
- Unscheduled Downtime (student/faculty non-productivity)
- Disaster event
  - incl. replacement of infrastructure; 45-day downtime

Security Breach (cost per record)	$245
Students + Employees	15,000
Total	$3,675,000

Value-Added Benefits

- Retention (Improved student experience)

- Predictable cost model over multiple years to support Banner

- Project Plan re-assessment

- Increased staff/employee experience, productivity & morale

- Business process realignment

- Reduced Downtime

- Improved system performance & automation

- Improved application currency

- Reuse of facilities, resources, services

- Augmentation of personnel for high-value roles

- Increased response, focus and productivity on high visibility projects

- Enhanced compliance/documentation

Summary

- Improve end-user services from current technology investments

- Decrease current constraints on IT resources

- Accomplish additional projects not yet defined, but desired

- Mitigate security and disaster recovery risk to the College

- Avoid necessary investment in additional hardware near term

- Deliver training and overall user education on technology solutions currently in place

Detail: Banner and the Ellucian products are the very core of this institution. It is how we process student enrollments, grades, payroll, manage financial aid, retain students, financials, alumni; it is the Enterprise System. The Enterprise system includes Degree works, PAWS - Banner Self-service for employees and students, allows mobile friendly engagement, single sign on ability to access online courses, enrollments, grades, etc.

Below are the annual costs to move our Ellucian/Banner operations to the Cloud. This contract would start July 1, 2019 and run through June 30, 2024.

ELLUCIAN MANAGED CLOUD						
	Year 1	Year 2	Year 3	Year 4	Year 5	TOTAL
Cloud Fee	$ 357,720	$ 357,720	$ 357,720	$ 357,720	$ 357,720	$ 1,788,600
Transition Services	$ 150,000					$ 150,000
TOTAL	$ 507,720	$ 357,720	$ 357,720	$ 357,720	$ 357,720	$ 1,938,600

Recommendation:

It is recommended that the Board of Trustees approve Dr. Heilman to sign the 5-year contract with Ellucian.