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Chair of the Assembly of the Academic Senate
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October 6, 2022

MICHAEL DRAKE, PRESIDENT
UNIVERSITY OF CALIFORNIA

Re: Software Procurement and Implementation

Dear President Drake:

The Academic Council invited several systemwide administrative leaders to its September 2022 meeting to discuss UC's decision-making practices around system software procurement and implementation. We scheduled the meeting as a follow-up to Council's July 2022 letter to you detailing major financial and business process problems associated with the transition to the Oracle Alpha Financials software at UCM and UCSD.

Our conversation with Chief Information Officer Van Williams, Chief Procurement Officer Paul Williams, Chief Operating Officer Rachael Nava, and Chief of Staff to the Chief Financial Officer Brad Werdick was productive and cordial. We very much appreciate their willingness to visit Council, knowing that this matter has generated substantial concern on the part of the faculty.

Council members reiterated and expanded on the problems with Oracle described in the July letter. Top among the issues are: ongoing disruptions to UCM and UCSD faculty and graduate students' grant funding, including the ability to access current financial information, order research supplies, track research progress, and provide accurate reports to donors; a shortage of individuals on those campuses who have been trained to deploy and use the software, arising in part from the extra workload associated with navigating the software even for those who have undergone training; and a loss of staff who have either quit or changed jobs in frustration.

These problems affect individuals' abilities to carry out research but also damage the campuses and have required them to spend millions of dollars on fixes. Faculty and students raised many alarms during the first two years of Oracle's deployment, only to hear their concerns minimized, ignored, or attributed to a lack of experience with the software. Although the situation has improved in some respects by adding overlays to the software to enhance its usability, the problems continue to affect many individuals on those campuses. Some researchers still cannot access their own grant accounts and lack reliable, up-to-date information about the current balance remaining in their accounts. This has led to both overspending on accounts and also defensive underspending, resulting in the return of funds to granting agencies.

Council members asked our administrative colleagues to provide examples of lessons learned from the UCM and UCSD experiences, plans for resolving the problems there, and strategies for

preventing similar problems on other campuses that may also adopt Oracle. Their responses were constructive. They acknowledged the problems and the need for collaborative decision-making that incorporates the faculty voice in the procurement and deployment of new software and other technology resources, particularly during the stages of vendor selection, project planning, and early implementation.

We appreciated hearing about UCOP's commitment to work with Oracle and other suppliers to ensure UC receives better service. We understand that UCOP is now engaging with Oracle to establish an MVP (mutual value proposition) agreement, the aim of which is to help manage the campus-specific contracts currently in place with Oracle, as well as any forthcoming, to prevent many of the challenges initially experienced by those campuses that were first to implement. Also promising are UCOP's plans to work with campuses in expanding workforce development and software skills training; encourage campuses to perform risk assessments and independent verification processes; communicate best practices around business readiness and stakeholder collaboration; and leverage faculty experts across the system to help address its business challenges. We were pleased to hear articulated a commitment to streamlining and clarifying administrative procurement processes, and to seeking feedback from faculty and other end-users about how well UC's suppliers are meeting their needs.

In addition, we learned about a systemwide summit of campus CFOs and controllers planned for October 21, where participants will discuss the UCM and UCSD experiences and share best practices to help other campuses evade similar mistakes and problems. In particular, we were encouraged that this convening will include a discussion of best practices for engaging faculty. Council expressed the importance of including Senate representatives at the summit and we indicated our willingness to provide names of individual faculty who could attend. We asked UCOP to bring in UCM and UCSD faculty and staff teams who experienced the problems firsthand and can advise colleagues on other campuses about what to expect and what they need.

Finally, we appreciated hearing that the administration sees the faculty client experience as a high concern and priority. However, we also believe it is crucial for administrators to view faculty not simply as clients and end-users, but as colleagues and active participants in the process. This software/procurement process is key to our ability to innovate and perform at the level expected of us. Further, Council remains concerned that the track record of software adoption by the University system, even if it was campus driven in this case, is littered with disappointments for both the administration and the faculty. Going forward, we urge administrators to engage faculty on the front end of gathering fundamental user requirements when developing RFPs to secure vendors that will be better positioned to deliver services and systems to faculty. We encourage greater efforts to identify, if possible, features of such missteps so we can avoid them in the future.

We look forward to working with you on this matter and discussing appropriate next steps for action. Please do not hesitate to contact me if you have additional questions.

Sincerely,

Susan Cochran, Chair
Academic Council

Cc: Vice Chair Steintrager
           Academic Council
           Chief Financial Officer Brostrom
           Chief Operating Officer Nava
           Chief Information Officer Williams
           Chief Procurement Officer Williams
           Chief of Staff Kao
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