



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Human Resources



Date: February 19, 2014
Board Meeting Date: April 22, 2014
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Donna Vaillancourt, Human Resources Director
Scott Johnson, Deputy Director of Human Resources

Subject: Issuance of Purchase Orders to SAP Public Services, Inc.

RECOMMENDATION:

Adopt a Resolution authorizing the County Procurement Manager to issue Purchase Orders to SAP Public Services, Inc. for the provision of proprietary SAP Business Objects software licenses, maintenance and support for the term of April 8, 2014 through June 30, 2015, for a total collective fiscal obligation not to exceed \$215,232.

BACKGROUND:

Since March of 2001, the Human Services Agency (HSA) has used Business Objects software as the principal reporting software in its work with the California Welfare System, and its sub-system, the CalWins application. In early 2008, Business Objects was acquired by SAP. Its subsidiary, SAP Government services, continues to provide maintenance and license purchases on a non-negotiable terms and conditions basis.

DISCUSSION:

The Business Objects software modules remain a core component of the HSA reporting infrastructure. During FY 2013-2014 HSA has added additional staff as a result of Health Care Reform. Many of these new staff required the ability to run data reports. The staff numbers trigger acquisition of new Business Object Reporting licenses and maintenance services exceeding \$100,000. An analysis by HSA management and its Business Systems Group and Information Services Department (ISD) led to the conclusion that it was cost effective to change from a named user form of licensing to a concurrent user licensing which could slow the future need for licensing growth by spreading out when reports were run while increasing the ability to offer report demand ability to a larger number of staff. At the same time this switch will slow the growth of maintenance fees.

A waiver is necessary to conclude the acquisition of these licenses and avoid disruption of services. Because this software was integral to customized continuing operations HSA considered it in the best interest of the County to waive the Request for Proposal process and to continue with the vendor as disruption of service would adversely affect HSA's ability to serve its clients. In addition to this acquisition, Procurement will begin a Request for Proposal process with HSA and ISD to determine whether or not alternatives exist to provide core reporting software to meet HSA's needs. County Counsel has reviewed and approved the Resolution as to form.

Approval of this Resolution contributes to Shared Vision 2025 outcome of a Collaborative Community by allowing 100% of Calwin users' access to reports giving them the ability to provide responsive services.

PERFORMANCE MEASURE(S):

| Measure | FY 2012-13 Actual | FY 2013-14 Actual | FY 2014-15 Projected |
|--|------------------------------|------------------------------|---------------------------------|
| HSA CalWin Authorized Users able to access Reports | 100% | 100% | 100% |

FISCAL IMPACT:

The term of this purchase authorization is from April 8, 2014, to June 30, 2015, with a total collective fiscal obligation for Purchase Orders not to exceed \$210,232 with a \$5,000 contingency. Funds are included in HSA's Adopted FY 2013-14 and FY 2014-15 Budgets. As a result of one time license fee, and decrease in maintenance fees the net increase is zero at the end of 24 months as compared to named user licensing and maintenance options which would result in a higher cost to the County.