County of San Mateo

Inter-Departmental Correspondence

Department: INFORMATION SERVICES
File #: 24-051

Board Meeting Date: 1/23/2024

To: Honorable Board of Supervisors

From: Michael Wentworth, Director/Chief Information Officer, Information Services Department

Subject: Agreement with Carahsoft Technology Corporation, International Business Machines-Apptio, and Maryville Consulting Group for an Information Technology Financial Management (ITFM) solution

RECOMMENDATION:

Adopt a resolution authorizing an agreement with Carahsoft Technology Corporation, International Business Machines, and Maryville Consulting Group to acquire Apptio's solution implementation services and software licensing, for the term of three years from January 23, 2024 through January 22, 2027, in an amount not to exceed $726,044.

BACKGROUND:

The Information Services Department (ISD) provides technology services to county departments and external agencies in exchange for service charges paid to ISD. ISD is required to maintain compliance with budgeting, accounting, and cost management principles outlined by in the County's fiscal policies and procedures and published by the Federal Office of Management and Budget. ISD's Business and Finance Administration (BFA) Division supports financial tasks such budget creation, monitoring, cost analysis, rate development, service charges, and financial reporting.

On May 7, 2018, the County Controller's Office released an internal audit report prepared by an external vendor, Management Partners, who reviewed ISD's Financial Operations. The report contained 24 recommendations for enhancing ISD's financial practices and internal controls. One of the recommendations was to implement a software solution to satisfy the complex requirements of ISD's cost accounting functions which are currently performed in Microsoft Excel.

DISCUSSION:

A formal Request for Proposal (RFP) was released in July 2023. Seven RFP proposals were received and reviewed by ISD staff. Carahsoft's joint proposal with International Business Machines-Apptio and Maryville Consulting Group was selected based on their innovative platform capabilities, implementation methodology, costs, and support model which best meets the County's business and technical requirements. ISD is seeking approval from your Board to execute an agreement to implement an ITFM solution for the County. The agreement includes optional post-implementation

support services from Maryville Consulting Group which can be obtained at County's discretion.

This ITFM solution will enhance ISD's financial operations, improve customer experience, and help county departments as well as external agencies understand their consumption of technology services and associated business costs.

The County Attorney's Office has reviewed and approved the Resolution and Agreement as to both form and content.

The Resolution contains the County's standard provisions allowing amendment of the County's fiscal obligations by a maximum of $25,000 (in aggregate)

It is anticipated that with the implementation of the ITFM solution, amount of service charges billed and collected from county departments and external agencies will be timely while reducing payment variance.

PERFORMANCE MEASURE:

Measure	FY 2022-23 Actual	FY 2023-24 Projected
Amount of Service Charges Collected	$ 40,857,907	$ 55,306,908

FISCAL IMPACT:

The term of this agreement is from January 23, 2024, through January 22, 2027. The total not to exceed amount for this agreement is $726,044 from multiple funding sources, as detailed below:

Funding in the amount of $327,892 for ITFM solution software licensing and its implementation will come from Measure K funds included in the Information Services Department's FY 2023-24 Adopted Budget.

Funding in the amount of $144,872 for FY 2024-25, $150,667 for FY 2025-26, and $102,613 for FY 2026-27 towards on-going software licensing and optional configuration/support services will be included in ISD annual service charges.