



County of San Mateo

Inter-Departmental Correspondence

Department: INFORMATION SERVICES

File #: 16-597

Board Meeting Date: 9/26/2017

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors
From: Jon Walton, CIO/Director, Information Services Department
Subject: Issuance of Purchase Orders to ServiceNow Corporation

RECOMMENDATION:

Adopt a resolution authorizing the County Purchasing Agent to issue Purchase Orders to ServiceNow Corporation to provide proprietary software licenses and support maintenance, for the term of August 18, 2017 through August 17, 2020, in an amount not to exceed \$909,689.40.

BACKGROUND:

The Information Services Department (ISD) continues to improve its service desk processes and tools to provide County departments with easier access to IT services. On December 20, 2013, ISD released RFP#ISD1827 Information Technology Service Management System (ITSM) to review and select an ITSM application and implementation services based on industry best practices inclusive of Information Technology Infrastructure Library (ITIL) principles. A cross-departmental RFP review committee was established to evaluate functions, such as Request Fulfillment (e.g., when a supervisor requests a computer for a new employee), Incident Management (e.g., when a user cannot access a County system), Change Management (e.g., when a new version of Microsoft Office is ready for installation), Knowledge Management (e.g., how-to guides), and Asset Management (e.g., physical tracking of computers). The committee evaluated six responses and selected the ServiceNow product in the cloud. In 2014, ISD purchased a three year subscription to ServiceNow through its implementation vendor. The ITSM project was completed in January 2017 and the licensing subscription expired August 18, 2017. The terms of this procurement have been back dated to ensure there is no gap in coverage for the licenses or support.

Licensing for ServiceNow can be purchased directly from the manufacturer or through a reseller. Third party resellers may have sales mark-ups, which could conflict with County's interest in purchasing at the lowest cost. Removing the reseller permits ISD to negotiate directly with ServiceNow for the best price, therefore, ISD recommends waiving the Request for Proposals process.

DISCUSSION:

The ServiceNow system provides a more service-oriented, transparent, and analytics-based service

desk. Customer departments can access their own dashboards and trend reports; request new IT devices from a self-service portal; report an issue and check its status from a mobile app or desktop computer; and find tips or step-by-step instructions from the knowledge base. The ServiceNow system provides the tools necessary for ISD to respond to incidents and requests in a timely manner and the analytics to track performance. The outcome has been that issues are resolved faster, there is more accountability, and customer service has improved.

County Counsel has reviewed and approved the resolution as to form.

Approval of this resolution contributes to the 2025 Shared Vision of a Collaborative Community by providing access for all County departments to IT services through a convenient and effective process.

PERFORMANCE MEASURE:

Measure	FY 2016-17 Projected / Actual	FY 2017-18 Projected
Percent of Customer Survey Respondents Rating Services as Good or Better	75% / 95%	90%

The FY 2017-18 Projected Percent of Customer Survey Respondents Rating Services as Good or Better had been established prior to the completion of the Actual performance measures for FY 2016-17.

FISCAL IMPACT:

The term of the resolution is from August 18, 2017 through August 17, 2020. The total not to exceed amount of the Resolution is \$909,689.40. The total savings from entering into this Agreement with ServiceNow, throughout the term of this contract, will be \$62,844 (\$20,948/year for 3 years). The funding for these purchase orders is included in ISDs FY 2017-18 Approved Recommended Budget.;