



Board Agenda Item 33

DATE: September 24, 2024

TO: Board of Supervisors

SUBMITTED BY: Edward Hill, Chief Operating Officer/Interim Director of Internal Services/ Chief Information Officer

SUBJECT: Agreement with Carahsoft Technology Corp.

RECOMMENDED ACTION(S):

Approve and authorize the Chairman to execute an Agreement with Carahsoft Technology Corp. for a service management system, effective October 1, 2024, not to exceed four consecutive years, which includes a two-year base contract and two optional one-year extensions, total not to exceed \$2,892,000.

There is no additional Net County Cost associated with the recommended action, which will allow the Internal Services Department - Information Technology division (ISD-IT) to continue using the ServiceNow service management system for the County to request, manage, and complete service tickets, allowing for greater efficiency to support County departments. This item is countywide.

ALTERNATIVE ACTION(S):

Should your Board not approve the recommended action, ISD would not be able to use the ServiceNow service management system to track and process service requests on behalf of its staff and other County departments.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The maximum compensation for the recommended Agreement is \$2,892,000. Sufficient appropriations and estimated revenues are included in the ISD-IT Org 8905 FY 2024-25 Adopted Budget and will be included in subsequent budget requests.

DISCUSSION:

On June 4, 2019, your Board approved Agreement No. 19-247 with Carahsoft Technology Corp. (Carahsoft) to provide a replacement IT service management platform to manage IT-related service requests. On June 8, 2021, your Board approved the First Amendment to Agreement No. 19-247 to increase the maximum compensation to expand the use of the ServiceNow platform. On March 5, 2024, your Board approved the Second Amendment to Agreement No. 19-247 to increase the maximum compensation, which was necessary to absorb and consolidate additional County systems, thereby expanding the use of the Service Now platform.

Pursuant to Chapter 4 of the County's Purchasing Manual, the County can join other public entities for collectively preparing specifications, to request and receive quotations or proposals, and to make an award

to the lowest responsive and responsible bidder if the source selection method is otherwise in compliance with the requirements of the Purchasing Manual. On August 26, 2022, OMNIA Partners (OMNIA), a contract buying group, issued Request for Proposal (RFP) No. 23-6692 for technology product solutions and related services, which was awarded to Carahsoft. ISD - Purchasing Division reviewed OMNIA's RFP process and determined its procedures were consistent with the County's RFP process.

The recommended Agreement with Carahsoft deviates from the County's standard language as it includes ServiceNow's Data Security Addendum (DSA) and Data Processing Addendum (DPA) instead of the County's data security terms. Specifically, the addendums do not explicitly require advanced notification to the County before disclosing personal information to government regulatory authorities, do not contain a comprehensive patch management process for software security patches, do not mention specific Advanced Encryption Standards for mobile devices, do not require Carahsoft to ensure connectivity to the County's computing systems through approved security gateways and firewalls, and do not detail or require secure destruction of personal information upon termination of the contract, including a certificate of destruction. Further, the addendums do not detail specific steps and contract methods for breach notification, do not include a clause that allows the County to seek equitable relief in the event of a breach, and do not contain indemnity language for data breaches. Additionally, ServiceNow's limitation of liability clause limits the Contractor's liability to the total amount of fees paid by the County to the Contractor in the last 12 months. The Human Resources Department - Risk Management division recommends 36 months instead. However, the department believes that the risks associated with these changes are acceptable business risks.

Approval of the recommended action will allow ISD-IT to contract with Carahsoft, for continued subscription licensing for ServiceNow, the service management platform, such that ISD can continue to provide a system for the County to submit, process, and track service requests.

REFERENCE MATERIAL:

BAI #36, March 5, 2024
BAI #30, June 8, 2021
BAI #54, June 4, 2019

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Agreement with Carahsoft Technology Corp.

CAO ANALYST:

Ahla Yang