

**BOARD MEETING DATE:** 8/14/2023

**SUBJECT:** PROCUREMENT APPROVAL REQUEST – MANAGED IT SERVICES

**PREPARED BY:** KELLY GUTHNER, CIO, BRIAN BRAUN, CFO

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**Proposed Action:**

Seeking Board approval to enter into a 3 year agreement for managed IT services to support C4HCO corporate operations with an estimated annual cost of \$300,000.

**Summary:**

C4CHO uses outside vendors to support its internal technology operations. These services include the supporting of staff technology equipment (laptops, phones, peripherals), staff helpdesk services, application management and the organizations internal network and security. See the attached supplemental information for the list of services. Since the current vendor has provided these services for the last 5 years we underwent a Request for Proposal procurement process to evaluate our current vendors services with the market. Based on the results of the RFP, we recommend continuing with the current vendor – Sourcepass (previously MachineLogic). The proposed pricing was determined to be competitive with the market and the organization is comfortable with the level and quality of services they have historically provided.

We are proposing to enter into a 3 year agreement with Sourcepass with 2 one year optional extensions. The \$300,000 annual cost estimate is based on the pricing structure proposed in the best and final proposal and is computed assuming a staffing level of 220. The costs will vary depending upon staffing levels and can fluctuate on a monthly basis. The estimated cost does not include 3<sup>rd</sup> party software purchased through Sourcepass (such as Microsoft 365 licenses) or any ad hoc/project work requested by C4HCO.

**Staff Recommendation:**

Staff recommends the approval of this request to enter into a contract with Sourcepass.

**Procurement Compliance:**

*Procurement Exceeds \$250,000 threshold:* Yes

*Procurement/Business Initiative is necessary or advisable:* Yes – these services are critical to the operations of the organization.

*Type of procurement vehicle:* Master Service Agreement, accommodated by Statements of Work for specific work requests.

*Need for RFP,RFI,RFS or similar:* Yes, an RFP process was used in the selection of this vendor.

**Funding Source:**

We anticipate the primary source of funding will be general operating funds. A portion of these costs will be reimbursed in accordance with our Medicaid cost allocation plan. The proposed pricing is in line with the fiscal year 2024 budget assumptions.

**Supplemental Information:**

**Managed IT Services include:**

- Onsite and remote worker support and onboarding
- Monitoring of equipment and corporate systems – all endpoints
- Tracking and auditing of equipment and software
- User management of cloud based applications
- Security services to support corporate systems
- Ticket tracking and reporting
- Advisory services – continuous improvement of technology operations
- Ad hoc projects to support corporate IT needs
- Detailed services tracking and invoicing
- Support of specified technologies