



M E M O R A N D U M
ADMINISTRATIVE SERVICES
PROCUREMENT SERVICES
County of Placer

TO: Board of Supervisors DATE: August 9, 2016
FROM: Brett Wood, Purchasing Manager
SUBJECT: ServiceNow Service Management Suite – ServiceNow, Inc.

ACTION REQUESTED

Approve the award of a purchase order with ServiceNow, Inc. of Santa Clara, CA for the acquisition of ServiceNow Service Management Suite Licensing in the maximum amount of \$70,080 for the period of September 1, 2016 to August 31, 2017. Funding is provided by the Administrative Services Department's FY 2016-17 Proposed Budget; and

Authorize the Purchasing Manager to sign all required documents.

BACKGROUND

In July 2015, the Administrative Services Department, Information Technology (IT) Division transitioned from a General Fund to an Internal Services Fund (ISF). This transition was consistent with the County's Priority Based Budgeting initiative and provides for full cost recovering of services provided to requesting departments.

On September 15, 2015, your Board approved the award of competitive Request for Proposals No. 10474 to Alcor Solutions, Inc. to implement ServiceNow's application and approved a purchase order with ServiceNow for the acquisition of software licensing that allows IT employees to accurately record the work completed for conversion into valid billing for the services provided. This software is a work ticketing application that IT uses to manage its daily work. ServiceNow accumulates the time worked from the tickets to generate ISF billing for the County departments that utilize IT services. The current software support expires on August 31, 2016.

Due to a change in license structure, IT and Alcor Solutions Inc. have determined that IT only requires the Service Management Suite License renewal for effective use of the application within Placer County. This renewal will not include licenses for Approvers or Project Portfolio Management applications, as these are not required based on the way IT has configured the system at this time. ServiceNow provided direct pricing in the amount of \$70,080 for the necessary software renewal based on an existing United States Government Services Administration (GSA) contract.

Per the Purchasing Policy Manual 1.3(e)(3), a purchase made against another public agency's competitively awarded contract is exempt from the normal competitive bidding process. ServiceNow's GSA Contract pricing meets this criterion.

The resulting purchase order will provide IT with the ability to renew the ServiceNow license for the application that is being utilized for ISF billing, time worked tracking and the ticket tracking system for issues that their customers are experiencing. Therefore, your Board's approval is required to award a purchase order in the maximum amount of \$70,080.

FISCAL IMPACT

The Administrative Services Department has budgeted appropriately for this purchase and funding is provided in the FY 2016-17 Proposed Budget.

cc: Kathy Buchanan, Deputy Director of Information Technology
Jarrett Thiessen, Information Technology Manager

