

Office of the County Auditor

Auditor's Analysis

Council Bill No. 20-2022

Introduced: April 4, 2022

Auditor: Michael A. Martin

Fiscal Impact:

Per testimony from the Department of Technology and Communication Services (the Department), the fiscal impact of this legislation is an estimated savings of \$919,275 over the next five fiscal years. This is based on what the Director of the Department (the Director) estimates would be spent over the same period for these services without entering the proposed multi-year agreement.

The Director does not anticipate additional that costs will be incurred as the infrastructure needed to support these Digital Network Architecture (DNA) Centers is already in place.

Our Office reviewed the vendor quotation in Exhibit B of the legislation to confirm that the anticipated costs of the proposed agreement are accurately reflected in page 1 of the legislation as well as the Administration's testimony.

Our Office also obtained a vendor quotation for a one-year agreement for the same services, which confirmed the higher anticipated annual cost of \$624,992 without an agreement (as opposed to the annual cost of \$441,137 that will be possible through a multi-year agreement).

The Director has indicated this contract will be paid out of the Technology and Communication Internal Service Fund and its costs will be factored into the Department's "data processing" chargebacks starting in Fiscal Year 2024. These savings have not been factored into the Department's FY 2023 chargeback because the FY 2023 Operating Budget is already in proposed form. Therefore, the Technology and Communication Internal Service Fund will be receiving more revenue in its FY 2023 budget than is needed.

Purpose:

The purpose of this legislation is to approve a five-year agreement between the County and ePlus Technology (ePlus) for licensed access and support for the County's Cisco Digital Network Architecture (DNA) Center.

Per the Director, DNA Centers enable the Department to monitor and configure network routers and switches in the County.

Other Comments:

The County does not currently have a DNA Center, but it will need one as Cisco is modifying its device management model which will require the County to utilize DNA Centers for future purchases of switches, routers, and access points.

As noted in Exhibit B of the legislation, the DNA Center quote from ePlus is set to expire on March 31, 2022. However, the Director indicated they have been in communication with the vendor and do not expect the terms and pricing to change.

The County established a contract (PA-003-2022) with ePlus that “piggybacks” off a contract ePlus has with the State of Maryland. This contract remains in effect through November 14, 2027, with a one-year automatic renewal at the end of that term.