

BOARD MEETING DATE: JUNE 8, 2020

SUBJECT: PROCUREMENT APPROVAL REQUEST – HOSTING EXTENSION

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

Proposed Action:

Board approval to extend CGI hosting services for 3 months through September 2020. This three-month extension will provide for continued hosting until the successful completion of the required security audit. Upon satisfactory completion of the audit hosting services will be shifted to the cloud.

Summary:

Requesting approval to proceed in extending hosting services provided by CGI for 3 months (July thru September 2020). **The total estimated cost for these services for the 3 months is not to exceed \$517,000.** This amount is equivalent to the current hosting costs. The contract anticipates the possibility of month to month extensions through January 2021 at the same monthly cost. This provides C4HCO protection in case of delays in completion of audit. Further Board approval will be requested for expenditures beyond September.

Staff Recommendation:

Staff recommends the approval of this request.

Procurement Compliance:

Procurement Exceeds \$150,000 (Federal)/\$250,000 (non-Federal) threshold: Yes

Procurement/Business Initiative is necessary or advisable: Yes – essential to ongoing marketplace operations

Type of procurement vehicle: Statement of Work to existing CGI MSA/Contract (MSA will be extended upon approval of this request)

Need for RFP,RFI,RFS or similar: No, this is an extension of services under the current MSA – no change to the underlying hosting services. Vendor has in depth knowledge of hosting and interim migration to another provider is not possible.

Funding Source:

Anticipate the use of general operating funds. Under certain circumstances, Federal funds may be used for a portion of these expenditures if related to Medicaid customers. These costs are anticipated in the FY21 budget.

Supplemental Information:

None