PROCUREMENT OFFICER'S DETERMINATION INTERGOVERNMENTAL COOPERATIVE PURCHASING CONTRACT NO. 218026-ITS SALESFORCE LICENSE RENEWAL DEPARTMENT OF INFORMATION TECHNOLOGY

I. EXECUTIVE SUMMARY

This Determination has been executed pursuant to COMAR 21.05.09, Intergovernmental Cooperative Purchasing, to enter into a contract with Carahsoft Technology Corp. ("Carahsoft") in the amount of \$35,896.81 for Salesforce software licenses under an intergovernmental cooperative purchasing agreement of the Department of Information Technology ("DOIT").

II. BACKGROUND

Carahsoft was awarded the DOIT Master Contract No. 060B6400007 (the "Master Contract") for a three-year base term, effective March 1, 2016 through February 28, 2019, with two State one-year renewal options, thus potentially extending the term through February 28, 2021. The Maryland Department of Transportation ("MDOT") entered into a contract with Carahsoft to provide Salesforce licenses for MDOT and all MDOT Transportation Business Units ("TBUs"), including the Maryland Department of Transportation Maryland Port Administration ("MDOT MPA"), through the Master Contract. The term of that MDOT-procured contract was March 1, 2016 through February 28, 2017. MDOT has advised the TBUs that for Salesforce software licensing after February 28, 2017, the TBUs must enter into new agreements directly with Carahsoft, rather than through MDOT, under the Master Contract. Following this direction, the MDOT MPA entered into an agreement directly with Carahsoft, using the DOIT master contract as an intergovernmental cooperative purchasing agreement. The MDOT MPA agreement with Carahsoft will expire on February 28, 2018.

The MDOT MPA would like to enter into a new agreement with Carahsoft to be effective from March 1, 2018 to February 28, 2019. MDOT MPA is unique among the TBUs in that it has authority over information technology independent of DOIT. In recognition of that MDOT MPA authority, DOIT has authorized MDOT MPA to use DOIT master contracts as intergovernmental cooperative purchasing agreements. Therefore, to continue its software licensing with Carahsoft, MDOT MPA must enter into an agreement with Carahsoft under COMAR 21.05.09, Intergovernmental Cooperative Purchasing,

IV. DETERMINATION

- A. MDOT has directed MDOT MPA and other TBUs to renew their Salesforce software licenses under the Master Contract.
- B. DOIT has authorized MDOT MPA to use the Master Contract as an intergovernmental cooperative purchasing agreement.
- C. The Master Contract meets the requirements of an intergovernmental cooperative purchasing agreement under COMAR 21.05.09.01B(2)(a).

- D. The MDOT MPA previously entered into a direct software licensing agreement with Carahsoft, using the DOIT Master Contract as an intergovernmental cooperative purchasing agreement; the current MDOT MPA agreement with Carahsoft expires on February 28, 2018.
- E. It is in the best interest of the MDOT MPA to utilize the Master Contract because doing so will provide cost benefits to the State as DOIT has negotiated the rates for this contract. It will promote administrative efficiencies as Carahsoft has been deemed responsible, and is not intended as a means to evade the purposes set forth under COMAR 21.01.01.03.
- F. Making an award under the Master Contract will save MPA the considerable time it will take to prepare a solicitation for public advertisement, obtain necessary approvals prior to publication, publish the solicitation, receive and analyze bids, and then complete an award.
- G. A contract should be awarded to Carahsoft in the amount of \$35,896.81 under the Master Contract for a period of one year, March 1, 2018 February 28, 2019.
- H. Because the contract value does not exceed \$200,000, this contract is within the procurement authority delegated by the Board of Public Works ("BPW") and the Maryland Port Commission ("MPC") to MPA. Therefore, BPW and MPC approvals are not required.

V. APPROVAL REQUIRED

I request your approval, as unit head, to procure as described in this Determination, subject to completion of all other requirements of procurement law, fund certification, execution and approval of the contract (including approval by the Office of the Attorney General for form and legal sufficiency), etc.

Trisha O'Neal, Procurement Officer

Date

APPROVED:

James J. White, Executive Director

Date

2/16/14