



September 27, 2017

To: Finance and Administration Committee

From: Darrell Johnson, Chief Executive Officer

A handwritten signature in black ink, appearing to read "Darrell Johnson for", is written over the printed name of the Chief Executive Officer.

Subject: Amendment to Purchase Order for Cloud-Based Recruitment Software

Overview

On June 12, 2017, the Board of Directors approved sole source procurements for software and hardware licensing, maintenance, and emergency support. A one-year purchase order was issued to iCIMS, Inc. as part of the approved sole source procurements list. A 12-month purchase order with iCIMS, Inc. is to provide cloud-based recruitment software licensing, maintenance, and support services for the Human Resources Department. Board of Directors' approval is requested to amend the current purchase order to extend the contract term and increase the maximum cumulative payment obligation.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Purchase Order A36775 between the Orange County Transportation Authority and iCIMS, Inc., in the amount of \$77,107, for continued use of cloud-based recruitment software, for an additional two years through October 31, 2019. This will increase the maximum cumulative payment obligation to a total of \$115,661.

Discussion

In 2008, the Orange County Transportation Authority (OCTA) issued a request for proposals for cloud-based recruitment software. iCIMS, Inc. (iCIMS) was awarded the contract for initial design, implementation, and software maintenance services. Purchase orders for annual maintenance and user licenses to continue using the software are approved by the Board of Directors (Board) as part of the annual sole source vendor list. iCIMS provides a cloud-based recruitment software for the Human Resources (HR) Department.

The software is a hosted web-based Applicant Tracking System (ATS) that OCTA uses for talent acquisition to create and source job postings on customizable, OCTA-branded, internal and external job portals. The ATS provides online completion of user registration with a unique encrypted password, applicant profiles, and applications on any internet-based enabled computer or mobile device, including tablets and smart phones, through any browser.

Historically, iCIMS has provided OCTA's HR Department with annual renewal agreements for twelve-month periods to be effective during the relevant fiscal year (FY). In September 2016, the HR Department proceeded to execute a service order form for the addition of three user licenses, one additional portal, and one additional product at an increase of \$5,435 per year, for three years. However, the amount of the three-year term exceeded the Board's authorized amount on the annual sole source vendor list.

OCTA issued Purchase Order A36775 for the first of the three-year term to be able to continue providing services while OCTA staff worked with iCIMS to revert to invoicing for services on an annual basis. However, iCIMS was not agreeable and continued to require a three-year commitment from OCTA to continue providing the services.

Procurement Approach

The procurement was originally handled in accordance with OCTA's Board-approved policies and procedures. The Board approved the annual sole source vendor list on June 13, 2016 for FY 2016-17. The original purchase order was issued on February 10, 2017, in the amount of \$38,554, for a one-year term.

It has become necessary to amend the agreement to add funds to the existing purchase order, and to include the additional two years for the maintenance renewal and the additional users. In accordance with OCTA's policy, Board approval is required for all amendments exceeding 15 percent of the original contract amount.

Proposed Amendment No. 1 to Purchase Order A36775, in the amount of \$77,107, will bring the total purchase order value to \$115,661.

Historically, iCIMS includes a five percent annual increase for maintenance and support services. By extending Purchase Order A36775 an additional two years, OCTA will not pay the five percent annual increase. This will allow OCTA to save an estimated \$5,880 over the next two years. Based on the estimated savings, the amount of \$77,107 is considered fair and reasonable as there is no annual increase.

Fiscal Impact

The software renewal is budgeted on an annual basis by the Information Systems Department, Account 1282-A5352-9RS-7612. The request for additional contract authority has no additional fiscal impact to OCTA's FY 2017-18 Budget. The entire amount is funded through the general fund.

Summary

Staff recommends the Board authorize the Chief Executive Officer to negotiate and execute Amendment No. 1 to Purchase Order A36775 with iCIMS in the amount of \$77,107, and to extend the contract term of the purchase order an additional two years through October 31, 2019, to provide continued cloud-based recruitment software maintenance and support services for the HR Department.

Attachment

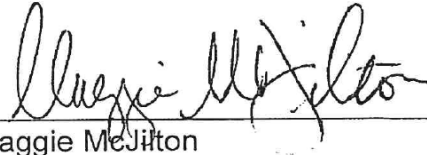
- A. ICIMS, Inc., Purchase Order A36775 Fact Sheet

Prepared by:

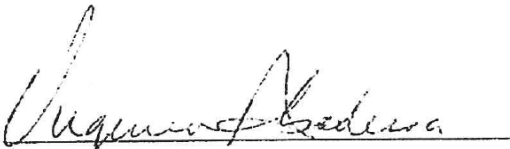


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