



COUNTY OF HUMBOLDT

For the meeting of: January 3, 2017

Date: December 23, 2016

To: Board of Supervisors

CD For AN Amy S. Nilsen, County Administrative Officer From:

Establish Fixed Asset Account for Software Licenses, Support, and Hosting of Microsoft Subject: **Exchange** Online

RECOMMENDATION(S):

That the Board of Supervisors approve the attached budget transfers moving funds in the Information Technology (3550118) and Department of Health and Human Services - Social Services (1160511) budgets to a fixed asset account for the purchase of software licenses, support and hosting services required for Microsoft Exchange Online.

SOURCE OF FUNDING:

All county funds

DISCUSSION:

On December 13, 2016, your Board approved and authorized the County Purchasing Agent to execute a Microsoft Enterprise Agreement with Dell for the implementation, conversion, licensing, support and hosting services required to upgrade Microsoft Exchange. Email is absolutely critical to the operations of the county. Currently the county's email system, Microsoft Exchange environment, is housed on premises in the county Information Technology building. The current email environment/infrastructure consists of multiple servers and is complex to maintain and support, and offers limited disaster recovery options. The county is constantly looking at opportunities to manage costs and improve service and has researched the current trend within

Prepared by Cheryl Dillingham	CAO Approval	(listicites)
REVIEW: Non County Counsel	Human Resources	Other
TYPE OF ITEM: X Consent Departmental Public Hearing Other PREVIOUS ACTION/REFERRAL:		BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT Upon motion of Supervisor Sundberg Ayes Sundberg, Fennell, Bass, Bohn, Wilson Nays Abstain Abstain
Board Order No Meeting of:		and carried by those members present, the Board hereby approves the recommended action contained in this Board report. Dated: <u>Jam. 3, 2017</u> By: <u><u>han Hunhull</u> Kathy Hayes, Clerk of the Board</u>

California public agencies to move to Microsoft Exchange Online. After careful analysis and input from the Humboldt County Department of Health and Human Services – Information and Technology Division and the Humboldt County Department of Child Support Services – Information and Technology Division, the decision was made to move the county email to Microsoft Exchange Online.

At the time the agreement was approved it was not known that the funds needed to be in a fixed asset account for the purchase of the software licenses, support and hosting services need to implement Microsoft Exchange Online. The recommended budget adjustments move currently budgeted funds to a fixed asset account.

FINANCIAL IMPACT:

The total first year costs for the upgrade to Exchange Online are estimated to be \$251,300. Costs are proposed to be shared between the Information Technology Division of the County Administrative Office and the Department of Health and Human Services, based on users and services. Information Technology will then charge other county departments based on the number of users.

This decision supports your Board's priorities for new initiatives by managing resources to ensure sustainability of services, and providing for and maintaining vital infrastructure.

OTHER AGENCY INVOLVEMENT:

All county departments.

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board may decide not to approve the attached budget transfers. However, this alternative is not recommended because the Board previously approved the agreement and the budget transfer is needed to allow the Auditor's office to properly capitalize the expenditures.

ATTACHMENTS:

Attachment 1 – Budget Transfer Department of Health and Human Services – Social Services Attachment 2 – Budget Transfer Information Technology

COUNTY OF HUMBOLDT REQUEST FOR BUDGET TRANSFER/ADJUSTMENT

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1	DEPARTMENT:	DHHS-Social Service	<u>s</u> DEP	ARTMENT #:511	_POSTING DATE:
1.) TI - - - - -	he reason for this X	budget transfer reque Transfer within expe Transfer between ex Increase/decrease I Transfer to or from (Increase/decrease to Establish/transfer fu Establish/transfer fu	ditor Approval) Original +1 oval)* Original +1 Original +1 Original +1 Original +1 Original +1 Original +1 Original +1		
2.)	Transfer to Acc Amount: Number:		o Account: Name:	Transf Number:	fer from Account: Name:
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				ason why there are suff	ficient balances in
	affected accounts,	and (c) why transfer	cannot be delayed ur	itil next budget year.	
		· "			
) De	partment Authoriz	ation:	Date	12/22/16 (signed)	Connie Beck, DHHS Director
) Acc	count balances ve	rified by Auditor-Con	t Date	12/27/16 (signed)	M.C. Mellet
)+	/Approved	/Not approved	K_/Recommer		nmended
	County Adminis		Date	12/22/1(Gigned)	Ces Marth
END	ORIGINAL REQUE	ST FOR BUDGET TRAM		THE AUDITOR-CONTROL	LER.
Requi	res copy of Board Ord	er to be attached	Revised 05/16	Posted by	/

COUNTY OF HUMBOLDT REQUEST FOR BUDGET TRANSFER/ADJUSTMENT

DEPARTMENT #: 118 POSTING DATE: 1/3/2017 DEPARTMENT: Information Technology 1.) The reason for this budget transfer request is: Original only Transfer within expenditure/revenue category (with Auditor Approval) Transfer between expenditure/revenue category (with CAO & Auditor Approval) Original +1 Original +1 Increase/decrease Intrafund Transfer account (with Board Approval)* Original +1 Transfer to or from Contingencies (with Board Approval)* Original +1 Increase/decrease budget unit appropriation (with Board approval)* Original +1 Establish/transfer funds in Fixed Assets <\$10,000 (CAO & Auditor Approval) Original +1 Establish/transfer funds in Fixed Assets >\$10,000 (with Board Approval)* Х Transfer from Account Transfer to Account 2.) Name: Number: Number: Name: Amount: **Professional Services** 3550118-2118 Software 3550118-8965 38,300 3550118-2148 Software 82.000 3550118-8965 Software \$ 3.) In the space below, state (a) reason for transfer request, (b) reason why there are sufficient balances in affected accounts, and (c) why transfer cannot be delayed until next budget year. Move funds for Exchange online a) Funds budgeted in wrong account b) Costs need in the current fiscal year to maintain services C) Date 12/27/16 (signed) (4.) Department Authorization: Date /2/27/16 (signed) 5.) Account balances verified by Auditor-Controller /Recommended 6.) /Approved ___/Not approved /Not recommended Date 17 7/(Osigned) County Administrative Officer: INSTRUCTIONS SEND ORIGINAL REQUEST FOR BUDGET TRANSFER DIRECTLY TO THE AUDITOR-CONTROLLER. Posted by * Requires copy of Board Order to be attached Revised 02/15

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