

Office of the County Auditor
Auditor's Analysis

Council Bill No. 12-2025

Introduced: March 3, 2025

Auditor: Diane Zagorski-Kelly

Fiscal Impact:

The fiscal impact to enter an agreement with ePlus Technology, Inc (ePlus) is a commitment to four and a half annual payments of \$1,013,925 (or \$4,562,662 in total expenses by December 31, 2029). According to the Director of the Department of Technology and Communication Services (DTCS), entering into a multi-year agreement versus a one-year agreement would result in a total cost savings of \$1,096,989.94 over the next four and a half years. Our office reviewed the vendor quotation and confirmed that the anticipated costs are accurately reflected in the Administration's testimony.

According to the DTCS, prices for the proposed new agreement have increased significantly, nearly doubling since the previous 2022 license rate agreement. The proposed agreement will protect the County against future price increases during the next four and a half years.

This expense will be incurred in the DTCS Internal Service Fund and will be passed through to other County agencies as a Data Processing Chargeback beginning in Fiscal Year 2026.

Purpose:

The purpose of this legislation is to approve a new four-and-a-half-year agreement between the County and ePlus for telephone and Webex services. ePlus is a designated preferred reseller of Cisco products.

Other Comments:

The Deputy Director of the Department of Finance (DOF) confirmed DTCS is requesting appropriation for these expenditures in its FY 2026 Operating Budget and therefore the certification of appropriations pursuant to Section 612 of the County Charter is not required.

According to DTCS, this agreement will upgrade the County's current call center to a cloud-based software contact center, allowing greater support for employees and a more modern experience for callers which includes AI capabilities.

Below is an overview of costs incurred by the County for Webex and phone services between FY 2019 and FY 2024. Cisco

Fiscal Year	Webex	VOIP/Phones	Webex/VOIP	Total
2019	\$ -	\$ 489,780	\$ -	\$ 489,780
2020	29,207			29,207
2021	206,407			206,407
2022			386,583	386,583
2023			386,583	386,583
2024			386,583	386,583
Total	\$ 235,614	\$ 489,780	\$ 1,159,749	\$ 1,885,143