

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF THE COUNTY OF SAN BERNARDINO
AND RECORD OF ACTION**

June 8, 2021

FROM

ENSEN MASON, Auditor-Controller/Treasurer/Tax Collector

SUBJECT

Master Software and Services Agreement with UiPath for Robotic Process Automation Software and Support Services

RECOMMENDATION(S)

Approve Master Software and Services Agreement **County Contract No. 21-422** with UiPath for robotic process automation and artificial intelligence technologies effective June 8, 2021, through June 7, 2026.

(Presenter: Douglas R. Boyd, Assistant Auditor-Controller/Treasurer/Tax Collector, 382-7004)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Improve County Government Operations.

Operate in a Fiscally-Responsible and Business-Like Manner.

FINANCIAL IMPACT

This item will not result in the use of additional Discretionary General Funding (Net County Cost). Sufficient appropriation has been included in the Auditor-Controller/Treasurer/Tax Collector's (ATC) 2021-21 budget and will be included in future recommended budgets.

BACKGROUND INFORMATION

ATC continues to adopt and leverage cost optimizing technologies, such as robotic process automation (RPA) software, to improve business and IT operations, reduce inefficiencies, and save costs. ATC's virtual robots can streamline and automate manual repetitive tasks behind the scenes, allowing staff to focus on more complex and critical business processes. As an example, a court order in 2020 required ATC's Property Tax Division to correct over 43,000 tax bills by removing a special assessment for fire service fee (FP-5) and issue refunds to taxpayers in less than 30 days. With the use of the RPA program to bypass the need for staff to manually input and process refunds in the mainframe system, Property Tax successfully automated the correction processes, which would have taken about 900 hours for four full-time staff to complete in a month. In other use cases, scripts running on local devices were transferred to the RPA tool, essentially moving data processing needs to a centralized system. Without this software, ATC would require staff to focus on tedious and monotonous tasks, resulting in lost productivity, delayed services, and increased costs.

UiPath's Master Software and Services Agreement (MSSA) is its standard commercial contract, which includes terms that differ from the standard County contract and omits certain County standard contract terms. The non-standard and missing terms include the following:

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June 8, 2021**

1. The contract does not include certain standard County insurance requirements, including the requirements to name the County as an additional insured and the waiver of subrogation.
 - The County standard contract requires contractors to carry appropriate insurance at limits and under conditions determined by the County’s Risk Management Department.
 - Potential Impact: The lack of certain insurance related rights and obligations could result in additional liability to the County and expenses that exceed the total contract amount.

2. Maximum aggregate limitation of liability of each Party for all claims relating to the Agreement to the Fees paid to UiPath under the Agreement for the relevant Technology in the twelve (12) months before the initial claim or \$500,000, whichever is higher, excluding acts of fraud or willful misconduct and UiPath’s indemnification obligations.
 - The County standard contract does not include a limitation of liability.
 - Potential Impact: Claims could exceed the liability cap and the contract amount leaving the County financially liable for the excess.

3. There is no termination for convenience.
 - The County standard contract gives the County the right to terminate the Contract, for any reason, with a thirty (30) day written notice of termination without any obligation other than to pay amounts for services rendered and expenses reasonably incurred prior to the effective date of termination.
 - Potential Impact: County can only terminate the contract during the contract period for an uncured breach by UiPath, bankruptcy by UiPath, or if it becomes illegal to continue performance under the Agreement. Any attempted termination by County without cause would result in payment liability for the full contract amount, which could result in payment liability where no funds are available due to lack of allocation or loss of funding.

ATC recommends approval of the UiPath MSSA, including the non-standard terms, to allow ATC the continued use of the RPA software, which has been an effective tool for reducing repetitive and manual tasks, improving accuracy and reducing errors, and saving on County costs.

PROCUREMENT

In September 2019, ATC released an informal request for bids for UiPath’s RPA software and support from selected product resellers. In December 2019, three bids were received and evaluated.

Vendor	Location	Cost
Speridian	Albuquerque, NM	\$26,250
UiPath	New York, New York	\$39,800
VARIEDY	Irvine, CA	\$39,800

ATC’s Information Technology Division evaluated the bids and selected Speridian to provide UiPath’s RPA software services based on the lowest cost proposal.

Purchase Order No. 4100129342 was issued to Speridian for UiPath software for two attended, two unattended, and one orchestrator license on January 27, 2020, at a cost of \$26,250. Approval of UiPath’s MSSA will allow the Purchasing Agent to issue a new purchase order to

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Speridian for these services in an amount not to exceed \$34,000 for the period of June 8, 2021, through June 7, 2022, ensuring ATC continues to utilize the RPA software with minimal interruptions.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Bonnie Uphold, Deputy County Counsel, 387-5455) on May 12, 2021; Risk Management (LeAnna Williams, Director, 386-8621) on April 5, 2021; Purchasing (Bruce Cole, Supervising Buyer, 387-2148) on May 11, 2021; Finance (Carl Lofton, Administrative Analyst, 387-5404) on May 21, 2021; and County Finance and Administration (Robert Saldana, Deputy Executive Officer, 387-5423) on May 21, 2021.

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Record of Action of the Board of Supervisors
County of San Bernardino

APPROVED (CONSENT CALENDAR)

Moved: Janice Rutherford Seconded: Joe Baca, Jr.
Ayes: Col. Paul Cook (Ret.), Janice Rutherford, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: June 8, 2021



cc: ATC - Le w/agree
Contractor - C/O ATC w/agree
File - w/agree
CCM 06/15/2021