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[Reprogramming of \$789,715 from SFGH's equipment budget to purchase a Materials and Supplies Inventory and Purchasing System Upgrade]

Resolution authorizing the San Francisco Department of Public Health (DPH), to reprogram \$789,715 in funding budgeted at San Francisco General Hospital (SFGH) for medical equipment to purchase a Materials and Supplies Inventory and Purchasing System Upgrade in FY 2006-07

WHEREAS, DPH needs to acquire an Inventory and Purchasing System Upgrade for its existing/sun-setting predecessor system used for the procurement and inventory control for medical supplies throughout the DPH; and

WHEREAS, a system crash after the sunset date would carry with it great risk to the DPH and could result in the shut-down of computerized Inventory, purchasing, distribution, accounting, receiving, and revenue capture capabilities throughout the DPH; and

WHEREAS, the upgraded system will be used to address the medical supply purchasing and inventory needs of San Francisco General Hospital, Laguna Honda Hospital, and other off-site medical facilities including San Francisco Behavioral Health Center, five jails, and seventeen health clinics; and

WHEREAS, patient care will be enhanced as end users, such as nursing staff, are empowered to remain at their critical posts to access online supply ordering; and

1  
2 WHEREAS, as an existing licensed customer of the Matkon System,  
3 McKesson is extending to the Department an 80% discount on the like-for-like  
4 upgrade and a 30% discount on the new applications on the condition that contract  
5 signing occurs in FY 2006-07; and  
6

7 WHEREAS, DPH was able to negotiate a five-year support and maintenance  
8 agreement, which is 11% off of McKesson's standard pricing; and  
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10 WHEREAS, all the discounts total \$798,700 off the standard software list price  
11 of \$1,258,600, which is a savings of approximately 63%. Additionally, McKesson has  
12 extended the Matkon Support sunset date, March 2007, and has agreed to continue  
13 to support Matkon until the upgrade to Pathways is completed; and  
14

15 WHEREAS, SFGH has identified budgeted equipment that is not essential to  
16 the operation of the hospital at this time in the amount of \$789,715; and  
17

18 WHEREAS, DPH has requested the balance of \$549,187 in the FY 2007-08  
19 equipment budget; and  
20

21 WHEREAS, the Department wishes to obtain approval from the Board of  
22 Supervisors to reprogram \$789,715 allocated to SFGH to purchase a Materials and  
23 Supplies Inventory and Purchasing System Upgrade; and now, therefore; be it  
24  
25

1 RESOLVED, that DPH is authorized to reprogram the \$789,715 budgeted at  
2 SFGH to purchase a Materials and Supplies Inventory and Purchasing System  
3 Upgrade.

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5 APPROVED:

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9 Mitch Katz, M.D.  
10 Director of Health  
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# City and County of San Francisco

## Tails

### Resolution

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City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689

**File Number:** 070326

**Date Passed:**

Resolution authorizing the San Francisco Department of Public Health (DPH), to reprogram \$789,715 in funding budgeted at San Francisco General Hospital (SFGH) for medical equipment to purchase a Materials and Supplies Inventory and Purchasing System Upgrade in FY 2006-07.

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May 8, 2007 Board of Supervisors — ADOPTED

Ayes: 10 - Alioto-Pier, Ammiano, Daly, Dufty, Elsbernd, Jew, Maxwell,  
Mirkarimi, Peskin, Sandoval

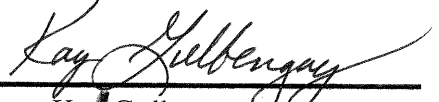
Excused: 1 - McGoldrick

File No. 070326

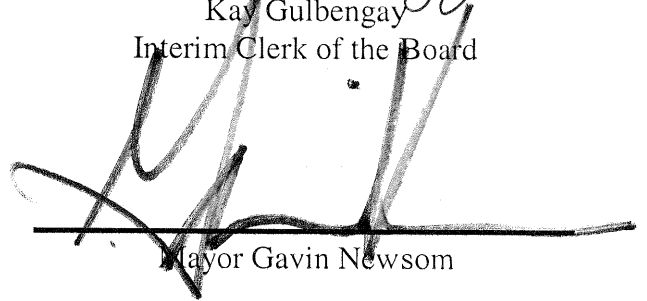
I hereby certify that the foregoing Resolution was ADOPTED on May 8, 2007 by the Board of Supervisors of the City and County of San Francisco.

**MAY 17 2007**

**Date Approved**



Kay Gulbengay  
Interim Clerk of the Board



Mayor Gavin Newsom