

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

944



FROM: Human Resources Department

SUBMITTAL DATE:
June 3, 2013

SUBJECT: Approval of Sole Source Procurement for a One-Year Extension of the Current Agreement with SHL US, Inc., (formerly PreVisor, Inc.) for Online Pre-Employment Testing Services

RECOMMENDED MOTION: That the Board of Supervisors: 1) approve the sole source procurement for a one-year extension (July 1, 2013 to June 30, 2014) of the County's current agreement with SHL US, Inc. for online pre-employment testing services in the amount of \$217,800 in accordance with Ordinance 459.4; 2) authorize the chairperson to sign three (3) copies of the amendment to the agreement; and 3) retain one copy of the signed amendment to the agreement, and return two copies to Human Resources for distribution.

BACKGROUND: The Human Resources Department is seeking a one-year extension of the County's agreement with SHL US, Inc. for online pre-employment testing services. Testing is a critical component of the County's recruiting and selection process, and a necessity for departments that must meet the merit requirements of the Local Agency Personnel Standards (Ca. Gov. Code §§ 19800-19810) to qualify for certain state and federal funding programs.



 Barbara A. Olivier
 Asst. County Executive Officer/Human Resources Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 217,800	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2013/14

SOURCE OF FUNDS: Human Resources Rate and TAP ISF	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

BY: 



 Ivan M. Chand 6/17/2013

County Executive Office Signature

FORM APPROVED COUNTY COUNSEL
 BY:  DATE: 6/13/13
 Neal R. KIPNIS
 Departmental Concurrence
 Purchasing:  Mark Seiler, Assistant Director

- Policy
- Consent
- Policy
- Consent

Dep't Recomm.:
Per Exec. Ofc.:

Prev. Agn. Ref.: 3.57 7/13/2010 **District:** ALL **Agenda Number:**

BACKGROUND continued:

Human Resources utilizes pre-employment testing for 28 job classification series, across all County departments. A few of these job classifications include Office Assistant I/II, Eligibility Technician I, Deputy Sheriff Trainee, and Deputy Probation Officer. In 2012, Human Resources tested 38,619 applicants, who took 104,844 SHL tests. This applicant volume requires electronic, web-based testing services to enable efficiency in the testing process. Many tests offered by SHL can be delivered in an un-proctored environment, which saves staff time and improves the applicant experience when applying for jobs.

In July 2010, the Board of Supervisors approved a three-year agreement (Contract ID # HRARC-90783-001 06/11) with SHL for online pre-employment testing services through June 2011 and renewable in one-year increments for two years (Minute Order 3.57 7/13/2010). The Board's approval followed a Request for Proposal (HRARC-034) conducted by the Purchasing Department. The evaluation committee selected SHL (PreVisor, at the time) as the most responsive bidder. The cost of the agreement in its first year was \$166,667, \$180,000 when renewed in the second year, and \$198,000 when renewed in the third year. The cost of the one-year extension sought by Human Resources is \$217,800, which follows the price increase terms of the current agreement. Some of the services in the agreement scope of service include: helpdesk/technical support for applicants testing; training software for Human Resources users; a web-based platform for proctored and unproctored testing; ability for Human Resources users to build custom tests; unlimited use of various assessments such as computer skills assessments, law enforcement assessment (POST), and accounting assessments; and a platform capable of integrating with PeopleSoft Talent Acquisition Manager (TAM). The current agreement expires in June 2013, unless the Board approves the one-year extension.

Although other vendors may have the technical capability to integrate their services with TAM, Oracle Corporation has not certified any testing services integration as an Oracle-Validated Integration for its TAM application. The lack of an Oracle-Validated Integration means that no "out-of-the-box" integration exists. Therefore any integration must be custom built, which requires extensive development and testing work by the testing vendor, RCIT and Human Resources. County staff that would be assigned to develop and test a new integration are currently dedicated to the deployment of TAM over the next year, making such work unfeasible at this time and unnecessary because a functional integration has been built for SHL.

Human Resources is requesting to extend the current agreement for one year through June 2014 because of SHL's ability now to integrate its online services with the County's new applicant tracking system, PeopleSoft Talent Acquisition Manager (TAM). The ability to integrate allows both TAM and SHL's online system to pass applicant and testing data back and forth for the purpose of automating the testing process through the TAM interface. Over the past several months, Human Resources and Riverside County Information Technology (RCIT) have expended considerable staffing resources working with SHL to build, configure, and test a custom integration, which will be deployed with TAM in June 2013. Using the integration, recruiters will be able to order tests for applicants, email links to applicants for online tests, track applicant testing statuses, and view applicant tests results, all from within the TAM interface.

PRICE REASONABLENESS

The existing integration capabilities offered by SHL are critical to the County's deployment of PeopleSoft Talent Acquisition Manager (TAM). The pre-employment testing process is one of the primary areas where efficiencies will be gained by the new TAM system because the testing process is

comprised of several time-intensive manual tasks, such as the manual inputting of test scores into the applicant tracking system and manual tracking of applicant test completion status for some 38,619 applicants per year; such tasks will be eliminated due to the integration. Using the integration, recruiters will be able to order in batch tests for applicants, email to applicants links to online tests, track applicant testing statuses, and view applicant tests results, all from within the TAM interface. These features will benefit the County through reduced staff time spent on the testing process and result in a more efficient recruiting and selection process.

The cost to extend the existing contract (Contract ID # HRARC-90783-001 06/11) for one year is \$217,800. SHL has agreed to honor the contract terms in place with the County of Riverside from 2010-2013, with the same price increase specified in that contract but for one additional year. SHL has stated that we would need to re-negotiate the contract in future years, but has agreed to extend the favorable pricing from 2010-2013 into another contract year. The rates charged by SHL are reasonable for the services, particularly given the efficiencies to be gained by the TAM integration.

RCIT has approved the attached H-11 Technology Procurement form.

Date: May 30, 2013
From: Barbara A. Olivier, Asst. CEO/Human Resources Director
Department/Agency: Human Resources Department
To: Board of Supervisors/Purchasing Agent
Via: Purchasing Agent
Subject: Sole Source Procurement; Online Pre-Employment Testing Services

The below information is provided in support of my Department requesting approval for a sole source. Outside of a duly declared emergency, the time to develop a statement of work or specifications is not in itself justification for sole source.

- 1. Supply/Service being requested:** Online pre-employment testing services, including the capability to integrate with PeopleSoft Talent Acquisition Manager (TAM).
- 2. Supplier being requested:** SHL US, Inc. (formerly PreVisor, Inc.).
- 3. Alternative suppliers that can or might be able to provide supply/service:** There are several vendors in the online pre-employment testing services market. However, Human Resources requires that such services have the ability to “integrate” with its new applicant tracking system, PeopleSoft Talent Acquisition Manager (TAM). An “integration” between the vendor’s online testing system and TAM allows both systems to pass applicant and testing data back and forth for the purpose of automating the testing process through the TAM interface. Such an integration requires several months of development and testing by the vendor, Riverside County Information Technology, and Human Resources. Human Resources and RCIT staff that would be assigned to develop and test a new integration are currently dedicated to the incremental deployment of TAM over the next year, making such work unfeasible at this time and unnecessary because a functional integration has been built for SHL.
- 4. Extent of market search conducted:** Human Resources consulted Oracle Corporation’s online directory of Oracle-Validated Integrations for its PeopleSoft Talent Acquisition Manager (TAM) application. At this time, there are no vendors that offer an existing/pre-built integration for online pre-employment testing that has been validated by Oracle for its TAM product. Any integration then must be custom built by the vendor’s developers and RCIT and then tested by Human Resources.
- 5. Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide:** The unique feature that SHL provides is the ability now to integrate its online testing services with the County’s new applicant tracking system, PeopleSoft Talent Acquisition Manager (TAM), to automate the County’s testing process. Over the past several months, Human Resources and RCIT have expended considerable staffing resources working with SHL to build, design, configure, and test a custom integration that passes applicant data and test scores between TAM and SHL for the purpose of automating the testing process through the TAM interface. The completed integration is planned to deploy along with TAM in June 2013.
- 6. Reasons why my department requires these unique features and what benefit will accrue to the county:** The existing integration capabilities offered by SHL are critical to the County’s deployment of PeopleSoft Talent Acquisition Manager (TAM). The pre-employment testing process is one of the primary areas where efficiencies will be gained by the new TAM system because the testing process is comprised of several time-intensive manual tasks, such as the manual inputting of test scores into the applicant tracking system and manual tracking of applicant test completion status for some 38,619

applicants per year; such tasks will be eliminated due to the integration. Using the integration, recruiters will be able to order in batch tests for applicants, email to applicants links to online tests, track applicant testing statuses, and view applicant tests results, all from within the TAM interface. These features will benefit the County through reduced staff time spent on the testing process and result in a more efficient recruiting and selection process.

7. **Price Reasonableness including purchase price and any ongoing maintenance or ancillary costs from the supplier:** The cost to extend the existing contract (Contract ID # HRARC-90783-001 06/11) for one year is \$217,800. SHL has agreed to honor the contract terms in place with the County of Riverside from 2010-2013, with the same price increase specified in that contract but for one additional year. SHL has stated that we would need to re-negotiate the contract in future years, but has agreed to extend the favorable pricing from 2010-2013 into another contract year. The rates charged by SHL are reasonable for the services.

8. **Does moving forward on this product or service further obligate the county to future similar contractual arrangements or any ongoing costs affiliated with this sole source? (Maintenance, support, or upgrades, if so, please explain).** There is no obligation to continue services with this vendor.

9. **Period of Performance:** July 1, 2013, to June 30, 2014.

Barbara Thrice 6/12/13
 Department Head Signature Date

Purchasing Department Comments:
Will be Bid for FY 2015

<input checked="" type="radio"/> Approve	Approve with Condition/s	Disapprove
Not to exceed: \$ <u>217,800</u>	One time	Annual Amount through <u>6-30-2014</u>
<u>M. J. De</u>	<u>6-13-13</u>	<u>14-019</u>
Purchasing Agent	Date	Approval Number (Reference on Purchasing Documents)



RIVERSIDE COUNTY INFORMATION TECHNOLOGY PROCUREMENT FORM
To be completed for all departmental purchases of IT systems, services or renewals

PR 2013
00267
Tracking Number for
Internal Use Only

REQUESTED PURCHASE: ONLINE PRE-EMPLOYMENT TESTING SERVICES – SHL US, INC.																	
DEPARTMENT/AGENCY: HUMAN RESOURCES DEPARTMENT																	
CONTACT NAME/PHONE: ROBIN DOWNS/951-955-5195																	
PURCHASE REQUEST: <input type="checkbox"/> NEW EQUIPMENT/SERVICES <input type="checkbox"/> UPGRADE <input type="checkbox"/> REPLACEMENT																	
PURCHASE TYPE: <input checked="" type="checkbox"/> PROFESSIONAL SERVICES <input type="checkbox"/> SOFTWARE <input type="checkbox"/> HARDWARE <input checked="" type="checkbox"/> RENEWAL																	
DESCRIBE REQUESTED PURCHASE	SHL US, Inc., (formerly PreVisor, Inc.) has provided online pre-employment testing services to the County since 2010. The current contract with SHL ends in June 2013, and Human Resources is seeking to extend the existing contract for one year through June 2014. SHL's services are used to test for 28 different job classifications. In 2012, a total of 104,844 tests were administered in both proctored and unproctored settings. Over the past several months, RCIT and Human Resources have worked with SHL to build a custom integration to automate the testing process through PeopleSoft Talent Acquisition Manager (TAM).																
BUSINESS NEEDS ADDRESSED	Extension of the County's contract with SHL for one year will allow the County to continue to use SHL's online pre-employment testing services. The extension will also allow RCIT and Human Resources to deploy the integration it has built with SHL to automate the testing process from within TAM.																
ARE THERE ANY OTHER COUNTY SYSTEMS THAT PROVIDE THE SAME FUNCTIONALITY? <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES <input type="checkbox"/> UNKNOWN																	
BUSINESS CRITICALITY <input checked="" type="checkbox"/> Run the business <input type="checkbox"/> Grow the business <input type="checkbox"/> Transform the business	BUSINESS IMPACT (SELECT ALL THAT APPLY) <input checked="" type="checkbox"/> Support current operations <input checked="" type="checkbox"/> Reduce Expenses <input checked="" type="checkbox"/> Improve Customer Service <input checked="" type="checkbox"/> Improve Operational Efficiencies																
BUSINESS RISKS	Financial: Operational: Customer:																
ALTERNATIVE SOLUTIONS	1. Online Pre-Employment Testing Services from SHL US, Inc. – One Year Contract Extension 2. 3.																
TRANSACTION <input checked="" type="checkbox"/> Cash Purchase <input type="checkbox"/> Lease Purchase Lease Years: _____																	
PURCHASE COSTS Hardware: \$ Software: \$	COST BENEFIT ANALYSIS <table border="1"> <thead> <tr> <th></th> <th>ALTERNATIVE STATUS QUO</th> <th>ALTERNATIVE</th> <th>ALTERNATIVE</th> </tr> </thead> <tbody> <tr> <td>Current Annual Cost</td> <td>\$198,000</td> <td></td> <td></td> </tr> <tr> <td>Ongoing Annual Cost</td> <td>\$217,800 (1 year)</td> <td></td> <td></td> </tr> <tr> <td>Annual Cost Savings</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>		ALTERNATIVE STATUS QUO	ALTERNATIVE	ALTERNATIVE	Current Annual Cost	\$198,000			Ongoing Annual Cost	\$217,800 (1 year)			Annual Cost Savings			
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Ongoing Annual Cost	\$217,800 (1 year)																
Annual Cost Savings																	



RIVERSIDE COUNTY INFORMATION TECHNOLOGY PROCUREMENT FORM
 To be completed for all departmental purchases of IT systems, services or renewals

Tracking Number for
Internal Use Only

Labor: \$ TOTAL COST: \$217,800	Net Annual Savings			
	Project Implementation Cost			
	Project Payback Period? yrs			

Department Head Signature: *John Mooney for BAO* Date: *5/30/13*

RCIT RECOMMENDATION – for purchases and renewals under \$100,000

Recommended: Yes No (Non-recommended requests submit to TSOC)

By: *Ben Kray* Date: *6/3/13*
 Chief Information Officer Signature: *[Signature]* Date: *3 Jun 13*

RCIT explanation for non-recommended requests:

TSOC RECOMMENDATION: for purchases and renewals over \$100,000 and RCIT non-recommended purchases or renewals

Recommended: Yes No (In no, provide explanation below)

TSOC Chair Signature: *[Signature]* Date: *6 Jun 13*

TSOC explanation for denied requests:

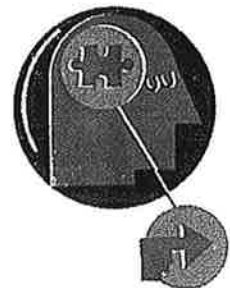


Amendment #3 *to Price Addendum*

May 14, 2013

Prepared for:
Robin Downs
County of Riverside
t: (951)955-5195
e: rdowns@rc-hr.com

Prepared by:
Kristy Parent
SHL US Inc.
t: (678)832-0518
e: kristy.parent@shl.com



The Parties

Full name	SHL US Inc.	County of Riverside
Address	555 North Point Center East, Floor 6 Alpharetta, GA 30022 ("SHL")	4080 Lemon Street Riverside, CA 92501 ("Client")

Amendment

This Amendment #3 (the "Amendment") to extend for one additional year for the Professional Service Agreement for Personal Computer (PC) and Web-Based Pre-Employment and Development Tests/Assessment Services (the "Agreement") is entered into by and between County of Riverside ("Client") and SHL and amends the Agreement between Client and SHL (formerly PreVisor Inc.) dated July 1, 2010.

WHEREAS, the parties to the Amendment desire to amend the Addendum as specified below;

NOW THEREFORE, in consideration of the mutual agreements contained herein and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

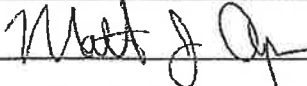
- I. Section 2.4 is added to Section 2, "Period of Performance" as follows:
 "2.4 The parties have agreed to exercise a one-year extension of the original three-year Agreement dated July 1, 2010 to continue in effect to June 30, 2014. Therefore, pursuant to this Amendment, the parties agree to renew this Agreement for an additional year ("Year 4") effective July 1, 2013 through June 30, 2014, unless terminated earlier."

- II. The following is added after sentence two in Section 3.1, "Compensation" as follows:
 "Since the parties have exercised the option to extend the Agreement for one additional year effective July 1, 2013 through June 30, 2014 ("Year 4"), the parties agree that the cost for such renewal is **Two Hundred Seventeen Thousand Eight Hundred and No/100 (\$217,800.00) Dollars** as set forth from the prior two renewal years on Exhibit B."


This Amendment shall amend, modify and supersede, to the extent of any inconsistencies, the provisions of the Agreement. Except as expressly affected by this Amendment, the Agreement shall remain in full force and effect. Capitalized terms used in this Amendment and not otherwise defined shall have the meaning ascribed to such terms in the Agreement.

Date of Original Agreement	July 1, 2010
No. and date of any previous Change Agreements to the Original Agreement	Addendum #2, June 11, 2012
Invoicing	SHL will invoice the Client \$18,150.00 each month for 12 months starting July 2013. Payment is due within forty-five (45) days from the date of SHL's invoice.

Execution

Signature	 for SHL	for the Client
Name	Matt Chapman	
Date	5/20/13	

Please sign above and send this document back to us by PDF to kristy.parent@shl.com

FORM APPROVED COUNTY COUNSEL
 BY: 
 DATE: 6/17/13
 NEAL R. KIPNIS