

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

122



SUBMITTAL DATE:
April 3, 2013

FROM: Human Resources Department

SUBJECT: Request for Sole Source Purchase of Franklin Covey Training and Materials

RECOMMENDED MOTION: 1) Approve Franklin Covey as a sole source vendor for the purchase of training and materials not to exceed \$150,000 per fiscal year; renewable in one year increments for up to three (3) years. 2) Approve and direct the Auditor-Controller to make the budget adjustments as shown on Schedule A.

BACKGROUND: Since 2006, the County of Riverside's Center for Government Excellence (CGE), has taken a highly proactive approach in helping achieve success by developing effective individuals and teams who execute the organization's mission through training, executive coaching, and both principle and competency based programs.

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

FINANCIAL DATA	Current F.Y. Total Cost:	\$65,000	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	Yes
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2012/13

SOURCE OF FUNDS: Reimbursed from individual department budgets; no net county cost.	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input checked="" type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

BY: *Ivan M. Chand* 4/10/2013
Ivan M. Chand

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Ashley, seconded by Supervisor Tavaglione and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Stone, Benoit and Ashley
Nays: None
Absent: None
Date: 4/10/2013
xc: HR, Purchasing, Auditor, EO

Kecia Harper-Ihem
Clerk of the Board
By: *Kecia Harper-Ihem*
Deputy

Prev. Agn. Ref.: | **District:** ALL | **Agenda Number:**

3-38

FISCAL PROCEDURES APPROVED
 PAUL ANGULO, CPA, AUDITOR-CONTROLLER
 BY: *Paul Angulo* 4/20/13
 Departmental Concurrence: *Ursula Rose*
 Purchasing: *Mark Seiler*
 Dept's Recomm.:
 Per Exec. Ofc.:

BACKGROUND continued:

As part of this effort, CGE has researched many organizational development companies and continues to find Franklin Covey products and training as the most effective and highly rated programs of their type. Franklin Covey products have been adopted in a variety of ways throughout the County of Riverside, including the Management Excellence Academy, Supervisory Excellence Academy, and the Professional Assistants Academy. Products include: 5 Choices to Extraordinary Productivity, 7 Habits for Managers, Great Leaders, Project Management, Speed of Trust, Writing Advantage, Live Clicks (online training modules) and future developed courses deemed important to achieve organization goals.

The Center for Government Excellence is able to offer cost efficient programs partially due to investing in the training certification of employees who teach Franklin Covey courses. By providing Franklin Covey training and materials in-house, the County of Riverside saves an average of \$500 per person in training costs alone. Courses are strategically designed to help achieve the organization's highest priorities by providing participants with the mind-set, skill-set, and tool-set required unleashing the talents and capabilities of both individuals and teams.

It is a focus of the County of Riverside to foster and emphasize a trusting environment. According to decades of research by the *Great Place to Work Institute*, trust between leaders, managers, and employees is the key to developing a positive workplace culture that contributes to organizational success and high performance. Research has shown that high trust organizations outperform low trust organizations by a significant margin. In high performance organizations, results are achieved because employees are engaged. An engaged workforce is the driver of organization results. The key variable that drives engagement is trust; as trust increases, so does employee engagement. Studies have shown that a 10% increase in trust has the same effect on employee satisfaction as a 36% increase in pay. The level of trust with the immediate supervisor is the most critical relationship impacting employee engagement and organization results. Trust is a function of credibility and behavior. The Speed of Trust course offered by Franklin Covey sets a framework for a process that will move the needle on employee engagement.

As the county-wide learning center, CGE provides individuals with the skills and tools necessary to model ethics, trust and accountability. This is achieved through demonstrated behavior resulting in increased value, improved customer relations, enhanced innovation, improved collaboration, heightened loyalty, improved execution, restored relationships, and decreased costs. As a result, CGE continues to experience an increased demand for services from departments and individuals.

While \$25,000 was previously budgeted in the current fiscal year, a budget adjustment of \$65,000 is needed to cover training and material costs for the current year. For future fiscal years, CGE will require \$150,000 in expenditures with Franklin Covey; purchasing expenses incurred by CGE for training materials are cost recovered from individual departments and reimbursed to the Human Resources budget.

The Center for Government Excellence operates by leveraging resources for the public good, innovating and finding ways to reduce cost and improve performance. Furthermore, since 2007, CGE has successfully negotiated price reductions with its vendors for training and materials resulting in a savings of approximately \$380,000 and continues to do so.

Price Reasonableness:

The County of Riverside will receive the maximum discount offered by Franklin Covey of 30%. In addition, Franklin Covey recognizes their partnership with CGE by extending promotional discounts on training and materials. As a result, the County of Riverside saves thousands of dollars in training expenses each year.

Franklin Covey guarantees our investment in trainer certification and provides free re-certification in the event any certified trainer terminates employment.

Schedule A

Increase in Appropriations:

10000-1130100000-527860 - Training-Materials	\$ 65,000
10000-1130100000-573500 - Intra-Training	(45,000)

Increase Estimated Revenue:

10000-1130100000-777040 - Training	\$ 10,000
10000-1130100000-778340 - Interfund-Training	10,000

Date: April 3, 2013

From: Barbara A. Olivier **Department/Agency:** Human Resources

To: Board of Supervisors

Via: Purchasing Agent

Subject: Sole Source Procurement; Request for Franklin Covey

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.

Supply/Service being requested:

Training and materials

Supplier being requested:

Franklin Covey
P.O. Box 25127
Salt Lake City, UT 84125-0127

Alternative suppliers that can or might be able to provide supply/service:

Franklin Covey is the only approved supplier of the training material used in conjunction with its licensed programs.

Extent of market search conducted:

The Human Resources Department has reviewed many Tactical Management skills training programs and found Franklin Covey programs to be the most effective, highly rated programs of their type.

Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide:

In addition to being part of an integrated development system, Franklin Covey courses include core concepts both consistent with and build upon concepts currently taught in other powerful courses such as Crucial Conversations. Franklin Covey courses are strategically designed to help achieve the organization's highest priorities

Reasons why my department requires these unique features and what benefit will accrue to the county:

Since 2006, the County of Riverside, Center for Government Excellence (CGE) has obtained training and materials from Franklin Covey. Franklin Covey courses build the competencies identified as necessary for County of Riverside managers, supervisors and leaders to be effective in building and sustaining a high performance culture. The Center for Government Excellence is able to offer cost efficient programs partially due to investing in the training certification of employees who teach Franklin Covey courses. Franklin Covey guarantees our investment in trainer certification and provides free re-certification in the event any certified trainer terminates employment.

Price Reasonableness:

The County of Riverside will receive the maximum discount of 30%. In addition, Franklin Covey recognizes their partnership with CGE by extending promotional discounts on training and materials. Furthermore, by providing Franklin Covey training and materials in-house, the County of Riverside saves an average of \$500 per person in training costs alone.

Does moving forward on this product or service further obligate the county to future similar contractual arrangements?

No.

Period of Performance:

Fiscal Year 2012/13, renewable in one year increments for up to three (3) years, not to exceed \$150,000 per fiscal year.

Barbara Altieri

Department Head Signature

Date

Purchasing Department Comments:

Approve Approve with Condition/s Disapprove

Not to exceed: \$ 150,000 One time ~~Annual~~ Amount through 6-30-2016

M. R. [Signature]

4-8-16

13-418

Purchasing Agent

Date

Approval Number
(Reference on Purchasing Documents)