

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

903



FROM: Purchasing and Fleet Services Department

SUBMITTAL DATE:
November 4, 2014

SUBJECT: Approval of FY 2015/16 Supply Services ISF Rate Changes

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the proposed rates for Supply Services as shown in Attachments A and B; and,
2. Approve the waiver of Board Policy B-28 for the use of unrestricted net assets to offset operating costs in the amount of \$130,689.

BACKGROUND:

Summary

This Form 11 is for the purpose of establishing Supply Services rates for Fiscal Year 2015/16.

(Continued on Page 2)

Lisa Brandl

Lisa Brandl, Director
Purchasing & Fleet Services Dept.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	\$ 0	\$ 0	\$ 0	Consent <input type="checkbox"/> Policy <input type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

SOURCE OF FUNDS:

Budget Adjustment: N/A
For Fiscal Year: 2015/16

C.E.O. RECOMMENDATION:

APPROVE

BY: *Ivan M. Chand*
Ivan M. Chand

01/23/2015

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Tavaglione, Benoit and Ashley
Nays: None
Absent: None
Date: February 3, 2015
xc: Purchasing

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

Prev. Agn. Ref.:

District: ALL

Agenda Number:

3-32

FISCAL PROCEDURES APPROVED
 PAUL ANGULO, CPA, AUDITOR-CONTROLLER
 BY: *Paul Angulo*
 Russell Dominski 1-15-15
 Departmental Concurrence

- A-30
- Positions Added
- 4/5 Vote
- Change Order

**SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Approval of FY 2015/16 Supply Services ISF Rate Changes**

DATE: November 4, 2014

PAGE: 2 of 2

BACKGROUND:

Summary (continued)

Supply Services operates as an Internal Service Fund (ISF), and as such must recover its operating costs through charges to its customers. Supply Services rates are derived by combining the direct cost of labor and equipment with indirect costs incurred to run and maintain the facility and operation. Supply Services provides office, janitorial, and systems furniture products to other County departments.

To minimize costs to the County, Supply Services strives for the lowest cost by bidding out large purchases and taking advantage of market conditions. A contract for a primary source of office supplies is reviewed annually and rebid at least every five years with the most recent award made in fiscal year 2013/14.

Delivery Rate

Each year Supply Services charges delivery costs to customers in the form of rates. The delivery charges consist of direct labor, a portion of management labor, car pool expense, fuel, and administrative overhead. The basis for fiscal year 2015/16 rates is the actual cost of delivery in fiscal year 2013/14 spread by the percentage of sales to each customer.

In fiscal year 2015/16, Supply Services will charge delivery costs of \$247,738. Attachment B illustrates charges to County departments.

Markup – Supplies

In fiscal year 2014/15, the Board approved a flexible markup rate on supplies and services not to exceed 10.0%. The fiscal year rate reflects no change from the rate established in fiscal year 2014/15. However, in fiscal year 2014/15, Supply Services waived 50% of markup on products. In fiscal year 2015/16, Supply Services proposes to again waive 50% of markup on products. This savings to departments will be funded by decreasing Supply Services net assets by \$130,689.

Attachment

Attachments: Attachments A and B – Proposed FY 2015/16 Rates for Supply Services

Attachment A
Supply Services Rate Structure
July 1, 2015

Supply Services Markup Rate

	Fiscal Year 2016	Fiscal Year 2015	Fiscal Year 2014
Markup Not to Exceed	10.0%	10.0%	10.0%

Note: Markup on store items is not to exceed 10%. In some cases, Supply Services charges less than 10% to remain competitive with the private sector market.

In FY 2015, Supply Services will set markup at 5% on common office products and janitorial supplies as a one-year change in order save money for County departments.

In FY 2014, Supply Services set markup at 3% on common office products and janitorial supplies as a one-year change in order to work down net assets.

**Attachment B
Supply Services
Delivery Charges**

Dept	Dept Name	FY 2014 Office & Janitorial Product Sales	FY 2014 System Furniture & Moving	FY 2014 Supply Complete Total Sales	FY 2014 % of Product Sales	FY 2016 Delivery Charge Allocation	FY 2015 Delivery Charge Allocation
Total Delivery Costs to Allocate						\$ 213,149	\$ 247,738
10001	BOARD OF SUPERVISORS	13,125	-	13,125	0.156%	332	273
10002	CLERK OF THE BOARD	4,031	-	4,031	0.048%	102	66
11001	COUNTY EXECUTIVE OFFICE	5,053	-	5,053	0.060%	128	86
11044	GRAND JURY ADMIN	1,169	-	1,169	0.014%	30	18
11301	HUMAN RESOURCES 1	90,115	-	90,115	1.069%	2,278	2,420
11303	PERSONNEL-RIDESHARE	1,553	-	1,553	0.018%	39	53
11308	WORKERS COMP DIVISION	10,249	-	10,249	0.122%	259	967
11309	MALPRACTICE INSURANCE	7,836	-	7,836	0.093%	198	257
11310	RISK MANAGEMENT-LIABILITY INS.	6,964	-	6,964	0.083%	176	136
11313	SAFETY OFFICE	6,455	-	6,455	0.077%	163	261
11318	HUMAN RESOURCES/TAP	15,260	-	15,260	0.181%	386	409
11320	HUMAN RESOURCES EXCLUSIVE CARE	43,142	-	43,142	0.512%	1,091	1,233
11322	HUMAN RESOURCES/EAP	5,375	-	5,375	0.064%	136	209
11329	HR OCCUPATIONAL HEALTH & WELLNESS	11,997	-	11,997	0.142%	303	352
12001	ASSESSOR 1	50,051	12,189	62,240	0.594%	1,265	1,565
12002	COUNTY CLERK-RECORDER	76,839	8,777	85,616	0.911%	1,943	2,291
12003	CLERK RECORDER	2,231	-	2,231	0.026%	56	91
12004	ASSESSOR 2	285	-	285	0.003%	7	34
13001	AUDITOR-CONTROLLER	34,519	-	34,519	0.409%	873	1,276
14001	TREASURER-TAX COLLECTOR	55,896	24,029	79,925	0.663%	1,413	1,466
15001	COUNTY COUNSEL	34,089	-	34,089	0.404%	862	1,053
17001	REGISTRAR OF VOTERS	12,403	25,124	37,527	0.147%	314	383
19001	EDA 1	33,119	-	33,119	0.393%	837	1,540
19002	HUD-CDBG HOME GRANTS	2,227	-	2,227	0.026%	56	235
19003	EDA WORKFORCE DEVELOPMENT CNTR	44,330	-	44,330	0.526%	1,121	1,264
19009	SUCCESSOR AGENCY TO THE RDA	180,716	108,150	288,866	2.144%	4,569	-
19010		3,074	-	3,074	0.036%	78	-
19107		1,134	-	1,134	0.013%	29	-
19201	NATIONAL DATE FESTIVAL	2,135	-	2,135	0.025%	54	42
19301		65	-	65	0.001%	2	-
22001	DISTRICT ATTORNEY	253,814	-	253,814	3.011%	6,417	7,775
23001	CHILD SUPPORT SERVICES	158,369	-	158,369	1.879%	4,004	4,770
24001	PUBLIC DEFENDER	110,463	-	110,463	1.310%	2,793	3,352
24013	PUBLIC DEFENDER (CAPITAL DEFENDERS)	691	-	691	0.008%	17	40
25001	SHERIFF'S DEPT 3	24,001	3,264	27,265	0.285%	607	773
25002	SHERIFF INFORMATION SERVICES	127,789	29,256	157,045	1.516%	3,231	4,225
25003	SHERIFF'S DEPT 2	572,340	236,805	809,146	6.789%	14,471	16,627
25004	SHERIFF-CORRECTIONS	593,301	77,031	670,332	7.038%	15,001	19,944
25005	SHERIFF-COURT SERVICES	53,173	47,297	100,470	0.631%	1,344	1,121
25006	SHERIFF'S DEPT 1	2,016	-	2,016	0.024%	51	-
25007	SHERIFF - CTC	49,395	-	49,395	0.586%	1,249	1,424
25009	SHERIFF-ANTI DRUG ABUSE	-	-	-	0.000%	-	11
25010	CORONER	16,356	-	16,356	0.194%	414	400
25011	PUBLIC ADMINISTRATOR	7,881	-	7,881	0.093%	199	321
25051	SHERIFF-CAL ID	13,753	-	13,753	0.163%	348	926
26001	PROBATION	110,167	11,764	121,931	1.307%	2,785	2,493
26002	PROBATION- 1	248,707	246,524	495,231	2.950%	6,288	6,877
26007	PROBATION DEPARTMENT	73,910	47,276	121,187	0.877%	1,869	2,442
27002	FIRE DEPARTMENT 1	403,552	25,374	428,926	4.787%	10,203	13,341
27004	FIRE DEPARTMENT 2	714	-	714	0.008%	18	25
28001	AGRICULTURAL COMMISSIONER	13,641	-	13,641	0.162%	345	461
31002	TLMA 1	7,930	-	7,930	0.094%	200	232
31003	TLMA 2	4,759	-	4,759	0.056%	120	100
31005	TLMA 3	244	-	244	0.003%	6	19
31101	BUILDING AND SAFTEY	3,383	-	3,383	0.040%	86	130
31201	PLANNING	5,222	-	5,222	0.062%	132	118

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31301	TRANSPORTATION DEPT 4	56,485	-	56,485	0.670%	1,428	1,936
31302	TRANSPORTATION DEPT 1	3,640	-	3,640	0.043%	92	90
31307	TRANSPORTATION DEPT 3	1,848	-	1,848	0.022%	47	70
31308	ALUC	209	-	209	0.002%	5	23
31401	TLMA CODE ENFORCEMENT	10,572	-	10,572	0.125%	267	399
41001	MENTAL HEALTH-PUBLIC GUARD	15,189	-	15,189	0.180%	384	558
41002	MENTAL HEALTH-TREATMENT PROG.	462,371	1,037,582	1,499,953	5.485%	11,690	12,506
41003	MENTAL HEALTH-DETENTION	35,036	47,668	82,704	0.416%	886	654
41004	MENTAL HEALTH-ADMINISTRATION	209,765	24,908	234,673	2.488%	5,304	5,251
41005	MENTAL HEALTH-SUBSTANCE ABUSE	82,963	-	82,963	0.984%	2,098	2,685
42001	COMMUNITY HEALTH AGENCY 1	314,496	26,103	340,599	3.731%	7,952	9,698
42002	COMMUNITY HEALTH AGENCY 2	100,705	-	100,705	1.195%	2,546	1,845
42003	COMMUNITY HEALTH AGENCY 3	-	-	-	0.000%	-	56
42004	COMMUNITY HEALTH AGENCY 4	54,538	24,186	78,724	0.647%	1,379	2,163
42006	COMMUNITY HEALTH AGENCY 6	97,926	-	97,926	1.162%	2,476	1,928
42007	PUBLIC HEALTH AMBULATORY CARE	62,342	-	62,342	0.739%	1,576	3,520
43001	REGIONAL MEDICAL CENTER	441,707	52,355	494,063	5.239%	11,168	19,043
43002	MEDICAL INDIGENT	8,775	-	8,775	0.104%	222	260
43003	RCRMC DETENTION HEALTH	7,946	-	7,946	0.094%	201	179
45001	WASTE MANAGEMENT	31,681	-	31,681	0.376%	801	710
51001	DPSS	2,178,846	2,673,950	4,852,796	25.845%	55,089	54,823
51006	DPSS HOMELESS	4,029	-	4,029	0.048%	102	424
52001	COMMUNITY ACTION 1	31,562	-	31,562	0.374%	798	1,339
52002	COMMUNITY ACTION 2	11,128	-	11,128	0.132%	281	98
52003	COMMUNITY ACTION 3	5,816	-	5,816	0.069%	147	285
53001	OFFICE ON AGING	49,907	380	50,287	0.592%	1,262	1,521
54001	VETERANS SERVICES	15,634	-	15,634	0.185%	395	164
63001	COOPERATIVE EXT.	9,865	-	9,865	0.117%	249	474
72001	FACILITIES MANAGEMENT 72001	285,433	-	285,433	3.386%	7,217	7,898
72002	FACILITIES MANAGEMENT 72002	5,223	-	5,223	0.062%	132	216
72003	FACILITIES MANAGEMENT 72003	15,172	-	15,172	0.180%	384	494
72004	FACILITIES MANAGEMENT 72004	(167,175)	231,756	64,581	-1.983%	(4,227)	230
72005	FACILITIES MANAGEMENT 72005	8,760	-	8,760	0.104%	221	220
72006	EDA-ENERGY	5,179	-	5,179	0.061%	131	8
72007	FACILITIES MANAGEMENT 72007	1,827	-	1,827	0.022%	46	66
72008	FACILITIES MANAGEMENT 72008	-	224,867	224,867	0.000%	-	-
73001	PURCHASING 1	4,947	-	4,947	0.059%	125	100
73003	PRINTING SERVICES 1	171,267	-	171,267	2.032%	4,330	4,865
73005	FLEET SERVICES	10,685	-	10,685	0.127%	270	459
73006	CENTRAL MAIL SERVICES	1,195	-	1,195	0.014%	30	39
74001	INFORMATION TECHNOLOGY 1	27,001	1,212,267	1,239,267	0.320%	683	635
74003	INFORMATION TECHNOLOGY 3	-	-	-	0.000%	-	36
74006	RCIT COMUNICATION SOLUTIONS	-	-	-	0.000%	-	71
915202	CSA- ADMIN	18,901	-	18,901	0.224%	478	513
931119	REGIONAL PARKS DISTRICT 3	7,666	-	7,666	0.091%	194	184
931150	PARKS	-	-	-	0.000%	-	19
931155		399	-	399	0.005%	10	-
931170	HABITAT AND OPEN SPACE MGMT	3,130	-	3,130	0.037%	79	42
931180	PARK DISTRICT-BOXING CLUB	196	-	196	0.002%	5	9
931182	PARKS	2,319	-	2,319	0.028%	59	3
931183	PARKS	1,119	-	1,119	0.013%	28	2
931184	PARKS	6,063	-	6,063	0.072%	153	397
931186	REGIONAL PARKS	5,797	-	5,797	0.069%	147	182
931187	PARKS (JURUPA AQUATIC CENTER-1)	2,110	-	2,110	0.025%	53	6
931188	JAC-COVE	2,364	-	2,364	0.028%	60	31
931190		972	-	972	0.012%	25	-

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Supply Services
Delivery Charges**

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Total Delivery Costs to Allocate						\$ 213,149	\$ 247,738
931200	REGIONAL PARK DISTRICT 1	8,031	-	8,031	0.095%	203	3
931210	PARKS - PLANNING	370	-	370	0.004%	9	-
931220	REGIONAL PARKS DISTRICT 3	652	-	652	0.008%	16	48
931230	REGIONAL PARKS	228	-	228	0.003%	6	23
931235	REGIONAL PARKS	13,106	-	13,106	0.155%	331	391
931240	REGIONAL PARKS	3,009	-	3,009	0.036%	76	68
931245	PARKS (GRANTS & CONTRACTS)	136	-	136	0.002%	3	5
931250	REGIONAL PARKS	726	-	726	0.009%	18	2
931265		384	-	384	0.005%	10	-
931400	REGIONAL PARKS DISTRICT 4	38,928	-	38,928	0.462%	984	1,018
931401	PARKS	951	-	951	0.011%	24	46
931709	PARKS HIDDEN VALLEY	2,150	-	2,150	0.026%	54	100
931710	REGIONAL PARKS DISTRICT 5	969	-	969	0.011%	24	46
935001	HABITAT CONSERVATION AGENCY	123	-	123	0.001%	3	20
935201	WRC-REGIONAL CONSERVATION	2,756	-	2,756	0.033%	70	127
935320	WDC-RCA	435	-	435	0.005%	11	33
938002	FIRST FIVE - RCCFC-ADMIN	8,282	-	8,282	0.098%	209	193
938004	FIRST FIVE - RCCFC - PROGRAM	25	-	25	0.000%	1	20
946001	SALTON SEA AUTHORITY	4,915	-	4,915	0.058%	124	29
947200	FLOOD CONTROL 3	-	-	-	0.000%	-	6
947260	FLOOD CONTROL 4	-	-	-	0.000%	-	9
985101	PUBLIC AUTHORITY ADMIN	7,667	54,865	62,532	0.091%	194	200
Total		\$ 8,430,377	\$ 6,513,747	\$ 14,944,124	100.00%	\$ 213,149	247,738

Notes:

- 1 Delivery charges for FY 2016 are based on percentages of office and janitorial product sales in FY 2014.